

PUBLIC

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: January 22, 2018

**Subject: Transit Police 2017 Year-End Financial Result
[Police Board Report No. 2018-01] – Public Agenda**

INFORMATION REPORT

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 Transit Police year-end financial results (ending December 31, 2017) for the Police Board's review and consideration.

BACKGROUND

Transit Police ensures that its organizational strategic directions and goals are achieved through a variety of strategies. Notably, the Transit Police is continuing to support and refine the Service Delivery Model (SDM). Six Neighbourhood Police Officers (NPOs) are a key element of the SDM and continue to engage with the public in each Community Service Area (CSA) as well as with the jurisdictional police agencies in their assigned CSA's. Other strategies include targeted training of frontline members (e.g., a five-day "phased interview model" course), increased use of technology (e.g., a pilot of "SceneDoc" software), and collaboration with jurisdictional police agencies (e.g., joint training and initiatives with Coquitlam RCMP and Port Moody Police for policing the Evergreen Extension).

The Evergreen Extension, comprising six new SkyTrain Stations and 11 kilometres of guideway on the Millennium Line, brought significantly increased ridership that exceeded predictions. This continues to place increased demands on Transit Police resources. For 2017, an initial increase of eight police officers – increasing authorized sworn strength from 167 to 175 – was supported by TransLink in consideration of the transit system expansion and increased ridership. Further analysis and planning on the Evergreen Extension’s impact to operational and support resourcing continued throughout 2017 and resulted in a comprehensive report from the Transit Police recommending additional officers. As a result, TransLink and the TransLink Board approved an additional eight officers for 2018, increasing the authorized sworn strength to 183.

The Transit Police 2016-2020 Strategic Plan covers a period that will see considerable changes to the regional transit system and levels of ridership. The anticipated growth in population for the region and fiscal realities will require flexibility and a continuing effort to look for opportunities for efficiencies. In 2017, the Transit Police continued to focus on implementation of the Strategic Plan’s three strategic goals:

- A safe and secure transit system;
- Confidence in the use of public transit; and
- Regional services that enhance local policing and community safety.

The Transit Police’s budget for 2017 was \$32,674,482. The budget does not include TransLink allocated costs for centralized services, such as Sapperton premises rent and Information Technology.

DISCUSSION

Results for 2017 (Appendix A)

Total expenditures in the year were \$32,446,566, resulting in a positive variance of \$226,550 for the year. Details are provided in Appendix A.

A summary of cost savings and over expenditures follows:

Reconciliation of Expenditures:

<u>Savings:</u>	<u>(\$000)</u>
Salaries	314
Professional Fees	60
Training	30

Radio Communications	30
Marketing	<u>26</u>
	460
 <u>Over Expenditures:</u>	
Materials	100
Outside Services	61
Legal Costs	51
Vehicle	10
Administration	5
Rentals	<u>6</u>
	234
 Net Savings	 <u><u>\$226</u></u>

Key savings are outlined below:

- “Salaries ” were \$314 Thousand better than budget due to additional secondment recoveries of \$501 Thousand (increased number of constables on paid secondments) offset by additional salary costs of \$186 Thousand for backfilling in Operations;
- “Professional Fees” were \$60 Thousand less than budget due to delayed research and implementation of internal audit recommendations;
- “Training” costs were \$30 Thousand under budget for the year due to lower travel costs and fewer recruits hired than planned;
- “Radio Communications“ costs were \$30 Thousand less than budget primarily due the 2 Factor Authentication security initiative being delayed to next year;
- “Marketing” costs were \$26 Thousand under budget as fewer marketing campaigns were undertaken than planned.

Offsetting the above savings were unfavourable variances in the following areas during the year:

- “Materials” costs were \$100 Thousand over budget due to the purchase of additional police equipment such as Conducted Energy Weapons (CEWs), replacement pistols, gas masks, Alcohol Sensing Devices (ASDs) and defibrillators (AEDs);

- “Outside Services” were \$61 Thousand over budget due to upgrades made to the Bridgeport office and additional costs for extending the secondment term of an Inspector to the end of the year;
- “Legal” costs were \$51 Thousand over budget due to unforeseen labour management issues.
- “Vehicle” costs were \$10 Thousand over budget due to the outfitting costs for the canine vehicles and the installation cost for prisoner cages in the newer police vehicles;
- “Administration” costs were \$5 Thousand over budget as a result of purchase of equipment for the Multi-Purpose Meeting/Training/Special Events Command Room;
- “Rental” costs were \$6 Thousand over budget largely due to parking for the new Waterfront sub-office not being included in the budget.

TransLink Allocated Costs (Appendix B)

Allocated costs from TransLink are not included in the Transit Police budget, which is consistent with the other TransLink subsidiaries. TransLink allocates centralized costs to the business units which directly benefit from/consume the service or cost. The cost allocated to the Transit Police covers Information Technology, Premises Rental, Payroll and some Human Resources. Total allocated costs for 2017 were \$4,029,964 (\$4,184,785 budgeted for 2017) resulting in a positive variance of 154,837 (3.7%) for the year. The positive variance of was largely due to lower building rent and lower depreciation and interest costs.

CONCLUSION

Total expenditures in 2017 were \$32,446,566, resulting in a positive variance of \$226,550 for the year.

Chief Officer Doug LePard

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Transit Police 2017 Actual

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Period ending	December 31, 2017				
	Actual	2017 Budget	Variance	%	
Labour					
Salaries	23,734,098	23,351,819	(382,279)	-2%	more officers seconded than planned (offset by recoveries)
Overtime	982,037	937,710	(44,327)	-5%	backfilling to meet minimums and special events
Benefits	5,172,318	5,412,650	240,332	4%	lower benefit costs (EFB, STD)
	<u>29,888,453</u>	<u>29,702,179</u>	<u>(186,274)</u>	<u>-1%</u>	
Recoveries - Secondments	(948,735)	(448,001)	500,734	-112%	more officers seconded than planned
Labour net of Recoveries	<u>28,939,718</u>	<u>29,254,178</u>	<u>314,460</u>	<u>1%</u>	
Vehicles					
Fuel	184,033	190,000	5,967	3%	fuel consumption lower
Vehicle Maintenance	121,525	127,403	5,878	5%	fewer repairs needed as newer fleet
Vehicle Outfitting	40,405	15,000	(25,405)	-169%	Installation of prisoner seats, additional equip for K9 vehicles
Vehicle Leases	26,231	30,000	3,769		
Insurance	45,406	44,999	(407)	-1%	
	<u>417,600</u>	<u>407,402</u>	<u>(10,198)</u>	<u>-3%</u>	
Materials					
Materials - Uniforms	114,733	125,001	10,268	8%	
Materials - Other	146,315	78,138	(68,177)	-87%	purchase of police equip (gas masks, ASDs, acoustic device
Materials - Firearms/Ammunition	144,655	76,001	(68,654)		replacement of pistols, additional CEWs and cartridges
Materials - Outerwear	95,746	122,761	27,015	22%	less body armour purchased
	<u>501,449</u>	<u>401,901</u>	<u>(99,548)</u>	<u>-25%</u>	
Outside Services					
Maintenance and Repairs	53,808	33,505	(20,303)	-61%	upgrades to Bridgeport office
Uniform Cleaning	69,186	70,528	1,342	2%	
Other Services	411,261	375,509	(35,752)	-10%	secondment term extended to end of year
Minor Renovations	55,688	49,000	(6,688)	-14%	installation of flag pole at HQ
	<u>589,943</u>	<u>528,542</u>	<u>(61,401)</u>	<u>-12%</u>	
Administration					
Office Equipment	26,521	16,500	(10,021)	-61%	equipment for multi purpose room
Stationery and Supplies	71,996	69,104	(2,892)	-4%	
Memberships/Subscriptions	57,455	61,011	3,556	6%	
Board Remuneration	32,376	40,000	7,624	19%	
Other Administration	24,556	21,462	(3,094)	-14%	
	<u>212,904</u>	<u>208,077</u>	<u>(4,827)</u>	<u>-2%</u>	
Telecommunications					
Telecommunications	-	-	-		
Radio Communication Equipment	858,742	888,348	29,606	3%	2FA project delayed
	<u>858,742</u>	<u>888,348</u>	<u>29,606</u>	<u>3%</u>	
Professional and Legal					
Professional fees	172,337	232,999	60,662		delay in researching and implementing audit recomm
Legal Fees	271,607	220,400	(51,207)	-23%	settlement of labour management issue
	<u>443,944</u>	<u>453,399</u>	<u>9,455</u>	<u>2%</u>	
Training					
Recruit Training	121,407	138,000	16,593	12%	fewer recruits hired
Training - Mandatory	267,091	280,269	13,178	5%	less travel costs
	<u>388,498</u>	<u>418,269</u>	<u>29,771</u>	<u>7%</u>	
Rentals					
Rentals/Leases - Parking	4,384	-	(4,384)		parking not included in budget
Rentals/Leases - Range	19,897	18,000	(1,897)	-11%	
Rentals/Leases - Office Equipment	-	-	-		
	<u>24,281</u>	<u>18,000</u>	<u>(6,281)</u>	<u>-35%</u>	
Marketing & Promotions	69,487	95,000	25,513	27%	lower marketing costs
Total Before Allocated Costs	<u><u>32,446,566</u></u>	<u><u>32,673,116</u></u>	<u><u>226,550</u></u>	<u>1%</u>	

TransLink Allocated Costs - 2017 Actual

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Period ending

December 31, 2017

	Actual	2017 Budget	Variance	%
Salaries	719,997	714,533	(5,464)	-1%
Administration	305,000	321,268	16,268	5%
Computers & Systems	831,910	753,549	(78,361)	-10%
Rentals	1,857,381	2,010,780	153,399	8%
Depreciation and Interest	315,676	384,671	68,995	18%
	<u>4,029,964</u>	<u>4,184,801</u>	<u>154,837</u>	4%