



BUDGET RESULTS AND PROJECTION REPORT as at JUNE 30, 2025

OVERALL COMMENTS:

Based on information available on June 30th, we are projecting a \$1.45 million dollar deficit which has been reduced from the Q1 projection of \$1.9 million (further reduced from the January projection of \$2.3 million). Explanations are provided below.

As of June 30, 2025, the Service had 50% of the budget remaining on a straight-line basis. The report shows that we only have 46.33% of our budget left. This is based on what has already been spent and processed to date and does not necessarily present an accurate picture.

A straight-line projection has been prepared but is not an accurate reflection of what is expected to happen as indicated above. This is because some expenditures are not recurring such as the renovations to Division 2 and the purchase of items made later in the year such as uniforms and ammunition. The "Projection with Adjustments" presents a more accurate estimation of our year end position.

Please note that a projection is based on best estimates and information available at the time of preparation. It can fluctuate over the fiscal period especially with major occurrences.

REVENUES:

Fees and user charges are expected to come in above what was budgeted as we have been doing more record checks, and we implemented a price increase in January after the budget was already approved.

As indicated in our Q1 projection the Court Security grant was \$108,600 less than budgeted however we received some unbudgeted revenues as follows:

Protecting Children from Sexual Abuse and Exploitation grant = \$85,000

POC Tech Grant = \$78,725

RIC Secondment = \$153,950

This leaves us with an additional net increase of \$208,975 in revenues.

We are still awaiting acceptance of our application for two major grants through the provincial CSP (Community Safety and Policing) program. One is to continue funding for local policing priorities with our MCRRT program with a request of \$861,870. The other



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is to assist in funding our expansion to Division 2 in conjunction with provincial policing priorities with a request of \$500,000. We budgeted for both grants as we were successful in the last round of competition and feel strongly that our programs meet the provincial mandates for policing priorities.

Contribution from own funds is monies transferred from City or our own reserves. Since the renovations for Division 2 are complete at a cost of \$997,000, I have brought in the reserve funding to offset the expenditures for a net zero impact to our budget.

The remaining \$200,000 in Contribution from own Funds is for transfers from City reserves for approved building expenditures for the parking lot and HVAC.

Other income is for anything else – typically small grants, unbudgeted grants, and reimbursements. The increase of \$94,654 as projected is due primarily to vehicle sales as reported at Q1 in the amount of \$85,000.

Overall, at Q2 we project that revenues will be in a surplus approximately \$1.3 million.

SALARIES AND BENEFITS:

The projected deficit for 2025 comes from salaries and benefits with actual FTE's being greater than budgeted as well as other salary related costs such as overtime and court time. This is due to decisions made in 2024 during the budget approval process.

As consistent with 2024, we anticipate that overtime will continue to come in around the \$1million mark putting us over budget by approximately \$800,000. We are continuing to monitor this as the year progresses however most overtime is driven by the nature of the incident that we experience throughout the year.

We have 4 officers who have come off payroll since the Q1 projection saving us approximately \$500,000 in salaries and benefits for the remainder of the year. This is the reason for the improved projection since Q1.

With all things being the same, we anticipate that salaries and benefits will be over budget by just over \$3 million.

EXPENDITURES:

We are continuing to monitor expenditures to offset some of the projected salary and benefits deficit. To date, operating and capital expenditures are on track based on budgeted amounts and the discretionary decisions of senior management.



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Travel and training are the easiest to manage and control. We have cancelled several conferences and courses in an effort to reduce our deficit for the year. However, many of these will need to be included in our 2026 budget so that we don't fall behind in mandatory training to meet adequacy standards. Our attendance at meetings and conferences keeps our Service up to date on industry standards, trends, and issues – in 2026 we will have to make an effort to get caught up again.

Capital expenses have been adjusted to account for Division 2 with the offsetting funding from reserves in revenues for a net zero impact in 2025. Reason being is that these were budgeted in 2024 thus the expenses went through the 2024 budget via reserve accounts so that there would be zero to minimal impact in 2025.

Prepared by: Angela Davey, CPA, CA, PCP, CMCP
Manager, Finance Services



CITY OF SAULT STE MARIE
POLICE SERVICES

For the Six Months Ending Monday, June 30, 2025

FISCAL YEAR REMAINING% :	YTD		Budget	Variance	Percentage
	June	Actual			2025
REVENUE					
Fees and user charges	(\$26,046.02)	(\$499,600.92)	(\$756,700.00)	(\$257,099.08)	33.98%
Government grants	(\$8,522.22)	(\$641,074.15)	(\$2,724,379.00)	(\$2,083,304.85)	76.47%
Contribution from own funds			(\$200,000.00)	(\$200,000.00)	100.00%
Other income	(\$5,342.03)	(\$337,260.26)	(\$100,000.00)	\$237,260.26	(237.26%)
	<u>(\$39,910.27)</u>	<u>(\$1,477,935.33)</u>	<u>(\$3,781,079.00)</u>	<u>(\$2,303,143.67)</u>	<u>60.91%</u>
EXPENDITURES					
Salaries	\$2,124,030.03	\$13,125,134.09	\$26,361,674.00	\$13,236,539.91	50.21%
Benefits	\$929,083.44	\$4,059,592.58	\$7,179,242.00	\$3,119,649.42	43.45%
TOTAL SALARIES/BENEFITS	\$3,053,113.47	\$17,184,726.67	\$33,540,916.00	\$16,356,189.33	48.76%
Travel and training	\$58,971.09	\$288,900.86	\$1,206,800.00	\$917,899.14	76.06%
Vehicle allowance, maintenance and repairs	\$109,580.08	\$567,299.58	\$1,280,550.00	\$713,250.42	55.70%
Utilities and fuel	\$24,874.66	\$255,257.62	\$583,485.00	\$328,227.38	56.25%
Materials and supplies	\$135,412.82	\$812,118.73	\$2,254,565.00	\$1,442,446.27	63.98%
Maintenance and repairs	\$72,212.39	\$1,398,484.44	\$1,780,640.00	\$382,155.56	21.46%
Rents and leases	\$9,997.80	\$64,925.33	\$150,000.00	\$85,074.67	56.72%
Taxes and licenses	\$396,274.41	\$408,869.23	\$413,000.00	\$4,130.77	1.00%
Financial expenses	\$237.43	\$790.52		(\$790.52)	0.00%
Purchased and contracted services	\$37,099.07	\$262,169.13	\$968,800.00	\$706,630.87	72.94%
Transfer to own funds	\$68,750.00	\$137,500.00	\$165,000.00	\$27,500.00	16.67%
Capital expense	\$112,688.21	\$1,378,105.16	\$1,088,220.00	(\$289,885.16)	(26.64%)
Depreciation				\$0.00	0.00%
Gain/Loss on disposal of capital assets				\$0.00	0.00%
TOTAL OTHER EXPENSES	\$1,026,097.96	\$5,574,420.60	\$9,891,060.00	\$4,316,639.40	43.64%
	<u>\$4,079,211.43</u>	<u>\$22,759,147.27</u>	<u>\$43,431,976.00</u>	<u>\$20,672,828.73</u>	<u>47.60%</u>
NET (REVENUE)/EXPENDITURE	\$4,039,301.16	\$21,281,211.94	\$39,650,897.00	\$18,369,685.06	46.33%

Straight Line Projection	Projection with adjustments	Surplus/ Deficit Projected
\$ (756,700)	\$ (835,000)	\$ (78,300)
\$ (2,724,379)	\$ (2,933,354)	\$ (208,975)
\$ (200,000)	\$ (1,197,165)	\$ (997,165)
\$ (100,000)	\$ (194,654)	\$ (94,654)
\$ (3,781,079)	\$ (5,160,173)	\$ (1,379,094)
\$ 26,250,268	\$ 28,174,828	\$ (1,813,154)
\$ 8,119,185	\$ 8,452,448	\$ (1,273,206)
\$ 34,369,453	\$ 36,627,276	\$ (3,086,360)
\$ 577,802	\$ 677,802	\$ 528,998
\$ 1,134,599	\$ 1,280,550	\$ -
\$ 510,515	\$ 583,485	\$ -
\$ 1,624,237	\$ 1,624,237	\$ 630,328
\$ 2,796,969	\$ 1,706,169	\$ 74,471
\$ 129,851	\$ 130,000	\$ 20,000
\$ 817,738	\$ 413,000	\$ -
\$ 1,581	\$ 1,581	\$ (1,581)
\$ 524,338	\$ 968,800	\$ -
\$ 275,000	\$ 165,000	\$ -
\$ 2,756,210	\$ 2,078,220	\$ (990,000)
		\$1,440,270.59
		(\$339.38)
\$ 11,148,841	\$ 9,628,844	\$ 262,216
\$ 45,518,295	\$ 46,256,120	\$ (2,824,144)
\$ 41,737,216	\$ 41,095,947	\$ (1,445,050)

2024		2024		Percentage	
Actual To:	Actual	Budget	Budget-Rem	2024	YTD 2024
June	Year End				
(\$198,213.17)	(\$394,216.68)	(\$396,600.00)		50.02%	
(\$831,610.17)	(\$3,079,504.00)	(\$2,627,973.00)		68.36%	
	(\$150,000.00)	(\$540,000.00)		100.00%	
(\$171,534.18)	(\$383,573.49)	(\$100,000.00)		(71.53%)	
<u>(\$1,201,357.52)</u>	<u>(\$4,007,294.17)</u>	<u>(\$3,664,573.00)</u>		<u>67.22%</u>	
\$12,253,524.16	\$27,381,486.43	\$24,506,665.00		50.00%	
\$3,433,495.79	\$7,686,519.77	\$6,654,940.00		48.41%	
\$15,687,019.95	\$35,068,006.20	\$31,161,605.00		49.66%	
\$263,298.61	\$608,482.60	\$1,039,900.00		74.68%	
\$541,444.35	\$1,369,255.47	\$1,446,070.00		62.56%	
\$270,443.78	\$533,027.89	\$599,505.00		54.89%	
\$690,061.26	\$1,773,675.69	\$2,038,400.00		66.15%	
\$602,040.39	\$1,509,228.57	\$1,465,935.00		58.93%	
\$35,179.07	\$67,031.07	\$125,000.00		71.86%	
\$12,594.82	\$381,159.69	\$443,000.00		97.16%	
\$899.42	\$2,655.74			0.00%	
\$454,371.21	\$883,623.53	\$711,311.00		36.12%	
	\$663,000.00	\$165,000.00		100.00%	
\$579,792.94	\$1,167,726.63	\$1,598,570.00		63.73%	
	\$1,440,270.59			0.00%	
					0.00%
\$3,450,125.85	\$10,398,798.09	\$9,632,691.00		64.18%	
\$19,137,145.80	\$45,466,804.29	\$40,794,296.00		53.09%	
\$17,935,788.28	\$41,459,510.12	\$37,129,723.00		51.69%	

Tariff relief currently in place until October 16th. If not renewed then some goods will have 25% tariff potentially this year if part of new inventory.