



EDMONTON POLICE SERVICE



REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2011-October-3

SUBJECT: Monthly Report for the Period Ending August 31, 2011

RECOMMENDATION:

That the monthly report for the period ending August 31, 2011 be received for information and presented at the Edmonton Police Commission Finance Committee on October 13, 2011.

INTRODUCTION:

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

COMMENTS / DISCUSSION:

Results

The results for the period ending August 31, 2011 indicate a net surplus position of \$2.3 million or 1.6% mainly due to the under spend and timing of non-personnel costs (\$1.7 million), the under spend in personnel costs (\$1.4 million), offset by a deficit in revenue (\$0.8 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.

CONCLUSION:

Based on the results to the end of August and the explanations above, the year end forecast indicates that EPS will be under budget by approximately \$0.3 million.

ADDITIONAL INFORMATION ATTACHED:

Attachments

- I Budget Variance by Major Category of Revenue & Expenditures

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Reviewed by: Peter NORTH, Acting Executive Director, Finance Division



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



06 Oct 2011

A/Chief of Police:



Date: 11.10.06.

Edmonton Police Service
Budget Variance by Major Category of Revenues & Expenditures
For the Period Ending August 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	%
Revenue																
Traffic Safety Act (Note 1)	\$ 997	\$ 1,130	\$ 133	13.3%	\$ 7,754	\$ 7,644	\$ (110)	-1.4%	\$ 8,134	\$ 8,915	\$ 781	9.6%	\$ 12,158	\$ 12,908	\$ 750	6.2%
Transfer to COE General Revenues	-	(133)	(133)		-	-	-		-	(781)	(781)		-	(750)	(750)	
Provincial Grants (Note 2)	-	-	-		14,245	14,245	-	0.0%	23,194	22,983	(211)	-0.9%	23,194	22,983	(211)	-0.9%
Other (Note 3)	2,309	2,734	425	18.4%	15,316	18,323	3,007	19.6%	18,291	17,706	(585)	-3.2%	26,867	25,793	(1,074)	-4.0%
Total Revenue	3,306	3,731	425	12.9%	37,315	40,212	2,897	7.8%	49,619	48,823	(796)	-1.6%	62,219	60,934	(1,285)	-2.1%
Expenditures																
Personnel																
Salary and benefits (Note 4)	19,641	19,586	55	0.3%	147,206	148,600	(1,394)	-0.9%	155,186	153,507	1,679	1.1%	234,333	231,912	2,421	1.0%
EPS Overtime (Note 5a)	746	983	(237)	-31.8%	5,572	5,026	546	9.8%	5,529	5,711	(182)	-3.3%	8,691	9,056	(365)	-4.2%
External Overtime (Note 5b)	25	45	(20)	-80.0%	-	896	(896)		199	285	(86)	-43.2%	299	450	(151)	-50.5%
	20,412	20,614	(202)	-1.0%	152,778	154,522	(1,744)	-1.1%	160,914	159,503	1,411	0.9%	243,323	241,418	1,905	0.8%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	1,103	706	397	36.0%	6,769	5,916	853	12.6%	8,004	7,048	956	11.9%	11,177	10,989	188	1.7%
Contracts and services (Note 7)	1,989	2,271	(282)	-14.2%	12,088	10,795	1,293	10.7%	12,695	12,044	651	5.1%	20,116	20,003	113	0.6%
Vehicles (Note 8)	549	637	(88)	-16.0%	3,946	4,226	(280)	-7.1%	4,354	4,899	(545)	-12.5%	7,063	7,976	(913)	-12.9%
Facilities (Note 9)	1,134	1,153	(19)	-1.7%	8,973	8,374	599	6.7%	9,037	8,754	283	3.1%	13,480	13,334	146	1.1%
Other (Note 10)	110	(76)	186	169.1%	2,270	2,067	203	8.9%	2,361	2,017	344	14.6%	2,847	2,750	97	3.4%
	4,885	4,691	194	4.0%	34,046	31,378	2,668	7.8%	36,451	34,762	1,689	4.6%	54,683	55,052	(369)	-0.7%
Total Expenditures (Note 11)	25,297	25,305	(8)	0.0%	186,824	185,900	924	0.5%	197,365	194,265	3,100	1.6%	298,006	296,470	1,536	0.5%
Position before Adjustments	21,991	21,574	417	1.9%	149,509	145,688	3,821	2.6%	147,746	145,442	2,304	1.6%	235,787	235,536	251	0.1%
Tangible Capital Assets Budget adjustment													6,506	6,506	-	0.0%
Net Position	\$ 21,991	\$ 21,574	\$ 417	1.9%	\$ 149,509	\$ 145,688	\$ 3,821	2.6%	\$ 147,746	\$ 145,442	\$ 2,304	1.6%	\$ 242,293	\$ 242,042	\$ 251	0.1%

Edmonton Police Service**Explanation of Variances by Major Category of Expenditures and Revenues - Notes****For the Period Ended August 31st 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, however revenue is expected to be less than budgeted.

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 \$453k favorable 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 \$925k over spend in Statutory holiday pay

Forecast – Same as for year to date.

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

Attrition	August	August YTD	Full Year
Original Projection	4	32	48
Actual & Updated Projection	5	36	53

As of September 28, twelve sworn members have tendered their resignation and twenty eight announced their retirement for an attrition total of forty. Of these, thirty six were no longer on the payroll as of August 31, 2011.

5a. EPS Overtime

Year to date – Over budget for EPS only overtime, largely due to the costs associated with the increased number of homicides to date, 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). These over spends are somewhat offset by under spends in the Police Dispatch/9-1-1, Traffic, and Training Sections.

Forecast – Same as year to date.

5b. External Overtime

Year to date – Over budget.

- ALERT \$76k
- 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 – Same as year to date.

7. Contracts & Services

Year to date – Under budget predominantly due to timing issues, notably in Human Resources and the Operational Support division. Decreased towing costs which are offset by a reduction in revenue, are also contributing to the under spend. These under spends are partially offset by Overtime costs associated with project investigations.

Forecast – Same as year to date.

8. Vehicle Costs

Year To date – Over budget due to ALERT vehicle lease costs which are offset by increased revenue and the painting of forty Crown Victoria's black and white.

Forecast – Same as year to date.

9. Facilities

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

Forecast – Same as year to date.

10. Other Costs

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

Forecast – Same as year to date.

11. Accruals

The total Operating non-personnel accruals for August amounts to \$1.8 million (rounded).