



# EDMONTON POLICE SERVICE



## REPORT TO THE EDMONTON POLICE COMMISSION

**DATE:** 2011-September-2

**SUBJECT:** Monthly Report for the Period Ending July 31, 2011

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### RECOMMENDATION:

That the monthly report for the period ending July 31, 2011 be received for information and presented at the Edmonton Police Commission Finance Committee on September 15, 2011.

### INTRODUCTION:

This report provides current and projected year end financial performance information for the Edmonton Police Service (EPS) for the period ending July 31, 2011.

### COMMENTS / DISCUSSION:

#### **Results**

The results for the period ending July 31, 2011 indicate a net surplus position of \$1.9 million or 1.5% mainly due to the under spend in personnel costs (\$1.6 million), the under spend and timing of non-personnel costs (\$1.5 million), offset by a deficit in revenue (\$1.2 million).

The variance in personnel costs is primarily due to the Service being under strength at the beginning of the year. In light of the current attrition projections, this position is expected to continue until the revised recruiting schedule brings us close to full strength by year-end.

The main cause of the under budget position in non-personnel costs is due to the timing of purchases and it is expected that these budgets will be fully utilized during the year.

The variance in revenue relates to a decrease in towing activity, a number of secondment vacancies and the cancellation of a number of secondment initiatives.

**EMERGING ISSUES:**

Due to the increased number of homicides, the overtime projection in the Homicide Section is now over budget. These costs are offset by under spends in Police Dispatch and Traffic where collision investigations continue to be lower than projected.

**CONCLUSION:**

Based on the results to the end of July and the explanations above, the year end forecast indicates that EPS will be under budget by approximately \$0.1 million.

**ADDITIONAL INFORMATION ATTACHED:**

**Attachments**

- I Budget Variance by Major Category of Revenue & Expenditures

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Approved by: David KOROL, Deputy Chief, Corporate Services Bureau *David Korol*

Chief of Police: *[Signature]*

Date: *20110907*

**Edmonton Police Service**  
**Budget Variance by Major Category of Revenues & Expenditures**  
**For the Period Ending July 31, 2011**  
**(\$000's)**

	Current Period				2010 Year to Date				2011 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)	\$ 997	\$ 1,085	\$ 88	8.8%	\$ 6,714	\$ 6,707	\$ (7)	-0.1%	\$ 7,137	\$ 7,785	\$ 648	9.1%	\$ 12,158	\$ 12,908	\$ 750	6.2%
Transfer to COE General Revenues	-	(88)	(88)		-	-	-		-	(648)	(648)		-	(750)	(750)	
Provincial Grants (Note 2)	7,911	7,875	(36)	-0.5%	14,245	14,245	-	0.0%	23,194	22,983	(211)	-0.9%	23,194	22,983	(211)	-0.9%
Other (Note 3)	2,512	2,237	(275)	-10.9%	13,315	15,167	1,852	13.9%	15,982	14,972	(1,010)	-6.3%	26,867	26,618	(249)	-0.9%
<b>Total Revenue</b>	<b>11,420</b>	<b>11,109</b>	<b>(311)</b>	<b>-2.7%</b>	<b>34,274</b>	<b>36,119</b>	<b>1,845</b>	<b>5.4%</b>	<b>46,313</b>	<b>45,092</b>	<b>(1,221)</b>	<b>-2.6%</b>	<b>62,219</b>	<b>61,759</b>	<b>(460)</b>	<b>-0.7%</b>
<b>Expenditures</b>																
<b>Personnel</b>																
Salary and benefits (Note 4)	18,216	18,170	46	0.3%	129,001	129,809	(808)	-0.6%	135,543	133,921	1,622	1.2%	234,388	231,615	2,773	1.2%
EPS Overtime (Note 5a)	958	846	112	11.7%	4,749	4,153	596	12.6%	4,783	4,728	55	1.1%	8,691	9,058	(367)	-4.2%
External Overtime (Note 5b)	25	21	4	16.0%	-	861	(861)		174	240	(66)	-37.9%	299	474	(175)	-58.5%
	<b>19,199</b>	<b>19,037</b>	<b>162</b>	<b>0.8%</b>	<b>133,750</b>	<b>134,823</b>	<b>(1,073)</b>	<b>-0.8%</b>	<b>140,500</b>	<b>138,889</b>	<b>1,611</b>	<b>1.1%</b>	<b>243,378</b>	<b>241,147</b>	<b>2,231</b>	<b>0.9%</b>
<b>Non-Personnel</b>																
Furniture, equipment, IT, materials and supplies (Note 6)	735	813	(78)	-10.6%	5,922	5,371	551	9.3%	6,901	6,342	559	8.1%	11,077	11,346	(269)	-2.4%
Contracts and services (Note 7)	1,838	1,509	329	17.9%	10,249	9,257	992	9.7%	10,705	9,773	932	8.7%	20,216	20,786	(570)	-2.8%
Vehicles (Note 8)	549	519	30	5.5%	3,453	4,001	(548)	-15.9%	3,805	4,262	(457)	-12.0%	7,063	7,848	(785)	-11.1%
Facilities (Note 9)	1,113	1,026	87	7.8%	7,733	7,335	398	5.1%	7,903	7,600	303	3.8%	13,480	13,469	11	0.1%
Other (Note 10)	1,462	1,704	(242)	-16.6%	2,175	1,714	461	21.2%	2,251	2,093	158	7.0%	2,847	2,931	(84)	-3.0%
	<b>5,697</b>	<b>5,571</b>	<b>126</b>	<b>2.2%</b>	<b>29,532</b>	<b>27,678</b>	<b>1,854</b>	<b>6.3%</b>	<b>31,565</b>	<b>30,070</b>	<b>1,495</b>	<b>4.7%</b>	<b>54,683</b>	<b>56,380</b>	<b>(1,697)</b>	<b>-3.1%</b>
<b>Total Expenditures (Note 11)</b>	<b>24,896</b>	<b>24,608</b>	<b>288</b>	<b>1.2%</b>	<b>163,282</b>	<b>162,501</b>	<b>781</b>	<b>0.5%</b>	<b>172,065</b>	<b>168,959</b>	<b>3,106</b>	<b>1.8%</b>	<b>298,061</b>	<b>297,527</b>	<b>534</b>	<b>0.2%</b>
<b>Position before Adjustments</b>	<b>13,476</b>	<b>13,499</b>	<b>(23)</b>	<b>-0.2%</b>	<b>129,008</b>	<b>126,382</b>	<b>2,626</b>	<b>2.0%</b>	<b>125,752</b>	<b>123,867</b>	<b>1,885</b>	<b>1.5%</b>	<b>235,842</b>	<b>235,768</b>	<b>74</b>	<b>0.0%</b>
<b>Tangible Capital Assets Budget adjustment</b>													6,450	6,450	-	0.0%
<b>Net Position</b>	<b>\$ 13,476</b>	<b>\$ 13,499</b>	<b>\$ (23)</b>	<b>-0.2%</b>	<b>\$ 129,008</b>	<b>\$ 126,382</b>	<b>\$ 2,626</b>	<b>2.0%</b>	<b>\$ 125,752</b>	<b>\$ 123,867</b>	<b>\$ 1,885</b>	<b>1.5%</b>	<b>\$ 242,292</b>	<b>\$ 242,218</b>	<b>\$ 74</b>	<b>0.0%</b>

## Edmonton Police Service

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

For the Period Ended July 31<sup>st</sup> 2011**1. Traffic Safety Act (TSA) Revenue**

**Year to Date** – Over budget. Revenue levels have been fluctuating significantly from month to month.

**Forecast** – Revenue is expected to be greater than budgeted. However, any surplus from these revenues will be transferred to the City of Edmonton general revenues.

**2. Provincial Grants**

**Year to Date** – Grant receipts are under budget.

**Forecast** – Under budget. The 2011 budget was based on an anticipated 1.4% population increase (as per the City of Edmonton 2011 budget guidelines). No new census was undertaken in 2010 so the grant payment was based on the 2009 census. As a result, the anticipated increase in revenue from the grant will not be achieved. Also, the Premiers Grant is lower than expected as the Province has changed their payment allocation basis from days in the year to a 25% / 75% ratio.

**3. Other Revenue**

**Year to Date** – A decrease in towing activity has resulted in a projected reduction in recovery and disposal revenue which is offset by reduced contract and services costs. A number of secondment vacancies and the cancellation of four secondment initiatives have reduced the revenue received. This is partially offset by increased recoveries for overtime and leased vehicle costs associated with ALERT.

**Forecast** – A storage rate increase of \$2 per day will reduce the revenue shortfall in the Police Seized Vehicle lot and increased volume for Police Information Checks will offset increased personnel costs.

**4. Salary and Benefits**

**Year to date** – Under budget due to being under strength at the beginning of the year, higher than expected attrition, and a \$387k favourable variance in Court costs. Also, a refund of \$405k related to 2010 premiums, was received from the Workers' Compensation Board. These savings are partially offset by a \$832k over spend in Statutory holiday pay

**Forecast** – Same as for year to date.

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

Attrition	July	July YTD	Full Year
Original Projection	4	28	48
Actual & Updated Projection	4	31	60

As of August 30, eleven sworn members have tendered their resignation and twenty seven announced their retirement for an attrition total of thirty eight. Of these, thirty one were no longer on the payroll as of July 31, 2011.

**5a. EPS Overtime**

**Year to date** – Slightly under budget for EPS only overtime, largely due to an under spend in the Police Dispatch/9-1-1 and Traffic Sections. These under spends are offset by the costs associated with the increased number of homicides to date and project investigations that are offset by budgets in Contracts and Services and the start up and operation of the Information Management and Approval Center (IMAC).

**Forecast** – Over budget for EPS only overtime, largely the result of the increased number of homicides, project investigations and costs associated with the start up and operation of the Information Management and Approval Center (IMAC). These over spends are partially offset by under spends in the Police Dispatch/9-1-1 and Traffic sections. An additional \$75k has been committed to an overtime initiative concerning the downtown entertainment district.

**5b. External Overtime**

**Year to date** – Over budget.

- ALERT \$56k
- Other \$10k

**Forecast** – Over budget due to projected overtime incurred for ALERT which is offset by increased revenue.

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

**Year to date** – Under budget predominantly due to the timing of Telecomm and IT purchases.

**Forecast** – Over budget due to the purchase of equipment, funded from under spends in other budget headings including Salaries.

**7. Contracts & Services**

**Year to date** – Under budget related to timing issues, notably in Human Resources, the Operational Support division, and the Supply Services division. Decreased towing costs which are offset by a reduction in revenue, are also contributing to the under spend.

**Forecast** – Over budget due to the 2011 initiatives (e.g. recruiting, facilities strategic master plan) funded from under spends in other budget headings including Salaries and a projected over spend in the Security Management branch.

**8. Vehicle Costs**

**Year To date** – Over budget due to ALERT vehicle lease costs which are offset by increased revenue.

**Forecast** – Same as year to date.

**9. Facilities**

**Year to Date** – Under budget due to the timing of various facility renovation projects.

**Forecast** – Slightly under budget.

**10. Other Costs**

**Year to Date** – Under budget related to the timing of training expenses, notably in Human Resources, the Operational Support Division, and the Specialized Investigation Division.

**Forecast** – Over budget due to ALERT costs which are offset by increased revenue.

**11. Accruals**

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