

PUBLIC

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

From: Chief Officer Dave Jones
South Coast British Columbia Transportation Authority Police Service (Transit Police)

Date: April 5, 2019

Subject: Transit Police 2019 Q1 Financial Operating Status Report
[Police Board Report No. 2019-12] – 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 the Transit Police operating budget variance for the period ending March 31, 2019 for the Police Board’s review and consideration.

BACKGROUND

In 2016, the Transit Police launched its 2016-2020 Strategic Plan, which covers a period that is and will continue to see considerable changes to the regional transit system and levels of ridership. The Evergreen Extension has brought significantly increased ridership (which exceeded predictions) and although increases in the authorized strength of police officers occurred, it continues to place increasing demands on Transit Police resources. In 2018, policing of the transit system was improved through: the revised structure of the new General Investigation Unit; increased collaboration with jurisdictional police partners; and expanded safety/security education to transit riders, the community and TransLink family. Full implementation of the community-based Service Delivery Model (“SDM”), which launched in 2015, has progressed over the past three years. The SDM

includes: dedicated 'hub time' by police officers and high visibility patrol surges; the selection, training and deployment of six Neighbourhood Police Officers ("NPOs"); and creation of Community Service Area ("CSAs") action Blue Prints. The NPOs are a key element of the SDM and the NPOs have significantly increased Transit Police presence through public engagement activities in each of the six CSAs. As well, the NPOs work closely Transit Police patrol officers and with the jurisdictional police agencies in their CSA.

In 2019, the Transit Police will continue to focus on its Strategic Plan and its three Strategic Goals:

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

For 2019, with the concurrence of the Police Board, TransLink Security Management Limited and TransLink, there was an approved increase to the authorized strength by six positions, and a corresponding increase to the budget. This increase was done to enable introduction of a pilot Community Safety Officer ("CSO") function within the Transit Police. The model would be for the CSO to be a peace officer (e.g., designated Special Provincial Constable) under the *Police Act*. The pilot project calls for six CSO positions in the first year implementation of the four-year pilot. The objective of the pilot project is to test the concept of tiered policing in the transit environment as means to increase public safety, uniformed officer visibility and coverage, as well as system resiliency; however, at a lower cost than additional police officers.

The Transit Police's budget for 2019 is \$34,555,711. The budget does not include TransLink "allocated costs" for centralized services, such as Sapperton premises rent and Information Technology services.

DISCUSSION

2019 Q1 Results (Appendix "A")

As of March 31, 2019, the Police Service's total expenditures were \$7,974,382 compared with the year to date budget of \$8,541,921 (see Appendix "A"). The positive year-to-date variance of \$567,539 (6.6%) is largely due to salary savings from vacancies and differences between the budgeted and actual timing of expenditures.

2019 Forecast Based on Q1 Results (Appendix “B”)

As of March 31, 2019, the Police Service has \$26,581,400 (77%) of the total budgeted expenditures remaining. Based on the first quarter results and projected expenditures to come, the Transit Police is presently projecting a positive budget variance of \$220 Thousand by year-end (see Appendix “B”).

A summary of forecasted cost savings and over expenditures follows:

Reconciliation of Expenditures:

<u>Savings:</u>	<u>(\$000)</u>
Salary costs	275
Radio Communications	40
	<u>315</u>
<u>Over Expenditures:</u>	
Materials	80
Vehicle costs	15
	<u>95</u>
Net Savings	<u><u>\$220</u></u>

Key savings are outlined below:

- “Salary” costs are expected to be \$275 Thousand less than budgeted, as a result of salary savings from vacant sworn positions, which is offsetting higher over-time costs (to meet patrol minimums), and lower than budgeted recovery of employee future benefit (“EFB”) costs.
- “Radio Communications” costs are forecasted to be \$40 Thousand less than budget primarily due to a lower E-Comm levy and delay in implementation of 2-Factor Authentication security initiative.

Offsetting the above savings is an unfavourable variance expected in the following areas during the balance of the year:

- “Material” costs are expected to be \$80 Thousand more than budgeted due to higher costs for body armour that utilizes newer technology, allowing for lighter and cooler ballistic vests for police officers.

- “Vehicle” costs are forecasted to be \$15 Thousand more than budget. This is due to the decommissioning of one police dog vehicle and the cost to retro-fit a replacement.

TransLink Allocated Costs

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 services. Total allocated costs budgeted for 2019 are \$5,367,000.

As of March 31, 2019, total TransLink allocated costs were \$1,224,412 compared with the year to date budget of \$1,277,603 (see Appendix “C”). The positive quarterly variance of \$53,191 (4%) is largely due to lower software costs.

CONCLUSION

As of March 31, 2019, the Transit Police is forecasting a positive budget variance of approximately \$220 Thousand for year-end. This year’s budget included the prescribed 2019 wage increases arising from the new Collective Agreement reached in a binding arbitration on February 22, 2018. However, the actual police officer wage for 2019 may be higher depending on the outcome of the next Vancouver Police Collective Agreement; which impacts provisions of the Transit Police Collective Agreement.

Chief Officer Dave Jones

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Transit Police 2019 Actual

Board Report No. 2019-12/Appendix A

Period ending	March 31, 2019				2019	Remaining		
	Actual YTD	Budget YTD	Variance	%	Budget	Budget	%	
Labour								
Salaries	6,031,957	6,584,681	552,724	8%	26,901,437	20,869,480	78%	Salary savings from vacancies and officers on leave
Overtime	320,713	189,939	(130,774)	-69%	951,547	630,834	66%	Additional OT for backfilling vacant sworn positions
Benefits	1,454,447	1,372,256	(82,191)	-6%	4,577,061	3,122,614	68%	EFB recovery lower than budgeted
	<u>7,807,117</u>	<u>8,146,876</u>	<u>339,759</u>	<u>4%</u>	<u>32,430,045</u>	<u>24,622,928</u>	<u>76%</u>	
Recoveries - Secondments	(379,461)	(233,874)	145,587	-62%	(937,024)	(557,563)	60%	More officers seconded than planned
Labour net of Recoveries	<u>7,427,656</u>	<u>7,913,002</u>	<u>485,346</u>	<u>6%</u>	<u>31,493,021</u>	<u>24,065,365</u>	<u>76%</u>	
Vehicles								
Fuel	48,301	57,249	8,948	16%	230,000	181,699	79%	Lower fuel costs
Vehicle Maintenance	24,474	24,179	(295)	-1%	102,502	78,028	76%	
Vehicle Outfitting	7,394	4,000	(3,394)	-85%	25,000	17,606	70%	
Vehicle Leases	7,065	7,500	435	0%	30,000	22,935	76%	
Insurance	12,490	12,450	(40)	0%	49,999	37,509	75%	
	<u>99,724</u>	<u>105,378</u>	<u>5,654</u>	<u>5%</u>	<u>437,501</u>	<u>337,777</u>	<u>77%</u>	
Materials								
Materials - Uniforms	30,741	28,106	(2,635)	-9%	120,201	89,460	74%	
Materials - Other	33,173	21,237	(11,936)	-56%	104,017	70,844	68%	Timing
Materials - Firearms/Ammunition	2,691	4,700	2,009	73%	46,581	43,890	94%	
Materials - Outerwear	9,785	35,625	25,840	73%	124,994	115,209	92%	Timing
	<u>76,390</u>	<u>89,668</u>	<u>13,278</u>	<u>15%</u>	<u>395,793</u>	<u>319,403</u>	<u>81%</u>	
Outside Services								
Maintenance and Repairs	10,533	4,738	(5,795)	-122%	36,997	26,464	72%	Timing
Uniform Cleaning	16,541	21,288	4,747	22%	97,028	80,487	83%	
Other Services	54,296	38,544	(15,752)	-41%	217,014	162,718	75%	Additional contractor costs (HR) and website upgrade
Minor Renovations	6,571	5,100	(1,471)	-29%	20,000	13,429	67%	
	<u>87,941</u>	<u>69,670</u>	<u>(18,271)</u>	<u>-26%</u>	<u>371,039</u>	<u>283,098</u>	<u>76%</u>	
Administration								
Office Equipment	6,242	4,020	(2,222)	-55%	16,500	10,258	62%	
Stationery and Supplies	13,854	18,920	5,066	27%	76,604	62,750	82%	
Memberships/Subscriptions	10,745	6,526	(4,219)	-65%	61,611	50,866	83%	
Board Remuneration	8,949	5,537	(3,412)	-62%	46,750	37,801	81%	
Other Administration	6,131	5,760	(371)	-6%	26,902	20,771	77%	
	<u>45,921</u>	<u>40,763</u>	<u>(5,158)</u>	<u>-13%</u>	<u>228,367</u>	<u>182,446</u>	<u>80%</u>	
Telecommunications								
Telecommunications	-	-	-	-	-	-	-	
Radio Communication Equipment	150,795	155,850	5,055	3%	630,495	479,700	76%	E-Comm levy lower than budgeted
	<u>150,795</u>	<u>155,850</u>	<u>5,055</u>	<u>3%</u>	<u>630,495</u>	<u>479,700</u>	<u>76%</u>	
Professional and Legal								
Professional fees	32,270	25,437	(6,833)	55%	144,499	112,229	78%	Timing
Legal Fees	22,925	51,500	28,575	28%	210,000	187,075	89%	Lower legal costs
	<u>55,195</u>	<u>76,937</u>	<u>21,742</u>	<u>28%</u>	<u>354,499</u>	<u>299,304</u>	<u>84%</u>	
Computers								
Computer Hardware	-	-	-	-	-	-	-	
Computer Software	-	-	-	-	-	-	-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Training								
Recruit Training	500	-	(500)	N/A	209,000	208,500	100%	
Training - Mandatory	20,536	75,816	55,280	73%	347,067	326,531	94%	Timing
	<u>21,036</u>	<u>75,816</u>	<u>54,780</u>	<u>72%</u>	<u>556,067</u>	<u>535,031</u>	<u>96%</u>	
Rentals								
Rentals/Leases - Parking	1,314	999	(315)	-84%	4,000	2,686	67%	
Rentals/Leases - Range	2,000	1,088	(912)	-46%	18,000	16,000	89%	
Rentals/Leases - Office Equipment	-	-	-	-	-	-	-	
	<u>3,314</u>	<u>2,087</u>	<u>(1,227)</u>	<u>-59%</u>	<u>22,000</u>	<u>18,686</u>	<u>85%</u>	
Marketing & Promotions	6,410	12,750	6,340	50%	67,000	60,590	90%	Timing
Total Before Allocated Costs	<u>7,974,382</u>	<u>8,541,921</u>	<u>567,539</u>	<u>6.6%</u>	<u>34,555,782</u>	<u>26,581,400</u>	<u>77%</u>	

Transit Police 2019 Forecast

Period ending March 31, 2019

Board Report No. 2019-12/Appendix "B"

	2019 Budget	2019 Forecast	Variance	%	
Labour					
Salaries	26,901,437	25,876,437	1,025,000	4%	Salary savings from vacancies and officers on leave
Overtime	951,547	1,201,547	(250,000)	-26%	Additional OT for backfilling vacant sworn positions
Benefits	4,577,061	5,077,061	(500,000)	-11%	EFB recovery lower than budgeted
	<u>32,430,045</u>	<u>32,155,045</u>	<u>275,000</u>	<u>1%</u>	
Recoveries - Secondments	(937,024)	(937,024)	-	0%	
Labour net of Recoveries	<u>31,493,021</u>	<u>31,218,021</u>	<u>275,000</u>	<u>1%</u>	
Vehicles					
Fuel	230,000	230,000	-	0%	
Vehicle Maintenance	102,502	102,502	-	0%	
Vehicle Outfitting	25,000	40,000	(15,000)	-60%	Extra costs for outfitting of spare K9 vehicle
Vehicle Leases	30,000	30,000	-	0%	
Insurance	49,999	49,999	-	0%	
	<u>437,501</u>	<u>452,501</u>	<u>(15,000)</u>	<u>-3%</u>	
Materials					
Materials - Operators' Uniforms	120,201	120,201	-	0%	
Materials - Misc	104,017	104,017	-	0%	
Materials - Firearms/Ammunition	46,581	46,581	-	0%	
Materials - Outerwear	124,994	204,994	(80,000)	-64%	Higher costs for new body armour
	<u>395,793</u>	<u>475,793</u>	<u>(80,000)</u>	<u>-20%</u>	
Outside Services					
Maintenance and Repairs	36,997	36,997	-	0%	
Uniform Cleaning	97,028	97,028	-	0%	
Other Services	217,014	217,014	-	0%	
Minor Renovations	20,000	20,000	-	0%	
	<u>371,039</u>	<u>371,039</u>	<u>-</u>	<u>0%</u>	
Administration					
Office Equipment	16,500	16,500	-	0%	
Stationery and Supplies	76,604	76,604	-	0%	
Memberships/Subscriptions	61,611	61,611	-	0%	
Police Board Expenses	46,750	46,750	-	0%	
Other Administration	26,902	26,902	-	0%	
	<u>228,367</u>	<u>228,367</u>	<u>-</u>	<u>0%</u>	
Telecommunications					
Telecommunications	-	-	-	-	
Radio Communication Equipment	630,495	590,495	40,000	6%	Lower E-Comm levy than budgeted
	<u>630,495</u>	<u>590,495</u>	<u>40,000</u>	<u>6%</u>	
Professional and Legal					
Professional fees	144,499	144,499	-	0%	
Legal Fees	210,000	210,000	-	0%	
	<u>354,499</u>	<u>354,499</u>	<u>-</u>	<u>0%</u>	
Computers					
Computer Hardware	-	-	-	-	
Computer Software	-	-	-	0%	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>0%</u>	
Training					
Training & Education	209,000	209,000	-	0%	
Training - Mandatory	347,067	347,067	-	0%	
	<u>556,067</u>	<u>556,067</u>	<u>-</u>	<u>0%</u>	
Rentals					
Rentals/Leases - Parking	4,000	4,000	-	0%	
Rentals/Leases - Range	18,000	18,000	-	0%	
Rentals/Leases - Office Equipment	-	-	-	-	
	<u>22,000</u>	<u>22,000</u>	<u>-</u>	<u>0%</u>	
Marketing & Promotions					
	67,000	67,000	-	0%	
Total	<u><u>34,555,782</u></u>	<u><u>34,335,782</u></u>	<u><u>220,000</u></u>	<u><u>0.6%</u></u>	

TransLink Allocated Costs - 2019 Actual

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Period ending	March 31, 2019				2019 Budget	Remaining Budget	%
	YTD Actual	YTD Budget	Variance	%			
Salaries	195,041	198,450	3,409	2%	801,671	606,630	76%
Administration	123,636	110,143	(13,493)	-12%	446,748	323,112	72%
Computers & Systems	429,714	495,616	65,902	13%	1,962,974	1,533,260	78%
Rentals	476,021	473,394	(2,627)	-1%	2,140,539	1,664,518	78%
	<u>1,224,412</u>	<u>1,277,603</u>	<u>53,191</u>	<u>4%</u>	<u>5,351,932</u>	<u>4,127,520</u>	<u>77%</u>