



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 14, 2022

Subject: Transit Police 2022 Q1 Financial Operating Status Report [Board Report No. 2022-17]

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, 2022 for the Police Board’s review and consideration.

BACKGROUND

In 2021, the Transit Police completed its 2016-2021 Strategic Plan (“Plan”). A new Strategic Plan was approved by the Police Board to guide the organization during the 2022-2026 period. This Plan will cover a period of considerable expansion to the transit system and rebuilding of transit ridership and public confidence after the COVID-19 Pandemic.

In 2022, the Transit Police will advance its purpose of *“Safety for all transit users in Metro Vancouver”*. Transit Police is the leader in regional public transit policing, operating across 22 communities in the transportation service region. In partnership with our cross-regional police partners, the Transit Police will work to prevent crime and provide coordinated police services to transit users. To help achieve this purpose, the Transit Police seeks to have a workforce that is responsive to and reflective of the many diverse communities we serve. In 2022, the Transit Police will focus on its implementation of the Plan’s three Pillars:



PILLAR 1: Cross-Regional Policing

The transit system's expansive geography uniquely enables Transit Police to build strong relationships with all cross regional policing partners in Metro Vancouver to improve public safety. To address local, regional and international threats to the transit system, we will participate in joint-agency policing opportunities and be embedded in planning for transit growth.

PILLAR 2: Engaged Community Partners

As the breadth of people and places served by the transit system expands, we will seek the expertise of our enterprise and community partners to ensure transit users can access the services they need when they need them. We will work with neighbourhood partners to ensure transit hubs are safe spaces within the community, while also improving perceptions of safety on transit for all.

PILLAR 3: Modern Policing Culture

To best serve transit users, our workforce culture must transition to a distinct and collaborative approach for policing the transit system. This shift will impact how we are governed, and how we hire, deploy, promote and retain our employees. Every employee should report to a leader they trust, who provides an environment of open communication and where employee ideas are sought and valued.

The following new strategic objectives will be worked towards in 2022:

- Strengthen our cross-regional policing model to ensure we keep pace with change;
- Leverage technology as a force multiplier;
- Planning for future transit growth, including its impact on deployment;
- Strengthen support for diverse and vulnerable people;
- Increase real and perceived safety for all transit users;
- Communicate and exchange with stakeholders to improve services;
- Improve governance to reduce complexity;
- Improve the use of technology to enhance employee working conditions;
- Demonstrate our continued commitment to hire, support and retain a diverse workforce;
- Continue to anticipate and meet changing public safety expectations; and
- Promote open communication and supportive leadership.

Of particular importance to Transit Police in 2022 will be to listen closely to community feedback and consider recommendations for change. This includes taking advantage of opportunities for input, including building new partnerships, hosting engagement opportunities in the community,



providing opportunities for impacted groups to give input on key policies, and improving information sharing through the Transit Police website, media and social media.

The Police Board and Police Service acknowledge that historical police/Indigenous interactions, founded in colonialism, have caused harm and mistrust. Collectively, we recognize that long-term, respectful work is required to establish good and healthy relationships with Indigenous peoples. In 2022, this work will continue to be a prioritized, including through ongoing consultation and engagement with Indigenous communities that we serve.

The Transit Police's budget for 2022 is \$40,865,498 and includes supplementary contingency funding from TransLink of \$285,000 to cover additional salary costs for police officers. Supplementary funding was needed, as the actual wage increase (which matches the rate that Vancouver Police Department reached through binding arbitration) was higher than was budgeted. The budget does not include TransLink "allocated costs" for centralized services, such as Sapperton premises rent and Information Technology services.

DISCUSSION

2022 Q1 Results (Appendix "A")

As of March 31, 2022, the Police Service's total expenditures were \$10,467,441 compared with the year to date budget of \$9,919,514 (see Appendix "A"). The negative year-to-date variance of \$551,927 is due to higher salary costs (additional hires of recruits at the beginning of year and a higher accrual for expected leave payouts in the year) and the differences between the budgeted and actual timing of expenditures.

2022 Forecast Based on Q1 Results (Appendix "B")

As of March 31, 2022, the Police Service has \$30,398,057 (74%) of the total budgeted expenditures remaining. The Transit Police is presently projecting a negative budget variance of \$377 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>
Legal	20
Recoveries	20
	<u>\$40</u>



Over Expenditures:

Salaries	290
Vehicles	50
Telecommunication	30
Outside Services	22
Materials	25

\$417

Net Over Expenditure \$377

Key savings are outlined below:

- “Legal” costs are forecasted to be \$20 Thousand favourable to the budget as lower legal costs anticipated to be incurred for the indemnification of police officers in the year.
- “Recoveries” are expected to be \$20 Thousand better than budgeted because of additional recoveries of overtime costs for Members on secondment.

Offsetting the above savings is an unfavourable variance expected in:

- “Salary” costs are forecasted to be \$290 Thousand higher than budgeted as four more recruits were hired at the start of the year in anticipation of higher attrition due to the departures to the Surrey Police Department, increased use of casual staff for operational needs, and a larger accrual needed for expected leave payouts (Stat banks, Accumulated Time Off (ATO) and prior year annual vacation) as less leave was being taken during the Pandemic.
- “Vehicle” costs are expected to be \$50 Thousand higher than budgeted because of higher fuel prices and higher repair and maintenance costs due to an aging fleet and delays in receiving replacement vehicles ordered in 2021. Offsetting these higher costs are savings on vehicle insurance due to the delay in delivery of the new expansion vehicles.
- “Telecommunication” costs are forecasted to be \$30 Thousand higher than budgeted as the annual E-Comm levy for 2022 is higher than planned.
- “Outside Services” are expected to be over budget by \$22 Thousand due to costs associated with setting up unanticipated telephone call taking enhancements in the Operations Communication Centre.



- “Materials” are expected to be \$25 Thousand over budget due to additional jackets being replaced.

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 2022 are \$4,215,664.

As of March 31, 2022, total TransLink allocated cost expenditures were \$1,026,721 compared with the year to date budget of \$864,906 (see Appendix “C”). The negative quarterly variance of \$161,815 (18.7 %) is largely due to higher costs for computer and systems costs largely to timing of expenditures.

CONCLUSION

Transit Police is forecasting a negative budget variance of approximately \$377 Thousand for year-end. The first quarter update includes an estimate for potential wage increases for Transit Police unionized civilian staff, which is based on the recent wage settlement received by Coast Mountain Bus Company union staff.

Chief Officer Dave Jones

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Transit Police 2021 Actual

Period ending	March 31, 2022				2022		
	Actual YTD	Budget YTD	Variance	%	Budget	Remaining Budget	%
Labour							
Salaries	7,424,133	7,158,792	(265,341)	-4%	30,147,373	22,723,240	75%
Overtime	220,896	206,527	(14,369)	-7%	913,226	692,330	76%
Benefits	2,329,475	2,113,608	(215,867)	-10%	7,827,097	5,497,622	70%
	<u>9,974,505</u>	<u>9,478,927</u>	<u>(495,578)</u>	<u>-5%</u>	<u>38,887,696</u>	<u>28,913,191</u>	<u>74%</u>
Recoveries - Secondments	(360,408)	(318,810)	41,598	-13%	(1,276,780)	(916,372)	72%
Labour net of Recoveries	<u>9,614,097</u>	<u>9,160,117</u>	<u>(453,980)</u>	<u>-5%</u>	<u>37,610,916</u>	<u>27,996,819</u>	<u>74%</u>
Vehicles							
Fuel	75,877	65,159	(10,718)	-16%	254,996	179,119	70%
Vehicle Maintenance	59,574	32,921	(26,653)	-81%	136,500	76,926	56%
Vehicle Outfitting	4,285	6,584	2,299	35%	45,002	40,717	90%
Vehicle Leases	4,668	10,626	5,958	56%	42,504	37,836	89%
Insurance	18,046	31,824	13,778	43%	128,003	109,957	86%
	<u>162,451</u>	<u>147,114</u>	<u>(15,337)</u>	<u>-10%</u>	<u>607,005</u>	<u>444,554</u>	<u>73%</u>
Materials							
Materials - Uniforms	40,079	27,785	(12,294)	-44%	117,400	77,321	66%
Materials - Other	41,550	28,505	(13,045)	-46%	116,191	74,641	64%
Materials - Firearms/Ammunition	12,049	16,670	4,621	28%	81,998	69,949	85%
Materials - Outerwear	73,424	46,160	(27,264)	-59%	192,200	118,776	62%
	<u>167,103</u>	<u>119,120</u>	<u>(47,983)</u>	<u>-40%</u>	<u>507,789</u>	<u>340,686</u>	<u>67%</u>
Outside Services							
Maintenance and Repairs	19,221	4,440	(14,781)	-333%	43,505	24,284	56%
Uniform Cleaning	18,580	21,589	3,009	14%	111,504	92,924	83%
Other Services	46,640	25,262	(21,378)	-85%	154,993	108,353	70%
Minor Renovations	3,016	5,207	2,191	42%	20,000	16,984	85%
	<u>87,457</u>	<u>56,498</u>	<u>(30,959)</u>	<u>-55%</u>	<u>330,002</u>	<u>242,545</u>	<u>73%</u>
Administration							
Office Equipment	7,177	4,104	(3,073)	-75%	16,501	9,324	57%
Stationery and Supplies	10,414	13,877	3,463	25%	55,249	44,835	81%
Memberships/Subscriptions	21,888	13,490	(8,398)	-62%	69,752	47,864	69%
Board Remuneration	7,781	4,654	(3,127)	-67%	49,002	41,222	84%
Other Administration	4,735	5,109	374	7%	24,751	20,016	81%
	<u>51,994</u>	<u>41,234</u>	<u>(10,760)</u>	<u>-26%</u>	<u>215,255</u>	<u>163,261</u>	<u>76%</u>
Telecommunications							
Telecommunications	-	-	-	-	-	-	-
Radio Communication Equipment	169,515	163,390	(6,125)	-4%	651,266	481,751	74%
	<u>169,515</u>	<u>163,390</u>	<u>(6,125)</u>	<u>-4%</u>	<u>651,266</u>	<u>481,751</u>	<u>74%</u>
Professional and Legal							
Professional fees	17,021	28,115	11,094	39%	119,003	101,982	86%
Legal Fees	16,451	39,107	22,656	58%	180,001	163,550	91%
	<u>33,472</u>	<u>67,222</u>	<u>33,750</u>	<u>50%</u>	<u>299,004</u>	<u>265,532</u>	<u>89%</u>
Training							
Recruit Training	127,607	91,722	(35,885)	-39%	215,000	87,393	41%
Training - Mandatory	41,817	45,968	4,151	9%	309,756	267,939	87%
	<u>169,424</u>	<u>137,690</u>	<u>(31,734)</u>	<u>-23%</u>	<u>524,756</u>	<u>355,332</u>	<u>68%</u>
Rentals							
Rentals/Leases - Parking	3,897	3,000	(897)	-30%	12,004	8,107	68%
Rentals/Leases - Range	390	7,111	6,721	95%	40,000	39,610	99%
Rentals/Leases - Office Equipment	-	-	-	-	-	-	-
	<u>4,287</u>	<u>10,111</u>	<u>5,824</u>	<u>58%</u>	<u>52,004</u>	<u>47,717</u>	<u>92%</u>
Marketing & Promotions	7,641	13,018	5,377	41%	67,501	59,860	89%
	<u>7,641</u>	<u>13,018</u>	<u>5,377</u>	<u>41%</u>	<u>67,501</u>	<u>59,860</u>	<u>89%</u>
Total Before Allocated Costs	<u>10,467,441</u>	<u>9,915,514</u>	<u>(551,927)</u>	<u>-5.6%</u>	<u>40,865,498</u>	<u>30,398,057</u>	<u>74%</u>

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More recruits hired at the start of the year and more casuals used
Higher OT costs due to COV D outbreak and Network issue
Timing of benefit costs and higher WCB premiums

Additional OT costs recovered

Increase in fuel price
Increase in number of repairs

Lower insurance premiums as delivery of new vehicles delayed

Timing of purchases
Timing of the purchases
Timing of purchases
Additional jackets purchased

Additional cost for adding recording lines for dispatch
Timing of expenditures
Additional cost for adding recording lines for dispatch
Timing of expenditures

Timing of expenditures
Timing of expenditures
Timing of expenditures
Timing of expenditures

Higher E-Comm levy

Timing of expenditures
Less indemnification of police officers

Timing of expenditures
Timing of expenditures

Timing of expenditures

Transit Police 2022 Forecast

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Period ending March 31, 2022

	2022 Budget	2022 Forecast	Variance	%	
Labour					
Salaries	30,147,373	30,377,373	(230,000)	-1%	Additional recruits hired at beginning of year, increase in use of casuals
Overtime	913,226	913,226	-	0%	
Benefits	7,827,097	7,887,097	(60,000)	-1%	Additional recruits hired at beginning of year and higher WCB premiums
	<u>38,887,696</u>	<u>39,177,696</u>	<u>(290,000)</u>	<u>-1%</u>	
Recoveries - Secondments	(1,276,780)	(1,296,780)	20,000	2%	Additional recovery of overtime costs
Labour net of Recoveries	<u>37,610,916</u>	<u>37,880,916</u>	<u>(270,000)</u>	<u>-1%</u>	
Vehicles					
Fuel	254,996	299,996	(45,000)	-18%	Significant increase in fuel price
Vehicle Maintenance	136,500	161,500	(25,000)	-18%	Increase in maintenance cost due to delay in replacement vehicles
Vehicle Outfitting	45,002	45,002	-	0%	
Vehicle Leases	42,504	37,504	5,000	12%	Adjustment for 2021 over accrual
Insurance	128,003	113,003	15,000	12%	Lower insurance premiums as delivery of new vehicles delayed
	<u>607,005</u>	<u>657,005</u>	<u>(50,000)</u>	<u>-8%</u>	
Materials					
Materials - Operators' Uniforms	117,400	117,400	-	0%	
Materials - Misc	116,191	116,191	-	0%	
Materials - Firearms/Ammunition	81,998	81,998	-	0%	
Materials - Outerwear	192,200	217,200	(25,000)	-13%	Additional jackets replaced
	<u>507,789</u>	<u>532,789</u>	<u>(25,000)</u>	<u>-5%</u>	
Outside Services					
Maintenance and Repairs	43,505	53,505	(10,000)	-23%	Additional costs for additional lines for dispatch set up
Uniform Cleaning	111,504	111,504	-	0%	
Other Services	154,993	166,993	(12,000)	-8%	Additional cost for recording lines for dispatch set up
Minor Renovations	20,000	20,000	-	0%	
	<u>330,002</u>	<u>352,002</u>	<u>(22,000)</u>	<u>-7%</u>	
Administration					
Office Equipment	16,501	16,501	-	0%	
Stationery and Supplies	55,249	55,249	-	0%	
Memberships/Subscriptions	69,752	69,752	-	0%	
Police Board Expenses	49,002	49,002	-	0%	
Other Administration	24,751	24,751	-	0%	
	<u>215,255</u>	<u>215,255</u>	<u>-</u>	<u>0%</u>	
Telecommunications					
Telecommunications	-	-	-	-	
Radio Communication Equipment	651,266	681,266	(30,000)	-5%	E-Comm levy higher than planned
	<u>651,266</u>	<u>681,266</u>	<u>(30,000)</u>	<u>-5%</u>	
Professional and Legal					
Professional fees	119,003	119,003	-	0%	
Legal Fees	180,001	160,001	20,000	11%	Less legal costs for the indemnification of police officers
	<u>299,004</u>	<u>279,004</u>	<u>20,000</u>	<u>7%</u>	
Training					
Training & Education	215,000	215,000	-	0%	
Training - Mandatory	309,756	309,756	-	0%	
	<u>524,756</u>	<u>524,756</u>	<u>-</u>	<u>0%</u>	
Rentals					
Rentals/Leases - Parking	12,004	12,004	-	0%	
Rentals/Leases - Range	40,000	40,000	-	0%	
Rentals/Leases - Office Equipment	-	-	-	-	
	<u>52,004</u>	<u>52,004</u>	<u>-</u>	<u>0%</u>	
Marketing & Promotions	67,501	67,501	-	0%	
Total	<u>40,865,498</u>	<u>41,242,498</u>	<u>(377,000)</u>	<u>-0.9%</u>	

TransLink Allocated Costs - 2022 Actual

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Period ending	March 31, 2021				2022		Remaining	
	YTD Actual	YTD Budget	Variance	%	Budget	Budget	%	
Salaries	56,463	59,784	3,321	6%	240,854	184,391	77%	
Administration	118,099	74,482	(43,617)	-59%	368,188	250,089	68%	
Computers & Systems	327,431	187,745	(139,686)	-74.4%	1,435,042	1,107,611	77%	
Rentals	524,728	542,895	18,167	3.3%	2,171,580	1,646,852	76%	
	<u>1,026,721</u>	<u>864,906</u>	<u>(161,815)</u>	<u>-18.7%</u>	<u>4,215,664</u>	<u>3,188,943</u>	<u>76%</u>	