



## EDMONTON POLICE SERVICE

### REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2015-March-30

SUBJECT: Monthly Report for the Period Ending February 28, 2015

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#### RECOMMENDATION:

That the monthly report for the period ending February 28, 2015 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 February 28, 2015.

#### COMMENTS / DISCUSSION:

##### **Operating Results**

The operating results for the period ending February 28, 2015 indicate a net surplus position of \$2.932 million or 5.2% mainly due to under spends in non-personnel of \$2.212 million and personnel of \$1.610 million, offset by a shortfall in revenue of \$0.890 million.

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

The under budget position in personnel costs is primarily due to vacant positions. Further analysis on staffing in the Police Communications Branch and vacancy patterns will be completed for March projections.

The shortfall in the recognition of the Provincial E911 Grant and Other Revenue is the main cause of the revenue deficit. This revenue shortfall is offset with savings in personnel and non-personnel expenditures.

The shortfall in Traffic Safety Act (TSA) fines also contributes to the revenue deficit. This is a result of an increase in the volume of calls for service as well as an increased focus on violent crimes. Impacts of the increased fine charges announced in the Provincial budget will be analyzed and reported on in the March report. The current projection has been adjusted by \$0.3 million to reflect the lower than expected revenue.

**EMERGING ISSUES:**

Economic increases for union personnel in CSU 52, CUPE 30 and IBEW will be reflected in the March variance reports. Personnel budgets and actuals will be adjusted to reflect the new rates.

**CONCLUSION:**

Based on the operating results to the end of February and the explanations attached, the year-end forecast indicates that the EPS may be \$1.129 million or 0.4% over budget.

**ADDITIONAL INFORMATION ATTACHED:**

Operating:

I Budget Variance by Major Category of Revenue & Expenditures

Written by: Kathryn REYNOLDS, T/A Director, Finance Management Branch 

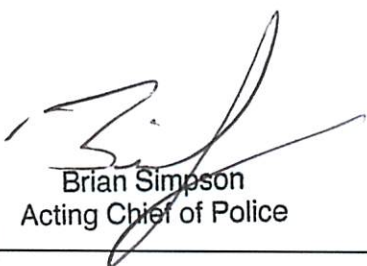
Reviewed by: Jodie GRAHAM, Executive Director, Finance Division 

Approved by: Danielle CAMPBELL, Deputy Chief, Corporate Services Bureau 

*Reviewed by:*

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



  
Brian Simpson  
Acting Chief of Police

Date: APR 2, 2015

**Edmonton Police Service**  
**Budget Variance by Major Category of Revenues & Expenditures**  
**For the Period Ending February 28, 2015**  
**(\$000's)**

	Current Period				2014 Year to Date				2015 Year to Date				Year End Forecast			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Projected	Variance	%
<b>Revenue</b>																
Traffic Safety Act Fines (Note 1)	\$ 2 046	\$ 1 864	\$ (182)	-8.9%	\$ 2 330	\$ 1 832	\$ (498)	-21.4%	\$ 2 046	\$ 1 864	\$ (182)	-8.9%	\$ 14 408	\$ 14 095	\$ (313)	-2.2%
Transfer to COE General Revenues	-	-	-		-	-	-		-	-	-		-	-	-	
Transfer from Reserve (OTS) (Note 2)	-	-	-		-	-	-		-	-	-		15 700	15 700	-	0.0%
Provincial Grants (Note 3)	433	91	(342)	-79.0%	-	-	-		433	91	(342)	-79.0%	27 148	27 148	-	0.0%
Other Revenue (Notes 4 and 12)	4 288	3 921	(366)	-8.5%	4 214	4 237	23	0.6%	4 288	3 921	(366)	-8.5%	28 033	26 903	(1 130)	-4.0%
<b>Total Revenue</b>	<b>6 767</b>	<b>5 876</b>	<b>(890)</b>	<b>-13.2%</b>	<b>6 544</b>	<b>6 069</b>	<b>(475)</b>	<b>-7.3%</b>	<b>6 767</b>	<b>5 876</b>	<b>(890)</b>	<b>-13.2%</b>	<b>85 289</b>	<b>83 846</b>	<b>(1 443)</b>	<b>-1.7%</b>
<b>Expenditures</b>																
<b>Personnel</b>																
Salary and benefits (Note 5)	49 414	47 754	1 660	3.4%	46 792	47 109	(317)	-0.7%	49 414	47 754	1 660	3.4%	283 914	283 338	576	0.2%
EPS Overtime (Note 6a)	1 569	1 645	(76)	-4.8%	1 687	1 357	330	19.6%	1 569	1 645	(76)	-4.8%	10 232	10 232	-	0.0%
External Overtime (Note 6b)	74	48	26	35.1%	72	77	(5)	-6.9%	74	48	26	35.1%	445	518	(73)	-16.4%
	51 057	49 447	1 610	3.2%	48 551	48 543	8	0.0%	51 057	49 447	1 610	3.2%	294 591	294 088	503	0.2%
<b>Non-Personnel</b>																
Furniture, equipment, IT, materials and supplies (Note 7)	4 564	4 075	489	10.7%	4 270	4 202	68	1.6%	4 564	4 075	489	10.7%	13 274	13 744	(470)	-3.5%
Contracts and services (Note 8)	3 182	2 496	686	21.6%	2 713	2 236	477	17.6%	3 182	2 496	686	21.6%	22 383	22 367	16	0.1%
Vehicles (Note 9)	1 149	886	263	22.9%	1 362	1 070	292	21.4%	1 149	886	263	22.9%	7 136	7 136	-	0.0%
Facilities (Note 10)	2 742	2 282	460	16.8%	2 725	2 179	546	20.0%	2 742	2 282	460	16.8%	17 079	16 784	295	1.7%
Other Expenditures (Note 11)	169	(146)	314	186.1%	139	47	92	66.2%	169	(146)	314	186.1%	3 952	3 982	(30)	-0.8%
	11 806	9 593	2 212	18.7%	11 209	9 734	1 475	13.2%	11 806	9 593	2 212	18.7%	63 824	64 013	(189)	-0.3%
<b>Total Expenditures (Note 13)</b>	<b>62 863</b>	<b>59 040</b>	<b>3 822</b>	<b>6.1%</b>	<b>59 760</b>	<b>58 277</b>	<b>1 483</b>	<b>2.5%</b>	<b>62 863</b>	<b>59 040</b>	<b>3 822</b>	<b>6.1%</b>	<b>358 415</b>	<b>358 101</b>	<b>314</b>	<b>0.1%</b>
<b>Position before Adjustments</b>	<b>56 096</b>	<b>53 164</b>	<b>2 932</b>	<b>5.2%</b>	<b>53 216</b>	<b>52 208</b>	<b>1 008</b>	<b>1.9%</b>	<b>56 096</b>	<b>53 164</b>	<b>2 932</b>	<b>5.2%</b>	<b>273 126</b>	<b>274 255</b>	<b>(1 129)</b>	<b>-0.4%</b>
<b>Tangible Capital Assets Budget adjustment (Note 14)</b>													5 320	5 320	-	0.0%
<b>Net Position</b>	<b>\$ 56 096</b>	<b>\$ 53 164</b>	<b>\$ 2 932</b>	<b>5.2%</b>	<b>\$ 53 216</b>	<b>\$ 52 208</b>	<b>\$ 1 008</b>	<b>1.9%</b>	<b>\$ 56 096</b>	<b>\$ 53 164</b>	<b>\$ 2 932</b>	<b>5.2%</b>	<b>\$ 278 446</b>	<b>\$ 279 575</b>	<b>\$ (1 129)</b>	<b>-0.4%</b>

**Edmonton Police Service****Explanation of Variances by Major Category of Expenditures and Revenues – Notes****For the Period Ended February 28<sup>th</sup> 2015****1. Traffic Safety Act (TSA) Fines Revenue**

**Year to Date** – An increase in the volume of calls for service as well as an increased focus on violent crimes, has resulted in lower than anticipated TSA Fines Revenue.

**Forecast** – Lower TSA Fines Revenue is expected to continue through to year end. TSA Fines Revenue is currently showing the same trend as last year, however with the budget reduced in 2015, there is a lower projected shortfall.

**2. Transfer from Reserve - Office of Traffic Safety (OTS)**

**Year to Date** – Transfers from the OTS will occur on a quarterly basis with the transfer for the first quarter to occur in March.

**Forecast** – No variance is expected.

**3. Provincial Grants**

**Year to Date** – There has been less E911 Grant revenue recognized year to date which is offset by lower non-personnel expenses.

**Forecast** – Expected to be on budget by the end of the year.

**4. Other Revenue**

**Year to Date** – Under budget mainly due to approximately 5 vacancies in ALERT which result in lower secondment recoveries, as well as lower revenue from bylaw violation and shared radio.

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

**5. Salary and Benefits**

**Year to date** – Under budget primarily as a result of savings from vacant positions and lower benefit costs, slightly offset with higher part time personnel costs in the Police Communications Branch.

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

## 5. Salary and Benefits (continued)

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

Attrition	February	February YTD	Full Year
Original Projection	7	14	85
Actual & Updated Projection	2	17	85

As of March 25, 2015, four sworn members have tendered their resignation, nineteen announced their retirement, and two have been dismissed for an attrition total of twenty five. Of these, seventeen were no longer on the payroll as of February 28, 2015.

### 6a. EPS Overtime

**Year to date** – Over budget primarily due to a major project in the Homicide Section.

**Forecast** – Overtime is expected to be on budget at year end.

### 6b. External Overtime

**Year to date** – The YTD External Overtime is underspent primarily due to less overtime utilized in ALERT.

**Forecast** – External overtime is expected to be overspent by the end of the year which will be offset by secondment revenue.

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

**Year to date** – Underspent mainly due to the timing on the ordering and delivery of furniture and supplies as well as fewer orders placed during the first two months of the year.

**Forecast** – An overspend is projected mainly due to the PCB Revitalization Project, which is offset by an underspend in contracts & services. Also contributing to the projected overspend is an increase in facility maintenance costs and computer software costs that are offset with underspends in other cost areas.

## 8. Contracts & Services

**Year to date** – Currently under budget due to less expenditures for the E911 Grant and timing on various contracts.

**Forecast** – Slightly under budget. Underspending is expected due to the PCB Revitalization Project, which is currently included as an overspend in the furniture and equipment forecast. Offsetting the underspend from the Project, is an expected increase in Facilities for snow removal costs, as well as costs for a contract radio engineer in the Radio Section. These are offset through expected savings in building costs and personnel, respectively.

**9. Vehicle Costs**

**Year to date** – Under budget mainly due to less YTD kilometers driven than predicted, therefore lower fuel & maintenance costs.

**Forecast** – On budget.

**10. Facilities**

**Year to Date** – Under budget due to timing on building costs as well as lower custodial charges than originally estimated.

**Forecast** – Expected to be under budget from savings in custodial charges.

**11. Other Expenditures**

**Year to Date** – Under budget primarily as a result of higher than expected recoveries on fleet claims, as well as the timing on inter-departmental charges and travel & training.

**Forecast** – Slightly over budget.

**12. Other Revenue**

Other Revenue includes revenue received from other City of Edmonton departments for Extra Duty policing.

**13. Accruals**

The total Operating non-personnel accruals for February amounted to \$1.1 million (rounded).

**14. Tangible Capital Assets**

Budget held to cover capital qualifying expenses for projects such as vehicles.