EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: August 29, 2025

SUBJECT: Budget Variance for the Period Ending July 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 July 31, 2025. The year-end forecast reflects the organizational decisions, practices, and plans to the end of 2025 and the information available to date. Certain items involve a greater degree of uncertainty. The Service continues to monitor and will update projections as necessary.

COMMENTS / DISCUSSION:

Operating

The year-end forecast projects an operating deficit of $0.549 million ($0.474 million overspend from current year operations, further increased by the deficit of $0.075 million in the operating reserve).

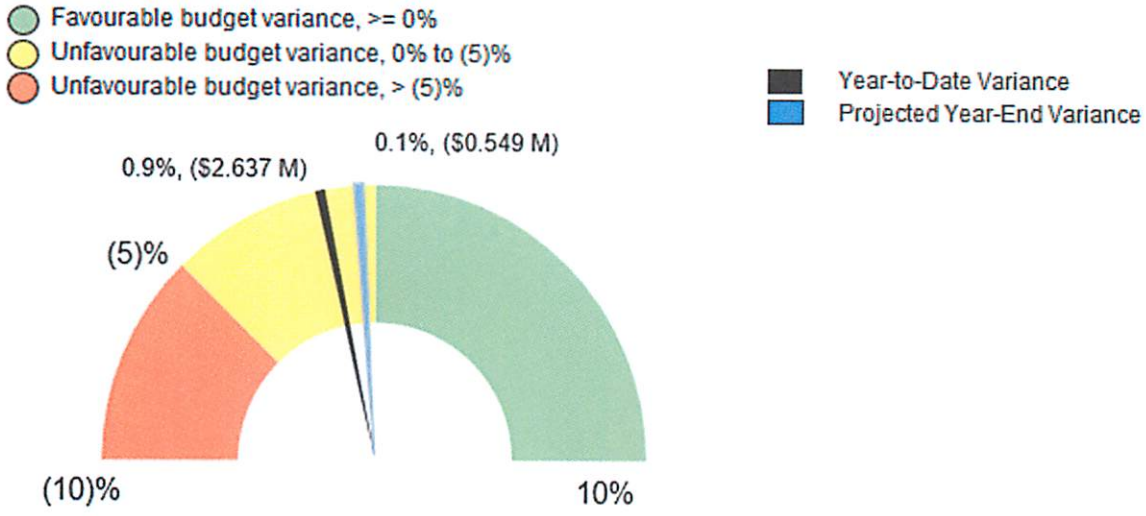
The year-to-date (January 1 to July 31, 2025) operating results indicate a net deficit position of $2.637 million or 0.9% (revenue surplus of $1.929 million, offset by expense overspend of $4.566 million).

Further information for revenue, personnel and non-personnel explanations are detailed on attachment I.

Emerging Issue

The City Council has ratified the settlements for both CSU52 and EPA collective bargaining agreements. In accordance with the EPS Funding Formula Policy, additional budgets for these settlements were transferred to EPS in June and July. Retroactive

payments for CSU52 will be made in August, while those for EPA will be made in October 2025. Current year-end projections anticipate no variance due to these settlements, although actual results may vary once payments are processed.



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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Reviewed By: **Robert DAVIDSON, Executive Director, Business Development Division** I.P.

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

Interim Chief of Police: Warren Driechel
Acting Chief of Police

Date: Sept 2, 2025

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending July 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)	$ 712	$ 559	$ (153)	-21.5%	$ 5,981	$ 4,180	$ (1,801)	-30.1%	$ 5,386	$ 4,378	$ (1,008)	-18.7%	$ 8,861	$ 7,188	$ (1,673)	-18.9%
Provincial Grants (Note 2)	1,842	1,938	96	5.2%	10,953	9,738	(1,215)	-11.1%	12,958	12,469	(489)	-3.8%	49,071	49,996	925	1.9%
Other Revenue (Note 3)	3,113	4,504	1,391	44.7%	21,709	23,142	1,433	6.6%	22,798	26,224	3,426	15.0%	38,897	43,616	4,719	12.1%
Secondments	1,337	1,101	(236)	-17.6%	9,291	9,313	22	0.2%	9,478	9,028	(450)	-4.8%	15,934	16,457	523	3.3%
Tow Lot	632	916	284	44.9%	4,426	3,930	(497)	-11.2%	4,426	4,717	291	6.6%	7,588	7,670	82	1.1%
PICS and Alarm Control	597	678	81	13.6%	3,909	4,332	423	10.8%	4,375	4,466	90	2.1%	7,556	7,556	-	0.0%
Extra Duty[1]	268	821	553	206.2%	1,734	2,847	1,113	64.2%	1,877	2,936	1,059	56.5%	3,217	4,239	1,022	31.8%
E911 Fees	112	92	(20)	-18.0%	782	831	49	6.3%	782	658	(123)	-15.8%	1,340	1,126	(214)	-16.0%
School Resource Officer (SRO)	-	1	1		588	560	(27)	-4.6%	588	898	310	52.8%	1,020	1,677	656	64.3%
Other[2]	168	895	728	434.2%	980	1,329	349	35.7%	1,272	3,521	2,248	176.8%	2,242	4,891	2,649	118.2%
Total Revenue	5,667	7,001	1,334	23.5%	38,643	37,060	(1,583)	-4.1%	41,142	43,071	1,929	4.7%	96,829	100,800	3,971	4.1%
Expense																
Personnel																
Salary and benefits (Note 4)	38,373	49,666	(11,293)	-29.4%	254,562	256,786	(2,224)	-0.9%	276,567	279,235	(2,668)	-1.0%	470,742	473,059	(2,317)	-0.5%
EPS Overtime (Note 5a)	1,466	2,400	(934)	-63.7%	6,394	11,155	(4,761)	-74.5%	8,037	10,830	(2,793)	-34.8%	14,218	18,592	(4,374)	-30.8%
External Overtime (Note 5b)	40	34	6	15.0%	276	456	(180)	-65.2%	276	266	10	3.6%	472	413	59	12.5%
	39,879	52,100	(12,221)	-30.6%	261,232	268,397	(7,165)	-2.7%	284,880	290,331	(5,451)	-1.9%	485,432	492,064	(6,632)	-1.4%
Non-Personnel																
Furniture, equipment, IT, materials and supplies (Note 6)	1,783	3,367	(1,584)	-88.8%	15,553	13,161	2,392	15.4%	14,791	15,570	(779)	-5.3%	24,753	25,876	(1,123)	-4.5%
Contracts and services (Note 7)	2,502	2,398	104	4.2%	20,181	17,887	2,294	11.4%	19,165	18,216	949	5.0%	36,559	33,574	2,985	8.2%
Vehicles (Note 8)	822	1,007	(185)	-22.5%	5,842	6,044	(202)	-3.5%	5,897	5,805	92	1.6%	9,921	10,174	(253)	-2.6%
Facilities (Note 9)	1,848	2,208	(360)	-19.5%	12,685	12,618	67	0.5%	13,117	13,105	12	0.1%	23,116	23,749	(633)	-2.7%
Other Expenditures[1] (Note 10)	392	319	73	18.6%	2,779	1,365	1,414	50.9%	3,056	2,445	611	20.0%	5,580	4,368	1,211	21.7%
	7,347	9,299	(1,952)	-26.6%	57,040	51,075	5,965	10.5%	56,026	55,141	885	1.6%	99,929	97,741	2,187	2.2%
Total Expense	47,226	61,399	(14,173)	-30.0%	318,272	319,472	(1,200)	-0.4%	340,906	345,472	(4,566)	-1.3%	585,361	589,805	(4,445)	-0.8%
Position before Adjustments	41,559	54,398	(12,839)	-30.9%	279,629	282,412	(2,783)	-1.0%	299,764	302,401	(2,637)	-0.9%	488,532	489,006	(474)	-0.1%
Tangible Capital Assets Budget adjustment (Note 11)													8,125	8,125	-	0.0%
Transfer to/(from) EPS Reserve (Note 12)														75	(75)	0.0%
Net Position	$ 41,559	$ 54,398	$ (12,839)	-30.9%	$ 279,629	$ 282,412	$ (2,783)	-1.0%	$ 299,764	$ 302,401	$ (2,637)	-0.9%	$ 496,657	$ 497,206	$ (549)	-0.1%

1 Extra Duty Revenue received from other City Departments is reclassified from expense recovery to revenue.
2 Other Revenue includes G7 revenue, Federal grants, 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 July 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, 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, increased SRO revenue with the addition of new officers at Edmonton Public Schools, and revenue for the G7 Summit.

Forecast – The 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 benefit costs, specifically related to increased sick time and increased Workers Compensation Board (WCB) expense, and increased benefit premiums as a result of the annual financial review of benefit plans.

Forecast – The same as year to date.

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

Attrition	July	Year to Date	Total
Original Projection	8	56	100
Actual & Updated Projection	3	46	79

As of August 5, 2025 thirty-seven members have announced retirement, fifteen have tendered their resignation, and one was released for an attrition total of fifty-three. Of these, forty-six were no longer on the payroll as of July 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, staffing shortages in the Encampment Response Teams, and policing required for the NHL playoffs. Further increased by policing at the G7 Leaders' Summit, which is offset with increased revenue.

Forecast – The same as year to date, 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 ammunition costs, and expenditures for the G7 Summit, which are partially recoverable.

Forecast – The same as year to date, and further increased by Technological Crimes software requirements, and additional costs for uniforms.

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 – Minimal variance to budget.

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 – Minimal variance to budget.

Forecast – Over budget due to increased costs for planned completion of 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 favourably 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.