



# EDMONTON POLICE SERVICE

## **REPORT TO THE EDMONTON POLICE COMMISSION**

**DATE:** 2013-October-01

**SUBJECT:** Monthly Report for the Period Ending August 31, 2013

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### **RECOMMENDATION:**

That the monthly report for the period ending August 31, 2013 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 August 31, 2013.

### **COMMENTS / DISCUSSION:**

#### **Operating Results**

The results for the period ending August 31, 2013 indicate a net surplus position of \$0.106 million or 0.1% mainly due to an under spend in personnel costs (\$0.605 million), and an under spend in non-personnel costs (\$1.824 million), offset by a revenue shortfall (\$2.323 million).

The under budget position in non-personnel costs is primarily due to the timing of purchases and lower special event costs. It is expected that these variances will decrease during the year.

A shortfall in Traffic Safety Act fines and Secondment vacancies (offset by lower personnel costs) are the major causes of the revenue deficit.

### **CONCLUSION:**

Based on the results to the end of August and the explanations attached, the year end forecast indicates that EPS will be over budget (\$1.564 million) primarily due to the recent collective agreement settlement for Edmonton Police Association / Senior Officers Association staff (\$1.100 million), and under-recovery of Traffic revenue fines (\$3.552 million) offset by expenditure reductions and increased bylaw fine payments.

ADDITIONAL INFORMATION ATTACHED:

Attachments

Operating:

I Budget Variance by Major Category of Revenue & Expenditures

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Chief of Police: *[Signature]* C. BRON SIMPSON, ACTING CHIEF

Date: *Oct 3, 2013*

**Edmonton Police Service**  
**Budget Variance by Major Category of Revenues & Expenditures**  
**For the Period Ending August 31, 2013**  
**(\$000's)**

	Current Period				2012 Year to Date				2013 Year to Date				Year End Forecast			
	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Actual	Var	%	Budget	Projected	Var	%
<b>Revenue</b>																
Traffic Safety Act (Note 1)	\$ 1 357	\$ 982	\$ (375)	-27.6%	\$ 8 648	\$ 9 731	\$ 1 083	12.5%	\$ 11 068	\$ 8 354	\$ (2 714)	-24.5%	\$ 16 158	\$ 12 606	\$ (3 552)	-22.0%
Transfer to COE General Revenues	-	-	-		-	(1 083)	(1 083)		-	-	-		-	-	-	
Provincial Grants (Note 2)	-	-	-		23 492	23 019	(473)	-2.0%	23 580	23 580	-	0.0%	23 580	23 580	-	0.0%
Other (Notes 3 and 11)	2 589	2 607	18	0.7%	17 483	17 927	444	2.5%	18 226	18 617	391	2.1%	27 179	27 534	355	1.3%
<b>Total Revenue</b>	<b>3 946</b>	<b>3 589</b>	<b>(357)</b>	<b>-9.0%</b>	<b>49 623</b>	<b>49 594</b>	<b>(29)</b>	<b>-0.1%</b>	<b>52 874</b>	<b>50 551</b>	<b>(2 323)</b>	<b>-4.4%</b>	<b>66 917</b>	<b>63 720</b>	<b>(3 197)</b>	<b>-4.8%</b>
<b>Expenditures</b>																
<b>Personnel</b>																
Salary and benefits (Note 4)	21 608	20 125	1 483	6.9%	168 349	166 722	1 627	1.0%	178 224	177 148	1 076	0.6%	269 310	267 955	1 355	0.5%
EPS Overtime (Note 5a)	866	984	(118)	-13.6%	6 086	5 922	164	2.7%	6 616	6 777	(161)	-2.4%	10 038	10 676	(638)	-6.4%
External Overtime (Note 5b)	36	24	12	33.3%	288	293	(5)	-1.7%	288	598	(310)	-107.6%	432	809	(377)	-87.3%
	<b>22 510</b>	<b>21 133</b>	<b>1 377</b>	<b>6.1%</b>	<b>174 723</b>	<b>172 937</b>	<b>1 786</b>	<b>1.0%</b>	<b>185 128</b>	<b>184 523</b>	<b>605</b>	<b>0.3%</b>	<b>279 780</b>	<b>279 440</b>	<b>340</b>	<b>0.1%</b>
<b>Non-Personnel</b>																
Furniture, equipment, IT, materials and supplies (Note 6)	461	819	(358)	-77.7%	8 876	8 454	422	4.8%	8 671	8 788	(117)	-1.3%	11 660	12 352	(692)	-5.9%
Contracts and services (Note 7)	2 194	1 805	389	17.7%	12 925	11 359	1 566	12.1%	13 101	11 935	1 166	8.9%	20 183	18 621	1 562	7.7%
Vehicles (Note 8)	666	663	3	0.5%	5 086	5 235	(149)	-2.9%	5 050	5 004	46	0.9%	7 705	7 642	63	0.8%
Facilities (Note 9)	1 408	1 274	134	9.5%	9 136	8 726	410	4.5%	10 209	9 537	672	6.6%	15 811	15 394	417	2.6%
Other (Note 10)	188	105	83	44.1%	2 427	2 144	283	11.7%	2 987	2 930	57	1.9%	3 739	3 796	(57)	-1.5%
	<b>4 917</b>	<b>4 666</b>	<b>251</b>	<b>5.1%</b>	<b>38 450</b>	<b>35 918</b>	<b>2 532</b>	<b>6.6%</b>	<b>40 018</b>	<b>38 194</b>	<b>1 824</b>	<b>4.6%</b>	<b>59 098</b>	<b>57 805</b>	<b>1 293</b>	<b>2.2%</b>
<b>Total Expenditures (Note 11)</b>	<b>27 427</b>	<b>25 799</b>	<b>1 628</b>	<b>5.9%</b>	<b>213 173</b>	<b>208 865</b>	<b>4 318</b>	<b>2.0%</b>	<b>225 146</b>	<b>222 717</b>	<b>2 429</b>	<b>1.1%</b>	<b>338 878</b>	<b>337 245</b>	<b>1 633</b>	<b>0.5%</b>
<b>Position before Adjustments</b>	<b>23 481</b>	<b>22 210</b>	<b>1 271</b>	<b>5.4%</b>	<b>163 550</b>	<b>159 261</b>	<b>4 289</b>	<b>2.6%</b>	<b>172 272</b>	<b>172 166</b>	<b>106</b>	<b>0.1%</b>	<b>271 961</b>	<b>273 525</b>	<b>(1 564)</b>	<b>-0.6%</b>
<b>Tangible Capital Assets Budget adjustment</b>													5 273	5 273	-	0.0%
<b>Net Position</b>	<b>\$ 23 481</b>	<b>\$ 22 210</b>	<b>\$ 1 271</b>	<b>5.4%</b>	<b>\$ 163 550</b>	<b>\$ 159 261</b>	<b>\$ 4 289</b>	<b>2.6%</b>	<b>\$ 172 272</b>	<b>\$ 172 166</b>	<b>\$ 106</b>	<b>0.1%</b>	<b>\$ 277 234</b>	<b>\$ 278 798</b>	<b>\$ (1 564)</b>	<b>-0.6%</b>

## Edmonton Police Service

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

For the Period Ended August 31<sup>st</sup> 2013**1. Traffic Safety Act (TSA) Fines Revenue**

**Year to Date** – Under budget. The budget assumption was that all four Specialized Traffic Apprehension Teams would be operational at the beginning of the year. In addition, there is a decrease of 21 percent in other traffic fines revenue compared to 2012.

**Forecast** – Under budget. Fine payments from the activity of the additional Specialized Traffic Apprehension teams are expected to increase as the year progresses. However, a significant shortfall is still anticipated.

**2. Provincial Grants**

**Year to Date** – On budget.

**Forecast** – On budget.

**3. Other Revenue**

**Year to Date** – Over budget due to increased external recoveries for the Calgary flood, Alberta Union of Provincial Employees court workers strike, and Robbery assisting the RCMP with an investigation (offset by overtime expense) and Municipal Bylaw Violations fines, correspondence fees, and Alberta Health Services (AHS) radio net revenues. The impact of these is offset by the timing of recoveries for special event policing, secondment recoveries (\$425k), and Police Information Check fees.

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

**4. Salary and Benefits**

**Year to date** – Under budget mainly due to benefits, court time and secondment vacancies (\$365k).

**Forecast** – Same as for year to date, but offset by EPA/SOA contract settlement.

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

Attrition	August	August YTD	Full Year
Original Projection	5	40	60
Actual & Updated Projection	7	44	65

As of September 17, 2013, twenty-two sworn members have tendered their resignations and thirty five announced their retirement and one member passed away for an attrition total of fifty eight. Of these, forty-four were no longer on the payroll as of August 31, 2013.

**5a. EPS Overtime**

**Year to date** – Over budget primarily due to the shortage of relief evaluators and other non-sworn vacancies in the Police Dispatch 9-1-1 Section and overtime to tackle specific crime issues within the Community Policing Bureau. This variance is offset by lower overtime usage in various Investigative Support Bureau areas (e. g. Homicide, Traffic).

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

**5b. External Overtime**

**Year to date** - Over budget mainly due to unexpected costs associated with the Calgary flood, Alberta Union of Provincial Employees court workers strike and Robbery assisting the RCMP with an investigation. Costs are offset by increased external revenues.

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

**6. Furniture, Equipment, IT, Materials and Supplies**

**Year to date** – Under budget largely due to the timing of purchases in the Information Technology Branch, offset by a large ammunition purchase being delivered earlier than expected.

**Forecast** – Over budget mainly due to higher costs related to software licenses, as well as higher than anticipated equipment maintenance and repair costs, offset by an under spend in Contracts & Services.

**7. Contracts & Services**

**Year to date** – Under budget due to decreased special event costs (offset by lower revenues) partly as a result of a change in policy. The timing of purchases in the Information Management Branch, Security Management, and Patrol Bureau Community Initiative Funds are also contributing to the under budget position.

**Forecast** – Under budget largely due to budgets being held to offset over spends in other areas (Furniture & Equipment), and a projected underspend for special event policing costs.

**8. Vehicle Costs**

**Year To date** – Slightly under budget.

**Forecast** – Slightly under budget.

**9. Facilities**

**Year to Date** – Under budget mainly due to utility costs being less than anticipated.

**Forecast** – Under budget due to lower utility, telecommunication expenditures, and lower cost of lease at Nexus, offset by relocation costs (ALERT facility and Fixed Wing).

**10. Other Expenditures**

**Year to Date** – Slightly under budget.

**Forecast** – Slightly over budget

**11. Other Revenue**

Other Revenue includes revenue received from other City of Edmonton departments for special event policing, as well as revenue recovered from external agencies for services rendered.

**12. Accruals**

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