



REGULAR

REPORT DATE: May 24, 2024

BOARD MEETING DATE: May 29, 2024

BOARD REPORT # 2024-R010

TO: Surrey Police Board Administrator

FROM: Chief Constable

FILE: 60550-20-03

SUBJECT: Financial Update – Year-To-Date Expenditures (April 30, 2024)

**RECOMMENDATION**

The Chief Constable recommends that the Surrey Police Board (the “Board”) receive this report for information.

**PURPOSE**

This report summarizes 2024 year-to-date expenditures incurred up to April 30, 2024.

**BACKGROUND**

The 2024 Provisional budget the Board approved and submitted to the City of Surrey Council for funding approval is summarized below and will be used as the reference amount for the budget vs. actual comparisons throughout this report.

**2024 Surrey Police Service Budget Summary**

	Provisional Budget
<b>SPS Operations</b>	
Salaries and Benefits	\$ 102,761,570
Other Operating Expenditures	16,758,285
<b>Total SPS Operations</b>	<b>119,519,855</b>
<b>Equipment/Capital Expenditures</b>	<b>6,636,383</b>
<b>Policing Transition Project Fund*</b>	<b>15,354,815</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 141,511,053</b>

*\* In 2020, the City of Surrey ("CoS") committed \$63.68M as a one-time capital project fund for the policing transition. This fund was established to support SPS's initial startup costs and to build the IT infrastructure required by SPS to become the Police of Jurisdiction.*

On May 6, 2024, Surrey Council approved a budget of \$221.58M for policing operations to be split between the RCMP and SPS. However, the specific amount/allocation for SPS has yet to be determined.

In addition to a 2024 budget allocation from Surrey Council, the Province of BC has provided direct financial support to SPS to move the police transition forward. This includes supporting costs for recruits and experienced officers hired for whom we have been unable to onboard into the City's payroll system. As of the date of this report, Provincial grants to SPS totalled \$4.17M.

The financial summaries below present consolidated SPS expenditures, using data from both the City's and SPS's financial management systems.

## DISCUSSION

### SPS Operations

As of April 30, 2024, year-to-date expenditures totalled \$28.14M (19.9% of the total provisional budget), presented below:

#### **2024 Year-to-Date Expenditures Summary (Budget vs. Actual)**

*As of April 30, 2024*

	Provisional Budget	YTD Actual	% Spent	Remaining Amounts
<i>SPS Operations</i>				
Salaries and Benefits	\$ 102,761,570	\$ 24,018,355	23.4%	\$ 78,743,215
Other Expenditures	16,758,285	1,695,845	10.1%	15,062,441
<b>Total SPS Operations</b>	119,519,855	<b>25,714,200</b>	21.5%	93,805,655
<b>Capital Expenditures</b>	6,636,383	<b>233,520</b>	3.5%	6,402,863
<b>One-Time Policing Transition Fund</b>	15,354,815	<b>2,196,093</b>	14.3%	13,158,722
<b>TOTAL SPS EXPENDITURES</b>	\$ 141,511,053	\$ <b>28,143,813</b>	19.9%	\$ 113,367,240

Year-to-date, SPS has spent \$24.02M on employee salaries and benefits and board remuneration, \$234K on capital expenditures, and \$1.70M on other operating expenditures. (Appendix I provides a breakdown of capital expenditures by category; Appendix II provides a breakdown of other operating expenditures in further detail by Bureau.)

At the end of April, we had 399 active employees: 350 sworn members, 39 regular/permanent civilians, and 10 temporary civilians. The temporary civilians were auxiliary/on-call staff for backfill and various other roles as part of the policing transition; the salaries and benefits of 7 civilians are allocated to the One-time Policing Transition Project Fund.

SPS Operations include salaries and benefits of \$24.02M for 392 employees (350 sworn members and 42 civilians) engaged in policing and day-to-day business operations.

### One-Time Policing Transition Project Fund

In 2020, the City of Surrey committed \$63.68M to a one-time capital project fund for the policing transition. This fund was established to support SPS's initial startup costs and to build the IT infrastructure required by SPS to become the Police of Jurisdiction. As of the end of 2023, \$43.38M of the \$63.68M committed had been used. Our 2024 Provisional Budget identifies \$15.35M of expenditures related to the transition project fund this year.

As of April 30, 2024, year-to-date expenditures from the transition project fund totalled \$2.20M.

**One-Time Policing Transition Fund Summary**

*As of April 30, 2024*

	PROJECTED FUND USE	YTD ACTUAL EXPENSES	REMAINING AMOUNTS
	2024	2024	2024
<b>Project Summary</b>			
One-Time Policing Transition	\$ 15,354,815	\$ <b>2,196,093</b>	\$ 13,158,722

Appendix III presents the details of the policing transition project costs.

**CONCLUSION**

This report is presented for information.



Norm Lipinski, OOM, LLB, MBA  
Chief Constable

- Appendix I 2024 Capital Expenditure Summary – As of April 30, 2024
- Appendix II 2024 Year-to-Date Operating Line Items (Budget vs. Actual) – As of April 30, 2024
- Appendix III One-time Policing Transition Project Fund Expenditures – as of April 30, 2024

## APPENDIX I

**SURREY POLICE SERVICE**  
**2024 Capital Expenditure Summary**  
*As of April 30 2024*

	Provisional Budget	YTD Actual	% Spent
<b>Capital/Equipment Category</b>			
Use of Force Equipment - Firearms	\$ 389,443	\$ 74,881	19.2%
Use of Force Equipment - Less Lethal	217,200	-	-
Use of Force Equipment - Ammunition Inventory	1,102,000	-	-
Personal Issue Equipment - Uniforms	987,620	75,579	7.7%
Personal Issue Equipment - Equipment	889,670	47,253	5.3%
Specialty Equipment - Operational	250,200	13,375	5.4%
Specialty Equipment - Training	219,250	14,610	6.7%
Facilities - Training Centre	106,000	7,821	7.4%
Fleet	2,475,000	-	-
<b>TOTAL CAPITAL Expenditures</b>	<b>\$ 6,636,383</b>	<b>\$ 233,520</b>	<b>3.5%</b>

**APPENDIX II**

**SURREY POLICE SERVICE**  
**2024 Year-to-Date Operating Line Items (Budget vs. Actual)**  
**As of April 30, 2024**

	Police Board	Office of the Chief Constable	Community Policing	Investigative Services	Support Services	2024 YTD Total	2024 Provisional Budget	% Spent
<b>SALARIES AND BENEFITS</b>	\$ 173,735	\$ 1,066,432	\$ 15,461,468	\$ 1,773,679	\$ 5,543,041	\$ 24,018,355	\$ 102,761,570	23.4%
Recruitment	-	-	-	-	500,275	500,275	1,201,719	41.6%
Consultants and Contractors	109,673	34,278	9,455	-	262,832	416,237	2,021,529	20.6%
Communications and Public Engagement	-	46,215	-	-	22,297	68,512	535,500	12.8%
Telecommunications	163	8,335	38,996	2,808	112,794	163,095	1,088,225	15.0%
IT Maintenance	-	426	-	-	80,102	80,528	5,384,617	1.5%
Other Services and Expenditures	20	1,870	268	93	3,059	5,310	80,194	6.6%
Insurance	-	-	-	-	72,052	72,052	206,500	34.9%
Training and Travel	2,060	8,936	5,705	6,302	135,204	158,208	1,269,830	12.5%
Meetings and Events	107	2,999	409	163	2,327	6,004	135,305	4.4%
Professional Dues and Memberships Fees	2,133	8,880	4,652	2,988	5,692	24,344	58,406	41.7%
Leases and Rentals	-	-	-	-	25,559	25,559	558,670	4.6%
Repairs and Maintenance	-	442	9,091	1,621	23,666	34,820	1,806,900	1.9%
Supplies and Materials	1,195	10,347	22,287	2,468	81,253	117,550	2,357,702	5.0%
Publications and Reference Materials	-	1,527	-	190	21,632	23,350	53,188	43.9%
<b>OPERATING COSTS</b>	\$ 115,349	\$ 124,255	\$ 90,863	\$ 16,633	\$ 1,348,745	\$ 1,695,845	\$ 16,758,285	10.1%
<b>TOTAL OPERATING EXPENDITURES</b>	\$ 289,085	\$ 1,190,686	\$ 15,552,331	\$ 1,790,311	\$ 6,891,786	\$ 25,714,200	\$ 119,519,855	21.5%

**One-Time Policing Transition Project Fund**

*As of April 30, 2024*

	2020 - 2023 Expenditures	Apr YTD Expenditures
Recruitment, Assessment, and Training	\$ 8,649,594	\$ 802,419
Human Resources	2,194,521	206,633
Communications and Marketing	1,122,113	39,632
Financial Services	730,819	29,450
Legal	1,364,780	27,092
Strategy and Policy	782,059	-
Information Technology Systems and Capital	21,326,146	726,287
Armory, Outfit and Other Equipment Capital	4,786,189	149,337
Fleet Conversion, Capital, and Other Infrastructure	1,904,758	215,243
Facilities Improvement and Outfitting	517,815	-
<b>Total Expenditures:</b>	<b>\$ 43,378,794</b>	<b>\$ 2,196,093</b>

- Recruitment, Assessment, and Training expenses include costs incurred to support the recruiting surge for SPS, security clearances, testing and assessment of candidates, and training of new hires.
- Human Resources expenses include personnel in various temporary roles (auxiliary staff) and HR consultant(s) to support establishing SPS.
- Communications and Marketing expenditures include consultants managing public relations and brand development expenses to support the establishment of SPS.
- Financial Services expenses include outsourced financial service consultants and personnel to support setting up SPS’s finance and payroll systems and databases.
- Legal expenditures are specialized legal services for matters related to collective bargaining, human resources, trademarks, and other establishment legal costs.
- Strategy and Policy expenditures were for initiatives during the earlier stages of the transition and special projects to determine POJ requirements.
- Information Technology Systems and Capital costs include IT operating systems setup, external consultants for project management, building our technology infrastructure (data centre, dispatch systems, administrative systems), and the procurement of related assets.
- Armoury, Outfit, and Other Equipment Capital costs are related to firearms, uniforms, personal issue kits, and other specialty equipment for policing.
- Fleet Conversion, Capital, and Other Infrastructure expenditures include expenses to convert the incoming fleet of RCMP vehicles, initial SPS vehicles ordered in 2021, and temporary personnel costs allocated by the City to support building SPS’s infrastructure.

- Facilities Improvement and Outfitting expenditures include retrofit and furniture costs for SPS to occupy facilities owned or leased by the City of Surrey.