



EDMONTON POLICE SERVICE



REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2011-January-13

SUBJECT: Monthly Report for the Period Ending November 30, 2010

RECOMMENDATION:

That the monthly report for the period ending November 30, 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 November 30, 2010.

COMMENTS / DISCUSSION:

Results

The results for the period ending November 30, 2010 indicate a net surplus position of \$4.6 million or 2.3% mainly due to the projected under spend and timing of non-personnel costs (\$3.2 million) and a surplus in revenue (\$3.1 million) offset by a deficit in personnel costs (\$1.7 million).

The timing of purchases continues to be a significant explanation for the under spend on non-personnel costs.

The favourable position in revenue relates to continuing recent trends, unbudgeted recoveries relating to the G8/G20 conferences and increased cost recoveries from ALERT.

The variance in personnel costs is primarily due to the Service being over strength at the beginning of the year, attrition being lower than expected, and the outcome of the Senior Officers Association collective agreement negotiations.

CONCLUSION:

Based on results to the end of November and the explanations above, the year end forecast indicates that EPS will be under budget by approximately \$1.7 million.

ADDITIONAL INFORMATION ATTACHED:

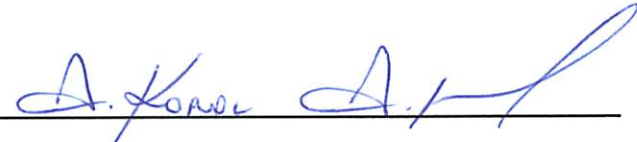
Attachments

- I Budget Variance by Major Category of Revenue & Expenditures

Written by: Robert DAVIDSON, Acting Director, Finance Division

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

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

A/ Chief of Police:  _____

Date: 30 DECEMBER 2010

Edmonton Police Service
Budget Variance by Major Category of Revenues & Expenditures
For the Period Ending November 30, 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)	\$ 1,050	\$ 1,012	\$ (38)	-3.6%	\$ 9,887	\$ 10,756	\$ 869	8.8%	\$ 10,772	\$ 10,543	\$ (229)	-2.1%	\$ 11,658	\$ 11,408	\$ (250)	-2.1%
Transfer to COE General Revenues	-	-	-		-	(869)	(869)		-	-	-		-	-	-	
Provincial Grants (Note 2)	7,899	7,911	12	0.2%	19,038	18,222	(816)	-4.3%	22,144	22,156	12	0.1%	22,144	22,156	12	0.1%
Other (Note 3)	1,769	1,913	144	8.1%	11,584	13,393	1,809	15.6%	20,769	24,055	3,286	15.8%	23,295	26,024	2,729	11.7%
Total Revenue	10,718	10,836	118	1.1%	40,509	41,502	993	2.5%	53,685	56,754	3,069	5.7%	57,097	59,588	2,491	4.4%
Expenditures																
Personnel																
Salary and benefits (Note 4)	18,242	18,370	(128)	-0.7%	175,163	175,331	(168)	-0.1%	202,255	203,195	(940)	-0.5%	225,753	226,790	(1,037)	-0.5%
EPS Overtime (Note 5a)	845	908	(63)	-7.5%	6,762	6,749	13	0.2%	7,689	7,397	292	3.8%	8,648	8,412	236	2.7%
External Overtime (Note 5b)	-	56	(56)		-	-	-		-	1,040	(1,040)		-	1,067	(1,067)	
	19,087	19,334	(247)	-1.3%	181,925	182,080	(155)	-0.1%	209,944	211,632	(1,688)	-0.8%	234,401	236,269	(1,868)	-0.8%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	282	283	(1)	-0.4%	9,961	9,379	582	5.8%	8,702	8,692	10	0.1%	10,235	10,686	(451)	-4.4%
Contracts and services (Note 7)	1,349	1,439	(90)	-6.7%	16,001	14,713	1,288	8.0%	14,917	13,089	1,828	12.3%	17,117	15,454	1,663	9.7%
Vehicles (Note 8)	345	504	(159)	-45.9%	3,589	4,804	(1,215)	-33.9%	5,092	5,811	(719)	-14.1%	5,584	6,598	(1,014)	-18.2%
Facilities (Note 9)	1,241	905	336	27.1%	10,528	10,574	(46)	-0.4%	12,695	11,293	1,402	11.0%	14,061	13,301	760	5.4%
Legal fees/settlements(Note 10)	176	(132)	308	175.0%	1,879	1,904	(25)	-1.3%	1,934	1,881	53	2.7%	2,110	2,310	(200)	-9.5%
Other (Note 11)	94	(170)	264	280.9%	1,832	1,493	339	18.5%	2,583	1,953	630	24.4%	2,698	2,374	324	12.0%
	3,487	2,829	658	18.9%	43,790	42,867	923	2.1%	45,922	42,719	3,203	7.0%	51,805	50,723	1,082	2.1%
Total Expenditures (Note 12)	22,574	22,163	411	1.8%	225,715	224,947	768	0.3%	255,866	254,351	1,515	0.6%	286,206	286,992	(786)	-0.3%
Position before Adjustments	11,856	11,327	529	4.5%	185,206	183,445	1,761	1.0%	202,181	197,597	4,584	2.3%	229,109	227,404	1,705	0.7%
Tangible Capital Assets Budget adjustment													8,341	8,341	-	0.0%
Net Position	\$ 11,856	\$ 11,327	\$ 529	4.5%	\$ 185,206	\$ 183,445	\$ 1,761	1.0%	\$ 202,181	\$ 197,597	\$ 4,584	2.3%	\$ 237,450	\$ 235,745	\$ 1,705	0.7%

Edmonton Police Service

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

For the Period Ended November 30th 2010**1. Traffic Safety Act (TSA) Revenue**

Year to Date – Under budget. The delay in filling the new traffic squad is negatively impacting results.

Forecast – Revenue is expected to be under budget due to the new traffic squad not being operational until next fiscal year.

2. Provincial Grants

Year to Date – Grant receipts are slightly higher than budgeted.

Forecast – Same as for year to date.

3. Other Revenue

Year to Date – 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.

Forecast – Same as for year to date.

4. Salary and Benefits

Year to date – Over budget due to being over strength at the beginning of the year, lower than anticipated attrition of sworn members, the outcome of the Senior Officers Association collective agreement negotiations, and the estimated supplementary pension costs for senior executives.

Forecast – Same as for year-to-date.

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

Attrition	November	November YTD	Full Year
Original Projection	4	40	48
Actual & Updated Projection	4	37	40

As of December 20th, twenty eight sworn members have tendered their resignation; eleven announced their retirement and one died for an attrition total of forty. Of these, thirty seven were no longer on the payroll as of November 30, 2010.

5a. EPS Overtime

Year to date – Under budget. Operating areas that typically respond to critical events have had fewer events that have been particularly costly.

Forecast – Under budget for EPS only overtime. Largely the result of fewer operational callouts, the under spend projections are subject to change if a serious event (e.g. a homicide or robbery investigation) requiring significant overtime were to occur.

5b. External Overtime

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

- G8/G20 \$621k
- ALERT \$385k
- Other \$ 34k

Forecast – Same as for year-to-date.

6. Furniture, Equipment, IT, Materials and Supplies

Year to date – Slightly under budget due to the timing of purchases.

Forecast – 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

Year to date – Under budget due to lower than expected towing and counseling costs.

Forecast – Several areas' under spent budgets will be used to offset higher vehicle costs, the overtime costs associated with a homicide investigation, and equipment purchases. Also, costs for the bullet trap lead removal project at Police Headquarters and the Neighbourhood Empowerment Team (NET) facility lease costs in the Southwest Division were less than budgeted.

8. Vehicle Costs

Year To date – Over budget due to higher COE Fleet Services charges.

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

9. Facilities

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

Forecast – Same as for year-to-date.

10. Legal Fees/Settlements

Year to Date – Slightly under budget.

Forecast – Over budget due to a particularly expensive case deferred from 2009 and the requirement to cover legal staff vacancies.

11. Other Costs

Year to Date – Under budget due to reduced aircraft and fleet insurance costs, higher insurance recoveries for vehicle repair costs and the timing of training courses.

Forecast – Under budget due to lower than budgeted fleet insurance and higher than expected insurance recoveries.

12. Accruals

The total Operating non-personnel accruals for November amounts to \$1.9 million (rounded).