




HAMILTON POLICE SERVICE

INFORMATION REPORT

TO:	Chair and Members Hamilton Police Service Board
BOARD MEETING DATE:	May 29, 2025
SUBJECT:	2024 Year-End Financial Report - Preliminary
REPORT NUMBER:	25-028
PRESENTATION:	No
OUTSTANDING BUSINESS ITEM:	No
SUBMITTED BY:	Frank Bergen, Chief of Police
SIGNATURE:	

EXECUTIVE SUMMARY

- The Hamilton Police Service (HPS) has completed a preliminary 2024 year-end process and are estimating a year-end deficit of (\$2,000,509), or (1.0%), in comparison to the approved net budget for 2024. Appendix A provides a detailed breakdown of the forecasted variance to budget and Appendix B provides spending against approved capital projects as of December 31, 2024.
- The main contributors to the projected deficit include:
 - Higher impacts of collective bargaining relative to the assumptions used in development of the 2024 budget resulting from collective agreements ratified by those amongst the HPS comparator group during 2024
 - An increased number of members off on long-term leave, secondments to provincial and federal programs, and increased deployment to special events and projects. This has resulted in both an increase in direct WSIB payments for those off on long-term leave, as well as increases in overtime required to cover staff vacancies while on leave or seconded.
- Senior Command took several measures to limit the financial impact of these pressures including the introduction of backfills for members off on WSIB for an extended period and a freeze on discretionary spending for the final quarter of 2024. By taking the appropriate measures, the anticipated deficit is manageable within existing reserve balances and will not significantly impact the multi-year budget strategy. Appendix C provides a forecast of HPS reserve balances inclusive of the anticipated deficit in 2024 and the multi-year budget strategy.

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- At this time, many financial processes at the City of Hamilton (the City) are still outstanding. Preliminary estimates have been provided, which forecast HPS' financial position to year-end, in an effort of transparency and accountability to the Hamilton Police Service Board (the Board).
 - The cyber security incident at the City rendered the City's Business Management Application Suite unrecoverable, preventing restoration of the application and data. In the interim, the City, including HPS staff, have relied on temporary manual and alternative processes to ensure financial services have been able to continue.
 - HPS' final financial position for 2024 will be determined through the City's year-end process later this year. HPS will report back to the Board once that process has been concluded and the City's external auditors have conducted their year-end audit activities.
 - HPS will provide recommendations on funding the deficit once HPS' financial position is confirmed through the final year-end financial report.

APPENDICES ATTACHED

Appendix A – 2024 Year-End Budget Variance Report

Appendix B – Capital Project Status Summary as of December 31, 2024

Appendix C – Summary of Reserve Forecasts as of December 31, 2024

FB/D.Robertson

- c. Frank Bergen, Chief of Police
Ryan Diodati, Deputy Chief – Operations
Paul Hamilton, Deputy Chief – Support
Duncan Robertson, Acting Director – Finance

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