



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2018-August-2

SUBJECT: Budget Variance Report for the Period Ending June 30, 2018

RECOMMENDATION(S):

That this report be received for information.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending June 30, 2018 indicate a net deficit position of \$1.284 million or 0.9% (revenue shortfall of \$0.398 million plus an expense overspend of \$0.886 million). The revenue shortfall is primarily a result of lower than expected Traffic Safety Act revenues and expenses overspend is primarily due to personnel increases to support the City's annexation to the South and the Federal legalization of cannabis.

At the beginning of the year, operating budgets were held manually to offset capital qualifying expenditures pending City Council's approval of the Spring Supplemental Capital Budget Adjustment (SCBA). Upon a thorough review during the second quarter close, it was discovered that these manual operating budget holds had not been removed after SCBA approval thus projecting a significant overspend at year end. The issue has now been resolved and steps put into place to ensure these manual holds are removed in a timely fashion going forward. Based on the operating results to the end of June, the year-end forecast has been updated to indicate that the EPS may be \$0.437 million or 0.1% over budget.

Capital Results

2018 is the fourth and final year for the Capital budget cycle (2015-18) and the results indicate \$71.594 million will be expended in the last half of 2018 and \$13.772 million will carry forward to 2019 to complete projects. All projects remain within current budget approvals.

ADDITIONAL INFORMATION ATTACHED:

Attachment I - Budget Variance by Major Category of Revenue & Expenditures

Attachment II - Capital Budget Performance

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Reviewed By: Jodie GRAHAM, Executive Director, Business Development Division *Jodie Graham 20180830*

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

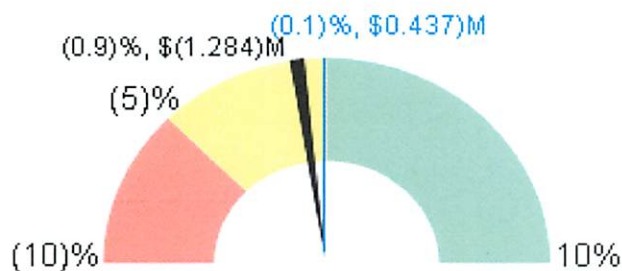
for Jodie Graham

Chief of Police: _____

Date: SEP 04 2018

Edmonton Police Service
Budget Variance by Major Category of Revenue & Expenditures
For the Period Ending June 30, 2018 (\$000's)

- Favourable budget variance, $\geq 0\%$
- Unfavourable budget variance, 0% to $(5)\%$
- Unfavourable budget variance, $> (5)\%$



- Year-to-Date Variance
- Projected Year-End Variance

	Year-to-Date			
	Budget	Actual	Variance \$	%
Revenue	60,175	59,776	(398)	-0.7%
<i>Personnel</i>	176,898	179,417	(2,519)	-1.4%
<i>Non-Personnel</i>	32,218	30,584	1,633	5.1%
Expense	209,116	210,001	(886)	-0.4%
Net Position	148,941	150,225	(1,284)	-0.9%

	Projected Year-End			
	Budget	Actual	Variance \$	%
Revenue	97,704	96,452	(1,252)	-1.3%
<i>Personnel</i>	358,899	361,285	(2,386)	-0.7%
<i>Non-Personnel</i>	66,751	63,550	3,201	4.8%
Expense	425,650	424,835	815	0.2%
TCA (Note 1)	9,431	9,431	-	0.0%
Net Position	337,377	337,814	(437)	-0.1%

Year-to Date

Revenue - Unfavourable variance resulting from lower Traffic Safety Act revenues of 4%, compared to last year, partially due to a lower number of officer issued tickets.

Personnel - Unfavourable variance as a result of being over strength to support the City's annexation to the South, Federal legalization of Cannabis, and higher part time costs in Police Communication Branch to transition staffing, greater Secondments (offset by revenues).

Non-Personnel - Favourable variance due to lower than expected custodial and maintenance costs, budget not required for on-going operating costs for Northwest Campus as it is not operational until 2019, and the timing of purchases for general materials and supplies.

Projected Year-End

Revenue - The unfavourable variance resulting from lower Traffic Safety Act revenues is expected to continue to year end.

Personnel - The overspend is still anticipated but to a lesser degree, given newer information on Compensation and Benefits.

Non-Personnel - The favourable year to date variance is expected to continue to year end plus lower than expected costs for the legalization of cannabis resulting from not having an approved testing device available for purchase.

Notes:

(1) TCA refers to Tangible Capital Assets, where budget is held to cover capital-qualifying expenses for purchases such as vehicles and/or information technology projects.

	2017 Year-to-Date					2017 Year-End			
	Budget	Actual	Variance \$	%		Budget	Actual	Variance \$	%
Revenue	58,006	60,016	2,010	3.5%	Revenue	91,477	94,972	3,495	0.0%
Expense	203,174	202,244	930	0.5%	Expense	410,985	417,118	(6,133)	0.0%
Net Position	145,168	142,228	2,940	2.0%	Net Position	319,508	322,146	(2,638)	0.0%

Edmonton Police Service
Capital Budget Performance
Financial Report for the Period Ending June 30, 2018 (\$000's)

Profile Category	2015 Actuals	2016 Actuals	2017 Actuals	2018 Actuals	Project To Date Actuals	2018 Projection	2019 Projection	Total Projection	2015-18 Approved Budget	2019 Approved Budget	Total Bud v Proj \$
Facilities (Note 1)	\$ 3,837	\$ 9,607	\$ 49,316	\$ 24,246	\$ 87,006	\$ 42,427	\$ 5,069	\$ 110,256	\$ 110,256	\$ -	\$ -
Equipment (Note 2)	\$ 18,351	\$ 13,858	\$ 17,809	\$ 6,189	\$ 56,207	\$ 15,641	\$ 7,688	\$ 73,347	\$ 72,532	\$ 1,400	\$ 585
Information Technology (Note 3)	\$ 13,743	\$ 5,213	\$ 6,148	\$ 5,753	\$ 30,857	\$ 13,526	\$ 1,015	\$ 39,645	\$ 39,645	\$ -	\$ -
	\$ 35,931	\$ 28,678	\$ 73,273	\$ 36,188	\$ 174,070	\$ 71,594	\$ 13,772	\$ 223,248	\$ 222,433	\$ 1,400	\$ 585

