

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, 2020

**Subject: Transit Police 2020 Q1 Financial Operating Status Report
[Police Board Report No. 2020-17] – 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, 2020 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 has, and will continue to see considerable changes to the regional transit system and levels of ridership. Transit System expansion has brought significantly increased ridership which exceeded predictions and it continues to place increasing demands on Transit Police resources. Over the past three years, policing services have been enhanced with increases to authorized strength in 2017 and 2018. 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 riders, community and TransLink family. Full implementation of the community-based Service Delivery Model (SDM), which launched in 2015, has progressed over the

past four years. This includes dedicated “hub time” by police officers on high visibility patrol, and the selection, training and deployment of six Neighbourhood Police Officers (NPOs). The NPOs are a key element of the SDM and have significantly increased Transit Police public engagement activities in each of the six Community Service Areas. As well, the NPOs work closely with the jurisdictional police agencies in each CSA.

In 2020, the Transit Police will continue to focus on its Strategic Plan and 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.

Organizationally, this will include advancing of strategic actions related to:

- Maintaining high operational deployment levels;
- Increasing diversity in hiring;
- Planning for appropriately staffed Transit Police service delivery to address growing transit ridership and for future transit system expansion;
- Enhancing Transit Police officer skills and knowledge through training;
- Achieving efficiencies through increased use of technology (e.g., Data Evidence Management Systems (DEMS), electronic note taking and scheduling” software);
- Enhancing performance analytics and crime analysis;
- Increasing collaboration and training with jurisdictional police agencies to achieve safety/security across the region;
- Promoting anti-terrorism deterrence, detection and response capacities;
- Demonstrating investigative excellence; and
- Reaching out to vulnerable persons on transit and providing specialized response.

For 2020, with the concurrence of the Police Board, TransLink Security Management Limited and TransLink, there was an approved increase to the authorized strength by two positions, and a corresponding increase to the budget. The Transit Police’s budget for 2020 is \$35,706,758. The budget does not include TransLink “allocated costs” for centralized services, such as Sapperton premises rent and Information Technology services.

DISCUSSION**2020 Q1 Results (Appendix "A")**

As of March 31, 2020, the Police Service's total expenditures were \$8,789,358 compared with the year to date budget of \$8,908,331 (see Appendix "A"). The positive year-to-date variance of \$118,973 is largely due to salary savings from vacancies and differences between the budgeted and actual timing of expenditures.

2020 Forecast Based on Q1 Results (Appendix "B")

As of March 31, 2020, the Police Service has \$26,917,397 (75%) of the total budgeted expenditures remaining. Due to the COVID-19 Pandemic, the Transit Police has made a decision to defer certain expenditures in 2020 and is presently projecting a positive budget variance of \$1,560 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	1,115
Training costs	265
Material costs	80
Outside Services	40
Marketing	30
Radio Communications	20
Other	25
	<u>1,575</u>
 <u>Over Expenditures:</u>	
Building Maintenance	15
	<u>15</u>
 Net Savings	 <u><u>\$1,560</u></u>

Key savings are outlined below:

- “Salary” costs are expected to be \$1,115 Thousand less than budgeted, because of salary savings due to fewer recruits hired, the deferral of the Community Safety Officer (CSO) pilot to 2021 and overtime savings from the cancellation of Special Events.
- “Training” costs are forecasted to be \$265 Thousand less than budgeted due to lower recruit fees (fewer recruits hired), savings for CSO training (CSO Pilot deferred) and lower conference and training costs due to cancellations.
- “Materials” are expected to be \$80 Thousand lower than budgeted because of lower kit and clothing expenditures as the fewer new hires in 2020 (CSO pilot deferred to 2021 and fewer recruits to be hired).
- “Outside Services” costs are forecasted to be \$40 Thousand under budget as transcription work will not be contracted out but will be performed in house.
- “Marketing” costs are expected to be \$30 Thousand favorable to budget as less expenditures will be made on promotional and marketing materials due to cancellation of events in 2020.
- “Radio Communications” costs are forecasted to be \$20 Thousand less than budget primarily due to the deferral of the implementation of 2-Factor Authentication security initiative.
- “Other” savings are expected of \$25 Thousand from lower fuel costs (\$15 Thousand) and lower professional fees (\$10 Thousand) as less new hire of officers are planned.

Offsetting the above savings is an unfavourable variance expected in “Building Maintenance” costs of \$15 Thousand for costs associated with upgrading the RFID asset tracking system.

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 2020 are \$5,587,067.

As of March 31, 2020, total TransLink allocated costs were \$1,221,387 compared with the year to date budget of \$1,312,898 (see Appendix "C"). The positive quarterly variance of \$91,511 (7.0 %) is largely due to lower premise costs.

CONCLUSION

Due to the COVID-19 Pandemic, significant cuts are planned by the Transit Police to operational expenditures in 2020. With the deferral of the CSO pilot to 2021, the reduction in the number of new recruit hires and a cut in overtime costs, the Transit Police is forecasting a positive budget variance of approximately \$1,560 Thousand for year-end. This year's budget included the prescribed 2020 wage increases arising from the new Collective Agreement reached in a binding arbitration on February 22, 2018. However, the actual police officer wage for 2020 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 2020 Actual

Board Report No. 2020-17/Appendix "A"

Period ending	March 31, 2020				2020	Remaining		
	Actual YTD	Budget YTD	Variance	%	Budget	Budget	%	
Labour								
Salaries	6,633,209	6,838,195	204,986	3%	27,575,739	20,942,530	76%	Salary savings from vacancies and officers on leave
Overtime	183,362	199,019	15,657	8%	978,198	794,836	81%	
Benefits	1,644,064	1,535,708	(108,356)	-7%	5,225,005	3,580,941	69%	EFB recovery lower than budgeted
	8,460,635	8,572,922	112,287	1%	33,778,942	25,318,307	75%	
Recoveries - Secondments	(324,558)	(304,164)	20,394	-7%	(1,218,189)	(893,631)	73%	Variance is due to timing
Labour net of Recoveries	8,136,077	8,268,758	132,681	2%	32,560,753	24,424,676	75%	
Vehicles								
Fuel	58,727	60,452	1,725	3%	240,000	181,273	76%	
Vehicle Maintenance	36,741	23,923	(12,818)	-54%	101,500	64,759	64%	Timing of vehicle maintenance/repairs
Vehicle Outfitting	11,237	4,084	(7,153)	-175%	35,000	23,763	68%	
Vehicle Leases	6,996	7,500	504		30,000	23,004	77%	
Insurance	30,501	29,949	(552)	-2%	120,000	89,499	75%	
	144,202	125,908	(18,294)	-15%	526,500	382,298	73%	
Materials								
Materials - Uniforms	31,547	29,515	(2,032)	-7%	116,000	84,453	73%	
Materials - Other	16,856	23,477	6,621	28%	112,323	95,467	85%	
Materials - Firearms/Ammunition	33,635	4,431	(29,204)		42,500	8,865	21%	Timing of the purchase of ammunition
Materials - Outerwear	21,548	43,876	22,328	51%	155,000	133,452	86%	Timing of purchases
	103,586	101,299	(2,287)	-2%	425,823	322,237	76%	
Outside Services								
Maintenance and Repairs	50,802	4,838	(45,964)	-950%	47,000	(3,802)	-8%	Costs for RFID asset tracking upgrades
Uniform Cleaning	15,549	22,986	7,437	32%	108,800	93,251	86%	
Other Services	28,555	16,032	(12,523)	-78%	130,542	101,987	78%	Timing of external contractor costs
Minor Renovations	8,669	5,207	(3,462)	-66%	20,000	11,331	57%	
	103,575	49,063	(54,512)	-111%	306,342	202,767	66%	
Administration								
Office Equipment	3,860	4,104	244	6%	16,500	12,640	77%	
Stationery and Supplies	12,860	19,226	6,366	33%	77,750	64,890	83%	
Memberships/Subscriptions	15,291	7,251	(8,040)	-111%	66,550	51,259	77%	
Board Remuneration	5,932	5,654	(278)	-5%	57,700	51,768	90%	
Other Administration	5,561	4,859	(702)	-14%	23,150	17,589	76%	
	43,504	41,093	(2,411)	-6%	241,650	198,146	82%	
Telecommunications								
Telecommunications	-	-	-		-	-		
Radio Communication Equipment	151,655	156,622	4,967	3%	624,182	472,527	76%	
	151,655	156,622	4,967	3%	624,182	472,527	76%	
Professional and Legal								
Professional fees	36,660	25,718	(10,942)		125,500	88,840	71%	Timing of consulting fees
Legal Fees	22,948	46,607	23,659	51%	210,000	187,052	89%	Lower legal costs
	59,608	72,325	12,717	18%	335,500	275,892	82%	
Computers								
Computer Hardware	-	-	-		-	-		
Computer Software	-	-	-		-	-		
	-	-	-		-	-		
Training								
Recruit Training	-	-	-	N/A	240,000	240,000	100%	
Training - Mandatory	36,650	77,885	41,235	53%	355,505	318,855	90%	Timing of training costs
	36,650	77,885	41,235	53%	595,505	558,855	94%	
Rentals								
Rentals/Leases - Parking	2,022	1,248	(774)		5,000	2,978		
Rentals/Leases - Range	6,350	1,111	(5,239)	-472%	18,000	11,650	65%	
Rentals/Leases - Office Equipment	-	-	-		-	-		
	8,372	2,359	(6,013)	-255%	23,000	14,628	64%	
Marketing & Promotions	2,129	13,018	10,889	84%	67,500	65,371	97%	Timing of expenditures
Total Before Allocated Costs	<u>8,789,358</u>	<u>8,908,331</u>	<u>118,973</u>	1.3%	<u>35,706,755</u>	<u>26,917,397</u>	75%	

Transit Police 2020 Forecast

Board Report No. 2020-17/Appendix "B"

Period ending March 31, 2020

	2020 Budget	2020 Forecast	Variance	%	
Labour					
Salaries	27,575,739	26,935,739	640,000	2%	Salary savings due to CSO deferral and fewer recruits hired
Overtime	978,198	603,198	375,000	38%	Special Event OT not needed due to cancellation of events
Benefits	5,225,005	5,125,005	100,000	2%	Salary savings
	<u>33,778,942</u>	<u>32,663,942</u>	<u>1,115,000</u>	<u>3%</u>	
Recoveries - Secondments	(1,218,189)	(1,218,189)	-	0%	
Labour net of Recoveries	<u>32,560,753</u>	<u>31,445,753</u>	<u>1,115,000</u>	<u>3%</u>	
Vehicles					
Fuel	240,000	225,000	15,000	6%	Fuel prices lower than budgeted
Vehicle Maintenance	101,500	101,500	-	0%	
Vehicle Outfitting	35,000	35,000	-	0%	
Vehicle Leases	30,000	30,000	-	0%	
Insurance	120,000	120,000	-	0%	
	<u>526,500</u>	<u>511,500</u>	<u>15,000</u>	<u>3%</u>	
Materials					
Materials - Operators' Uniforms	116,000	66,000	50,000	43%	Less expenditures required as fewer new hires
Materials - Misc	112,323	107,323	5,000	4%	Less expenditures required as fewer new hires
Materials - Firearms/Ammunition	42,500	42,500	-	0%	
Materials - Outerwear	155,000	130,000	25,000	16%	Less expenditures required as fewer new hires
	<u>425,823</u>	<u>345,823</u>	<u>80,000</u>	<u>19%</u>	
Outside Services					
Maintenance and Repairs	47,000	62,000	(15,000)	-32%	Additional costs for RFID asset tracking upgrade
Uniform Cleaning	108,800	108,800	-	0%	
Other Services	130,542	90,542	40,000	31%	Reduction in external contractor costs for transcription
Minor Renovations	20,000	20,000	-	0%	
	<u>306,342</u>	<u>281,342</u>	<u>25,000</u>	<u>8%</u>	
Administration					
Office Equipment	16,500	16,500	-	0%	
Stationery and Supplies	77,750	77,750	-	0%	
Memberships/Subscriptions	66,550	66,550	-	0%	
Police Board Expenses	57,700	57,700	-	0%	
Other Administration	23,150	23,150	-	0%	
	<u>241,650</u>	<u>241,650</u>	<u>-</u>	<u>0%</u>	
Telecommunications					
Telecommunications	-	-	-		
Radio Communication Equipment	624,182	604,182	20,000	3%	Deferral of 2 factor authentication to 2021
	<u>624,182</u>	<u>604,182</u>	<u>20,000</u>	<u>3%</u>	
Professional and Legal					
Professional fees	125,500	115,500	10,000	8%	Less expenditures required as fewer new hires
Legal Fees	210,000	210,000	-	0%	
	<u>335,500</u>	<u>325,500</u>	<u>10,000</u>	<u>3%</u>	
Training					
Training & Education	240,000	105,000	135,000	56%	Fewer recruits hired and CSO pilot deferred to 2021
Training - Mandatory	355,505	225,505	130,000	37%	Cancellation of courses/conferences due to Pandemic
	<u>595,505</u>	<u>330,505</u>	<u>265,000</u>	<u>45%</u>	
Rentals					
Rentals/Leases - Parking	5,000	5,000	-	0%	
Rentals/Leases - Range	18,000	18,000	-	0%	
Rentals/Leases - Office Equipment	-	-	-		
	<u>23,000</u>	<u>23,000</u>	<u>-</u>	<u>0%</u>	
Marketing & Promotions					
	67,500	37,500	30,000	44%	Cancellation of events due to Pandemic
Total	<u><u>35,706,755</u></u>	<u><u>34,146,755</u></u>	<u><u>1,560,000</u></u>	<u><u>4.4%</u></u>	

TransLink Allocated Costs - 2020 Actual

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Period ending	March 31, 2020				2020 Budget	Remaining Budget	%
	YTD Actual	YTD Budget	Variance	%			
Salaries	202,014	213,925	11,911	6%	843,317	641,303	76%
Administration	130,044	159,850	29,806	19%	661,530	531,486	80%
Computers & Systems	409,942	387,279	(22,663)	-6%	1,627,881	1,217,939	75%
Rentals	479,387	551,844	72,457	13%	2,454,339	1,974,952	80%
	<u>1,221,387</u>	<u>1,312,898</u>	<u>91,511</u>	<u>7%</u>	<u>5,587,067</u>	<u>4,365,680</u>	<u>78%</u>