



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2017-June-06

SUBJECT: Financial Report for the Period Ending April 30, 2017

RECOMMENDATION:

That the financial report for the period ending April 30, 2017 be received for information.

INTRODUCTION:

This report provides current year end financial performance information for the Edmonton Police Service (EPS) for the period ending April 30, 2017.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending April 30, 2017 indicate a net surplus position of \$5.172 million or 4.8% mainly due an underspend in non-personnel costs of \$2.221 million, surplus in revenue of \$1.758 million, and an underspend in personnel costs of \$1.193 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 and will be over spent due to various one-time purchases identified through priority unfunded initiatives.

The surplus in revenue is primarily due to ongoing recognition of E911 Grant revenues (offset by personnel expenses), retroactive (third and fourth quarters of 2016) 911 Operators expenses as supported by Alberta Emergency Management Agency, and the timing of the budget versus actuals for the School Resource Officer (SRO) program.

The under budget position in personnel costs is mainly due to the delayed implementation of Northwest Campus, the decision to evaluate an outside party for the Collision Reporting Center, lower benefits, limited need for overtime in Community Policing and Police Communication, and fewer Traffic collisions causing major injury. It is expected that the variance will increase during the year and will be used to offset one-time purchases identified through priority unfunded initiatives.

CONCLUSION:

Based on the operating results to the end of April and the explanations attached, the year-end forecast indicates that the EPS may be \$0.097 million or less than 0.1% under budget. The projection is due to vacancies related to the delayed implementation of Northwest Campus, the decision to evaluate an outside party for the Collision Reporting Center. As well as the increase in Police Information Check revenue, and SRO junior high revenues, offset by one-time purchases identified through priority unfunded initiatives.

ADDITIONAL INFORMATION ATTACHED:

Operating:

I Budget Variance by Major Category of Revenue & Expenditures

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Approved by: Linda REVELL, Chief Administrative Officer, Corporate Services Bureau 

Chief of Police: 

Date: JUN 06 2017

Edmonton Police Service
Budget Variance by Major Category of Revenues & Expenditures
For the Period Ending April 30, 2017
(\$000's)

	Current Period				2016 Year to Date				2017 Year to Date				Year End Forecast			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Projected	Variance	%
Revenue																
Traffic Safety Act Fines (Note 1)	\$ 1 421	\$ 1 133	\$ (288)	-20.3%	\$ 5 638	\$ 4 162	\$ (1 476)	-26.2%	\$ 4 656	\$ 4 627	\$ (29)	-0.6%	\$ 15 508	\$ 15 088	\$ (420)	-2.7%
Transfer to COE General Revenues	-	259	259	0.0%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	0.0%
Transfer from Reserve (OTS) (Note 2)	5 573	5 573	-	0.0%	10 192	10 192	-	0.0%	11 148	11 148	-	0.0%	22 292	22 292	-	0.0%
Provincial Grants (Note 3)	251	570	319	127.1%	3 457	3 238	(221)	-6.4%	3 579	4 988	1 389	38.8%	27 923	30 192	2 269	8.1%
Other Revenue (Notes 4 and 12)	2 179	2 153	(26)	-1.2%	8 912	8 835	(77)	-0.9%	8 946	9 344	388	4.4%	28 034	27 418	(616)	-2.2%
Total Revenue	9 424	9 688	264	2.8%	28 199	26 425	(1 774)	-6.3%	28 327	30 085	1 758	6.2%	91 757	94 990	3 233	3.5%
Expenditures																
Personnel																
Salary and benefits (Note 5)	29 464	27 194	2 270	7.7%	102 562	101 695	867	0.8%	113 129	112 508	621	0.5%	331 223	330 217	1 006	0.3%
EPS Overtime (Note 6a)	685	728	139	18.1%	2 971	2 929	42	1.4%	3 390	2 780	600	17.7%	11 030	10 788	234	2.1%
External Overtime (Note 6b)	38	102	(64)	-168.4%	144	151	(7)	-4.9%	153	181	(28)	-18.3%	480	543	(63)	-13.1%
	30 367	28 022	2 345	7.7%	105 677	104 775	902	0.9%	116 672	115 479	1 193	1.0%	342 713	341 558	1 157	0.3%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 7)	1 095	1 120	(25)	-2.3%	4 521	4 242	279	6.2%	5 237	4 365	872	16.7%	13 455	18 300	(4 845)	-36.0%
Contracts and services (Note 8)	1 436	1 486	(50)	-3.5%	6 178	5 502	676	10.9%	5 637	5 571	66	1.2%	20 056	18 015	2 041	10.2%
Vehicles (Note 9)	627	543	84	13.4%	2 365	2 519	(154)	-6.5%	2 515	2 342	173	6.9%	7 693	10 000	(2 307)	-30.0%
Facilities (Note 10)	1 416	1 203	213	15.0%	5 528	4 843	685	12.4%	5 401	4 432	969	17.9%	17 439	16 272	1 167	6.7%
Other Expenditures (Note 11)	201	261	(60)	-29.9%	689	769	(80)	-11.5%	653	712	(59)	-9.0%	4 459	4 608	(149)	-3.3%
	4 775	4 613	162	3.4%	19 461	17 875	1 586	8.1%	19 643	17 422	2 221	11.3%	63 102	67 395	(4 293)	-6.8%
Total Expenditures (Note 13)	35 142	32 635	2 507	7.1%	125 138	122 650	2 488	2.0%	136 315	132 901	3 414	2.5%	405 815	408 951	(3 136)	-0.8%
Position before Adjustments	25 718	22 947	2 771	10.8%	98 939	96 225	2 714	2.7%	107 988	102 816	5 172	4.8%	314 058	313 961	97	0.0%
Tangible Capital Assets Budget adjustment (Note 14)													5 450	5 450	-	0.0%
Net Position	\$ 25 718	\$ 22 947	\$ 2 771	10.8%	\$ 98 939	\$ 96 225	\$ 2 714	2.7%	\$ 107 988	\$ 102 816	\$ 5 172	4.8%	\$ 319 508	\$ 319 411	\$ 97	0.0%

Edmonton Police Service

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

For the Period Ended April 30th 2017

1. Traffic Safety Act (TSA) Fines Revenue

Year to Date – Revenues are slightly under budget.

Forecast – Historically, revenue levels have been fluctuating from month to month. It is uncertain if the current revenue level will continue however a deficit is being projected at this time.

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

Year to Date – Quarterly transfers from the OTS, with the first payment received in March.

Forecast – No variance is expected.

3. Provincial Grants

Year to Date – Over budget primarily due to ongoing recognition of E911 Grant revenues (offset by personnel expenses), and recognition of revenues to offset all 911 Operators expenses from July 01 to December 31, 2016 as supported by Alberta Emergency Management Agency on March 02, 2017.

Forecast – Same as for the year to date plus increased Municipal Policing Assistance Grant (MPAG) projection based on the municipal census.

4. Other Revenue

Year to Date – The over budget position is primarily due to timing of the budget versus actuals for the School Resource Officer program, ALERT Secondments (offset by greater personnel costs), and greater volume of Police Information Checks (PIC) revenues. This is offset by reduced volume of towed vehicles, and false alarm fees.

Forecast – Same as for the year to date plus increased rate for PIC Unit.

5. Salary and Benefits

Year to date – Under budget due to delayed implementation of Northwest Campus, the decision to evaluate an outside party for the Collision Reporting Center and lower cost of benefits.

Forecast – Same as the year to date and Workers Compensation Board (WCB) Partners in Rebate (PIR). This budget will be held to offset one-time purchases identified through priority unfunded initiatives.

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

Attrition	April	April YTD	Full Year
Original Projection	6	22	70
Actual & Updated Projection	4	17	70

As of May 16, 2017, one sworn member has been dismissed, eight sworn members have tendered their resignation, and eighteen announced their retirement for an attrition total of twenty-seven. Of these, seventeen were no longer on the payroll as of April 30, 2017.

6a. EPS Overtime

Year to date – Underspend as a result of limited need of overtime in Community Policing and Police Communication, and fewer Traffic collisions causing major injury.

Forecast – Same as the year to date offset by estimated cost associated with Rounds 1 and 2 for the Stanley Cup Playoffs.

6b. External Overtime

Year to date – Slightly over budget.

Forecast – Same as the year to date.

7. Furniture, Equipment, IT, Materials and Supplies

Year to date – Under budget due to the timing of purchases in Informatics Division.

Forecast – An over spend is projected mainly due to the one-time purchases identified through priority unfunded initiatives offset by underspend in personnel costs, and Contracts and Services, and Facilities costs.

8. Contracts & Services

Year to date – Slightly under budget.

Forecast – Under budget to offset one-time purchases identified through priority unfunded initiatives.

9. Vehicle Costs

Year to date – Under budget primarily due to lower maintenance and repair costs.

Forecast – Over budget as a result of one-time capital purchase of vehicles identified through priority unfunded initiatives. This is being offset by underspend in personnel costs, Contracts and Services and Facilities costs.

10. Facilities

Year to Date – Under budget due to timing on custodial and maintenance costs as well as fluctuation in utility rates and consumption offset by higher snow removal contracts.

Forecast – Same as the year to date. This will offset one-time purchases identified through priority unfunded initiatives, and costs charged to other budget categories (other expenditures).

11. Other Expenditures

Year to Date – Under budget primarily as a result of the timing on travel & training.

Forecast – Over budget as a result of various facilities, renovation and leasing allocations being charged to City's inter-departmental category instead of facilities where budget exists.

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 April amounted to \$1.3 million (rounded).

14. Tangible Capital Assets

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