

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: October 15, 2020

Subject: Transit Police 2020 Q3 Financial Operating Status Report [Police Board Report No. 2020-41] – 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 September 30, 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. Until recently, Transit System expansion has brought significantly increased ridership which exceeded predictions and placed increasing demands on Transit Police resources. 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. The Transit Police Service Delivery Model (SDM), which launched in 2015, encourages dedicated high visibility patrol, and included 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 Officers' 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 the Sapperton premises rent and Information Technology services.

DISCUSSION

2020 Q3 Results (Appendix "A")

As of September 30, 2020, the Police Service's total expenditures were \$25,626,434 compared with the year to date budget of \$26,884,638 (see Appendix "A"). The positive year-to-date variance of \$1,258,204 is largely due to salary

savings from vacancies, reduced over-time costs and differences between the budgeted and actual timing of expenditures.

2020 Forecast Based on Q3 Results (Appendix “B”)

As of September 30, 2020, the Police Service has \$10,081,321 (28%) 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 \$1,555,000 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	1,375
Training costs	270
Recoveries	25
Uniforms	40
Fuel	35
Marketing	30
Administrative costs	35
Legal fees	25
	<u>1,835</u>
 <u>Over Expenditures:</u>	
Materials	105
Other Services	50
Radio Communications	25
Building Maintenance	50
Vehicle Expenses	30
Rentals	20
	<u>280</u>
 Net Savings	 <u><u>\$1,555</u></u>

Key savings are outlined below:

- “Salary” costs are expected to be \$1,375 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 due to the Pandemic.

- “Training” costs are forecasted to be \$270 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 because of the Pandemic.
- “Recoveries” are expected to be \$25 Thousand better than budgeted because of additional recoveries for retroactive pay for officers on secondment.
- “Uniform” costs are forecasted to be \$40 Thousand under budget due to lower kit and clothing expenditures as fewer new hires in 2020 (CSO pilot deferred to 2021 and fewer recruits hired).
- “Fuel” costs are forecasted to be \$35 Thousand under budget due to lower fuel prices than budgeted and a decrease in fuel usage.
- “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.
- “Administrative” costs are expected to be \$35 Thousand lower than budget due to lower Board costs (fewer paid meetings) and savings in stationery and supplies as most office staff are working remotely.
- “Legal fees” are forecasted to be \$25 Thousand better than budgeted as fewer legal costs were incurred for the indemnification of police officers.

Offsetting the above savings is an unfavourable variance expected in:

- “Material” costs are forecasted to be higher by \$105 Thousand due to additional purchase of Pandemic related supplies, ammunition and Conducted Energy Weapon (CEW) batteries/cartridges.
- “Other Services” costs are expected to be \$50 Thousand higher than planned due to secondment costs for backfilling an Inspector vacancy (offset by salary savings).
- “Radio Equipment” costs are expected to be \$25 Thousand over budget as the annual E-Comm levy is higher than budgeted.

- “Building Maintenance” costs are forecasted to be \$50 Thousand over budget due to costs associated with upgrading the RFID asset tracking system.
- “Vehicle Expenses” are expected to be \$30 Thousand more than budgeted as maintenance expense and outfitting costs are higher than planned.
- “Rental” costs are expected to be \$20 Thousand higher than budgeted because of additional parking stalls leased and extra range time needed for carbine training and training on the new holsters/undermount lights.

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 September 30, 2020, total TransLink allocated cost expenditures were \$3,676,167 compared with the year to date budget of \$4,135,415 (see Appendix “C”). The positive quarterly variance of \$459,248 (11.0 %) is largely due to lower premise cost, as the move into additional third floor space at Sapperton has been delayed.

CONCLUSION

Due to the COVID-19 Pandemic and funding constraints, the Transit Police initiated significant cuts 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 \$1,555 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. (This same provision was also part of the recently negotiated TPPA and Transit Police Collective Agreement in September 2020.) Currently, the Vancouver Police wage settlement for 2020 is still unknown as their latest Collective Agreement is only ended December 31, 2019.

Chief Officer Dave Jones

Author: Tom Smolic, Finance Manager

Submitting Senior Executive Member: Barry Kross, Deputy Chief Officer

Transit Police 2020 Actual

Board Report No. 2020-41/Appendix "A"

Period ending	September 30, 2020				2020	Remaining		
	Actual YTD	Budget YTD	Variance	%	Budget	Budget	%	
Labour								
Salaries	20,134,554	20,625,647	491,093	2%	27,575,739	7,441,185	27%	Salary savings from vacancies
Overtime	276,838	738,225	461,387	62%	978,198	701,360	72%	OT not needed for Special events due to cancellations
Benefits	4,189,494	4,212,701	23,207	1%	5,225,005	1,035,511	20%	Lower benefit costs due to vacancies
	<u>24,600,885</u>	<u>25,576,573</u>	<u>975,688</u>	<u>4%</u>	<u>33,778,942</u>	<u>9,178,057</u>	<u>27%</u>	
Recoveries - Secondments	(936,496)	(912,494)	24,002	-3%	(1,218,189)	(281,693)	23%	
Labour net of Recoveries	<u>23,664,389</u>	<u>24,664,079</u>	<u>999,690</u>	<u>4%</u>	<u>32,560,753</u>	<u>8,896,364</u>	<u>27%</u>	
Vehicles								
Fuel	149,139	181,377	32,238	18%	240,000	90,861	38%	Lower fuel prices and less fuel usage
Vehicle Maintenance	89,086	75,295	(13,791)	-18%	101,500	12,414	12%	Timing of expenditures
Vehicle Outfitting	46,064	27,854	(18,210)	-65%	35,000	(11,064)	-32%	Installation of gun racks
Vehicle Leases	20,923	22,500	1,577		30,000	9,077	30%	
Insurance	84,897	89,847	4,950	6%	120,000	35,103	29%	
	<u>390,108</u>	<u>396,873</u>	<u>6,765</u>	<u>2%</u>	<u>526,500</u>	<u>136,392</u>	<u>26%</u>	
Materials								
Materials - Uniforms	66,203	86,237	20,034	23%	116,000	49,797	43%	Timing
Materials - Other	128,007	93,574	(34,433)	-37%	112,323	(15,684)	-14%	Purchase of Pandemic supplies
Materials - Firearms/Ammunition	90,132	26,584	(63,548)		42,500	(47,632)	-112%	Additional purchase of ammunition and CEW supplies
Materials - Outerwear	96,885	118,543	21,658	18%	155,000	58,115	37%	Timing of purchases
	<u>381,228</u>	<u>324,938</u>	<u>(56,290)</u>	<u>-17%</u>	<u>425,823</u>	<u>44,595</u>	<u>10%</u>	
Outside Services								
Maintenance and Repairs	76,463	41,520	(34,943)	-84%	47,000	(29,463)	-63%	Costs for RFID asset tracking upgrades
Uniform Cleaning	54,067	77,120	23,053	30%	108,800	54,733	50%	Timing
Other Services	97,847	65,708	(32,139)	-49%	130,542	32,695	25%	Temp agency costs and large translation expense
Minor Renovations	11,712	20,000	8,288	41%	20,000	8,288	41%	Timing of costs
	<u>240,089</u>	<u>204,348</u>	<u>(35,741)</u>	<u>-17%</u>	<u>306,342</u>	<u>66,253</u>	<u>22%</u>	
Administration								
Office Equipment	10,039	6,126	(3,913)	-64%	16,500	6,461	39%	
Stationery and Supplies	27,298	60,148	32,849	55%	77,750	50,452	65%	Less usage as staff working remotely
Memberships/Subscriptions	43,782	40,355	(3,428)	-8%	66,550	22,768	34%	
Board Remuneration	16,877	40,121	23,244	58%	57,700	40,823	71%	Fewer paid meetings and not at full Board size all year
Other Administration	17,721	17,621	(99)	-1%	23,150	5,429	23%	
	<u>115,718</u>	<u>164,370</u>	<u>48,653</u>	<u>30%</u>	<u>241,650</u>	<u>125,932</u>	<u>52%</u>	
Telecommunications								
Telecommunications	-	-	-		-	-		
Radio Communication Equipment	468,415	466,829	(1,585)	0%	624,182	155,767	25%	
	<u>468,415</u>	<u>466,829</u>	<u>(1,585)</u>	<u>0%</u>	<u>624,182</u>	<u>155,767</u>	<u>25%</u>	
Professional and Legal								
Professional fees	92,622	86,060	(6,562)		125,500	32,878	26%	Timing of consulting fees
Legal Fees	106,722	168,039	61,317	36%	210,000	103,278	49%	Timing of costs
	<u>199,344</u>	<u>254,099</u>	<u>54,755</u>	<u>22%</u>	<u>335,500</u>	<u>136,156</u>	<u>41%</u>	
Training								
Recruit Training	-	63,813	63,813	100%	240,000	240,000	100%	Recruit class cancelled due to Pandemic
Training - Mandatory	126,470	279,627	153,157	55%	355,505	229,035	64%	Training/Conferences cancelled
	<u>126,470</u>	<u>343,440</u>	<u>216,970</u>	<u>63%</u>	<u>595,505</u>	<u>469,035</u>	<u>79%</u>	
Rentals								
Rentals/Leases - Parking	7,791	3,744	(4,047)		5,000	(2,791)		Additional parking stalls leased
Rentals/Leases - Range	9,970	13,521	3,551	26%	18,000	8,030	45%	
Rentals/Leases - Office Equipment	-	-	-		-	-		
	<u>17,761</u>	<u>17,265</u>	<u>(496)</u>	<u>-3%</u>	<u>23,000</u>	<u>5,239</u>	<u>23%</u>	
Marketing & Promotions								
	22,912	48,396	25,484	53%	67,500	44,588	66%	Campaigns cancelled due to Pandemic
Total Before Allocated Costs	<u>25,626,434</u>	<u>26,884,638</u>	<u>1,258,204</u>	<u>4.7%</u>	<u>35,706,755</u>	<u>10,080,321</u>	<u>28%</u>	

Transit Police 2020 Forecast

Period ending September 30, 2020

Board Report No. 2020-41/Appendix "B"

	2020 Budget	2020 Forecast	Variance	%	
Labour					
Salaries	27,575,739	26,925,739	650,000	2%	Salary savings due to CSO deferral and fewer recruits hired
Overtime	978,198	353,198	625,000	64%	Special Event OT not needed due to cancellation of events
Benefits	5,225,005	5,125,005	100,000	2%	Salary savings
	33,778,942	32,403,942	1,375,000	4%	
Recoveries - Secondments	(1,218,189)	(1,243,189)	25,000	2%	
Labour net of Recoveries	32,560,753	31,160,753	1,400,000	4%	
Vehicles					
Fuel	240,000	205,000	35,000	15%	Fuel prices lower than budgeted and lower vehicle usage
Vehicle Maintenance	101,500	121,500	(20,000)	-20%	Maintenance expenses higher than budgeted
Vehicle Outfitting	35,000	50,000	(15,000)	-43%	Installation of gun racks/barriers
Vehicle Leases	30,000	30,000	-	0%	
Insurance	120,000	115,000	5,000	4%	Insurance premiums lower than budgeted
	526,500	521,500	5,000	1%	
Materials					
Materials - Operators' Uniforms	116,000	76,000	40,000	34%	Less expenditures required as fewer new hires
Materials - Misc	112,323	172,323	(60,000)	-53%	More expenditures required for Pandemic supplies
Materials - Firearms/Ammunition	42,500	102,500	(60,000)	-141%	Additional costs for ammunition for carbines and CEW costs
Materials - Outerwear	155,000	140,000	15,000	10%	Less expenditures required as fewer new hires
	425,823	490,823	(65,000)	-15%	
Outside Services					
Maintenance and Repairs	47,000	97,000	(50,000)	-106%	Additional costs for RFID asset tracking upgrade
Uniform Cleaning	108,800	108,800	-	0%	
Other Services	130,542	180,542	(50,000)	-38%	Additional costs for secondment to backfill Inspector vacancy
Minor Renovations	20,000	20,000	-	0%	
	306,342	406,342	(100,000)	-33%	
Administration					
Office Equipment	16,500	16,500	-	0%	
Stationery and Supplies	77,750	57,750	20,000	26%	Less usage as staff working remotely
Memberships/Subscriptions	66,550	66,550	-	0%	
Police Board Expenses	57,700	42,700	15,000	26%	Fewer paid meetings and Police Board not at max.size all year
Other Administration	23,150	23,150	-	0%	
	241,650	206,650	35,000	14%	
Telecommunications					
Telecommunications	-	-	-	-	
Radio Communication Equipment	624,182	649,182	(25,000)	-4%	E-Comm levy higher than budgeted
	624,182	649,182	(25,000)	-4%	
Professional and Legal					
Professional fees	125,500	125,500	-	0%	
Legal Fees	210,000	185,000	25,000	12%	Legal costs lower than planned
	335,500	310,500	25,000	7%	
Training					
Training & Education	240,000	90,000	150,000	63%	Fewer recruits hired and CSO pilot deferred to 2021
Training - Mandatory	355,505	235,505	120,000	34%	Cancellation of courses/conferences due to Pandemic
	595,505	325,505	270,000	45%	
Rentals					
Rentals/Leases - Parking	5,000	10,000	(5,000)	-100%	Additional parking stalls leased
Rentals/Leases - Range	18,000	33,000	(15,000)	-83%	Additional range time for practice using new holsters and undermount lights
Rentals/Leases - Office Equipment	-	-	-	-	
	23,000	43,000	(20,000)	-87%	
Marketing & Promotions					
	67,500	37,500	30,000	44%	Cancellation of events due to Pandemic
Total	35,706,755	34,151,755	1,555,000	4.4%	

TransLink Allocated Costs - 2020 Actual

Board Report No. 2020-41/Appendix "C"

Period ending	September 30, 2020				2020 Budget	Remaining Budget	%
	YTD Actual	YTD Budget	Variance	%			
Salaries	607,043	637,874	30,831	5%	843,317	236,274	28%
Administration	406,764	503,786	97,022	19%	667,593	260,829	39%
Computers & Systems	1,223,114	1,208,215	(14,899)	-1%	1,638,256	415,142	25%
Rentals	1,439,246	1,785,540	346,294	19%	2,454,339	1,015,093	41%
	<u>3,676,167</u>	<u>4,135,415</u>	<u>459,248</u>	11%	<u>5,603,505</u>	<u>1,927,338</u>	34%