

To: South Coast British Columbia Transportation Authority Police Board (Police Board)

From: Chief Officer Doug LePard  
South Coast British Columbia Transportation Authority Police Service (Transit Police)

Date: March 14, 2016

**Subject: Transit Police 2015 Year-End Financial Result  
[Police Board Report No. 2016-03/Public Agenda]**

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Information Report

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### **PURPOSE**

The Police Board is responsible for the governance of the Transit Police. Regular reporting to the Police Board and their review of financial operations is a key element in the exercise of this responsibility and for public accountability.

The purpose of this report is to present the Transit Police year-end financial results (ending December 31, 2015) for the Police Board's review and consideration.

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### **POLICY**

Police Board policy requires the Chief Officer to submit quarterly financial status reports for the Transit Police.

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### **BACKGROUND/DISCUSSION**

The Transit Police's focus in 2015 was on its three strategic directions:

- reduce crime and disorder,
- protect TransLink assets and the transit environment, and

- provide better service to the transit community

The 2015 operational priorities were:

- Sexual Offending,
- Mental Illness,
- Workplace Violence/Frontline Worker Assaults, and
- System resiliency.

The Transit Police's operating budget for 2015 was \$29,472,320.

### **2015 Year End Results (Appendix A)**

Total expenditures in the year were \$29,471,246, resulting in a positive variance of \$1,162 for the year. Details are provided in Appendix A.

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A summary of cost savings and over expenditures follows below.

#### **Reconciliation of Expenditures:**

<u>Savings:</u>	<u>(\$000)</u>
Benefits	\$668
Overtime	286
Training	104
Radio Communication	74
Recoveries	58
Vehicle costs	21
	<u>1,211</u>
 <u>Over Expenditures:</u>	
Salaries	1,010
Office Equipment	83
Outside Services	50
Materials	37
Professional & Legal	30
	<u>1,210</u>
 Net Savings	 <u><u>\$1</u></u>

Key savings are outlined below:

- “Benefits” cost saving of \$668 Thousand due to the reduction of employee future benefit costs as a result of changes made to retiree benefits in the new Collective Agreement;
- “Overtime” cost saving of \$286 Thousand due to improvements made in scheduling of Sworn Members (new process implemented in 2014);
- “Training” cost saving of \$104 Thousand due to lower recruit fees (fewer recruits than planned) and fewer courses taken than planned due to vacancies;
- “Radio Communications” cost saving of \$74 Thousand primarily due to the 2 Factor Authentication security initiative not proceeding in 2015 and ECOMM fees being lower than budgeted;
- Additional “Recoveries” of \$58 Thousand due to retroactive wages for seconded Sworn Members being received from the RCMP and training fees being received from jurisdictional police departments for their attendance at a Transit Police delivered training course;
- “Vehicle” cost saving of \$21 Thousand largely due to fuel savings as a result of lower fuel prices in the year and insurance savings.

Offsetting the above savings is an unfavourable variance in the following cost areas:

- “Salaries” cost was \$1,010 Thousand higher than budget as salary increases awarded in the new collective agreement were not included in this year’s budget (as per TransLink’s protocol – unknown wage increases were not permitted to be included in the budget submission last fall) and higher than expected adjustment for leave accruals at year-end.
- “Office Equipment and Supplies” cost was \$83 Thousand higher than budget due to the replacement of the audio video equipment in the briefing rooms, purchase of a smart board for Headquarters and the furniture for sub-offices.
- “Outside Services” cost was \$50 Thousand over budget due to the use of contractors to backfill vacancies, additional costs for transcriptions and

assistance provided by Vancouver Police Department to the Transit Police Professional Standards Unit.

- “Material” cost was \$37 Thousand over budget largely due to the purchase of new Conducted Energy Device model (introduced for British Columbia police agencies) and new Alcohol Sensing Devices (ASDs)
- “Professional Fees” cost was \$30 Thousand over budget due additional services needed from the contracted external communication consultant and for extra recruitment costs for police officers.

## **CONCLUSION**

Transit Police was slightly under budget in 2015 with total annual expenditures being \$29,471,246. The savings realized in benefit costs, over-time and training fully offset higher than budgeted salary costs. The salary costs were higher than budgeted as a result of increases awarded in the new collective agreement but not known at the time of the 2014 budget approval.

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Chief Officer Doug LePard

## Transit Police

### Financial Operating Status Report for the Period Ending December 31, 2015

	Actual	2015 Budget	Variance (under/(over))	%	
<b>Labour</b>					
Salaries	21,212,273	20,201,853	(1,010,420)	-5.0%	wage increases for union staff
Overtime	671,282	957,385	286,103	29.9%	reduction in OT costs
Benefits	4,670,154	5,338,305	668,151	12.5%	employee future benefit cost savings
	<u>26,553,709</u>	<u>26,497,543</u>	<u>(56,166)</u>	<u>-0.2%</u>	
<b>Vehicles</b>					
Fuel	151,776	189,004	37,228	19.7%	fuel prices lower in the year
Vehicle Maintenance	125,806	122,452	(3,354)	-2.7%	
Vehicle Outfitting	25,661	7,500	(18,161)	-242.1%	installation of trunk boxes in new vehicles
Vehicle Leases	55,841	45,961	(9,880)	-21.5%	buyout cost for leased vehicle
Insurance	36,047	44,076	8,029	18.2%	lower insurance costs
	<u>395,131</u>	<u>408,993</u>	<u>13,862</u>	<u>3.4%</u>	
<b>Materials</b>					
Materials- Uniforms	75,741	79,500	3,759	4.7%	
Materials-Other	109,913	92,433	(17,480)	-18.9%	purchase of earthquake kits, ASD's
Materials- Firearms/Ammunition	72,678	23,500	(49,178)	-209.3%	purchase of new CEW's, additional ammunition
Materials- Outerwear	112,698	139,108	26,410	19.0%	fewer jackets purchased
	<u>371,030</u>	<u>334,541</u>	<u>(36,489)</u>	<u>-10.9%</u>	
<b>Outside Services</b>					
Maintenance and repairs	40,558	33,365	(7,193)	-21.6%	rekeying and replacement of locks
Uniform Cleaning	149,560	157,107	7,547	4.8%	lower uniform cleaning costs
Other Services	245,427	168,048	(77,379)	-46.0%	contractors to backfill vacancies/ leaves, transcription costs
Minor Renovations	25,476	52,785	27,309	51.7%	planned renovations delayed
	<u>461,021</u>	<u>411,305</u>	<u>(49,716)</u>	<u>-12.1%</u>	
<b>Administration</b>					
Office Equipment	61,219	5,000	(56,219)	-1124.4%	replacement of briefing room equip, smart board purchase
Stationery and Supplies	79,491	63,884	(15,607)	-24.4%	additional purchases at year end
Memberships/Subscriptions	65,425	59,113	(6,312)	-10.7%	additional legal subscription costs
Board Remuneration	37,610	39,800	2,190	5.5%	
Other Administration	63,645	56,986	(6,659)	-11.7%	analytics software purchased
	<u>307,390</u>	<u>224,783</u>	<u>(82,607)</u>	<u>-36.7%</u>	
<b>Telecommunications</b>					
Radio Communication Equipment	843,260	916,926	73,666	8.0%	lower Ecomm fees and delay in 2 Factor Authentication
<b>Professional and Legal</b>					
Professional fees	150,016	128,639	(21,377)	-16.6%	additional external media consulting costs
Legal Fees	263,822	255,000	(8,822)	-3.5%	reimbursement of indemnification costs paid by TPPA
	<u>413,838</u>	<u>383,639</u>	<u>(30,199)</u>	<u>-7.9%</u>	

## Appendix A

	<b>Actual</b>	<b>2015 Budget</b>	<b>Variance (under/(over))</b>	<b>%</b>	
<b>Training</b>					
Recruit Training	83,471	135,000	51,529	38.2%	fewer recruits hired than planned
Training - Mandatory	224,176	277,118	52,942	19.1%	less training than planned
	<u>307,647</u>	<u>412,118</u>	<u>104,471</u>	<u>25.3%</u>	
<b>Rentals</b>					
Rentals/Leases - Range	10,857	17,560	6,703	38.2%	less range rentals needed
Rentals/Leases - Office Equipment	-	-	-		
	<u>10,857</u>	<u>17,560</u>	<u>6,703</u>	<u>38.2%</u>	
<b>Recovery - Secondments</b>	(192,638)	(135,001)	57,637	-42.7%	recovery of retro pay on secondments
<b>Total</b>	<u><u>29,471,245</u></u>	<u><u>29,472,407</u></u>	<u><u>1,162</u></u>	<u><u>0.0%</u></u>	