



**SAINT JOHN BOARD
OF POLICE
COMMISSIONERS**

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Saint John, New Brunswick
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*Bureau des Commissaires du
Service de Police de Saint John
C.P. 1971
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Chef de Police

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SAINT JOHN

*Explore our past/
Explorez notre passé
Discover your future/
Découvrez votre avenir*

July 16, 2019

Mayor Don Darling and Members of
Common Council

Your Worship and Councillors:

Re: 2019 Operating Budget – SJPF April Financial Results

The Saint John Board of Police Commissioners, at its meeting on Tuesday, July 16, 2019 accepted and approved the attached (unaudited) Financial Report of the Saint John Police Force's Operating Budget as of April 30, 2019.

On behalf of the Saint John Board of Police Commissioners, I am pleased to provide a copy of this report to Common Council in accordance with Section 7(3) of the *New Brunswick Police Act*.

Respectfully submitted,

Edward Keyes, Chair
Saint John Board of Police Commissioners

EK/dew

Attachment



REPORT TO SAINT JOHN BOARD OF POLICE COMMISSIONERS



COMMITTEE OF WHOLE

July 16, 2019

Mr. Edward Keyes, Chair and
Members of the Board of Police Commission

Chair Keyes and Members

SUBJECT

2019 Operating Budget – SJPF April Financial Results

BACKGROUND

The purpose of this report is to provide the Board with an update on the financial position of the Saint John Police Force's Operating Budget as of April 30, 2019.

FINANCIAL HIGHLIGHTS

For the period ended as at April 30, 2019, the **net** operating expenses for the Saint John Police Force were under budget by \$541,984 or 6.6%.

There are seven key areas that contributed to this budget variance.

1. Revenue surpassed the first trimester projection by \$60,343.
2. Salaries and Wages were under budget by \$319,945.
3. Overtime costs exceeded budget by \$58,826.
4. Extra-Duty overtime expense was \$22,623 and is 100% recoverable.
5. Court Time and Other Personnel costs were over budget by \$63,748.
6. Fringe Benefits were under by \$112,377.
7. Good and Services were under budget by \$171,893.

Subject: 2019 Operating Budget – SJPF April Financial Results

Budget Analysis

REVENUE OFF-SETS

Secondment revenue is up by \$25,438 and the additional \$34,177 generated from extra-duty assignments and other cost recovery opportunities through operational activities is used as a direct offset to the overtime cost or for any necessary (unbudgeted) expenditure during the year.

SALARIES AND WAGES

Salaries were under budget by \$319,945 and these savings will be used to cover the increase in overtime and court time expense.

OVERTIME

Saint John Police Association (SJPA)

The overtime expense was over budget by \$58,826. The Patrol Division accounted for \$17,716 and the Criminal Investigation Division was over by \$24,418.

The overtime expense for Extra-Duty was \$22,623 and this amount is 100% covered from billings to third parties for paid over-time assignments.

OTHER PERSONNEL COSTS

Court Time - Saint John Police Association (SJPA)

The expense for court time exceeded budget by \$62,713 and a major portion is related to banked time being paid out that exceed six months from the date it was earned.

GOODS & SERVICES

The various Goods and Services accounts were under budget by \$171,893 and this is a timing difference between actual expenses and the monthly budget allocation.

Subject: 2019 Operating Budget – SJPF April Financial Results

All significant purchases will be completed by August 2019 and other discretionary spending will be closely monitored by management leading up to the end of the year to ensure any possible savings are recognized to deliver a balanced budget.

RECOMMENDATION

- **It is recommended that the Board accept and approve this (unaudited) Financial Report for the period ended as at April 30, 2019 and forward a copy to Common Council as required under Section 7 (3) of the New Brunswick Police Act.**

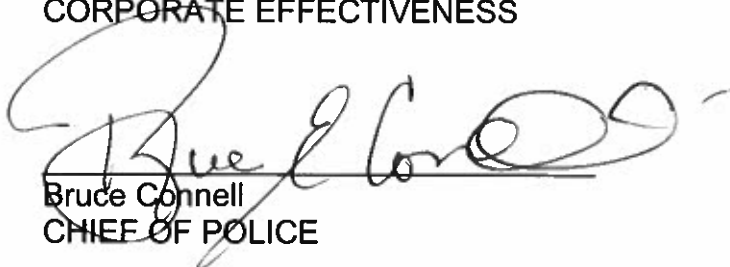
Attached reports and documents:

- Consolidated Statement of Operations – April 30, 2019
- Budget Variance Analysis – April 30, 2019

Respectfully submitted,



Marven E. Corscadden, CPA, CGA
DIRECTOR BUSINESS DEVELOPMENT &
CORPORATE EFFECTIVENESS



Bruce Connell
CHIEF OF POLICE

SAINT JOHN POLICE FORCE
BUDGET VARIANCE ANALYSIS
For the Period Ended April 30, 2019

| Budget | Expenses | Variance | Current Variance | |
|-------------|-------------|-----------|------------------|--------|
| | | | Timing | Actual |
| \$8,334,076 | \$7,852,435 | \$481,641 | \$481,641 | |

| Expense Category | Variance | Explanation of Variance |
|-----------------------|------------|--|
| Salaries & Wages | \$319,945 | <ul style="list-style-type: none"> • Salaries: Non-Union over budget by (\$70k). • Salaries: Local 486 under budget by \$63k. • SJPA Police Officer wages under budget by \$328k. |
| Overtime | (\$58,826) | <ul style="list-style-type: none"> • Overtime: SJPA-Patrol: Over budget by (\$17k). • Overtime-SJPA-Criminal Investigations: Over budget by (\$24k). • Extra-Duty Overtime - Over by (\$23k) and this expense is 100% recovered with earned revenue as all hours paid are invoiced to 3rd parties for Extra-Duty assignments. |
| Other Personnel Costs | (\$63,748) | <ul style="list-style-type: none"> • Court Time: Over budget by (\$63k). |
| Fringe Benefits | \$112,377 | <ul style="list-style-type: none"> • Benefits: The rate for police officers is at 28.6% and 24.8% for civilian employees. This rate now includes the employer portion the Long-Term Disability (LTD) program and the Shared Risk Pension plan. It also includes EI, CPP, WCB and employee group benefit costs. |
| General Services | \$41,274 | <ul style="list-style-type: none"> • Telephone: Under budget by \$16k. • Employer Training: Under by \$32k. |

Saint John Police Force – April 30, 2019

Budget Variance Analysis

| Expense Category | Variance | Explanation of Variance |
|---------------------------------|-------------------|--|
| Insurance | (\$17,623) | <ul style="list-style-type: none"> • Deductible Account: Over budget by (\$19k) and this represents charges back to Police via the City's insurance department for 3rd party claims (damages) and/or monies due to the SJPF for police vehicles involved and damaged in accidents. |
| Professional Services | \$21,751 | <ul style="list-style-type: none"> • Legal: Under budget by \$14k. • Detention Security: Under budget by \$12k and this is due to the timing of the vendor invoices and monthly budget allocation. |
| Other Purchased Services | (\$15,646) | <ul style="list-style-type: none"> • Other Purchased Services: Over budget by (\$16k). |
| Repair & Maintenance | \$31,341 | <ul style="list-style-type: none"> • Computer Maintenance: \$31k - This is the timing between the monthly budget allocation and the payment of invoices for computer maintenance and software licensing contracts with various vendors. |
| Rentals | \$8,027 | <ul style="list-style-type: none"> • No significant variance at the end of April 2019. |
| Purchased Goods | (\$6,966) | <ul style="list-style-type: none"> • No significant variance at the end of April 2019. |
| Government Services | (\$2,444) | <ul style="list-style-type: none"> • No significant variance at the end of April 2019. |

Saint John Police Force – April 30, 2019
Budget Variance Analysis

| | | |
|--------------------------|------------------|--|
| Internal Services | (\$3,485) | <ul style="list-style-type: none">• No significant variance at the end of April 2019. |
| Asset Purchases | \$115,664 | <ul style="list-style-type: none">• Vehicles \$116k – This amount is due to timing difference between the budget allocation and when new police vehicles are purchased and delivered. All expenditures will be completed by the end of the calendar year. |

Saint John Police Force

Consolidated Statement of Operations

For the Period Ended April 30, 2019

| | 2019 | | | 2018 | | |
|--|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|
| | Budget | Actual | Variance | Budget | Actual | Variance |
| Salaries & Wages | 5,223,254 | 4,903,309 | 319,945 | 5,071,882 | 4,983,756 | 88,126 |
| Overtime | 201,299 | 260,125 | (58,826) | 202,324 | 294,901 | (92,577) |
| Other Personnel Costs | 61,229 | 124,977 | (63,748) | 62,110 | 74,609 | (12,499) |
| Fringe Benefits | 1,589,314 | 1,476,937 | 112,377 | 1,507,472 | 1,444,857 | 62,615 |
| Total Wages & Fringe Benefits | 7,075,096 | 6,765,348 | 309,748 | 6,843,788 | 6,798,123 | 45,665 |
| General Services | 156,732 | 115,458 | 41,274 | 145,984 | 110,560 | 35,424 |
| Insurance | 43,332 | 60,955 | (17,623) | 43,500 | 48,180 | (4,680) |
| Professional Services | 101,656 | 79,905 | 21,751 | 102,988 | 185,023 | (82,035) |
| Other Purchased Services | 30,392 | 46,038 | (15,646) | 30,392 | 33,365 | (2,973) |
| Repairs & Maintenance | 70,000 | 38,659 | 31,341 | 38,332 | 64,717 | (26,385) |
| Rentals | 359,384 | 351,357 | 8,027 | 359,384 | 158,365 | 201,019 |
| Purchased Goods | 107,700 | 114,666 | (6,966) | 110,700 | 5,084 | 105,616 |
| Government Services | 5,100 | 7,544 | (2,444) | 1,700 | 5,084 | (3,384) |
| Internal Corporate Charges | 269,020 | 272,505 | (3,485) | 255,324 | 161,195 | 94,129 |
| Asset Purchases | 115,664 | - | 115,664 | 664 | - | 664 |
| Total Goods & Services | 1,258,980 | 1,087,087 | 171,893 | 1,088,968 | 771,573 | 317,395 |
| Surplus/(Deficit) | \$ 8,334,076 | \$ 7,852,435 | \$ 481,641 | \$ 7,932,756 | \$ 7,569,696 | \$ 363,060 |

5.78%

4.58%