



## **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: January 27, 2023

**Subject: Transit Police 2022 Year-End Financial Result [Board Report No. 2023-01]**

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## **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 year-end financial results (ending December 31, 2022) for the Police Board’s review and consideration.

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## **BACKGROUND**

In 2022, Transit Police released its new 2022-2026 Strategic Plan (the “Plan”). The 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 advanced 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 focused 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 were 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 was listening closely to community feedback and considering 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 continued to be prioritized, including through ongoing consultation and engagement with Indigenous communities that we serve.

The Transit Police’s budget for 2022 was \$40,865,498 and it included 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

### Results for 2022 (Appendix “A”)

Total expenditures in the year were \$41,984,680, resulting in a negative variance of \$1,119,182 for the year (see Appendix “A”).

A summary of cost savings and over expenditures follows:

#### Reconciliation of Expenditures:

##### Savings:

|                           |       |
|---------------------------|-------|
| Professional and Legal    | 166   |
| Insurance & Vehicle Lease | 77    |
| Rental                    | 8     |
| Administration            | 4     |
|                           | <hr/> |
|                           | \$255 |

##### Over Expenditures:

|                                  |         |
|----------------------------------|---------|
| Salaries, net of recoveries      | 986     |
| Vehicles                         | 229     |
| Training                         | 83      |
| Outside Services                 | 48      |
| Materials                        | 15      |
| Marketing and Telecommunications | 13      |
|                                  | <hr/>   |
|                                  | \$1,374 |

|                      |             |
|----------------------|-------------|
| Net Over Expenditure | <hr/> <hr/> |
|                      | \$1,119     |



Key savings are outlined below:

- “Professional and Legal” costs were \$166 Thousand favourable to the budget as lower legal costs were incurred for the indemnification of police officers in the year.
- “Insurance and vehicle lease” were \$77 Thousand favourable to budget because of discounted premiums and delays in receiving the replacement vehicles ordered in 2021.
- “Rental” costs were \$8 Thousand favourable to budget mainly due to cancelled range training sessions.
- “Administration” costs were \$4 Thousand favourable to budget due to favourable Police Board Remuneration and office stationery and supplies offsetting other administration expenses.

Offsetting the above savings is an unfavourable variance expected in:

- “Salary” costs were \$986 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. This also took advantage of available training seats at the Police Academy. In addition, there were higher benefit costs, increased overtime for special events and increased usage of casual staff for operational needs. Adding to the unfavourable variance was a larger accrual for year-end leave balances. Approximately \$1 Million was accrued during 2022 for anticipated year-end leave accruals, based on the previous two years’ historical actuals, but an accrual closer to \$1.5 Million at year-end was necessary. Had it not been for this larger accrual, salary costs would have been in line with the forecasted expenditures.
- “Vehicle” costs were \$229 Thousand higher than budgeted because of continued higher fuel prices, higher repair and maintenance costs due to an aging fleet, and delays in receiving the replacement vehicles ordered in 2021.
- “Training” costs were \$83 Thousand higher than budgeted because of increased Police Academy tuition fees that were applied retroactive to May 2022, additional recruits hired in the year and more in-person training post-pandemic; however, this was, partly offset by clawing back retention bonuses from Members departing before their fifth anniversary of employment.
- “Outside Services” were over budget by \$48 Thousand due to costs associated with setting up unanticipated telephone ‘call taking’ enhancements in the Operations Communication Centre and IT network service costs. Although the IT section was



transferred to Transit Police in 2022, budget for network service costs was not transferred. The costs have been considered in the 2023 budget.

- “Material” costs were over budget by \$15 Thousand due to additional replacement jackets and police equipment/outerwear/equipment for the new recruits; this was partly offset by the delay in hiring Community Safety Officers.
- “Marketing and Telecommunications” was \$13 Thousand over budget due to restocking of depleted promotional materials.

### **TransLink Allocated Costs**

Allocated costs from TransLink were 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 were \$4,215,664.

Total TransLink allocated cost expenditures were \$4,781,713 for the year, resulting in a negative variance of \$566,049 (see Appendix “B”). The negative variance was largely due to higher property rental expenditures, partly offset by lower computer and systems costs.

### **CONCLUSION**

Total expenditures in 2022 were \$41,984,680, resulting in a negative variance of \$1,119,182 for the year. The negative variance was largely due to additional recruits, special events overtime, increased benefit costs, larger year-end leave balances and increased vehicle costs.

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**Chief Officer Dave Jones**

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## Transit Police 2022 Actual

| Period ending                       | December 31, 2022 |                   |                    |              |
|-------------------------------------|-------------------|-------------------|--------------------|--------------|
|                                     | Actual            | Budget            | Variance           | %            |
| <b>Labour</b>                       |                   |                   |                    |              |
| Salaries                            | 30,937,218        | 30,147,374        | (789,843)          | -3%          |
| Overtime                            | 1,022,130         | 913,228           | (108,901)          | -12%         |
| Benefits                            | 7,940,287         | 7,827,093         | (113,194)          | -1%          |
|                                     | <u>39,899,634</u> | <u>38,887,696</u> | <u>(1,011,938)</u> | <u>-3%</u>   |
| Recoveries - Secondments            | (1,303,115)       | (1,276,780)       | 26,335             | -2%          |
| Labour net of Recoveries            | <u>38,596,519</u> | <u>37,610,916</u> | <u>(985,603)</u>   | <u>-3%</u>   |
| <b>Vehicles</b>                     |                   |                   |                    |              |
| Fuel                                | 354,456           | 254,996           | (99,460)           | -39%         |
| Vehicle Maintenance                 | 260,748           | 136,500           | (124,248)          | -91%         |
| Vehicle Outfitting                  | 50,070            | 45,002            | (5,068)            | -11%         |
| Vehicle Leases                      | 32,069            | 42,504            | 10,435             | 25%          |
| Insurance                           | 60,840            | 128,003           | 67,163             | 52%          |
|                                     | <u>758,184</u>    | <u>607,005</u>    | <u>(151,179)</u>   | <u>-25%</u>  |
| <b>Materials</b>                    |                   |                   |                    |              |
| Materials - Uniforms                | 115,732           | 117,400           | 1,667              | 1%           |
| Materials - Other                   | 158,616           | 116,192           | (42,424)           | -37%         |
| Materials - Firearms/Ammunition     | 63,332            | 81,998            | 18,666             | 23%          |
| Materials - Outerwear               | 185,691           | 192,199           | 6,508              | 3%           |
|                                     | <u>523,372</u>    | <u>507,789</u>    | <u>(15,583)</u>    | <u>-3%</u>   |
| <b>Outside Services</b>             |                   |                   |                    |              |
| Maintenance and Repairs             | 60,044            | 43,504            | (16,539)           | -38%         |
| Uniform Cleaning                    | 109,601           | 111,504           | 1,903              | 2%           |
| Other Services                      | 189,354           | 154,993           | (34,361)           | -22%         |
| Minor Renovations                   | 19,177            | 20,000            | 824                | 4%           |
|                                     | <u>378,175</u>    | <u>330,002</u>    | <u>(48,173)</u>    | <u>-15%</u>  |
| <b>Administration</b>               |                   |                   |                    |              |
| Office Equipment                    | 19,103            | 16,501            | (2,603)            | -16%         |
| Stationery and Supplies             | 41,988            | 55,249            | 13,261             | 24%          |
| Memberships/Subscriptions           | 74,285            | 69,752            | (4,533)            | -6%          |
| Board Remuneration                  | 32,414            | 49,002            | 16,588             | 34%          |
| Other Administration                | 43,660            | 24,751            | (18,909)           | -76%         |
|                                     | <u>211,450</u>    | <u>215,255</u>    | <u>3,804</u>       | <u>2%</u>    |
| <b>Telecommunications</b>           |                   |                   |                    |              |
| Telecommunications                  | -                 | -                 | -                  | -            |
| Radio Communication Equipment       | 653,397           | 651,266           | (2,131)            | 0%           |
|                                     | <u>653,397</u>    | <u>651,266</u>    | <u>(2,131)</u>     | <u>0%</u>    |
| <b>Professional and Legal</b>       |                   |                   |                    |              |
| Professional fees                   | 65,815            | 119,003           | 53,188             | 45%          |
| Legal Fees                          | 67,310            | 180,001           | 112,691            | 63%          |
|                                     | <u>133,125</u>    | <u>299,004</u>    | <u>165,879</u>     | <u>55%</u>   |
| <b>Training</b>                     |                   |                   |                    |              |
| Recruit Training                    | 272,379           | 215,000           | (57,379)           | -27%         |
| Training - Mandatory                | 335,403           | 309,756           | (25,647)           | -8%          |
|                                     | <u>607,782</u>    | <u>524,756</u>    | <u>(83,025)</u>    | <u>-16%</u>  |
| <b>Rentals</b>                      |                   |                   |                    |              |
| Rentals/Leases - Parking            | 17,255            | 12,004            | (5,251)            | -44%         |
| Rentals/Leases - Range              | 26,750            | 40,000            | 13,250             | 33%          |
| Rentals/Leases - Office Equipment   | -                 | -                 | -                  | -            |
|                                     | <u>44,005</u>     | <u>52,004</u>     | <u>7,999</u>       | <u>15%</u>   |
| <b>Marketing &amp; Promotions</b>   | 78,671            | 67,501            | (11,170)           | -17%         |
| <b>Total Before Allocated Costs</b> | <u>41,984,680</u> | <u>40,865,498</u> | <u>(1,119,182)</u> | <u>-2.7%</u> |

## Board Report No. 2023-01/Appendix "A"

More recruits hired at start of year, more casuals used, higher year-end leave balances, unbudgeted Policy and Planning Advisor  
Higher OT costs due to special events, COVID-19 outbreak and Network issue  
Additional recruits, higher WCB premiums

Increase in fuel price  
Increase in volume and cost of repairs

Lower insurance premiums as delivery of new vehicles delayed; discounted premiums and relief rebate

Additional police equipment (batteries for MDT, K9 explosive detection kits, glass partitions, etc.)

Additional outerwear for the new recruits and more replacement jackets, offset by CSO delay

Additional cost for adding recording lines for dispatch

IT network service costs; Additional cost for adding recording lines for dispatch

Restocking of depleted employee recognition materials; food and beverage for more in-person events

Less indemnification of police officers

More recruits hired, higher recruit tuition fees, partly offset by clawback of retention bonuses

Cancelled range training sessions

Restocking of depleted promotional materials

## TransLink Allocated Costs - 2022 Actual

Board Report No. 2023-01/Appendix "B"

Period ending

December 31, 2022

|                     | Actual           | Budget           | Variance         | %           |
|---------------------|------------------|------------------|------------------|-------------|
| Salaries            | 236,855          | 240,854          | 3,999            | 2%          |
| Administration      | 401,233          | 368,188          | (33,045)         | -9%         |
| Computers & Systems | 1,367,732        | 1,435,042        | 67,310           | 5%          |
| Rentals             | 2,775,893        | 2,171,580        | (604,313)        | -28%        |
|                     | <u>4,781,713</u> | <u>4,215,664</u> | <u>(566,049)</u> | <u>-13%</u> |