



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2020 January 06

SUBJECT: Budget Variance for the Period Ending November 30, 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 November 30, 2019.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending November 30, 2019 indicate a net surplus position of \$1.180 million or 0.4% mainly due to an under spend in non-personnel of \$5.283 million partially offset by an over spend in personnel of \$3.376 million and lower revenue of \$0.727 million.

The under budget position in non-personnel costs is due to lower custodial and maintenance costs primarily due to Northwest Campus delays, lower renovation and rent, lower equipment and IT costs, lower Extra Duty members costs due to lower demand and Human Centered Engagement and Liaison Partnership (HELP) unit not being operational.

The over budget position in personnel costs is a result of 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).

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


CONCLUSION:

The year-end forecast projects an operating deficit of \$0.052 million. In accordance with EPS Reserve Policy, this deficit will be covered from the EPS Operating Reserve.

ADDITIONAL INFORMATION ATTACHED:

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

Written By: Kathryn REYNOLDS, Director, Financial Management Branch 

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

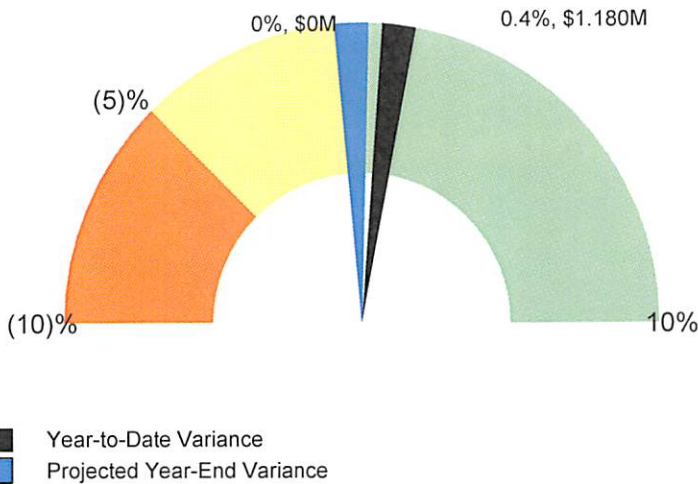
Approved By: Darren DERKO, Deputy Chief, Corporate Services Bureau 

Chief of Police: A/C A. J. VERTON

Date: 2020 June 06th

Edmonton Police Service
Budget Variance by Major Category of Revenue & Expenditures
For the Period Ending November 30, 2019

- Favourable budget variance, >= 0%
- Unfavourable budget variance, 0% to (5)%
- Unfavourable budget variance, > (5)%



	Year-to-Date			
	Budget	Actual	Variance \$	%
Revenue	79,356	78,629	(727)	-0.9%
<i>Personnel</i>	332,123	335,499	(3,376)	-1.0%
<i>Non-Personnel</i>	67,460	62,177	5,283	7.8%
Expense	399,583	397,676	1,907	0.5%
Net Position	320,227	319,047	1,180	0.4%

	Projected Year-End			
	Budget	Actual	Variance \$	%
Revenue	96,957	95,976	(981)	-1.0%
<i>Personnel</i>	368,371	369,789	(1,418)	-0.4%
<i>Non-Personnel</i>	75,582	73,235	2,347	3.1%
Expense	443,953	443,024	929	0.2%
TCA (Note 1)	9,958	9,958	-	0.0%
Transfer to/from EPS Reserve (Note 2)	-	(52)	52	0.0%
Net Position	356,954	356,954	0	0.0%

Year-to Date

Revenue - The under budget position is due to Traffic Safety Act revenue (partially due to lower number of tickets issued), lower Extra Duty due to lower demand, lower vehicle tows revenue (lower volume of tows partially offset by the increase in storage rates), lower E911 Grant revenue recognized partially offset by increased secondment recoveries from ALERT (offset by personnel expenses) and higher Police Information Check Section (PICS) 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 primarily due to lower custodial and maintenance costs as a result of Northwest Campus delays, lower renovations and rent, equipment and IT costs primarily due to the timing of specific initiatives planned for Q4 (PC Lifecycle as part of Windows 10), lower Extra Duty member payments due to lower demand and HELP unit not being operational.

Projected Year-End

Revenue - The same as year to date The transfer of the second half of Municipal Policing Assistance Grant (MPAG) and Police Officer Grant (POG) in December has been confirmed.

Personnel - The same as year to date 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 same as year to date 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	91,479	91,137	(342)	-0.4%	Revenue	95,718	94,742	(976)	3.8%
Expense	379,067	377,917	1,150	0.3%	Expense	433,095	430,957	2,138	0.5%
Transfer to/from EPS Reserve (Note 2)	-	-	-	0.0%	Transfer to/from EPS Reserve (Note 2)	-	1,162	(1,162)	0.0%
Net Position	287,588	286,780	808	0.3%	Net Position	337,377	337,377	-	-0.8%