



EDMONTON POLICE SERVICE



REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2011-February-10

SUBJECT: Monthly Report for the Period Ending December 31, 2010

RECOMMENDATION:

That the monthly report for the period ending December 31, 2010 be received for information.

INTRODUCTION:

This report provides the year end financial performance information for the Edmonton Police Service (EPS) for the period ending December 31, 2010.

COMMENTS / DISCUSSION:

Results

The results for the period ending December 31, 2010 indicate a net surplus position of \$4.1 million or 1.8% mainly due to a surplus in revenue (\$2.9 million), an under spend in non-personnel costs (\$1.6 million) offset by a deficit in personnel costs (\$0.4 million).

The favourable position in revenue relates to recent trends in bylaw enforcement and Police Security check fees, unbudgeted recoveries relating to the G8/G20 conferences and increased cost recoveries from ALERT.

The main cause of the under budget position in non-personnel is in Contracts & Services (\$1.8 million). The Contracts & Services position is a mixture of budgets covering anticipated fleet services charges and equipment purchases.

The variance in personnel costs is primarily due to unbudgeted recoverable overtime costs associated with additional revenue, offset by lower than anticipated vacation liability (\$1.0 million), post employment (\$0.5 million), income replacement (\$0.2 million) and short term disability costs (\$0.2 million). These items are the main causes for the movement from the projected variance provided in the November monthly report.

The capital projects continue to progress however there will be funds that carry forward to 2011 (\$8.3 million), primarily due to the Southwest Division Station, Automated Fingerprint Identification System, Facilities Infrastructure Rehabilitation and Vehicle projects.

CONCLUSION:

Based on year-end results for December 31, 2010, the EPS realized a budget savings of \$4.1 million or 1.8%.

ADDITIONAL INFORMATION ATTACHED:

Attachments


- Operating: I Budget Variance by Major Category of Revenue & Expenditures
- II Explanation of Variances by Responsibility Area
- III Overtime by Bureau

- Capital: IV 2010 Capital Budget Performance
- V Contracts

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A/ Chief of Police: 

Date: 03 FEBRUARY 2011

Edmonton Police Service
Budget Variance by Major Category of Revenues & Expenditures
For the Period Ending December 31, 2010
(\$000's)

	Current Period				2009 Year to Date				2010 Year to Date			
	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Actual	Var	%
Revenue												
Traffic Safety Act (Note 1)	\$ 886	\$ 849	\$ (37)	-4.2%	\$ 10,658	\$ 10,658	\$ -	0.0%	\$ 11,658	\$ 11,392	\$ (266)	-2.3%
Transfer to COE General Revenues	-	-	-		-	-	-		-	-	-	
Provincial Grants (Note 2)	-	-	-		19,038	18,222	(816)	-4.3%	22,144	22,156	12	0.1%
Other (Note 3)	2,527	2,379	(148)	-5.9%	12,533	14,701	2,168	17.3%	23,295	26,435	3,140	13.5%
Total Revenue	3,413	3,228	(185)	-5.4%	42,229	43,581	1,352	3.2%	57,097	59,983	2,886	5.1%
Expenditures												
Personnel												
Salary and benefits (Note 4)	23,452	21,865	1,587	6.8%	195,262	198,317	(3,055)	-1.6%	225,707	225,060	647	0.3%
EPS Overtime (Note 5a)	959	1,232	(273)	-28.5%	7,579	7,831	(252)	-3.3%	8,648	8,629	19	0.2%
External Overtime (Note 5b)	-	27	(27)		-	-	-		-	1,067	(1,067)	
	24,411	23,124	1,287	5.3%	202,841	206,148	(3,307)	-1.6%	234,355	234,756	(401)	-0.2%
Non-Personnel												
Furniture, equipment, IT, materials and supplies (Note 6)	1,410	1,755	(345)	-24.5%	10,798	10,812	(14)	-0.1%	10,112	10,447	(335)	-3.3%
Contracts and services (Note 7)	2,117	2,103	14	0.7%	17,431	15,526	1,905	10.9%	17,034	15,189	1,845	10.8%
Vehicles (Note 8)	493	807	(314)	-63.7%	3,916	4,490	(574)	-14.7%	5,584	6,618	(1,034)	-18.5%
Facilities (Note 9)	1,340	1,687	(347)	-25.9%	11,506	11,756	(250)	-2.2%	14,035	12,979	1,056	7.5%
Legal fees/settlements (Note 10)	176	718	(542)	-308.0%	2,050	1,736	314	15.3%	2,110	2,602	(492)	-23.3%
Other (Note 11)	115	151	(36)	-31.3%	1,952	1,706	246	12.6%	2,698	2,103	595	22.1%
	5,651	7,221	(1,570)	-27.8%	47,653	46,026	1,627	3.4%	51,573	49,938	1,635	3.2%
Total Expenditures (Note 12)	30,062	30,345	(283)	-0.9%	250,494	252,174	(1,680)	-0.7%	285,928	284,694	1,234	0.4%
Position before Adjustments	26,649	27,117	(468)	-1.8%	208,265	208,593	(328)	-0.2%	228,831	224,711	4,120	1.8%
Tangible Capital Assets Budget adjustment												
Net Position	\$ 26,649	\$ 27,117	\$ (468)	-1.8%	\$ 208,265	\$ 208,593	\$ (328)	-0.2%	\$ 228,831	\$ 224,711	\$ 4,120	1.8%

Edmonton Police Service

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

For the Period Ended December 31st 2010**1. Traffic Safety Act (TSA) Revenue**

TSA revenue is under budget due to the delay in filling the new traffic squad.

2. Provincial Grants

Grant receipts were slightly higher than budgeted resulting in a positive variance.

3. Other Revenue

Over budget due to unbudgeted recoveries for ALERT secondments and G8/G20 costs and higher revenues than budgeted for bylaw enforcement, Police Security check fees and recoveries for School Resource Officers. The recoveries are matched by increased expenses.

4. Salary and Benefits

Under budget due to a lower than anticipated vacation liability (\$1.0M), post employment benefits (\$0.5M), income replacement (\$0.2M), and short term disability surplus returned by the City (\$0.2M). These savings were partially offset by being over strength at the beginning of the year, attrition of sworn members, the Senior Officers Association collective agreement negotiations and the supplementary pension costs for senior executives.

The sworn member attrition position for the year was:

Attrition	December	2010
Original Projection	4	48
Actual	4	41

5a. EPS Overtime

Slightly under budget largely due to fewer operational callouts and areas that typically respond to critical events having fewer particularly costly events. This is offset by the year end banked time adjustment (\$137k) and costs associated with the establishment of the Information Management and Approval Centre (\$73k).

5b. External Overtime

Reflects unbudgeted costs associated with conferences and projects that are recovered by additional revenue, notably G8/G20 and ALERT.

- G8/G20 \$621k
- ALERT \$400k
- Other \$ 46k

6. Furniture, Equipment, IT, Materials and Supplies

Over budget due to the purchase of equipment, funded from under spends from other budget headings including Contracts and Services and Flight Operations vehicle costs.

7. Contracts & Services

Several areas' under spent budgets were used to offset higher vehicle costs, overtime costs associated with a homicide investigation, and equipment purchases.

8. Vehicle Costs

Over budget due to higher COE Fleet Services charges including higher fuel and costlier collision repairs. This variance was covered from funds under the Contracts & Services heading and higher insurance claim recoveries.

9. Facilities

Under budget due to lower utility charges and lease renewals compared to budget. In addition, major repairs were not required on any of the facilities.

10. Legal Fees/Settlements

Over budget due to a particularly expensive case deferred from 2009, the requirement to cover legal staff vacancies, and an increased provision for legal settlements.

11. Other Costs

Under budget due to reduced aircraft and fleet insurance costs, higher insurance recoveries for vehicle repair costs and travel costs.

12. Accruals

The total Operating non-personnel accruals for December amounts to \$1.2 million (rounded).

Edmonton Police Service

Explanation of Variances by Responsibility Area

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

Bureau	2009 Actual	Year to Date			
		Budget	Actual	Var	%
POLICE COMMISSION (Note 1)	\$ 1,198	\$ 1,233	\$ 1,223	\$ 10	0.8%
GENERAL MANAGEMENT (Note 2)	10,870	11,572	12,149	(577)	-5.0%
CORPORATE SERVICES BUREAU (Note 3)	60,676	64,693	60,238	4,455	6.9%
COMMUNITY POLICING BUREAU (Note 4)	101,949	114,460	118,397	(3,937)	-3.4%
SPECIALIZED COMMUNITY SUPPORT BUREAU (Note 5)	66,302	73,865	70,062	3,803	5.1%
LESS: DEPARTMENTAL REVENUES	(32,402)	(36,992)	(37,358)	366	-1.0%
POSITION BEFORE GRANT	208,593	228,831	224,711	4,120	1.8%
Tangible Capital Assets Budget adjustment					
Net Position	\$ 208,593	\$ 228,831	\$ 224,711	\$ 4,120	1.8%

Edmonton Police Service

Explanation of Variances by Responsibility Area - Notes

For the Period Ended December 31st 2010

1. Police Commission

Under budget due to minor non-personnel variances.

2. General Management

Over budget due to over-strength positions.

3. Corporate Services Bureau

Under budget due to the timing of appointments to vacant positions, lower lease and utility costs, and contingency funds being used to cover other unbudgeted expenses.

4. Community Policing Bureau

Over budget due to recruit costs and over-strength positions.

5. Specialized Community Support Bureau

Under budget due to vacancies.

Edmonton Police Service

Overtime by Bureau

For the Period Ending December 31, 2010
(000's)

Bureau	2009 Actual	Year to Date			
		Budget	Actual	Variance	Var %
Police Commission	\$ 16	\$ 15	\$ 18	\$ (3)	-20%
General Management (Note 1)	239	239	\$ 187	52	22%
Corporate Services Bureau (Note 2)	739	865	\$ 714	151	17%
Community Policing Bureau (Note 3)	3,082	3,176	\$ 3,656	(480)	-15%
Specialized Community Services Bureau (Note 4)	3,754	4,353	\$ 4,047	306	7%
Position Management	1	-	7	(7)	
External Overtime (Note 5)	-	-	1,067	(1,067)	
Total Overtime Expenditures	\$ 7,831	\$ 8,648	\$ 9,696	\$ (1,048)	-12%

Edmonton Police Service**Explanation of Overtime Variances by Responsibility Area - Notes****For the Period Ended December 31st 2010****1 General Management**

Under budget due to low levels of overtime to date in Professional Standards and the Legal Risk Services branch.

2 Corporate Services Bureau

Under budget due to the lower demand for overtime in the Training and Employee Services Branches resulting from fewer recruit classes this year.

3 Community Policing Bureau

Over budget due to specific visibility initiatives funded from the Community Peace Officer budget.

4 Specialized Community Support Bureau

Under budget due to a low level of critical incidents requiring significant overtime costs.

5 External Overtime

Reflects costs associated with G8/G20 conferences and ALERT projects that are covered by additional revenue.

**Edmonton Police Service
Capital Budget Position
For the Period Ended December 31, 2010
(\$000's)**

	2010 Available	2010 Actual	2010 Variance	2010 Carry Forward	% Substantial Completion
Capital Projects					
2010 Capital Projects	22,329	14,068	8,261	8,261	
Total Capital	22,329	14,068	8,261	8,261	
Projects:					
South West Division Station (see Note 1)	2,438	1,362	1,076	1,076	28%
Police Seized Vehicle Storage Lot Expansion (see Note 2)	415	72	343	343	15%
Police IT Systems (see Note 3)	6,287	5,757	530	530	Note a
Public Safety Radio Network Replacement (see Note 4)	444	281	163	163	67%
Intoxilyzer Equipment Replacement (see Note 5)	149	13	136	136	7%
Automated Fingerprint Identification (see Note 6)	1,383	366	1,017	1,017	27%
Facilities Infrastructure Rehabilitation (see Note 7)	3,233	1,320	1,913	1,913	Note a
Vehicles (see note 8)	6,737	4,178	2,559	2,559	Note a
Telecommunications Systems Replacements (see note 9)	435	10	425	425	0%
Specialized Police Equipment (see note 10)	808	709	99	99	88%
Total	22,329	14,068	8,261	8,261	

Notes:
^a Police IT Systems, Facilities Infrastructure / Rehabilitation and Vehicles contain multiple sub-projects within the total project, so each sub-project is at different stages of completion.

Edmonton Police Service

Explanation of Variances by Capital Project - Notes

For the Period Ended December 31, 2010

1 South West Division Station

A letter of intent issued by the City was accepted by Clark Builders Partnership near the end of 2010 and actual construction will commence in early 2011.

2 Police Seized Vehicle Storage Lot Expansion

The installation of permanent perimeter security fencing and gates has been completed. The following work will continue in 2011:

- CCTV enhancement for security coverage including new cameras and equipment,
- Replacement of the current PSVSL vehicle inventory and financial tracking system,
- Upgrades to existing south lot allowing for the safe and secure storage of up to an additional 60 vehicles,
- PSVSL equipment shelter to house the Loadall and other equipment.

3 Police IT Systems

The following projects have been completed:

Infrastructure

- Public Key Infrastructure (PKI)
- Mobile Workstations (MWS 2009)
- Wide Area Network (WAN) Resiliency
- Network Monitoring
- SAN Lifecycle 2010
- Server Lifecycle 2010
- Switch Lifecycle 2010

Projects

- Cognos Business Intelligence (BI)

The following projects have been planned or will continue in 2011 due to the availability of EPS resources and receipt of equipment which has delayed progress:

Infrastructure

- Southeast Disaster Recovery (SE DR) Enhancements
- Mobile Workstations (MWS 2010)
- Desktop Virtualization (Thin Client)
- Proxy Upgrade
- Purchase of Servers and Components

Projects

- EPROS Gateway Enhancements
- Human Resources Information Management/Technology
- i2 Database Pilot Implementation
- PIRAT (Property Information Retrieval and Tracking) Replacement

4 Public Safety Radio Network Replacement

The following projects have been completed:

- Microwave Link Upgrades
- EDACS (Voice Radio) System (Communications Server Director Upgrades)

The following projects will continue in 2011 due to delays in the receipt of equipment which delayed installation:

- Radio Coverage Extenders (Bi-Directional Amplifiers)
- Radio Systems Supervisory Control and Data Acquisition (SCADA)

5 Intoxilyzer Equipment Replacement

The purchase of instruments and simulators has been deferred to 2011 due to delays on the part of the RCMP in completing necessary modifications to the Intoximeter EC/IR II software. Training will commence in 2011.

6 Automated Fingerprint Identification

Conversion of fingerprint records to the new system has been completed. However, delivery of the new equipment has been delayed. Installation and training on the new system will commence in 2011.

7 Facilities Infrastructure Rehabilitation

The following projects have been completed:

- PHQ - Upgrade/replace motor control center in the 6th floor mechanical room and the B1 electrical room.
- PHQ - Upgrade Supply and return air fans
- PHQ - Replace exterior concrete steps and/or deterioration in concrete slabs at all entrances.
- PHQ - Replace UPS batteries.

The following projects will continue in 2011 as planned. Also, changes in scope and / or design, and weather delays has delayed progress:

- PHQ - Replace existing mechanical system controls (temperature, boiler, damper motors, etc) to an automated DDC system.
- PHQ - Upgrade to the cooling in the CCTV operating room.
- PHQ - Replace/upgrade roof top air conditioners in Communications and PHQ - replace B2 make-up air unit.
- PHQ - Replace roof sections.
- PHQ - Repave parking lot 1.
- SE Division Station - Grey water system modifications.
- PHQ - Emergency generator refurbishment.

8 Vehicles

In 2010 158 vehicles were purchased, with 85 in service at year end. The carry forward to 2011 is committed or planned for the purchase of:

- 35 marked vehicles
- Mobile Command Post
- Fit ups for 28 marked and 30 unmarked vehicles
- DEOPS tow unit
- 12 motorcycles
- 8 unmarked units & fit ups
- All weather tires for 110 marked and unmarked vehicles

Some purchases were delayed whilst the Fleet Review was undertaken.

9 Telecommunications Systems Replacements

The purchase of radio speakers/microphones was completed.

Identification of priorities for utilization of available funds is based on an ongoing review process taking into account factors such as lifecycle replacement schedules, reliability of existing equipment and user demand. As a result of this process, staff shortages and increased work load the carry forward to 2011 will be used to purchase:

- 911 Centre Telephony Equipment
- Videoconferencing System

10 Specialized Police Equipment

All purchases were received with the exception of the X-ray scanning equipment and back ordered peripherals for the Bomb Robot.

Capital Budget Performance
For the Period Ended December 31, 2010
(\$000's)

Contracts Tendered / Issued (Request for Proposals greater than \$100k)		
<u>Police IT Systems</u>		
<u>Facilities</u>		
Clark Builders Partnership	letter of intent - Construction of Southwest Division Station	19,800
<u>Equipment</u>		

Contracts Awarded (greater than \$100k)		
Vendor Name	Description	Amount
<u>Police IT Systems</u>		
<u>Facilities</u>		
Gateway Mechanical Services	PHQ mechanical system modifications	686
Lorac Contracting	PHQ replace B2 level make up air unit	173
Shamrock Contracting	PHQ generator refurbishment	234
<u>Equipment</u>		