



# EDMONTON POLICE SERVICE

## REPORT TO THE EDMONTON POLICE COMMISSION

**DATE:** March 31, 2025

**SUBJECT:** Budget Variance for the Period Ending February 28, 2025

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### 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 February 28, 2025. 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 operating results for the period ending February 28, 2025 indicate a net deficit position of \$0.471 million or 0.6% (revenue shortfall of \$1.467 million, offset by an expense underspend of \$0.996 million).

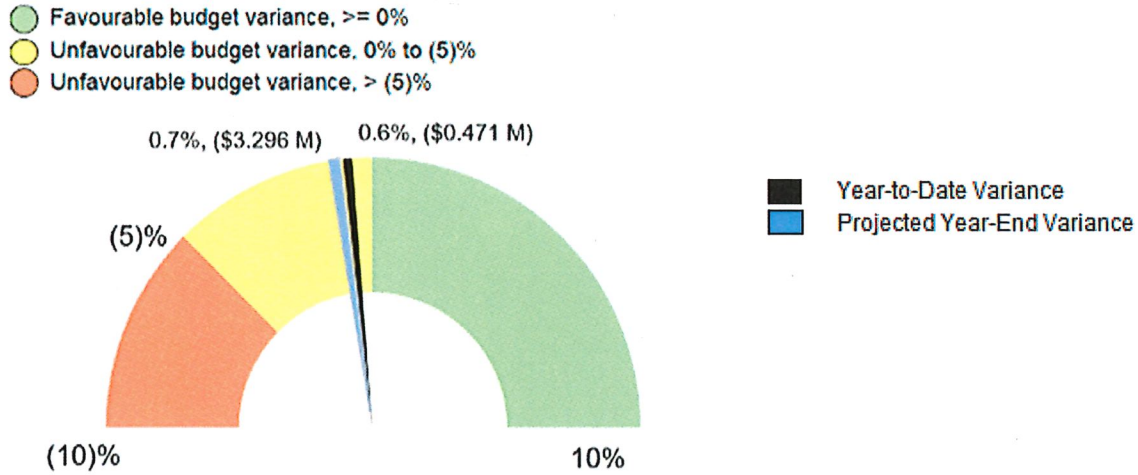
The revenue shortfall is primarily due to timing of the recognition of grant revenue.

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.

**CONCLUSION:**

The year-end forecast projects an operating deficit of \$3.296 million (\$2.716 million overspend from current year operations, further increased by the deficit of \$0.580 million in the operating reserve).



**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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Acting Chief of Police

Interim Chief of Police: \_\_\_\_\_

Date: *APR 03 / 2025* \_\_\_\_\_ *[Signature]*

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending February 28, 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	%
<b>Revenue</b>																
Traffic Safety Act Fines (Note 1)	\$ 743	\$ (1,687)	\$ (2,430)	-327.1%	\$ 1,709	\$ 1,072	\$ (637)	-37.3%	\$ 1,489	\$ 974	\$ (515)	-34.6%	\$ 8,861	\$ 7,252	\$ (1,609)	-18.2%
Provincial Grants (Note 2)	1,850	2,829	979	52.9%	2,421	1,537	(884)	-36.5%	3,705	2,829	(876)	-23.6%	48,495	47,321	(1,174)	-2.4%
Other Revenue (Note 3)	3,086	3,696	610	19.8%	5,739	5,328	(411)	-7.2%	6,237	6,161	(76)	-1.2%	39,184	38,853	(331)	-0.8%
Secondments	2,719	2,600	(119)	-4.4%	2,458	2,384	(74)	-3.0%	2,719	2,600	(119)	-4.4%	15,991	15,799	(192)	-1.2%
Tow Lot	1,265	1,364	99	7.9%	1,265	1,084	(180)	-14.3%	1,265	1,364	99	7.9%	7,588	7,588	-	0.0%
PICS and Alarm Control	1,185	1,137	(48)	-4.1%	1,052	1,145	94	8.9%	1,185	1,137	(48)	-4.1%	7,556	7,556	-	0.0%
Extra Duty <sup>1</sup>	536	475	(61)	-11.4%	470	318	(152)	-32.3%	536	475	(61)	-11.4%	3,217	3,217	-	0.0%
E911 Fees	223	192	(31)	-14.1%	223	237	13	6.0%	223	192	(31)	-14.1%	1,340	1,156	(184)	-13.7%
School Resource Officer (SRO)	-	36	36		-	-	-		-	36	36		1,020	1,677	656	64.3%
Other <sup>2</sup>	309	358	49	15.8%	271	159	(112)	-41.3%	309	358	49	15.8%	2,472	1,861	(611)	-24.7%
<b>Total Revenue</b>	<b>5,679</b>	<b>4,838</b>	<b>(841)</b>	<b>-14.8%</b>	<b>9,869</b>	<b>7,937</b>	<b>(1,932)</b>	<b>-19.6%</b>	<b>11,431</b>	<b>9,964</b>	<b>(1,467)</b>	<b>-12.8%</b>	<b>96,540</b>	<b>93,426</b>	<b>(3,114)</b>	<b>-3.2%</b>
<b>Expense</b>																
<b>Personnel</b>																
Salary and benefits (Note 4)	38,304	37,071	1,233	3.2%	73,320	72,506	814	1.1%	76,242	77,200	(958)	-1.3%	445,288	443,977	1,311	0.3%
EPS Overtime (Note 5a)	965	1,046	(81)	-8.3%	1,837	2,812	(975)	-53.1%	2,111	2,184	(73)	-3.5%	13,208	16,995	(3,787)	-28.7%
External Overtime (Note 5b)	79	73	6	7.0%	68	99	(31)	-45.6%	79	73	6	7.6%	472	354	118	25.0%
	39,348	38,190	1,158	2.9%	75,225	75,417	(192)	-0.3%	78,432	79,457	(1,025)	-1.3%	458,968	461,326	(2,358)	-0.5%
<b>Non-Personnel</b>																
Furniture, equipment, IT, materials and supplies (Note 6)	1,452	1,393	59	4.1%	3,785	4,028	(243)	-6.4%	4,379	4,511	(132)	-3.0%	18,792	18,756	36	0.2%
Contracts and services (Note 7)	2,563	3,918	(1,355)	-52.9%	6,559	4,034	2,525	38.5%	5,304	3,973	1,331	25.1%	37,067	34,754	2,313	6.2%
Vehicles (Note 8)	793	729	64	8.1%	1,627	1,597	30	1.8%	1,588	1,394	194	12.2%	9,921	10,064	(143)	-1.4%
Facilities (Note 9)	1,760	2,558	(798)	-45.3%	3,731	3,333	398	10.7%	3,509	3,462	47	1.3%	23,003	22,319	684	3.0%
Other Expenditures <sup>1</sup> (Note 10)	312	529	(217)	-69.6%	943	285	658	69.8%	758	177	581	76.6%	4,895	5,029	(134)	-2.7%
	6,880	9,127	(2,247)	-32.7%	16,645	13,277	3,368	20.2%	15,538	13,517	2,021	13.0%	93,678	90,922	2,756	2.9%
<b>Total Expense</b>	<b>46,228</b>	<b>47,317</b>	<b>(1,089)</b>	<b>-2.4%</b>	<b>91,870</b>	<b>88,694</b>	<b>3,176</b>	<b>3.5%</b>	<b>93,970</b>	<b>92,974</b>	<b>996</b>	<b>1.1%</b>	<b>552,646</b>	<b>552,248</b>	<b>398</b>	<b>0.1%</b>
<b>Position before Adjustments</b>	<b>40,549</b>	<b>42,479</b>	<b>(1,930)</b>	<b>-4.8%</b>	<b>82,001</b>	<b>80,757</b>	<b>1,244</b>	<b>1.5%</b>	<b>82,539</b>	<b>83,010</b>	<b>(471)</b>	<b>-0.6%</b>	<b>456,106</b>	<b>458,822</b>	<b>(2,716)</b>	<b>-0.6%</b>
Tangible Capital Assets Budget adjustment (Note 11)													7,965	7,965	-	0.0%
Transfer to/(from) EPS Reserve (Note 12)														580	(580)	-0.1%
<b>Net Position</b>	<b>\$ 40,549</b>	<b>\$ 42,479</b>	<b>\$ (1,930)</b>	<b>-4.8%</b>	<b>\$ 82,001</b>	<b>\$ 80,757</b>	<b>\$ 1,244</b>	<b>1.5%</b>	<b>\$ 82,539</b>	<b>\$ 83,010</b>	<b>\$ (471)</b>	<b>-0.6%</b>	<b>\$ 464,071</b>	<b>\$ 467,367</b>	<b>\$ (3,296)</b>	<b>-0.7%</b>

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 February 28, 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 grants.

**Forecast** – Under budget for the 50 New Officers Grant as positions are not yet fully occupied due to resource limitations. The ongoing assignment of officers is planned to be completed by early Q4 2025.

**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, gaming and liquor fines, other Bylaw violations, and sales of unclaimed goods.

**Year to Date** – Minimal variance to budget.

**Forecast** – Same as year to date.

**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 than expected benefit costs, specifically related to increased sick time.

**Forecast** – Projecting to be under budget due to anticipated attrition increasing over past years and reduced court time.

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

Attrition	February	February YTD	Full Year
Original Projection	8	16	100
Actual & Updated Projection	4	12	100

As of March 3, 2025 seventeen sworn members have announced retirement and five have tendered their resignation for an attrition total of twenty-two. Of these, twelve were no longer on the payroll as of February 28, 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** – Minimal variance to budget.

**Forecast** – Projecting to be over budget due to increased training requirements and maintaining minimum staffing levels for the Emergency Communications Operations Management Branch (ECOMB). Further increased by policing required for the NHL playoffs.

**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** – Minimal variance to budget.

**Forecast** – The same as year to date.

**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 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** – Minimal variance to budget.

**Forecast** – The same as year to date.

**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** – Minimal variance to budget.

**Forecast** – Under budget due to lower facility maintenance charges from the COE.

**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 delays in travel and training.

**Forecast** – Projecting minimal variance to budget.

**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, is a deficit of \$0.580 million.

2019 - 2022 Reserve Balance	0.312 million
2023 Transfer	(1.414) million
<hr/> 2023 Reserve Balance	<hr/> (1.102) million
2024 Transfers	
EPS Operations	1.026 million
EC Transfer <sup>1</sup>	(0.505) million
<hr/> 2024 Reserve Balance <sup>2</sup>	<hr/> (0.580) million

Note:

1. In discussion with COE members, they confirmed that the \$0.505 million of EPS funding required for EC operating costs will be included in a joint funding request to City Council for the overall EC City project. If approved, the EPS Operating Reserve deficit will be \$0.075 million.
2. Reserve balance rounded to nearest thousand.