



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: 2021 February 1

SUBJECT: Budget Variance for the Period Ending December 31, 2020

RECOMMENDATION(S):

That this report be received for information.

INTRODUCTION:

This report provides information and updates to the Edmonton Police Commission (EPC) on the Edmonton Police Service (EPS) financial position as of December 31, 2020.

COMMENTS / DISCUSSION:

Operating Results

The operating results for the period ending December 31, 2020 indicate that a \$2.249 million underspend will be transferred to the EPS Operating Reserve.

The main causes of the underbudget position in non-personnel costs are detailed in Attachment I and include lower demand for Extra Duty services, delays in the Human-centered Engagement and Liaison Partnership (HELP) program initiatives and lower expenses for forensic biology related services.

The revenue shortfall is due to lower demand for several EPS services and fewer Traffic Safety Act fine tickets issued.

The overbudget position in Personnel is primarily the result of higher salary costs due to decreases in vacation taken, higher part time and overtime costs in the Police Communications Branch resulting from 911 position civilianization, largely offset by the savings due to the EPA collective bargaining where the increase was effective December 2020 and lower Community Policing overtime costs.

COVID-19 Financial Impact

The year-end results include \$8.096 million for increased operating expenses and revenue shortfalls.

Capital Results

This is the second year of the four year Capital budget (2019 to 2022) and the results indicate a budget carry forward to 2021 of \$18.308 million. The carry forward is predominantly related to Information Technology Systems, Northwest Campus, Vehicles, and Telecommunications.

ADDITIONAL INFORMATION ATTACHED:

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

Attachment II - Capital Budget Performance

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

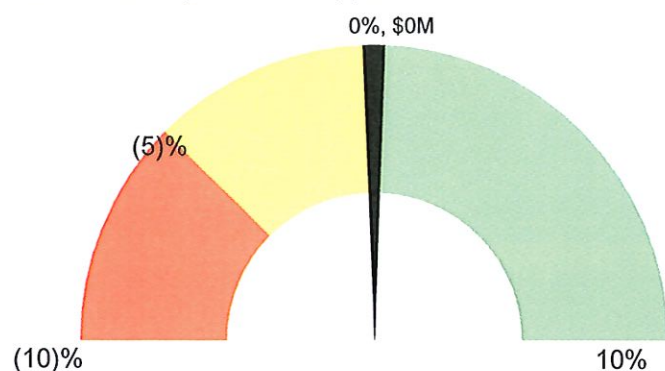
Approved By: Darren DERKO, Deputy Chief, Corporate Services Bureau 

Chief of Police: _____

Date: _____

Edmonton Police Service
Budget Variance by Major Category of Revenue & Expenditures
For the Period Ending December 31, 2020

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



2020 Year-to-Date				
	Budget	Actual	Variance \$	%
Revenue	96,946	92,862	(4,084)	-4.2%
<i>Personnel</i>	381,640	384,712	(3,072)	-0.8%
<i>Non-Personnel</i>	92,313	82,908	9,405	10.2%
Expense	473,953	467,620	6,333	1.3%
Transfer to/from EPS Reserve (Note 2)	-	2,249	(2,249)	
Net Position	377,007	377,007	-	0.0%

2019 Year-to-Date				
	Budget	Actual	Variance \$	%
Revenue	96,957	94,470	(4,453)	-4.6%
<i>Personnel</i>	368,575	369,044	(3,822)	-1.0%
<i>Non-Personnel</i>	86,006	81,967	8,599	10.7%
Expense	454,581	451,011	4,777	1.0%
Transfer to/(from) EPS Reserve (Note 2)	-	1,083	(324)	
Net Position	357,624	357,624	0	0.0%

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

Year-to Date

Revenue - The under budget position is the result of less demand for Extra Duty services because of the cancellation of several events and fewer tows of seized vehicles, offset by lower contract and service costs. There was also lower demand for Police Information Checks (PICS). Lower Traffic Safety Act revenues were due to a lower number of tickets issued. There were also less E911 Grant related costs resulting in less revenue recognized. The grants received for Municipal Policing Assistance and Drug Impaired Driving were higher than anticipated.

Personnel - The over budget position is due to higher salary costs because of decreases in vacation taken, higher part time and overtime costs in the Police Communications Branch (PCB) resulting from 911 position civilianization, and one-time costs related to the Voluntary Retirement Incentive Program. Offsetting these are savings due to the EPA collective bargaining where the increase was effective December 2020 and lower Community Policing overtime due to favorable staffing or deployment.

Non-Personnel - The under budget position is due to lower Extra Duty and tow lot contract expenses, which are offset by reductions in revenue. Also contributing to the under spend are the lower than expected expense for forensic biology related services, and the delay in the Human-centered Engagement and Liaison Partnership (HELP) program initiatives. Travel and training, insurance for vehicles and Air 1 & 2, building maintenance, custodial, and snow removal costs were also lower than anticipated. Additional costs were incurred for PICS online service and credit card processing fees.

Notes:

(1) 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.

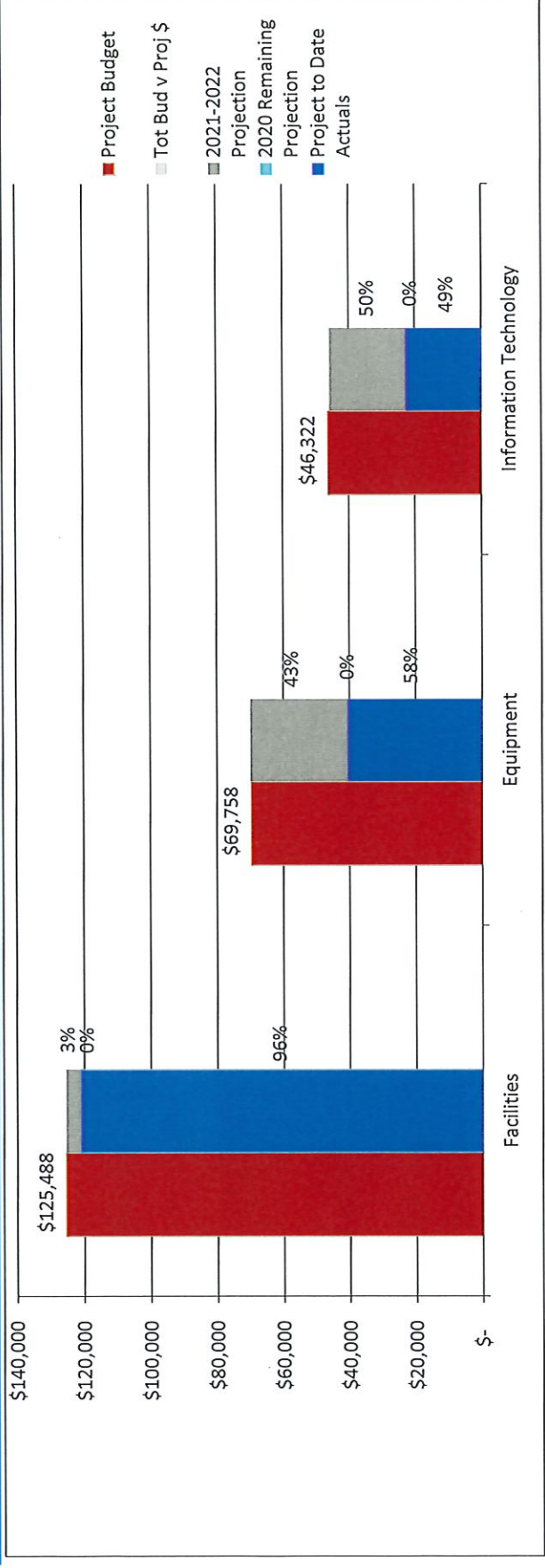
The unrestricted balance in the EPS Operating Reserve as at December 31, 2020 is \$4.494 million which is comprised of the following annual transfers:

- 2018 \$1.162 million
- 2019 \$1.083 million
- 2020 \$2.249 million

The total balance in the EPS Operating Reserve as at December 31, 2020 is \$7.034 million of which \$2.540 million is restricted for Alberta First Responders Radio Communications System (AFRRCS) Government of Alberta access fee and ongoing Information Technology software subscription, maintenance and support costs.

Edmonton Police Service
Capital Budget Performance
Financial Report for the Period Ending December 31, 2020 (\$000's)

Profile Category	2020 Actuals	Project To Date Actuals	2021-2022 Projection	Total Projection	Approved Budget Prior Years	2020 Approved Budget	2021-2022 Approved Budget	Total Approved Budget	Total Bud vs Proj \$
Facilities (Note 1)	\$ 11,414	\$ 121,045	\$ 4,336	\$ 125,381	\$ 109,631	\$ 15,857	\$ -	\$ 125,488	\$ 107
Equipment (Note 2)	\$ 16,534	\$ 40,467	\$ 29,530	\$ 69,998	\$ 23,934	\$ 22,690	\$ 23,133	\$ 69,758	\$ (240)
Information Technology (Note 3)	\$ 7,479	\$ 22,724	\$ 23,056	\$ 45,780	\$ 15,245	\$ 15,454	\$ 15,623	\$ 46,322	\$ 542
	\$ 35,427	\$ 184,236	\$ 56,922	\$ 241,159	\$ 148,810	\$ 54,001	\$ 38,756	\$ 241,568	\$ 409



**Edmonton Police Service
Capital Budget Performance
Financial Report for the Period Ending December 31, 2020**

1 Facilities

- Roofing work for Northwest Campus has been completed and the Construction Completion Certificate has been issued. Northwest Division will be operating out of the facility in Q1 2021. Budget of \$3.930M will be carried forward to 2021 to complete a few minor deficiencies and EPS remaining fit-up as well as legal fees and the remaining construction costs.
- Westwood Central Stores renovations has been completed with some minor deficiencies remaining to be rectified. Materials Management is anticipating operating out of the facility in Q1 2021. Budget of \$0.406M will be carried forward to 2021 for completion of fit-up and security access control.
- The EPS funded Operations & Intelligence Command Centre capital project is now complete and the underspend of \$0.107M will be transferred to the Specialized Police Equipment capital profile in 2021.

2 Equipment

- The Emergency Communication Centre IP Call Handling Project is in progress and the hardware has been secured by the vendor. Budget of \$2.115M will be carried forward to 2021 and the go-live date for the project is expected to be Q4 of 2021.
- Installation of the mission equipment in the helicopter is completed and the aircraft is operational. Remaining budget of \$0.266M will be released to the City of Edmonton.
- The Public Safety Radio Network project is extended into 2021 due to vendor delays. Testing of fiber remotes coverage at Northwest Campus was completed and decommissioning is expected to be completed in Q1 2021. Budget of \$0.431M will be carried forward to 2021.
- Portable radios were purchased in 2020 from operating funds to ensure a 1:1 ratio for Patrol. As the expenditure is capital in nature, an overspend of \$506K will be carried forward to 2021 and a historical Spring Supplemental Budget Adjustment (SCBA) request will be made.
- Vehicle orders were submitted later than usual for delivery in late 2020 or early 2021 due to COVID-19 plant shut downs. Budget of \$3.299M will be carried over to 2021.
- The In-Car Video capital profile was approved by City Council and the project charter review is in progress. Remaining budget of \$0.762M will be carried forward to 2021 and further budget transfers of \$3.100M from operating will be requested at the 2021 Spring SCBA.

3 Information Technology

- IT Application and Infrastructure Sustainment major expenditures include e-Ticketing, Infrastructure Lifecycle, Enterprise Commons, OICC Situational Awareness, Enterprise Commons, CAD-RMS Integration, Modernization and Maximization (CRIMM), Storage Hardware. Remaining budget of \$7.433M will be carried forward to 2021 for IT Systems, the majority of which is for the infrastructure storage hardware solution, and the carryover of large multi-year projects such as CRIMM.
- The DAMS Enterprise Content Management System project is now complete and the underspend of \$0.542M will be transferred to the Police IT Applications-Enhancement profile in 2021.