



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, 2021

Subject: Transit Police 2021 Q3 Financial Operating Status Report
[Police Board Report No. 2021-45] – 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, 2021 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 seen considerable changes to the regional transit system and levels of ridership. Between 2016 and 2019, transit system expansion brought significantly increased ridership that exceeded predictions and placed increasing demands on Transit Police resources. Policing services were enhanced with increases to the Transit Police authorized strength in 2017 and 2018. However, the COVID-19 pandemic made a significant negative impact on transit ridership, with passenger levels first falling over 80% in March 2020, before rising back to between 40%-45% of pre-COVID levels by year-end 2020. Notwithstanding the decrease in passengers in 2020 and Q1/Q2 2021, a high volume of crimes continued to occur on and around the transit system. There was a significant



increase in the rate of reported crimes against persons and property per 100,000 boarded passengers, which continued from 2020 into Q1/Q2 2021.

As a result of the pandemic, the development of a new Transit Police Strategic Plan was delayed and the existing plan was extended until December 31, 2021.

In Q1 to Q3 2021, the Transit Police continued its work to develop a new strategic plan for 2022-2026, while also focusing on its existing 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 included advancing of strategic actions related to:

- Maintaining operational deployment levels and responding to emerging issues such as mask compliance concerns from passengers;
- Exploring opportunities for tiered policing with the Ministry of Public Safety and Solicitor General / Policing and Security Branch;
- Increasing collaboration and training with jurisdictional police agencies to achieve safety/security across the region (e.g., Targeted Mobile Enforcement Team and Crime Suppression Team);
- Reaching out to vulnerable persons on transit and providing specialized response (e.g., support to Indigenous Peoples, those with mental health issues and homeless persons);
- Increasing diversity in hiring;
- Planning for appropriately staffed Transit Police service delivery to address future transit system expansion;
- Enhancing Transit Police officer skills and knowledge through training;
- Achieving efficiencies through increased use of technology through the Data Evidence Management Systems (DEMS) project;
- Enhancing performance analytics and crime analysis;
- Promoting anti-terrorism deterrence, detection and response capacities (expansion of the Explosive Detection Dog Program); and
- Demonstrating investigative excellence.

For 2021, with the concurrence of the Police Board, TransLink Security Management Limited and TransLink, there was no increase to the authorized strength in the budget. The Transit Police's budget for 2021 is \$37,892,919. The budget does not include TransLink "allocated costs" for centralized services, such as Sapperton premises rent and Information Technology services.



DISCUSSION

2021 Q3 Results (Appendix "A")

As of September 30, 2021, the Police Service's total expenditures were \$28,590,472 compared with the year to date budget of \$28,639,519 (see Appendix "A"). The positive year-to-date variance of \$49,047 is largely due to differences between the budgeted and actual timing of expenditures.

2021 Forecast Based on Q3 Results (Appendix "B")

As of September 30, 2021, the Police Service has \$9,301,960 (25%) of the total budgeted expenditures remaining. The Transit Police is presently projecting a negative budget variance of \$125 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>
Radio Communications	90
Training costs	58
Legal	75
Recoveries	30
	<u>\$253</u>
<u>Over Expenditures:</u>	
Salaries	210
Vehicles	60
Other Services	25
Materials	50
Rentals	20
Administration	13
	<u>\$378</u>
Net Over Expenditure	<u><u>\$125</u></u>



Key savings are outlined below:

- “Radio Communication” costs are expected to be \$90 Thousand less than budgeted, due to the E-Comm levy being lower than planned and a large credit being received related to the 2020 levy (the 2020 actual levy was less than estimated).
- “Training” costs are forecasted to be \$58 Thousand less than budgeted due to reduced conference and training costs due to the ongoing pandemic.
- “Recoveries” are expected to be \$30 Thousand better than budgeted because of additional recoveries of overtime costs for Members on secondment.
- “Legal” costs are forecasted to be \$75 Thousand favourable to the budget as lower legal costs were incurred for the indemnification of police officers in the year.

Offsetting the above savings is an unfavourable variance expected in:

- “Salary” costs are forecasted to be \$210 Thousand higher than budgeted as contractual wage increases for sworn Members are expected to be higher than budgeted and benefit costs are significantly higher (dental/extended health and WorkSafeBC) in the year. Offsetting some of the increased salary costs are expected overtime savings of \$275 Thousand.
- “Vehicle” costs are expected to be \$80 Thousand higher than budgeted because of considerably higher fuel prices and higher repair and maintenance costs due to increased costs for labour and parts. Offsetting these higher costs are savings on vehicle insurance, as ICBC premiums decreased during the year.
- “Other Services” (contracted services such as transcription, kennel costs, translation forensic services etc.) are forecasted to be over budget by \$25 Thousand due to costs associated with hosting a backup server as part of the IT disaster recovery plan.
- “Materials” are expected to be \$50 Thousand over budget due to additional pandemic related purchases, purchase of extra Naloxone kits and the purchase of mesh ventilation vests for police officers.
- “Rentals” are forecasted to be \$20 Thousand over budget because of extra range rental times due to COVID-19 protocols at the range requiring reduced capacity and for the rental of an additional parking stalls at the Surrey Hub office.



- “Administrative” costs are expected to be \$13 Thousand over budget due to purchase of additional office equipment and COVID barriers.

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 that 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 2021 are \$5,154,911.

As of September 30, 2021, total TransLink allocated cost expenditures were \$3,531,131 compared with the year to date budget of \$3,936,252 (see Appendix “C”). The positive quarterly variance of \$405,121 (10.0 %) is largely due to lower premise costs (delay in moving into additional third floor space at Sapperton) and timing of computer and systems costs.

CONCLUSION

Transit Police is forecasting a negative budget variance of approximately \$125 Thousand for year-end. The third quarter update includes an estimate for wage increases arising from the Collective Agreement reached in a binding arbitration on February 22, 2018. However, the actual police officer wage from April 1, 2020 to September 30, 2021 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 2021. The Vancouver Police wage settlement for 2020 is still unknown as their latest Collective Agreement ended December 31, 2019.)

Chief Officer Dave Jones

Author: Tom Smolic, Finance Manager

Submitting Senior Executive Member: Barry Kross, Deputy Chief Officer Administrative Services

Transit Police 2021 Actual

Board Report No. 2021-45 / Appendix "A"

Period ending	September 30, 2021				2021	Remaining		
	Actual YTD	Budget YTD	Variance	%	Budget	Budget	%	
Labour								
Salaries	21,453,579	21,165,516	(288,063)	-1%	28,187,835	6,734,256	24%	Higher accrual for expected wage increases for sworn members
Overtime	300,377	576,425	276,048	48%	774,775	474,398	61%	OT costs lower as less call outs needed
Benefits	<u>5,817,389</u>	<u>5,529,958</u>	<u>(287,431)</u>	-5%	<u>7,014,442</u>	<u>1,197,053</u>	17%	Timing and higher dental/extended health costs and WCB premiums
	27,571,345	27,271,899	(299,446)	-1%	35,977,052	8,405,707	23%	
Recoveries - Secondments	<u>(966,020)</u>	<u>(935,363)</u>	<u>30,657</u>	-3%	<u>(1,248,684)</u>	<u>(282,664)</u>	23%	Additional OT costs recovered
Labour net of Recoveries	26,605,326	26,336,536	(268,790)	-1%	34,728,368	8,123,043	23%	
						-		
Vehicles								
Fuel	215,341	175,999	(39,342)	-22%	229,996	14,655	6%	Increase in fuel price
Vehicle Maintenance	103,845	88,295	(15,550)	-18%	116,500	12,655	11%	Increase in number of repairs
Vehicle Outfitting	32,791	32,854	63	0%	40,002	7,211	18%	
Vehicle Leases	25,871	31,872	6,007	19%	42,504	16,633	39%	
Insurance	<u>64,287</u>	<u>95,472</u>	<u>31,185</u>	33%	<u>127,503</u>	<u>63,216</u>	50%	Decrease in ICBC insurance premiums
	442,135	424,498	(17,637)	-4%	556,505	114,370	21%	
						-		
Materials								
Materials - Uniforms	69,854	82,042	12,188	15%	112,400	42,546	38%	Timing of purchases
Materials - Other	136,761	99,955	(36,806)	-37%	116,195	(20,566)	-18%	Timing of the purchase of Narcan spray and COV D supplies
Materials - Firearms/Ammunition	61,233	65,264	4,031	6%	86,998	25,765	30%	Timing of purchases
Materials - Outerwear	<u>160,485</u>	<u>157,816</u>	<u>(2,669)</u>	-2%	<u>199,700</u>	<u>39,215</u>	20%	Timing of purchases
	428,334	405,077	(23,257)	-6%	515,293	86,959	17%	
						-		
Outside Services								
Maintenance and Repairs	33,714	38,095	4,381	11%	43,005	9,291	22%	Timing of expenditures
Uniform Cleaning	67,799	69,322	1,523	2%	101,798	33,999	33%	Timing of expenditures
Other Services	93,516	61,195	(32,321)	-53%	118,499	24,983	21%	Additional cost for hosting backup server
Minor Renovations	<u>10,749</u>	<u>20,000</u>	<u>9,251</u>	46%	<u>20,000</u>	<u>9,251</u>	46%	Timing of expenditures
	205,778	188,612	(17,166)	-9%	283,302	77,524	27%	
						-		
Administration								
Office Equipment	31,497	6,126	(25,371)	-414%	16,501	(14,996)	-91%	COV D barriers and additional monitors
Stationery and Supplies	22,699	49,049	26,350	54%	62,749	40,050	64%	Less usage as staff working remotely
Memberships/Subscriptions	47,619	46,756	(863)	-2%	67,752	20,133	30%	
Board Remuneration	35,487	33,121	(2,366)	-7%	47,702	12,215	26%	
Other Administration	<u>20,315</u>	<u>17,421</u>	<u>(2,894)</u>	-17%	<u>22,751</u>	<u>2,436</u>	11%	
	157,618	152,473	(5,145)	-3%	217,455	59,837	28%	
						-		
Telecommunications								
Telecommunications	4,321	-	(4,321)		-	(4,321)		
Radio Communication Equipment	<u>368,590</u>	<u>487,131</u>	<u>118,541</u>	24%	<u>651,253</u>	<u>282,663</u>	43%	Lower E-Comm levy and credit for 2020 levy
	372,911	487,131	114,220	23%	651,253	278,342	43%	
						-		
Professional and Legal								
Professional fees	65,497	89,561	24,064	27%	114,001	48,504	43%	Timing of expenditures
Legal Fees	<u>46,859</u>	<u>145,539</u>	<u>98,680</u>	68%	<u>185,000</u>	<u>138,141</u>	75%	Less indemnification of police officers
	112,355	235,100	122,745	52%	299,001	186,646	62%	
						-		
Training								
Recruit Training	99,456	85,000	(14,456)	-17%	215,000	115,544	54%	Timing of expenditures
Training - Mandatory	<u>84,707</u>	<u>236,925</u>	<u>152,218</u>	64%	<u>309,750</u>	<u>225,043</u>	73%	Timing of expenditures
	184,163	321,925	137,762	43%	524,750	340,587	65%	
						-		
Rentals								
Rentals/Leases - Parking	11,608	6,750	(4,858)	-72%	9,004	(2,604)	-29%	Additional parking stalls rented
Rentals/Leases - Range	<u>47,650</u>	<u>28,021</u>	<u>(19,629)</u>	-70%	<u>35,000</u>	<u>(12,650)</u>	-36%	Additional range rentals
Rentals/Leases - Office Equipment	-	-	-		-	-		
	59,258	34,771	(24,487)	-70%	44,004	(15,254)	-35%	
						-		
Marketing & Promotions	22,594	53,396	30,802	58%	72,501	49,907	69%	Timing of expenditures
Total Before Allocated Costs	<u>28,590,472</u>	<u>28,639,519</u>	<u>49,047</u>	0.2%	<u>37,892,432</u>	<u>9,301,960</u>	25%	

Transit Police 2021 Forecast

Period ending September 30, 2021

Board Report No. 2021-45 / Appendix "B"

	2021 Budget	2021 Forecast	Variance	%	
Labour					
Salaries	28,187,835	28,412,835	(225,000)	-1%	Expected wage increase higher than budgeted
Overtime	774,775	499,775	275,000	35%	Less OT needed as less callouts and fewer Special Events
Benefits	7,014,442	7,274,442	(260,000)	-4%	Higher dental/extended health costs and WCB premiums
	<u>35,977,052</u>	<u>36,187,052</u>	<u>(210,000)</u>	<u>-1%</u>	
Recoveries - Secondments	(1,248,684)	(1,278,684)	30,000	2%	Additional secondment recoveries
Labour net of Recoveries	<u>34,728,368</u>	<u>34,908,368</u>	<u>(180,000)</u>	<u>-1%</u>	
Vehicles					
Fuel	229,996	284,996	(55,000)	-24%	Significant increase in fuel price
Vehicle Maintenance	116,500	154,000	(37,500)	-32%	Increase in the number of repairs
Vehicle Outfitting	40,002	40,002	-	0%	
Vehicle Leases	42,504	40,004	2,500	6%	
Insurance	127,503	97,503	30,000	24%	Lower ICBC insurance premiums
	<u>556,505</u>	<u>616,505</u>	<u>(60,000)</u>	<u>-11%</u>	
Materials					
Materials - Operators' Uniforms	112,400	117,400	(5,000)	-4%	Purchase of mesh ventilation vests
Materials - Misc	116,195	161,195	(45,000)	-39%	Purchase of Narcan spray and COVID supplies
Materials - Firearms/Ammunition	86,998	86,998	-	0%	
Materials - Outerwear	199,700	199,700	-	0%	
	<u>515,293</u>	<u>565,293</u>	<u>(50,000)</u>	<u>-10%</u>	
Outside Services					
Maintenance and Repairs	43,005	43,005	-	0%	
Uniform Cleaning	101,798	101,798	-	0%	
Other Services	118,499	143,499	(25,000)	-21%	Additional cost for hosting backup server
Minor Renovations	20,000	20,000	-	0%	
	<u>283,302</u>	<u>308,302</u>	<u>(25,000)</u>	<u>-9%</u>	
Administration					
Office Equipment	16,501	41,501	(25,000)	-152%	Additional desktops/monitors for TMET and COVID barriers
Stationery and Supplies	62,749	45,249	17,500	28%	Less usage as staff working remotely
Memberships/Subscriptions	67,752	67,752	-	0%	
Police Board Expenses	47,702	47,702	-	0%	
Other Administration	22,751	27,751	(5,000)	-22%	
	<u>217,455</u>	<u>229,955</u>	<u>(12,500)</u>	<u>-6%</u>	
Telecommunications					
Telecommunications	-	-	-	-	
Radio Communication Equipment	651,253	561,253	90,000	14%	E-Comm levy lower than planned and credit for 2020 levy
	<u>651,253</u>	<u>561,253</u>	<u>90,000</u>	<u>14%</u>	
Professional and Legal					
Professional fees	114,001	114,001	-	0%	
Legal Fees	185,000	110,000	75,000	41%	Lower legal costs incurred for indemnification of police officers
	<u>299,001</u>	<u>224,001</u>	<u>75,000</u>	<u>25%</u>	
Training					
Training & Education	215,000	205,000	10,000	5%	Recruit fees at JI lower than planned
Training - Mandatory	309,750	262,250	47,500	15%	Less conferences/training due to Pandemic
	<u>524,750</u>	<u>467,250</u>	<u>57,500</u>	<u>11%</u>	
Rentals					
Rentals/Leases - Parking	9,004	14,004	(5,000)	-56%	Additional parking stalls rented
Rentals/Leases - Range	35,000	50,000	(15,000)	-43%	Additional range times needed due to COVID protocols
Rentals/Leases - Office Equipment	-	-	-	-	
	<u>44,004</u>	<u>64,004</u>	<u>(20,000)</u>	<u>-45%</u>	
Marketing & Promotions					
	72,501	72,501	-	0%	
Total	<u>37,892,432</u>	<u>38,017,432</u>	<u>(125,000)</u>	<u>-0.3%</u>	

TransLink Allocated Costs - 2021 Actual

Board Report No. 2021-45 / Appendix "C"

Period ending	September 30, 2021				2021 Budget	Remaining Budget	%
	YTD Actual	YTD Budget	Variance	%			
Salaries	687,879	629,997	(57,882)	-9%	834,230	146,351	18%
Administration	322,273	412,947	90,674	22%	549,571	227,298	41%
Computers & Systems	944,273	1,151,868	207,595	18%	1,449,188	504,915	35%
Rentals	1,576,706	1,741,440	164,734	9%	2,321,922	745,216	32%
	<u>3,531,131</u>	<u>3,936,252</u>	<u>405,121</u>	<u>10%</u>	<u>5,154,911</u>	<u>1,623,780</u>	<u>31%</u>