



## EDMONTON POLICE SERVICE

### REPORT TO THE EDMONTON POLICE COMMISSION

**DATE:** 2012-August-31

**SUBJECT:** Monthly Report for the Period Ending July 31, 2012

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#### RECOMMENDATION:

That the monthly report for the period ending July 31, 2012 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 July 31, 2012.

#### COMMENTS / DISCUSSION:

##### **Operating Results**

The results for the period ending July 31, 2012 indicate a net surplus position of \$1.5 million or 1.2% mainly due to an under spend in non-personnel costs (\$2.7 million) offset by an over spend in Personnel costs (\$0.8 million) and a revenue shortfall (\$0.4 million).

The main cause of the under budget position in non-personnel costs is due to the timing of equipment purchases, specialized training, investigative projects and other contract work. It is expected that these variances will decrease during the year.

The variance in personnel costs is primarily due to Statutory holiday pay being higher than expected in July. On August 29<sup>th</sup>, 2012 Council approved a 2012 budget increase of \$8.145 million for the contract settlement increases. This is reflected in this report.

**CONCLUSION:**

Based on the results to the end of July the explanations attached, the year end forecast indicates that EPS will be slightly over budget.

**ADDITIONAL INFORMATION ATTACHED:**

**Attachments**

**Operating:**

I **Budget Variance by Major Category of Revenue & Expenditures**

**Written by:** Robert DAVIDSON, Director, Finance Division *RD*

**Reviewed by:** Peter NORTH, Executive Director, Finance Division *[Signature]*

**Approved by:** David KOROL, Deputy Chief, Corporate Services Bureau *[Signature]*

*31 AUGUST 2012*

**Chief of Police:** \_\_\_\_\_

*[Signature]*

**Date:** SEP 06 2012 \_\_\_\_\_

**Edmonton Police Service**  
**Budget Variance by Major Category of Revenues & Expenditures**  
**For the Period Ending July 31, 2012**  
**(\$000's)**

	Current Period				2011 Year to Date				2012 Year to Date				Year End Forecast			
	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Projected	Var	%
<b>Revenue</b>																
Traffic Safety Act (Note 1)	\$ 1 046	\$ 1 034	\$ (12)	-1.1%	\$ 7 137	\$ 7 785	\$ 648	9.1%	\$ 7 551	\$ 8 343	\$ 792	10.5%	\$ 13 658	\$ 15 058	\$ 1 400	10.3%
Transfer to COE General Revenues	-	-	-		-	(648)	(648)		-	(792)	(792)		-	(1 400)	(1 400)	
Provincial Grants (Note 2)	18 267	17 794	(473)	-2.6%	23 194	22 983	(211)	-0.9%	23 492	23 019	(473)	-2.0%	23 492	23 019	(473)	-2.0%
Other (Note 3)	2 087	2 160	73	3.5%	15 982	14 972	(1 010)	-6.3%	15 010	15 091	81	0.5%	23 603	23 508	(97)	-0.4%
<b>Total Revenue</b>	<b>21 400</b>	<b>20 988</b>	<b>(412)</b>	<b>-1.9%</b>	<b>46 313</b>	<b>45 092</b>	<b>(1 221)</b>	<b>-2.6%</b>	<b>46 053</b>	<b>45 661</b>	<b>(392)</b>	<b>-0.9%</b>	<b>60 753</b>	<b>60 183</b>	<b>(570)</b>	<b>-0.9%</b>
<b>Expenditures</b>																
<b>Personnel</b>																
Salary and benefits (Note 4)	19 822	20 774	(952)	-4.8%	135 543	133 921	1 622	1.2%	139 987	140 455	(468)	-0.3%	254 136	255 100	(964)	-0.4%
EPS Overtime (Note 5a)	977	1 154	(177)	-18.1%	4 783	4 728	55	1.1%	4 957	5 288	(331)	-6.7%	9 275	9 526	(251)	-2.7%
External Overtime (Note 5b)	36	55	(19)	-52.8%	174	240	(66)	-37.9%	252	228	24	9.5%	432	396	36	8.3%
	20 835	21 983	(1 148)	-5.5%	140 500	138 889	1 611	1.1%	145 196	145 971	(775)	-0.5%	263 843	265 022	(1 179)	-0.4%
<b>Non-Personnel</b>																
Furniture, equipment, IT, materials and supplies (Note 6)	1 237	1 117	120	9.7%	6 901	6 342	559	8.1%	8 214	7 436	778	9.5%	12 349	12 896	(547)	-4.4%
Contracts and services (Note 7)	1 752	1 474	278	15.9%	10 705	9 773	932	8.7%	10 921	9 648	1 273	11.7%	21 090	19 421	1 669	7.9%
Vehicles (Note 8)	625	668	(43)	-6.9%	3 805	4 262	(457)	-12.0%	4 406	4 474	(68)	-1.5%	7 625	7 539	86	1.1%
Facilities (Note 9)	1 181	1 124	57	4.8%	7 903	7 600	303	3.8%	7 955	7 582	373	4.7%	14 026	13 667	359	2.6%
Other (Note 10)	1 569	1 287	282	18.0%	2 251	2 093	158	7.0%	2 334	1 983	351	15.0%	326	242	84	25.8%
	6 364	5 670	694	10.9%	31 565	30 070	1 495	4.7%	33 830	31 123	2 707	8.0%	55 416	53 765	1 651	3.0%
<b>Total Expenditures (Note 11)</b>	<b>27 199</b>	<b>27 653</b>	<b>(454)</b>	<b>-1.7%</b>	<b>172 065</b>	<b>168 959</b>	<b>3 106</b>	<b>1.8%</b>	<b>179 026</b>	<b>177 094</b>	<b>1 932</b>	<b>1.1%</b>	<b>319 259</b>	<b>318 787</b>	<b>472</b>	<b>0.1%</b>
<b>Position before Adjustments</b>	<b>5 799</b>	<b>6 665</b>	<b>(866)</b>	<b>-14.9%</b>	<b>125 752</b>	<b>123 867</b>	<b>1 885</b>	<b>1.5%</b>	<b>132 973</b>	<b>131 433</b>	<b>1 540</b>	<b>1.2%</b>	<b>258 506</b>	<b>258 604</b>	<b>(98)</b>	<b>0.0%</b>
<b>Tangible Capital Assets Budget adjustment</b>													6 083	6 083	-	0.0%
<b>Net Position</b>	<b>\$ 5 799</b>	<b>\$ 6 665</b>	<b>\$ (866)</b>	<b>-14.9%</b>	<b>\$ 125 752</b>	<b>\$ 123 867</b>	<b>\$ 1 885</b>	<b>1.5%</b>	<b>\$ 132 973</b>	<b>\$ 131 433</b>	<b>\$ 1 540</b>	<b>1.2%</b>	<b>\$ 264 589</b>	<b>\$ 264 687</b>	<b>\$ (98)</b>	<b>0.0%</b>

<b>NOTE:</b>	2012 Annual budget reported on previous reports:	256 444
	2012 Budget adjustment approved on Aug-29th:	8 145
		<u>264 589</u>

**Edmonton Police Service**

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

**For the Period Ended July 31<sup>st</sup> 2012**

**1. Traffic Safety Act (TSA) Revenue**

**Year to Date** – Over budget. Historically, revenue levels have been fluctuating from month to month.

**Forecast** – It is uncertain that the current revenue level will continue however if the surplus does continue the revenues will be transferred to the City of Edmonton general revenues.

**2. Provincial Grants**

**Year to Date** – Under budget. The 2012 Municipal Policing Assistance Grant budget was based on new census data being available in 2011. This did not happen so the grant payment will be based on the 2009 census. As a result, the anticipated increase in revenue from the grant will not be achieved.

**Forecast** – Same as above.

**3. Other Revenue**

**Year to Date** – Slightly over budget.

**Forecast** – Under budget due to lower Secondment recoveries (\$1.2M) which is offset by decreased Personnel and Non-Personnel costs. This is also offset by increased bylaw violation fines and a recovery from Alberta Health Services for shared radio services related to 2011.

#### 4. Salary and Benefits

**Year to date – Over budget.** The EPA and SOA collective bargaining agreement indicates that when Canada Day falls on a Sunday both July 1 and 2 are treated as Statutory Holidays. The July Statutory Holiday Pay totaled \$1.5M and an over spend of \$717k. There is also a \$1.2M over spend Statutory holiday. The over spends are partially offset by secondment vacancies (\$526k) and non-sworn member vacancies.

**Forecast – Over budget.** The projected annual statutory holiday pay over spend is \$1.7M, partially offset by secondment and non-sworn member vacancies.

The sworn member attrition position for the first seven months of the year is:

Attrition	July	July YTD	Full Year
Original Projection	5	41	66
Actual & Updated Projection	2	42	66

As of August 28, thirteen sworn members have tendered their resignation, thirty nine have announced their retirement, and one has passed away for an attrition total of fifty three. Of these, forty two were no longer on the payroll as of July 31, 2012.

#### 5a. EPS Overtime

**Year to date – Over budget for EPS only overtime,** largely the result of the continued costs associated with operating the Information Management and Approval Centre (IMAC) and the costs incurred in the Criminal Investigation Division on the HUB mall shootings and robbery.

**Forecast – Over budget.** Largely due to the explanation provided for year to date above and the increased number of investigations by the Serious Crimes Branch. The projected over spend in the Serious Crimes Branch is currently being offset by the project investigation budget in Contracts and Services.

#### 5b. External Overtime

**Year to date – Slightly under budget.**

- ALERT \$ 65k
- Other - ASIRT \$(29)k

**Forecast –** The under budget position is expected to continue. This is offset by reduced revenue.

#### 6. Furniture, Equipment, IT, Materials and Supplies

**Year to date** – Under budget largely due to the timing of purchases in the Informatics Division.

**Forecast** – Over budget due to the additional deployments of multi-functional printers and some purchases of equipment being funded from under spends in other budget headings such as Contracts and Services.

#### **7. Contracts & Services**

**Year to date** – Under budget, notably in the Specialized Community Support Bureau where funds are being reallocated to offset over spends in other areas. Decreased towing costs which are offset by a reduction in revenue, project investigation funds, and lower costs relating to the ALERT secondments (\$215k) are also contributing to the under spend.

**Forecast** – Same as above.

#### **8. Vehicle Costs**

**Year To date** – Slightly over budget.

**Forecast** – Under budget due to lower costs relating to secondments (\$220k).

#### **9. Facilities**

**Year to Date** – Under budget due to the timing of renovations and lower facility costs for utilities, custodial, maintenance and space rent.

**Forecast** – Under budget due to lower facility costs for utilities, custodial, maintenance, space rent and costs relating to secondments (\$82k),

#### **10. Other Costs**

**Year to Date** – Under budget due to higher fleet and facility insurance recoveries and the timing of training expenses notably in the Operational Support and Specialized Investigation Divisions.

**Forecast** – Slightly under budget.

#### **11. Accruals**

The total Operating non-personnel accruals for July amounted to \$0.8 million (rounded).