



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2019 September 30

SUBJECT: Budget Variance for the Period Ending August 31, 2019

RECOMMENDATION(S):

That this report be received for information.

INTRODUCTION:

This report provides information and updates to the EPC on the EPS current financial position and year-end financial performance forecast as of August 31, 2019.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending August 31, 2019 indicate a net surplus position of \$1.143 million or 0.5% mainly due to an under spend in non-personnel of \$4.186 million partially offset by an over spend in personnel of \$3.135 million and higher revenue of \$0.092 million.

The under budget position in non-personnel costs is due to lower equipment and IT costs, lower custodial and maintenance costs primarily due to Northwest Campus delays, lower renovation and rent, and contract and services costs.

The over budget position in personnel costs is a result of being over strength, higher part time costs in PCB resulting from 911 position civilianization and higher secondment costs (offset by recoveries from ALERT).

The over budget revenue position is primarily due to increased secondment recoveries from ALERT (offset by higher personnel expenses), higher Police Information Check Section (PICS) revenue partially offset by lower vehicle tows revenue during the first seven months, less E911 Grant revenue recognized and lower Traffic Safety Act revenue.

CONCLUSION:

The year-end forecast indicates that the EPS will be on budget at year end. In accordance with EPS Reserve Policy, currently projected operating surplus of \$0.758 million will be placed in EPS reserve.

ADDITIONAL INFORMATION ATTACHED:

Attachment 1 – Budget Variance by Major Category of Revenue & Expenditures

Written By: Kathryn REYNOLDS, T/A Director, Financial Management Branch 

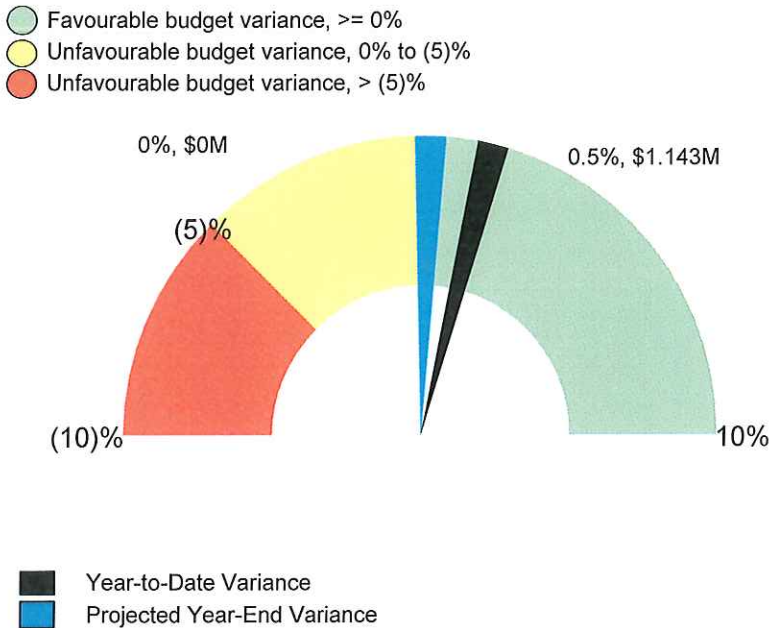
Reviewed By: Robert DAVIDSON, Executive Director, Business Development Division 

Approved By: Chad TAWFIK, T/A Deputy Chief, Corporate Services Bureau 

Chief of Police: 

Date: Sept 28, 19

Edmonton Police Service
Budget Variance by Major Category of Revenue & Expenditures
For the Period Ending August 31, 2019



	Year-to-Date			
	Budget	Actual	Variance \$	%
Revenue	60,836	60,928	92	0.2%
Personnel	241,906	245,041	(3,135)	-1.3%
Non-Personnel	48,093	43,907	4,186	8.7%
Expense	289,999	288,948	1,051	0.4%
Net Position	229,163	228,020	1,143	0.5%

	Projected Year-End			
	Budget	Actual	Variance \$	%
Revenue	96,957	97,525	568	0.6%
Personnel	368,986	369,133	(147)	0.0%
Non-Personnel	74,969	74,632	337	0.4%
Expense	443,955	443,765	190	0.0%
TCA (Note 1)	9,958	9,958	-	0.0%
Transfer to/from EPS Reserve (Note 2)	-	758	(758)	0.0%
Net Position	356,956	356,956	-	0.0%

Year-to Date

Revenue - The over budget revenue position is primarily due to increased secondment recoveries from ALERT (offset by personnel expenses), higher Police Information Check Section (PICS) revenue partially offset by lower vehicle tows revenue during the first seven months, less E911 Grant revenue recognized and lower Traffic Safety Act revenue.

Personnel - Unfavourable variance primarily due to being over strength, higher part time and overtime costs in PCB resulting from 911 position civilianization and higher secondment costs (offset by recoveries from ALERT).

Non-Personnel - Favorable variance due to lower equipment and IT costs primarily due to the timing of specific initiatives planned for Q3 and Q4 (PC Lifecycle as part of Windows 10), custodial and maintenance costs primarily due to Northwest Campus delays, lower renovations and rent, contract and services costs.

Projected Year-End

Revenue - The over budget position is due to increased secondment recoveries from ALERT (offset by personnel expenses), higher PICS revenue partially offset by lower Traffic Safety Act revenue (partially due to lower number of tickets issued), lower vehicle tows revenue (lower volume of tows partially offset by the increase in storage rates) and lower E911 Grant revenue recognized.

Personnel - The unfavourable variance is primarily due to being over strength, higher part time and overtime costs in PCB as a result of 911 positions civilianization and higher secondment costs (offset by recoveries from ALERT), partially offset by a reduction in Local Authorities Pension Plan employer contributions, a collective bargaining settlement where the increase is payable effective December, 2019 and funds not needed to support NHL Playoffs.

Non-Personnel - The favourable variance is primarily due to lower than expected custodial and maintenance as a result of delays related to Northwest Campus, lower renovations and rent costs partially offset by higher costs to complete the tenant improvements and equipment fit-up at the TD Tower.

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.

(2) On June 26, 2018 City Council approved Policy C605 Edmonton Police Reserve. In accordance with the policy and in the event the reserve falls into a deficit position, a strategy will be developed by the EPS, to be approved by City Council, to achieve a balanced position over a period not to exceed three years, starting with the subsequent year operating budget. Balance in the EPS Reserve as at December 31, 2018 was \$1.162 million.

	2018 Year-to-Date				2018 Year-End				
	Budget	Actual	Variance \$	%	Budget	Actual	Variance \$	%	
Revenue	73,337	73,313	(24)	0.0%	Revenue	95,718	94,742	(976)	3.8%
Expense	273,572	275,519	(1,947)	-0.7%	Expense	433,095	430,957	2,138	0.5%
Transfer to/from	-	-	-	0.0%	Transfer to/from	-	1,162	(1,162)	0.0%
EPS Reserve (Note 2)				3	EPS Reserve (Note 2)				
Net Position	200,235	202,206	(1,971)	-1.0%	Net Position	337,377	337,377	-	-0.8%