



EDMONTON POLICE SERVICE

REPORT TO THE EDMONTON POLICE COMMISSION

DATE: February 2, 2026

SUBJECT: Budget Variance for the Period Ending December 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) financial position for the period ending December 2025 and the year-end results reflect organizational decisions and practices.

COMMENTS / DISCUSSION:

Operating

The operating results for the period ending December 31, 2025 indicate a net deficit position of \$4.795 million or 1.0% (revenue surplus of \$5.624 million, offset by expense overspend of \$10.419 million). The balance in the EPS operating reserve is a deficit of \$4.870 million, comprised of the prior deficit balance of \$0.075 million, and 2025 operating deficit of \$4.795 million.

The operating deficit is a result of lower Traffic Safety Act revenue (\$1.6 million), the 2026 collective bargaining impact on 2025 financials (\$1.4 million), a prior year vacation adjustment processed in 2025 (\$1.1 million), and other expenses (\$0.7 million).

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

Capital

The 2023-2026 Capital Budget is comprised of 11 active profiles (5 standalone profiles and 6 composite profiles). The total 2023-2026 Capital Budget is \$105.248 million which includes the initial approved budget, subsequent budget carryforward and supplemental capital budget adjustments.

In December 2022, City Council approved approximately 25% of the Commission supported budget requirement for Police Equipment, Radio Lifecycle, IT Applications and IT Infrastructure renewal projects for 2023-2026. Subsequently, the following changes were approved by City Council during SCBA discussion:

- \$10.610 million in December 2023
- \$27.380 million in June 2024

This has resulted in funding of 81% of the Commission supported budget requirement and a \$10.452 million shortfall for Police Equipment, IT Applications and IT Infrastructure renewal projects for 2023-2026.

This was the third year of the four-year Capital budget cycle (2023 to 2026) and project to date costs are from the inception of the project or from the beginning of the current budget cycle. The results are outlined in Attachment III and IV.

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
- III. Capital Budget Performance
- IV. Capital Budget Performance Explanations

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Date: _____

Edmonton Police Service

Budget Variance by Major Category of Revenues & Expenditures

For the Period Ending December 31, 2025

(\$000's)

	Current Period				2024 Year to Date				2025 Year to Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenue												
Traffic Safety Act Fines (Note 1)	\$ 623	\$ 537	\$ (86)	-13.8%	\$ 10,262	\$ 6,959	\$ (3,303)	-32.2%	\$ 8,861	\$ 7,282	\$ (1,579)	-17.8%
Provincial Grants (Note 2)	29,210	29,593	383	1.3%	45,278	50,438	5,160	11.4%	49,477	50,571	1,094	2.2%
Other Revenue (Note 3)	3,571	3,677	106	3.0%	37,438	40,426	2,988	8.0%	38,897	45,006	6,109	15.7%
Secondments	1,303	1,222	(81)	-6.2%	15,473	15,403	(70)	-0.5%	15,962	15,987	25	0.2%
Tow Lot	632	927	294	46.5%	7,588	6,635	(953)	-12.6%	7,588	8,198	610	8.0%
PICS and Alarm Control	564	456	(108)	-19.1%	6,756	7,358	602	8.9%	7,556	7,582	26	0.3%
Extra Duty ¹	268	390	122	45.4%	3,217	5,194	1,977	61.4%	3,217	5,162	1,945	60.5%
E911 Fees	112	91	(20)	-18.1%	1,340	1,264	(76)	-5.7%	1,340	1,108	(232)	-17.3%
School Resource Officer (SRO)	433	465	32	7.4%	1,020	1,091	71	7.0%	1,020	1,626	605	59.3%
Other ²	260	126	(133)	-51.3%	2,044	3,481	1,438	70.4%	2,214	5,343	3,129	141.3%
Total Revenue	33,404	33,807	403	1.2%	92,978	97,823	4,845	5.2%	97,235	102,859	5,624	5.8%
Expense												
Personnel												
Salary and benefits (Note 4)	40,159	45,436	(5,277)	-13.1%	432,551	437,645	(5,094)	-1.2%	471,464	480,265	(8,801)	-1.9%
EPS Overtime (Note 5a)	1,208	1,553	(346)	-28.6%	11,600	18,338	(6,738)	-58.1%	14,218	18,894	(4,676)	-32.9%
External Overtime (Note 5b)	39	43	(3)	-8.5%	472	720	(248)	-52.5%	472	504	(32)	-6.8%
	41,406	47,032	(5,626)	-13.6%	444,623	456,703	(12,080)	-2.7%	486,154	499,663	(13,509)	-2.8%
Non-Personnel												
Furniture, equipment, IT, materials and supplies (Note 6)	5,884	5,757	127	2.2%	26,222	26,629	(407)	-1.6%	28,509	28,943	(434)	-1.5%
Contracts and services (Note 7)	5,809	4,526	1,283	22.1%	37,190	34,186	3,004	8.1%	35,848	33,375	2,473	6.9%
Vehicles (Note 8)	783	1,380	(597)	-76.2%	10,132	10,650	(518)	-5.1%	9,937	10,736	(799)	-8.0%
Facilities (Note 9)	2,220	2,440	(220)	-9.9%	25,378	22,558	2,820	11.1%	23,116	22,454	662	2.9%
Other Expenditures ¹ (Note 10)	9,916	9,126	790	8.0%	16,508	13,145	3,363	20.4%	14,734	13,546	1,188	8.1%
	24,612	23,229	1,383	5.6%	115,430	107,168	8,262	7.2%	112,144	109,054	3,090	2.8%
Total Expense	66,018	70,261	(4,243)	-6.4%	560,053	563,871	(3,818)	-0.7%	598,298	608,717	(10,419)	-1.7%
Position before Adjustments	32,614	36,454	(3,840)	-11.8%	467,075	466,049	1,026	0.2%	501,063	505,858	(4,795)	-1.0%
Tangible Capital Assets Budget adjustment (Note 11)												
Transfer to/(from) EPS Reserve (Note 12)						1,026	(1,026)			(4,795)	4,795	
Net Position	\$ 32,614	\$ 36,454	\$ (3,840)	-11.8%	\$ 467,075	\$ 467,075	\$ -	0.0%	\$ 501,063	\$ 501,063	\$ 0	0.0%

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 December 31, 2025

1. Traffic Safety Act (TSA) Fines Revenue

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

Year-end Results - 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. Investigations continue to understand the lag.

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-end Results - Over budget due to increased grant revenue for the E911 grant in the Emergency Communication Operations Branch (ECOMB), and for the Body Worn Video Digital Evidence Management System (BWV DEMS), both of which offset additional expenditures.

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-end Results - Over budget due to Federal Grant revenue recognition for the Edmonton Transit Enhanced Community Safety System (ETECS) development, increased Extra Duty requests, SRO revenue with the addition of new officers at Edmonton Public Schools, and revenue for the G7 Summit, which are offset with additional expenditures.

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-end Results - Over budget due to lower attrition than planned, higher benefit costs (such as Workers Compensation Board (WCB) expense, major medical and dental premiums, and sick time), a vacation adjustment correction from the prior year, and 2026 settlement impacts.

The sworn member attrition for the full year is:

Attrition	December	Year-End
Original Projection	8	100
Actual & Updated Projection	4	79

As of Dec 31, 2025 forty-nine members have announced retirement, twenty-nine have resigned, and one was released for an attrition total of seventy-nine.

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-end Results - 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, increased protests and investigations, 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.

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-end Results - Minimal variance to budget.

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-end Results - Over budget due to increased ammunition, uniforms, and expenditures for the G7 Summit, which were partially recovered.

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-end Results - Under budget due to the EPS HELP program costs that are covered by the AMH grant, and delays in Alternative Staffing. In addition, there are lower than expected AMH and GGVAF program expenditures.

8. Vehicle Costs

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

Year-end Results - Over budget due to increased fleet and flight operations maintenance.

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-end Results - Under budget due to delays for renovation projects.

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-end Results - Under budget due to lower organizational travel and training costs.

11. Tangible Capital Assets

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

12. Transfer to/from EPS Reserve

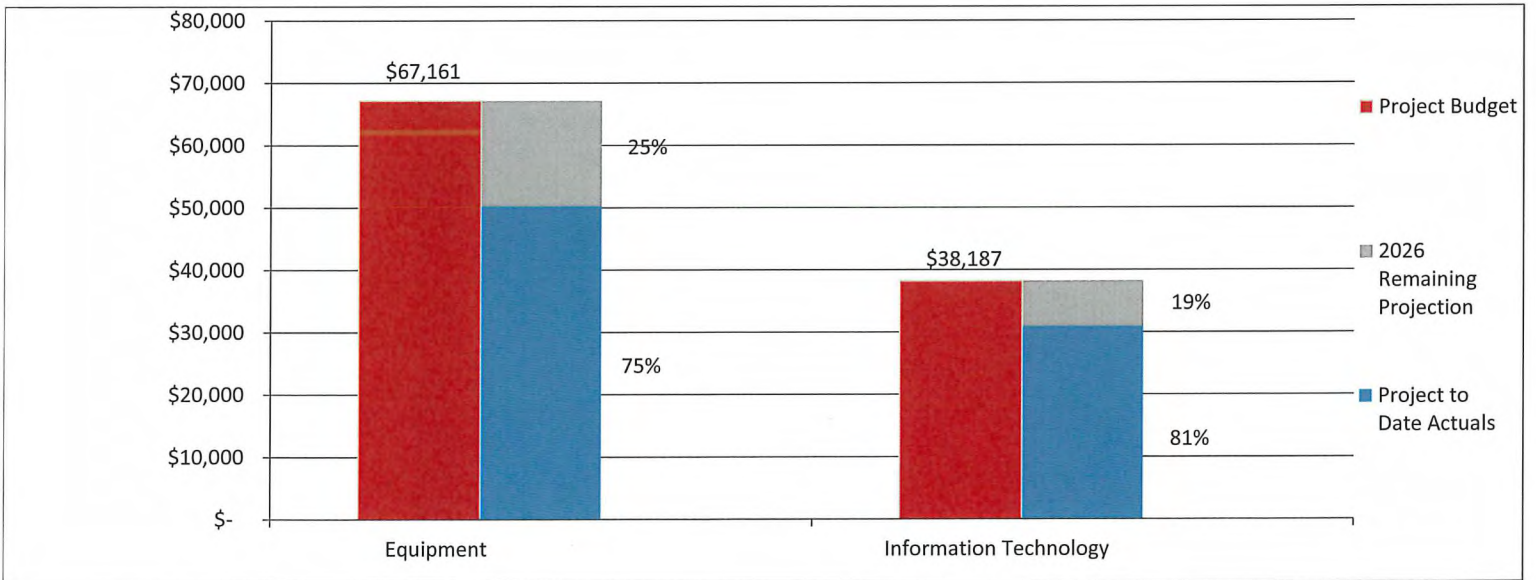
On June 26, 2018 City Council approved Policy C605 Edmonton Police Reserve. In accordance with the policy and in the event the reserve falls into a deficit position, a strategy will be developed by the EPS, to be approved by City Council, to achieve a balanced position over a period not to exceed three 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.

The operating results for the period ending December 31, 2025 indicate a net deficit position of \$4.795 million to be funded from the EPS operating reserve. The balance in the EPS operating reserve is a deficit of \$4.870 million, which is comprised of the following annual transfers:

2019 – 2022 Budget Cycle	\$0.312 million
2023 Year-end deficit	(\$1.414) million
2024 Year-end surplus	\$0.522 million
2025 Enterprise Commons adjustment	\$0.504 million
2025 Year-end deficit	(\$4.795) million

Edmonton Police Service
Capital Budget Performance
Financial Report for the Period Ending Dec 31, 2025
(\$'000's)

Capital Profile	Project To Date Actuals	2026 Projection	Total Projection	Approved Budget Prior Years	2025-2026 Approved Budget	Total Approved Budget	Variance
	(A)	(B)	(C=A+B)	(D)	(E)	(F=D+E)	(G=F-C)
Radio Life Cycle (Note 1, 10)	8,879	5,167	14,046	8,031	6,015	14,046	-
Vehicles (Note 2, 10)	31,261	8,727	39,988	18,362	21,626	39,988	-
Police Equipment (Note 3, 10)	8,153	3,054	11,207	5,285	5,922	11,207	-
In Car Video (Note 4)	1,323	-	1,323	1,323	-	1,323	-
Body Worn Video (Note 5)	597	-	597	597	-	597	-
Equipment	\$ 50,213	\$ 16,948	\$ 67,161	\$ 33,598	\$ 33,563	\$ 67,161	\$ -
IT - Infrastructure Sustainment	8,799	4,106	12,905	7,754	5,151	12,905	-
IT - Applications Sustainment	2,236	2,481	4,717	1,659	3,058	4,717	-
IT - Applications Enhancement	5,265	593	5,858	3,222	2,636	5,858	-
IT Systems - Total (Note 6, 10)	16,300	7,180	23,480	12,635	10,845	23,480	-
Automated Fingerprint Identification System (Note 7)	995	-	995	949	46	995	-
Enterprise Commons (Note 8)	763	159	922	616	272	888	(34)
CRIMM-CAD-RMS Integration, Modernization & Maximization (Note 9)	12,824	-	12,824	12,688	136	12,824	-
Information Technology	\$ 30,882	\$ 7,339	\$ 38,221	\$ 26,888	\$ 11,299	\$ 38,187	\$ (34)
Total	\$ 81,095	\$ 24,287	\$ 105,382	\$ 60,486	\$ 44,862	\$ 105,348	\$ (34)
Northwest Campus (Note 11)	103,466	-	103,466	103,461	921	104,382	916



Notes:
A - Project to Date Actuals are from the inception of the project or from the beginning of the current budget cycle, including Q4 2025.
B - Projections include Q1 2026 to Q4 2026.
E - The 2025-2026 budget includes the approved budget, prior year carryforward and 2025 Yearend Administrative Capital Budget Adjustments.

Edmonton Police Service
Explanation of Variances by Capital Project – Notes
For the Period Ended December 31, 2025

1 Radio Life Cycle

This renewal composite profile is to maintain the two-way radio communications equipment such as portable and mobile radios, radio dispatch consoles, and recording equipment for communication calls. (2023-2026 EPC supported \$13.402 million, City Council initially approved \$3.407 million and subsequently approved \$9.995 million during the 2023 Fall Supplemental Capital Budget Adjustment (SCBA) and 2024 Spring SCBA. Profile is fully funded).

Project to date – Actuals include 2023 and 2025 portable radios for the Human Centered Engagement and Liaison Partnership (HELP) program, 2024 and 2025 portable radios purchases for 50 police officers recruitment and lifecycle replacement, video downlink and communications recorder.

Project forecast – Expecting a large replacement order for mobile radios by the end of 2026. Expected to be on budget at the end of the 4-year budget cycle.

2 Vehicles

This renewal composite profile includes the life cycle replacement of owned marked, unmarked and specialty vehicles. Vehicles continually go through the stages of being ordered, delivered, fit up and placed into service.

Project to date – 142 marked, 98 unmarked and 12 covert vehicles were put into service since the beginning of Q1, 2023.

Project forecast – Supply chain issues have improved for vehicle orders and deliveries. Expected to be on budget at the end of the 4-year budget cycle.

3 Police Equipment

This renewal composite profile is for the replacement of police equipment which includes personal protective equipment, health and safety equipment, and training equipment. (2023-2026 EPC supported \$8.082 million, City Council initially approved \$2.054 million and subsequently approved \$5.360 million during the 2023 Fall SCBA and 2024 Spring SCBA, unfunded \$0.668 million).

Edmonton Police Service
Explanation of Variances by Capital Project – Notes
For the Period Ended December 31, 2025

Project to date – Major expenditures include soft and hard body armor and carriers, other protective equipment, investigative technology equipment, wiretap data server, Police Headquarters (PHQ) 3rd floor renovations, PHQ parking lot gate, G7 Summit equipment, downlink transmitter, DNA instrument and firearms examination unit renovation.

Project forecast – Expected to be on budget at the end of the 4-year budget cycle.

4 In-Car Video Pilot Project

This standalone growth profile is a pilot project to equip police vehicles with a video system which will provide an audio/visual record of events within the viewing area of the cameras as they occur.

Project to date – The proof of concept was put on hold due to the Provincial Body Worn Video announcement.

Project forecast – No further expenditures are anticipated as the service focuses on deployment of body worn cameras. The project is closed.

5 Body Worn Video

This standalone growth profile is to equip police officers with a body worn camera which will provide an audio/visual record of events within the viewing area of the cameras as they occur, as mandated by the Province of Alberta on March 14, 2023.

Project to date – As part of project implementation, 200 cameras were deployed in 2024 and an additional 80 in Q1 2025. Expenditures include project resource time and hardware and licensing costs. An administrative yearend adjustment was made to transfer costs and budget related to the camera and video cloud solution from capital to operating that are considered operating in nature under the Tangible Capital Assets accounting standards.

Project forecast – The capital project is closed. Funding for full implementation of Body Worn Video service package has been approved within the operating budget to support ongoing costs for the technology as well as operational and administrative functions.

Edmonton Police Service
Explanation of Variances by Capital Project – Notes
For the Period Ended December 31, 2025

6 Police IT Systems

Infrastructure - Sustainment

Infrastructure-Sustainment is a composite renewal profile of infrastructure components that maintain the capability of EPS network, server, storage, telephony and security systems deployed in support of police operations. (2023-2026 EPC supported \$28.053 million, City Council initially approved \$7.131 million and subsequently approved \$17.913 million during the 2023 Fall SCBA and 2024 Spring SCBA, unfunded \$3.009 million).

Project to date – Equipment has been received for lifecycle replacement of servers, mobile workstations, switches, firewall security appliances and access control readers.

Project forecast – Expected to be on budget at the end of the 4-year budget cycle and evaluating impact of unfunded portion of capital profile of \$3.009 million.

Applications - Sustainment

Applications-Sustainment is a composite renewal profile encompassing various initiatives that maintain the capability of EPS software applications and systems that are deployed in support of police operations. System portfolios include: Dispatch, Operational Records, Operational Video, Administrative and Intelligence. (2023-2026 EPC supported \$18.978 million, City Council initially approved \$4.824 million, subsequently approved \$4.722 million during the 2023 Fall SCBA and 2024 Spring SCBA, unfunded \$6.775 million).

Project to date – Major project expenditures include Interview Room Upgrade, External Websites Cloud Migration project and FOIPNet Replacement.

Project forecast – Expected to be on budget at the end of the 4-year budget cycle and evaluating impact of unfunded portion of capital profile of \$6.775 million.

Applications - Enhancement

Applications-Enhancement is a composite growth profile encompassing various initiatives which includes enhancement of existing systems and implementation of new software applications and systems that are deployed in support of police operations. System portfolios include: Dispatch, Operational Records, Operational Video, Administrative and Intelligence. (2023-2026 EPC supported \$14.440 million, City Council approved \$11.835 million, unfunded \$2.605 million).

Edmonton Police Service
Explanation of Variances by Capital Project – Notes
For the Period Ended December 31, 2025

Project to date – Expenditures include Digital Evidence Management and Disclosure, Live External Operational Video Management, and NG911 Voice and Real TimeTexting (RTT).

Project forecast – A 2026 Spring SCBA will be requested to decrease the budget for scope changes in the Records Management System (RMS) Implementation project funded by partnership funding. Expected to be on budget at the end of the 4-year budget cycle.

7 Automated Fingerprint Identification System (AFIS)

The standalone renewal profile is to upgrade the Automated Fingerprint Identification System (AFIS) which is used to register and store fingerprint transactions for criminal offences.

Project to date – System migration went live in Q4 2024. Hardware equipment has been received. Milestone 5 payment was made in Q1 2025. The project is complete and all payments have been made.

Project forecast – The profile is closed.

8 Enterprise Commons (EC)

This standalone growth profile is to transition the aging enterprise technology systems to a single, modernized technology system that spans the enterprise core functions including Finance, Human Resources, Supply Chain Management. This project is a City of Edmonton (COE) initiative and requires integration with EPS applications.

Project to date – The project is currently in the deliver and test phase and expenditures include information technology resources, business resources and integration services with the Alberta Government Justice Online Information Network (JOIN).

Project forecast – City Administration has extended the timelines and associated costs are being assessed. A 2026 Spring SCBA will transfer funding from operating for EPS specific capital costs for EC implementation of \$0.034 million.

Edmonton Police Service
Explanation of Variances by Capital Project – Notes
For the Period Ended December 31, 2025

9 CAD-RMS Integration, Modernization & Maximization (CRIMM)

This standalone growth profile is to modernize and upgrade EPS' records management processes and systems which includes the Computer Automated Dispatch System (CAD) and core Records Management System (RMS) functionality.

Project to date – Expenditures to date include information technology and business resources, integrations consulting, software licensing and computer hardware. The DataVault and Property Module initiative is complete.

Project forecast – The project is closed.

10 Composite Projects

Composite projects share similar attributes and activities that are repetitive in nature and completed in shorter timelines. Composite projects may include individual growth and renewal projects less than \$10 million.

11 Northwest Campus

This standalone growth profile is for the construction of Northwest Campus.

Project to date – The legal settlement related to the Northwest Campus roof leak replacement has been completed.

Project forecast – City of Edmonton will close this capital profile once all the subsequent to legal settlement activities are complete.