



EDMONTON POLICE SERVICE



REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2010-April-15

SUBJECT: Monthly Report for the Period Ending February 28, 2010

RECOMMENDATION:

That the monthly report for the period ending February 28, 2010 be received for information

INTRODUCTION:

This report provides current and projected year end financial performance information for the Edmonton Police Service (EPS) for the period ending February 28, 2010.

COMMENTS / DISCUSSION:

Results

The results for the period ending February 28, 2010 indicate a net surplus position of \$1.1 million or 2.6% mainly due to the timing of non-personnel costs (\$1.6 million) offset by a deficit in personnel costs (\$0.5 million).

The variance in personnel costs is primarily due to the inclusion of an accrual for the additional costs in 2010 associated with the proposed collective agreement settlements with the Edmonton Police Association (EPA) and Senior Officer's Association (SOA). This accrual is based on increases in excess of the 4.5% incorporated in the budget. A budget adjustment request will be submitted to the City for these additional costs which is anticipated to be funded by the City's 2009 surplus funds.

The attrition position for the first 2 months of the year is:

Attrition	February	February YTD	Full Year
Original Projection	4	8	48
Actual & Updated Projection	1	5	48

† As of March 31st, three sworn members have tendered their resignation, two announced their retirement and one died for an attrition total of six. Of these, five were no longer on the payroll as of February 28, 2010.

Overtime costs are currently below budget.

The main cause of the under budget position in non-personnel costs is in Equipment and Supplies (\$0.7m) and Contracts & Services (\$0.7 million). These are primarily timing issues relating to the purchase and delivery of ammunition and information technology equipment, and the utilization of project funds within SCSB and community initiative funds within CPB. The expectation is that these budgets will be fully utilized during the year.

Current & Upcoming Issues

2010 Budget – Special Forces Pension Plan contributions

Since the budget was approved, the proposed increase in contributions to the Special Forces Pension Plan (SFPP) has been deferred from January 1st, 2010 to July 1st, 2010. This will reduce the budget required in 2010 by \$2.265 million. The deferral of the increase has no impact on the 2011 budget requirement. An amendment reducing the EPS budget for 2010 by \$2.265 million will be made by the City in late April or early May.

2010 Budget – Funding sources

As part of Council approval of the 2010 EPS budget, the following amendment was passed to fund the consequences of the pending collective agreements and SFPP contribution increase.

That \$10,800,000 be added to the Edmonton Police Commission on an on-going basis with funding as follows: \$6.1 million in franchise fees and \$4.7 million from funds to be identified by the City manager in cooperation with the Edmonton Police Commission.

The budget decrease for the SFPP contributions reduces this outstanding sum but still leaves funds to be identified of \$2.435 million. At present it is unclear whether this funding shortfall will have further impacts on the service.

CONCLUSION:

Based on results to the end of February, the year end forecast indicates that, without a budget increase to accommodate the consequences of the pending collective agreement with EPA and SOA, EPS will be over budget.


ADDITIONAL INFORMATION ATTACHED:

Attachment I Budget Variance by Major Category of Revenue & Expenditures

Attachment II First Quarter Forecast

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Reviewed by: Lori SAJJAD, Executive Director, Finance & Supply Services Division 

Approved by: David KOROL, Deputy Chief, Corporate Services Bureau 
07 APRIL 2010

Chief of Police:  _____

Date: April 08, 2010

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending February 28, 2010

(\$000's)

	Current Period				2009 Year to Date				2010 Year to Date				Year End Forecast			
	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Projected	Var	%
Revenue																
Traffic Safety Act (Note 1)	\$ 808	\$ 832	\$ 24	3.0%	\$ 1,572	\$ 1,599	\$ 27	1.7%	\$ 1,640	\$ 1,648	\$ 8	0.5%	\$ 11,658	\$ 11,658	\$ -	0.0%
Transfer to COE General Revenues	-	(8)	(8)		-	(27)	(27)		-	(8)	(8)		-	-	-	
Provincial Grants (Note 2)	-	-	-		-	-	-		-	-	-		22,144	22,144	-	0.0%
Other (Note 3)	1,681	1,728	47	2.8%	1,929	2,315	386	20.0%	3,391	3,342	(49)	-1.4%	22,218	22,293	75	0.3%
Total Revenue	2,489	2,552	63	2.5%	3,501	3,887	386	11.0%	5,031	4,982	(49)	-1.0%	56,020	56,095	75	0.1%
Expenditures																
Personnel																
Salary and benefits (Note 4)	17,340	19,146	(1,806)	-10.4%	33,486	32,527	959	2.9%	36,651	37,373	(722)	-2.0%	222,608	226,215	(3,607)	-1.6%
Overtime (Note 5)	581	480	101	17.4%	1,059	1,029	30	2.8%	1,185	978	207	17.5%	8,608	8,608	-	0.0%
	17,921	19,626	(1,705)	-9.5%	34,545	33,556	989	2.9%	37,836	38,351	(515)	-1.4%	231,216	234,823	(3,607)	-1.6%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	913	69	844	92.4%	1,802	1,779	23	1.3%	1,841	1,142	699	38.0%	11,435	11,435	-	0.0%
Contracts and services (Note 7)	1,511	2,196	(685)	-45.3%	2,507	1,982	525	20.9%	3,081	2,414	667	21.6%	20,237	20,425	(188)	-0.9%
Vehicles (Note 8)	495	407	88	17.8%	670	904	(234)	-34.9%	990	970	20	2.0%	5,935	5,935	-	0.0%
Facilities (Note 9)	1,092	1,151	(59)	-5.4%	1,952	1,896	56	2.9%	2,187	2,019	168	7.7%	14,086	13,950	136	1.0%
Legal fees/settlements(Note 10)	176	311	(135)	-76.7%	346	339	7	2.0%	352	323	29	8.2%	2,110	2,110	-	0.0%
Other (Note 11)	(157)	(214)	57	-36.3%	248	238	10	4.0%	(274)	(340)	66	-24.1%	(379)	(430)	51	-13.5%
	4,030	3,920	110	2.7%	7,525	7,138	387	5.1%	8,177	6,528	1,649	20.2%	53,424	53,425	(1)	0.0%
Total Expenditures (Note 12)	21,951	23,546	(1,595)	-7.3%	42,070	40,694	1,376	3.3%	46,013	44,879	1,134	2.5%	284,640	288,248	(3,608)	-1.3%
Position before Adjustments	19,462	20,994	(1,532)	-7.9%	38,569	36,807	1,762	4.6%	40,982	39,897	1,085	2.6%	228,620	232,153	(3,533)	-1.5%
Pending Special Forces Pension Plan Budget Adj.													2,265	2,265	-	0.0%
Tangible Capital Assets Budget adjustment													5,480	5,480	-	0.0%
Net Position	\$ 19,462	\$ 20,994	\$ (1,532)	-7.9%	\$ 38,569	\$ 36,807	\$ 1,762	4.6%	\$ 40,982	\$ 39,897	\$ 1,085	2.6%	\$ 236,365	\$ 239,898	\$ (3,533)	-1.5%

Edmonton Police Service

Explanation of Variances by Major Category of Expenditures and Revenues - Notes

For the Period Ended February 28th 2010

1. Traffic Safety Act (TSA) Revenue

Year to Date – On budget.

Forecast – Revenue is expected to remain on budget.

2. Provincial Grants

Year to Date – No revenue anticipated nor received to date.

Forecast – Grant receipts are expected to be consistent with budget.

3. Other Revenue

Year to Date – Slightly under budget.

Forecast – Slightly over budget due to higher sales of unclaimed items.

4. Salary and Benefits

Year to date – Over budget due to anticipated settlement for EPA and SOA contracts in excess of 4.5% funding.

Forecast – Same as for year-to-date.

5. Overtime

Year To date – Under budget. Operating areas that typically respond to critical events have had no events that have been particularly costly.

Forecast – On budget.

6. Furniture, equipment, IT, materials and supplies

Year to date – Under budget due to the timing of purchases, notably ammunition and IT equipment.

Forecast – On budget.

7. Contracts & services

Year to date – Under budget related to timing issues, notably special investigation and community initiative funds.

Forecast – Expected to be over budget due to contract payments offset by Personnel and Other Costs budgets.

8. Vehicle Costs

Year To date – Slightly under budget.

Forecast On budget.

9. Facilities

Year to Date – Slightly under budget related to timing of maintenance and renovation work.

Forecast – Under budget as utility consumption charges are expected to be less than available budget.

10. Legal Fees/Settlements

Year to Date – On budget.

Forecast – On budget.

11. Other Costs

Year to Date – Slightly under budget.

Forecast – Slightly under budget covering costs incurred under the Contracts & Services heading.

12. Accruals

The total Operating non-personnel accruals for February amounts to \$2.5 million (rounded).

Edmonton Police Service

First Quarter Forecast

For the Period Ending March 31, 2010
(\$000's)

	Year End Forecast			
	Budget	Projection	Variance	Variance %
Revenue				
Traffic Safety Act	\$ 11,658	\$ 11,658	\$ -	0.0%
Transfer to COE General Revenues	-	-	-	
Provincial Grants	22,144	22,144	-	0.0%
Other	22,218	22,293	75	0.3%
Total Revenue	56,020	56,095	75	0.1%
Expenditures				
Personnel				
Salary and benefits	222,608	226,215	(3,607)	-1.6%
Overtime	8,608	8,608	-	0.0%
	231,216	234,823	(3,607)	-1.6%
Non-Personnel				
Furniture, equipment, IT, materials and supplies	11,435	11,435	-	0.0%
Contracts and services	20,237	20,425	(188)	-0.9%
Vehicles	5,935	5,935	-	0.0%
Facilities	14,086	13,950	136	1.0%
Legal fees/settlements	2,110	2,110	-	0.0%
Other	(379)	(430)	51	-13.5%
	53,424	53,425	(1)	0.0%
Total Expenditures	284,640	288,248	(3,608)	-1.3%
Position before Adjustments	228,620	232,153	(3,533)	-1.5%
Pending Special Forces Pension Plan Budget Adj.	2,265	2,265	-	0.0%
Tangible Capital Assets Budget adjustment	5,480	5,480	-	0.0%
Net Position	\$ 236,365	\$ 239,898	\$ (3,533)	-1.5%