EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: June 30, 2025

SUBJECT: Budget Variance for the Period Ending May 31, 2025

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) current financial position for the period ending May 31, 2025. The year-end forecast reflects the organizational decisions, practices, and plans to the end of 2025, and will be updated as additional information becomes available.

COMMENTS / DISCUSSION:

Operating

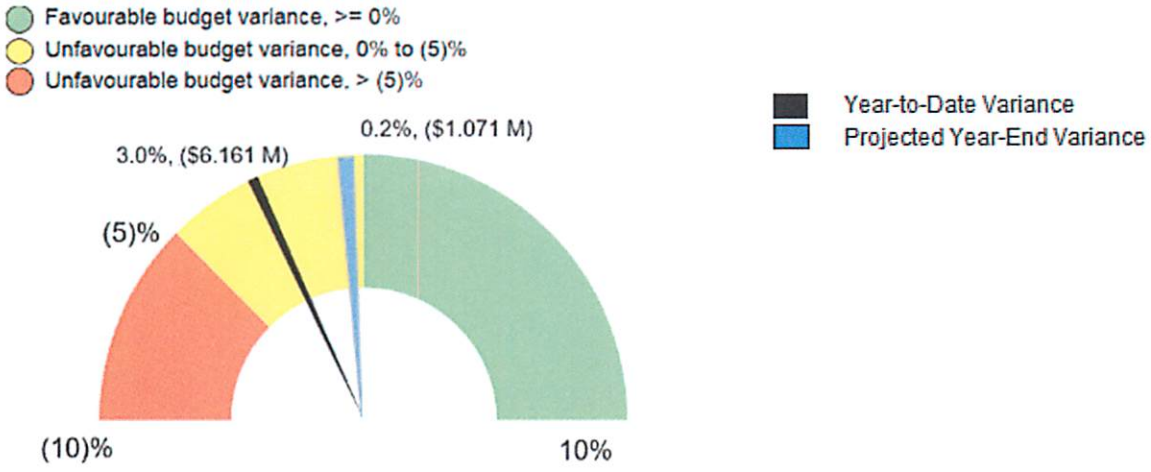
The year-end forecast projects an operating deficit of $1.071 million ($0.996 million overspend from current year operations, further increased by the deficit of $0.075 million in the operating reserve).

The year to date operating results for the period ending May 31, 2025 indicate a net deficit position of $6.161 million or 3.0% (revenue shortfall of $0.521 million, and expense overspend of $5.640 million).

The revenue shortfall is primarily due to timing of the recognition of grant revenue and lower than anticipated Traffic Safety Act revenue.

The overspend in personnel expense is primarily due to increased benefits costs.

The main causes of the underspend in non-personnel costs are detailed in Attachment II.



ADDITIONAL INFORMATION ATTACHED:

Attachments:

I. Operating Budget Variance by Major Category of Revenue & Expenditures
II. Explanation of Variances by Major Category of Expenditures and Revenues

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Approved By: Kevin KOBI, Acting Chief Administrative Officer, Corporate Services Bureau

Interim Chief of Police: LAFORCE

Date: 2025 JUN 30

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending May 31, 2025
($000's)

	Current Period				2024 Year to Date				2025 Year to Date				Year End Forecast			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Projected	Variance	%
Revenue																
Traffic Safety Act Fines (Note 1)	$ 916	$ 674	$ (242)	-26.4%	$ 4,270	$ 3,044	$ (1,226)	-28.7%	$ 3,862	$ 3,236	$ (626)	-16.2%	$ 8,861	$ 7,231	$ (1,630)	-18.4%
Provincial Grants (Note 2)	1,855	1,927	72	3.9%	8,952	6,955	(1,997)	-22.3%	9,264	8,242	(1,022)	-11.0%	49,071	50,380	1,309	2.7%
Other Revenue (Note 3)	3,197	3,917	720	22.5%	15,584	16,508	924	5.9%	16,483	17,610	1,127	6.8%	38,897	41,608	2,711	7.0%
Secondments	1,351	1,361	10	0.7%	6,651	6,941	290	4.4%	6,794	6,692	(102)	-1.5%	15,934	15,978	44	0.3%
Tow Lot	632	668	36	5.7%	3,162	2,920	(242)	-7.6%	3,162	3,307	146	4.6%	7,588	7,938	350	4.6%
PICS and Alarm Control	659	652	(7)	-1.0%	2,798	3,047	249	8.9%	3,131	3,112	(20)	-0.6%	7,556	7,556	-	0.0%
Extra Duty[1]	268	533	265	98.8%	1,141	1,543	402	35.3%	1,340	1,682	342	25.5%	3,217	4,377	1,160	36.1%
E911 Fees	112	94	(18)	-15.9%	558	629	71	12.7%	558	475	(83)	-14.9%	1,340	1,139	(201)	-15.0%
School Resource Officer (SRO)	-	56	56		588	549	(38)	-6.5%	588	864	277	47.1%	1,020	1,677	656	64.3%
Other[2]	190	473	283	149.0%	687	879	192	27.9%	910	1,478	568	62.4%	2,242	2,944	702	31.3%
Total Revenue	**5,968**	**6,518**	**550**	**9.2%**	**28,806**	**26,507**	**(2,299)**	**-8.0%**	**29,609**	**29,088**	**(521)**	**-1.8%**	**96,829**	**99,219**	**2,390**	**2.5%**
Expense																
Personnel																
Salary and benefits (Note 4)	36,863	38,426	(1,563)	-4.2%	184,513	190,065	(5,552)	-3.0%	187,809	193,704	(5,895)	-3.1%	444,993	447,355	(2,362)	-0.5%
EPS Overtime (Note 5a)	1,003	1,631	(628)	-62.6%	4,326	7,624	(3,298)	-76.2%	5,052	6,310	(1,258)	-24.9%	13,208	17,025	(3,817)	-28.9%
External Overtime (Note 5b)	40	27	13	32.0%	197	309	(112)	-56.9%	197	190	7	3.6%	472	392	80	16.9%
	37,906	40,084	(2,178)	-5.7%	189,036	197,998	(8,962)	-4.7%	193,058	200,204	(7,146)	-3.7%	458,673	464,772	(6,099)	-1.3%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	1,613	2,286	(673)	-41.7%	8,214	9,747	(1,533)	-18.7%	9,318	10,126	(808)	-8.7%	18,638	19,594	(956)	-5.1%
Contracts and services (Note 7)	2,570	3,162	(592)	-23.0%	14,091	12,681	1,410	10.0%	13,608	12,540	1,068	7.8%	36,932	33,934	2,998	8.1%
Vehicles (Note 8)	899	745	154	17.1%	4,180	4,177	3	0.1%	4,260	3,982	278	6.5%	9,921	10,155	(234)	-2.4%
Facilities (Note 9)	1,754	1,957	(203)	-11.6%	9,001	8,883	118	1.3%	9,422	9,027	395	4.2%	23,116	23,435	(319)	-1.4%
Other Expenditures[1] (Note 10)	390	387	3	0.8%	1,775	467	1,308	73.7%	2,155	1,582	573	26.6%	5,550	4,326	1,224	22.1%
	7,226	8,537	(1,311)	-18.1%	37,261	35,955	1,306	3.5%	38,763	37,257	1,506	3.9%	94,157	91,444	2,713	2.9%
Total Expense	**45,132**	**48,621**	**(3,489)**	**-7.7%**	**226,297**	**233,953**	**(7,656)**	**-3.4%**	**231,821**	**237,461**	**(5,640)**	**-2.4%**	**552,830**	**556,216**	**(3,386)**	**-0.6%**
Position before Adjustments	**39,164**	**42,103**	**(2,939)**	**-7.5%**	**197,491**	**207,446**	**(9,955)**	**-5.0%**	**202,212**	**208,373**	**(6,161)**	**-3.0%**	**456,001**	**456,997**	**(996)**	**-0.2%**
Tangible Capital Assets Budget adjustment (Note 11)													8,072	8,072	-	0.0%
Transfer to/(from) EPS Reserve (Note 12)														75	(75)	0.0%
Net Position	**$ 39,164**	**$ 42,103**	**$ (2,939)**	**-7.5%**	**$ 197,491**	**$ 207,446**	**$ (9,955)**	**-5.0%**	**$ 202,212**	**$ 208,373**	**$ (6,161)**	**-3.0%**	**$ 464,073**	**$ 465,144**	**$ (1,071)**	**-0.2%**

1 Extra Duty Revenue received from other City Departments is reclassified from expense recovery to revenue.
2 Other Revenue includes E911 landline fees, fines (Gaming and Liquor, Other Bylaw Violations), and sales of unclaimed goods.

Edmonton Police Service

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

For the Period Ended May 31, 2025

1. Traffic Safety Act (TSA) Fines Revenue

Revenue generated by officer issued tickets under the Traffic Safety Act.

Year to Date – Under budget due to the collection of ticket payments. As ticket volumes increase, it is anticipated that revenue collections will follow, however to date this has been lagging. Currently investigating reasons for delay of payments.

Forecast – Same as year to date.

2. Provincial Grants

Provincial Grants include the Policing Support Grant, the 50 New Police Officers Grant, the E911 Grant, the Alberta Mental Health (AMH) Grant, the Guns and Gangs Violence Action Fund (GGVAF) Grant, and Victim Services Grant.

Year to Date – Under budget for the 50 New Officers Grant as positions are not yet fully occupied due to resource limitations, and the timing of expenses related to the AMH and GGVAF grants.

Forecast – Over budget due to increased grant revenue for the Body Worn Video Digital Evidence Management System (BWV DEMS), the Navigation Centre, and E911 Grant revenue, which is offsetting additional overtime expenditures in the Emergency Communication Operations Branch (ECOMB). This is partially offset with lower grant revenue for the 50 New Officers, AMH, and GGVAF grants.

3. Other Revenue

Other revenue includes Secondments revenue, and revenues associated with user fees for services provided.

Secondments revenue is primarily generated from Alberta Law Enforcement Response Team (ALERT) and Alberta Serious Incident Response Team (ASIRT) for EPS members seconded to these organizations. User fees revenue include Tow Lot revenue, Police Information Check Section (PICS), Alarm Control, Extra Duty, E911 landline fees, School Resource Officers (SRO), gaming and liquor fines, other Bylaw violations, and sales of unclaimed goods.

Year to Date – Over budget due to Federal Grant revenue recognition for the Edmonton Transit Enhanced Community Safety System (ETECS) development, offset by increased expenditures, increased Extra Duty requests, and SRO revenue with the addition of new officers at Edmonton Public Schools.

Forecast – The same as year to date, and further increased due to higher Tow Lot Storage revenue, and anticipated recovery for the G7 Summit.

4. Salary and Benefits

Salary and benefits are for all EPS employees based on collective bargaining agreements with the Edmonton Police Association (EPA), the Senior Officers Association (SOA), and Civic Service Union 52 (CSU 52).

Includes base salary, acting pay, shift differential, court time, standby pay, pension, medical, dental, group life insurance, allowances (boot, health care spending), and statutory holiday pay per collective agreements. The salaries and benefits of employees seconded to external organizations are incurred as an expense and recovered through Secondments revenue.

Year to date – Over budget due to higher benefit costs, specifically related to increased sick time and increased Workers Compensation Board (WCB) expense.

Forecast – The same as year to date.

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

Attrition	May	Year to Date	Total
Original Projection	9	42	100
Actual & Updated Projection	9	37	89

As of June 19, 2025 thirty-two members have announced retirement, thirteen have tendered their resignation, and one was released for an attrition total of forty-six. Of these, thirty-seven were no longer on the payroll as of May 31, 2025.

5a. EPS Overtime

EPS overtime costs are paid in accordance with collective bargaining agreements and primarily related to maintaining minimum staffing or operational requirements.

Year to date – Over budget due to maintaining minimum staffing levels and increased training requirements for the Emergency Communications Operations Management Branch (ECOMB) which is partially offset by increased grant revenue, and staffing shortages in the Encampment Response Teams.

Forecast – The same as year to date, further increased by policing required for the NHL playoffs, and additional requirements for increased protests and investigations.

5b. External Overtime

External overtime costs are incurred by employees seconded to external organizations (ALERT, ASIRT, etc.). These costs are recovered through Secondments revenue.

Year to date – Minimal variance to budget.

Forecast – The same as year to date.

6. Furniture, Equipment, IT, Materials and Supplies

This category includes the purchases of uniforms and clothing, ammunition, stationery, medical supplies, computer software and hardware purchases and maintenance, and furniture and equipment.

Year to date – Over budget due to increased equipment and material purchases for the G7 summit, which will be partially recovered.

Forecast – The same as year to date, and increased software expenses for Technological Crimes.

7. Contracts & Services

This category includes various contracted resources. Examples include Security Commissionaires, Extra Duty, Police Seized Vehicles towing fees, DNA analysis, Human-Centered Engagement Liaison Program (HELP) navigators, Legal Services, and Psychological Counseling.

Year to date – Under budget due to the EPS HELP program costs that are covered by the AMH grant, lower than expected AMH and GGVAF program expenditures to date, and delays in Alternative Staffing.

Forecast – The same as year to date.

8. Vehicle Costs

This category includes the expenses for vehicle repairs, maintenance, and fuel.

Year to date – Under budget due mainly due to delays in fuel billing as part of a change in vendor.

Forecast – Over budget due to increased maintenance required for Air 1.

9. Facilities

This category includes facility maintenance and custodial expenses for services provided by the City of Edmonton (COE) staff, external space rent, power, natural gas, and telephone charges.

Year to Date – Under budget due to lower custodial and maintenance charges from the COE, and delayed renovation project work.

Forecast – Over budget due to increased costs for renovation projects and snow removal.

10. Other Expenditures

This category includes travel and training expenditures, insurance premiums, debt servicing costs, and memberships. Extra Duty Revenue received from other City Departments are reclassified from expense to revenue.

Year to Date – Under budget due to lower travel and training to date.

Forecast – Under budget due to lower travel and training planned.

11. Tangible Capital Assets

Budget held to cover capital qualifying expenses for projects such as vehicles.

12. Transfer to/from EPS Reserve

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 strategy may include replenishing the reserve with any unplanned one-time revenues, adjustments to capital priorities and managing operating expenditures.

Over the 2019 – 2022 budget cycle, Edmonton Police Service managed significant costs related to the COVID-19 global pandemic, and the City of Edmonton Enterprise Commons project with no additional funding. After addressing these unplanned expenditures, the balance in the EPS Operating Reserve as of December 31, 2024 end in deficit of $0.580 million. Subsequently a decision has been made to favorably impact the reserve balance by $0.505 million. As a result, the balance in the operating reserve is $0.075 million.

2019 - 2022 Reserve Balance		0.312 million
2023 Transfer		(1.414) million
2023 Reserve Balance		(1.102) million
2024 Transfers		
EPS Operations	1.026	million
EC Transfer	(0.505)	
Net Transfer To Reserve		0.521 million
2024 Reserve Balance		(0.580) million
Approved Funding		0.505 million
2025 Reserve Balance		(0.075) million

Note: Reserve balance rounded to nearest thousand.