



EDMONTON POLICE SERVICE



REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2011-July-14

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

RECOMMENDATION:

That the monthly report for the period ending May 31, 2011 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 May 31, 2011.

COMMENTS / DISCUSSION:

Results

The results for the period ending May 31, 2011 indicate a net surplus position of \$1.2 million or 1.2% mainly due to the under spend and timing of non-personnel costs (\$1.0 million), an under spend in personnel costs (\$1.1 million) offset by a deficit in revenue (\$0.9 million).

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 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 for several months until a revised recruiting schedule brings us close to full strength by year-end.

The variance in revenue relates to a decrease in towing activity, the delay in filling the new traffic squad, a number of secondment vacancies and the cancellation of four secondment initiatives.

Other Issues

The EPS provided officers in June 2010 to assist the Toronto Police Service (TPS) in performing policing duties during the G20 summit in Toronto. The reimbursement of these costs was recorded as accrued revenue in 2010. TPS is scheduled to submit payment to EPS once they receive payment from the Federal Government. The payment was dependant upon the completion of an audit by a federal agency (Audit Services Canada). The audit commenced in February 2011 but the agency is being eliminated by the federal government and it is anticipated that this will further delay reimbursement. However, it is still anticipated that the amounts submitted by EPS will be reimbursed in full.

CONCLUSION:

Based on the results to the end of May and the explanations above, the year end forecast indicates that EPS will be under budget by approximately \$0.2 million.

ADDITIONAL INFORMATION ATTACHED:

Attachments

- I Budget Variance by Major Category of Revenue & Expenditures

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

A/Chief of Police: 

Date: 30 JUNE 2011

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending May 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)	\$ 1,131	\$ 1,172	\$ 41	3.6%	\$ 4,704	\$ 4,724	\$ 20	0.4%	\$ 4,997	\$ 4,853	\$ (144)	-2.9%	\$ 12,158	\$ 11,908	\$ (250)	-2.1%
Transfer to COE General Revenues	-	-	-		-	(20)	(20)		-	-	-		-	-	-	
Provincial Grants (Note 2)	-	-	-		4,326	4,326	-	0.0%	5,189	5,189	-	0.0%	23,194	23,019	(175)	-0.8%
Other (Note 3)	2,066	2,151	85	4.1%	9,636	10,282	646	6.7%	11,301	10,528	(773)	-6.8%	26,867	26,614	(253)	-0.9%
Total Revenue	3,197	3,323	126	3.9%	18,666	19,312	646	3.5%	21,487	20,570	(917)	-4.3%	62,219	61,541	(678)	-1.1%
Expenditures																
Personnel																
Salary and benefits (Note 4)	19,188	19,054	134	0.7%	92,908	93,868	(960)	-1.0%	98,722	97,305	1,417	1.4%	234,706	231,612	3,094	1.3%
EPS Overtime (Note 5a)	632	794	(162)	-25.6%	3,047	2,874	173	5.7%	2,979	3,213	(234)	-7.9%	8,691	9,108	(417)	-4.8%
External Overtime (Note 5b)	25	23	2	8.0%	-	-	-		125	205	(80)	-64.0%	299	599	(300)	-100.3%
	19,845	19,871	(26)	-0.1%	95,955	96,742	(787)	-0.8%	101,826	100,723	1,103	1.1%	243,696	241,319	2,377	1.0%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	520	551	(31)	-6.0%	4,017	3,632	385	9.6%	4,858	4,354	504	10.4%	11,038	11,501	(463)	-4.2%
Contracts and services (Note 7)	1,404	1,486	(82)	-5.8%	8,112	7,398	714	8.8%	7,109	6,663	446	6.3%	20,049	20,604	(555)	-2.8%
Vehicles (Note 8)	536	669	(133)	-24.8%	2,480	2,585	(105)	-4.2%	2,706	2,975	(269)	-9.9%	7,063	7,657	(594)	-8.4%
Facilities (Note 9)	1,210	1,091	119	9.8%	5,409	5,312	97	1.8%	5,678	5,472	206	3.6%	13,980	13,947	33	0.2%
Other (Note 10)	262	222	40	15.3%	(196)	(429)	233	-118.9%	728	578	150	20.6%	2,844	2,750	94	3.3%
	3,932	4,019	(87)	-2.2%	19,822	18,498	1,324	6.7%	21,079	20,042	1,037	4.9%	54,974	56,459	(1,485)	-2.7%
Total Expenditures (Note 11)	23,777	23,890	(113)	-0.5%	115,777	115,240	537	0.5%	122,905	120,765	2,140	1.7%	298,669	297,778	892	0.3%
Position before Adjustments	20,580	20,567	13	0.1%	97,111	95,928	1,183	1.2%	101,418	100,195	1,223	1.2%	236,450	236,237	214	0.1%
Tangible Capital Assets Budget adjustment													5,842	5,842	-	0.0%
Net Position	\$ 20,580	\$ 20,567	\$ 13	0.1%	\$ 97,111	\$ 95,928	\$ 1,183	1.2%	\$ 101,418	\$ 100,195	\$ 1,223	1.2%	\$ 242,292	\$ 242,078	\$ 214	0.1%

Edmonton Police Service

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

For the Period Ended May 31st 2011

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 fully operational until later in the fiscal year.

2. Provincial Grants

Year to Date – Grant receipts are consistent with 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.

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.

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 \$298k favourable variance in Court costs. These savings are partially offset by a \$620k overspend in Statutory holiday pay. Also, a refund of \$405k related to 2010 premiums, was received from the Workers' Compensation Board.

Forecast – Same as for year to date.

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

Attrition	May	May YTD	Full Year
Original Projection	4	20	48
Actual & Updated Projection	2	22	60

As of June 22, nine sworn members have tendered their resignation and twenty two announced their retirement for an attrition total of thirty one. Of these, twenty two were no longer on the payroll as of May 31, 2011.

5a. EPS Overtime

Year to date – Over budget for EPS only overtime, largely the result of the costs associated with the start up and operation of the Information Management and Approval Center (IMAC), the increased number of homicides to date and project investigations that are offset by budgets in Contracts and Services.

Forecast – Over budget for EPS only overtime, largely the result of the continued costs associated with the start up and operations of the Information Management and Approval Center (IMAC) and the increased number of homicides to date. An additional \$75k has been committed to an overtime initiative concerning the downtown entertainment district.

5b. External Overtime

Year to date – Slightly over budget.

- ALERT \$70k
- 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 – Over budget due to the purchase of equipment, funded from under spends in other budget headings including Salaries.

7. Contracts & Services

Year to date – Under budget related to timing issues, notably in Human Resources, Community Police Bureau, and the Operational Support division. Decreased towing costs which are offset by a reduction in revenue, are also contributing to the under spend.

Forecast – Over budget due to the 2011 initiatives (e.g. recruiting, facilities strategic master plan) funded from under spends in other budget headings including Salaries.

8. Vehicle Costs

Year To date – Over budget due to ALERT vehicle lease costs which are offset by increased revenue.

Forecast – Same as year to date.

9. Facilities

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

Forecast – Slightly under budget.

10. Other Costs

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

Forecast – Slightly under budget.

11. Accruals

The total Operating non-personnel accruals for May amounts to \$2.2 million (rounded).