



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: July 19, 2022

Subject: Transit Police 2022 Q2 Financial Operating Status Report [Board Report No. 2022-29]

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 June 30, 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, Transit Police will work to prevent crime and provide coordinated policing services to transit users. To help achieve this purpose, Transit Police seeks to have a workforce that is responsive to and reflective of the many diverse communities it serves. 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 that 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 it includes supplementary contingency funding from TransLink of \$285,000, to cover additional salary costs for police officers. This 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 Q2 Results (Appendix "A")

As of June 30, 2022, the Police Service's total expenditures were \$21,189,184 compared with the year-to-date budget of \$20,325,410 (see Appendix "A"). The negative year-to-date variance of \$863,774 is due to higher salary costs (additional hires of recruits at the beginning of year and higher overtime costs), higher fuel prices and vehicle repairs, and the differences between the budgeted and actual timing of expenditures.

2022 Forecast Based on Q2 Results (Appendix "B")

As of June 30, 2022, the Police Service has \$19,676,314 (48%) of the total budgeted expenditures remaining. The Transit Police is presently projecting a negative budget variance of \$384 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>
Professional and Legal	70
Recoveries	20
Materials	10
	<u>\$100</u>



Over Expenditures:

Salaries	300
Vehicles	75
Training	45
Telecommunication	30
Outside Services	30
Administration	4
	<hr/>
	\$484
Net Over Expenditure	<hr/> <hr/>
	\$384

Key savings are outlined below:

- “Professional and Legal” costs are forecasted to be \$70 Thousand favourable to the budget as lower legal costs are anticipated to be incurred for the indemnification of police officers in the year and consulting services were deferred.
- “Recoveries” are expected to be \$20 Thousand better than budgeted because of additional recoveries of overtime costs for Members on secondment.
- “Materials” are forecasted to be \$10 Thousand favourable to budget due to the delay in hiring Community Safety Officers, partly offset by jackets required for the additional recruits.

Offsetting the above savings is an unfavourable variance expected in:

- “Salary” costs are forecasted to be \$300 Thousand higher than budgeted as four more recruits were hired at the start of the year and one extra recruit hired in the spring, in anticipation of higher attrition due to the departures to the Surrey Police Department and the increased use of overtime and casual staff for operational needs.
- “Vehicle” costs are expected to be \$75 Thousand higher than budgeted because of higher fuel prices and higher repair and maintenance costs due to an aging fleet and delays in receiving the 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.
- “Training” costs are expected to be \$45 Thousand higher than budgeted because of additional recruits hired in the year, partly offset by the delay in hiring the Community Safety Officers.



- “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 \$30 Thousand due to costs associated with setting up unanticipated telephone ‘call taking’ enhancements in the Operations Communication Centre.
- “Administration” is expected to be \$4 Thousand over budget due to restocking of depleted employee recognition and promotional materials.

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 June 30, 2022, total TransLink allocated cost expenditures were \$2,020,584 compared with the year to date budget of \$1,915,105 (see Appendix “C”). The negative year-to-date variance of \$105,479 (5.5 %) is largely due to timing of computer and systems costs.

CONCLUSION

Transit Police is forecasting a negative budget variance of approximately \$384 Thousand for year-end. The second quarter update includes an estimate for potential wage increases for the 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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Submitting Senior Executive Member: Mike Cumberworth, Deputy Chief Officer –
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Transit Police 2022 Actual

Period ending	June 30, 2022						
	Actual YTD	Budget YTD	Variance	%	2022 Budget	Remaining Budget	%
Labour							
Salaries	15,057,453	14,611,703	(445,749)	-3%	30,147,373	15,089,920	50%
Overtime	469,823	423,795	(46,028)	-11%	913,226	443,403	49%
Benefits	4,461,347	4,278,813	(182,534)	-4%	7,827,097	3,365,750	43%
	<u>19,988,622</u>	<u>19,314,311</u>	<u>(674,311)</u>	-3%	<u>38,887,696</u>	<u>18,899,074</u>	49%
Recoveries - Secondments	(614,702)	(637,621)	(22,920)	4%	(1,276,780)	(662,078)	52%
Labour net of Recoveries	<u>19,373,921</u>	<u>18,676,689</u>	<u>(697,231)</u>	-4%	<u>37,610,916</u>	<u>18,236,995</u>	48%
						-	
Vehicles							
Fuel	170,390	131,880	(38,511)	-29%	254,996	84,606	33%
Vehicle Maintenance	130,940	66,586	(64,353)	-97%	136,500	5,560	4%
Vehicle Outfitting	20,166	29,686	9,520	32%	45,002	24,836	55%
Vehicle Leases	13,677	21,252	7,575	36%	42,504	28,827	68%
Insurance	35,107	63,648	28,540	45%	128,003	92,896	73%
	<u>370,279</u>	<u>313,051</u>	<u>(57,228)</u>	-18%	<u>607,005</u>	<u>236,726</u>	39%
						-	
Materials							
Materials - Uniforms	52,949	58,141	5,192	9%	117,400	64,451	55%
Materials - Other	86,691	65,402	(21,289)	-33%	116,191	29,500	25%
Materials - Firearms/Ammunition	48,680	47,518	(1,163)	-2%	81,998	33,318	41%
Materials - Outerwear	116,517	96,968	(19,549)	-20%	192,200	75,683	39%
	<u>304,837</u>	<u>268,028</u>	<u>(36,809)</u>	-14%	<u>507,789</u>	<u>202,952</u>	40%
						-	
Outside Services							
Maintenance and Repairs	32,799	24,385	(8,413)	-35%	43,505	10,706	25%
Uniform Cleaning	55,998	53,944	(2,054)	-4%	111,504	55,506	50%
Other Services	87,780	57,941	(29,839)	-51%	154,993	67,213	43%
Minor Renovations	10,747	20,000	9,253	46%	20,000	9,253	46%
	<u>187,324</u>	<u>156,271</u>	<u>(31,053)</u>	-20%	<u>330,002</u>	<u>142,678</u>	43%
						-	
Administration							
Office Equipment	12,386	5,105	(7,281)	-143%	16,501	4,115	25%
Stationery and Supplies	23,304	28,280	4,977	18%	55,249	31,945	58%
Memberships/Subscriptions	36,010	31,177	(4,833)	-16%	69,752	33,742	48%
Board Remuneration	17,293	18,801	1,508	8%	49,002	31,710	65%
Other Administration	26,864	11,221	(15,643)	-139%	24,751	(2,113)	-9%
	<u>115,856</u>	<u>94,583</u>	<u>(21,272)</u>	-22%	<u>215,255</u>	<u>99,399</u>	46%
						-	
Telecommunications							
Telecommunications	-	-	-	-	-	-	-
Radio Communication Equipment	347,498	325,938	(21,561)	-7%	651,266	303,768	47%
	<u>347,498</u>	<u>325,938</u>	<u>(21,561)</u>	-7%	<u>651,266</u>	<u>303,768</u>	47%
						-	
Professional and Legal							
Professional fees	40,055	70,284	30,229	43%	119,003	78,948	66%
Legal Fees	31,409	82,207	50,798	62%	180,001	148,592	83%
	<u>71,464</u>	<u>152,491</u>	<u>81,027</u>	53%	<u>299,004</u>	<u>227,540</u>	76%
						-	
Training							
Recruit Training	200,424	161,722	(38,702)	-24%	215,000	14,576	7%
Training - Mandatory	174,003	120,815	(53,188)	-44%	309,756	135,753	44%
	<u>374,427</u>	<u>282,537</u>	<u>(91,890)</u>	-33%	<u>524,756</u>	<u>150,329</u>	29%
						-	
Rentals							
Rentals/Leases - Parking	9,187	6,000	(3,187)	-53%	12,004	2,817	23%
Rentals/Leases - Range	11,310	19,160	7,850	41%	40,000	28,690	72%
Rentals/Leases - Office Equipment	-	-	-	-	-	-	-
	<u>20,497</u>	<u>25,160</u>	<u>4,663</u>	19%	<u>52,004</u>	<u>31,507</u>	61%
						-	
Marketing & Promotions	23,081	30,663	7,582	25%	67,501	44,420	66%
						-	
Total Before Allocated Costs	<u>21,189,184</u>	<u>20,325,410</u>	<u>(863,774)</u>	-4.2%	<u>40,865,498</u>	<u>19,676,314</u>	48%

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More recruits hired at the start of the year and more casuals used
Higher OT costs due to COVID outbreak and Network issue
Timing of benefit costs and higher WCB premiums
Fewer secondments than planned
Increase in fuel price
Increase in number of repairs
Lower insurance premiums as delivery of new vehicles delayed; discounted premiums
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
More recruits hired at the start of the year
Timing of expenditures
Timing of expenditures
Timing of expenditures
Timing of expenditures
Timing of expenditures

Transit Police 2022 Forecast

Period ending June 30, 2022

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	2022 Budget	2022 Forecast	Variance	%	
Labour					
Salaries	30,147,373	30,347,373	(200,000)	-1%	Additional recruits hired at beginning of year, increase in use of casuals
Overtime	913,226	963,226	(50,000)	-5%	Additional OT needed by IT and OCC
Benefits	7,827,097	7,877,097	(50,000)	-1%	Additional recruits hired at beginning of year and higher WCB premiums
	<u>38,887,696</u>	<u>39,187,696</u>	<u>(300,000)</u>	<u>-1%</u>	
Recoveries - Secondments	(1,276,780)	(1,296,780)	20,000	2%	Additional recovery of OT costs
Labour net of Recoveries	<u>37,610,916</u>	<u>37,890,916</u>	<u>(280,000)</u>	<u>-1%</u>	
Vehicles					
Fuel	254,996	309,996	(55,000)	-22%	Significant increase in fuel price
Vehicle Maintenance	136,500	186,500	(50,000)	-37%	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 overaccrual
Insurance	128,003	103,003	25,000	20%	Lower insurance premiums as delivery of new vehicles delayed
	<u>607,005</u>	<u>682,005</u>	<u>(75,000)</u>	<u>-12%</u>	
Materials					
Materials - Operators' Uniforms	117,400	102,400	15,000	13%	Savings due to delay in CSO pilot
Materials - Misc	116,191	116,191	-	0%	
Materials - Firearms/Ammunition	81,998	81,998	-	0%	
Materials - Outerwear	192,200	196,700	(4,500)	-2%	Additional jackets replaced
	<u>507,789</u>	<u>497,289</u>	<u>10,500</u>	<u>2%</u>	
Outside Services					
Maintenance and Repairs	43,505	53,505	(10,000)	-23%	Additional costs call taking enhancements in the OCC
Uniform Cleaning	111,504	111,504	-	0%	
Other Services	154,993	174,993	(20,000)	-13%	Additional cost for recording lines
Minor Renovations	20,000	20,000	-	0%	
	<u>330,002</u>	<u>360,002</u>	<u>(30,000)</u>	<u>-9%</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	29,251	(4,500)	-18%	
	<u>215,255</u>	<u>219,755</u>	<u>(4,500)</u>	<u>-2%</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	99,003	20,000	17%	Lower consulting costs
Legal Fees	180,001	130,001	50,000	28%	Less legal costs for the indemnification of police officers
	<u>299,004</u>	<u>229,004</u>	<u>70,000</u>	<u>23%</u>	
Training					
Training & Education	215,000	260,000	(45,000)	-21%	Additional recruits hired
Training - Mandatory	309,756	309,756	-	0%	
	<u>524,756</u>	<u>569,756</u>	<u>(45,000)</u>	<u>-9%</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><u>40,865,498</u></u>	<u><u>41,249,498</u></u>	<u><u>(384,000)</u></u>	<u><u>-0.9%</u></u>	

TransLink Allocated Costs - 2022 Actual

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Period ending

June 30, 2022

	YTD Actual	YTD Budget	Variance	%	2022 Budget	Remaining Budget	%
Salaries	109,188	120,953	11,765	10%	240,854	131,666	55%
Administration	191,193	186,101	(5,092)	-3%	368,188	176,995	48%
Computers & Systems	684,017	522,261	(161,756)	-31.0%	1,435,042	751,025	52%
Rentals	1,036,186	1,085,790	49,604	4.6%	2,171,580	1,135,394	52%
	<u>2,020,584</u>	<u>1,915,105</u>	<u>(105,479)</u>	<u>-5.5%</u>	<u>4,215,664</u>	<u>2,195,080</u>	<u>52%</u>