

**TO:** Mayors' Council on Regional Transportation  
**FROM:** Mike Buda, Executive Director, Mayors' Council Secretariat  
**DATE:** January 23, 2020  
**SUBJECT:** **ITEM 4.1 – 2020 Mayors' Council Work Plan and Budget**

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**ADOPTED RECOMMENDATIONS:**

That the Mayors' Council on Regional Transportation:

1. Approve the 2020 Work Plan;
  2. Allocate \$708,850 towards projected 2020 expenditures, out of an estimated total 2020 budget envelope of \$1.294 million, leaving \$585,592 unallocated until or unless otherwise directed;
  3. Direct the Chair and Vice-Chair to oversee the 2020 Mayors' Council budget, and report back on plans and results as needed to the Finance and Governance Committee, and the Mayors' Council;
  4. Determines that all costs and expenses approved by the Mayors' Council Executive Director, Chair or Vice-Chair are necessary for the Mayors' Council on Regional Transportation to perform its duties under the *South Coast British Columbia Transportation Authority Act*;
  5. Post a summary of this report on the Mayors' Council website;
  6. Receive this report;
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**PURPOSE:**

This report provides a brief summary of the Mayors' Council 2019 work plan and budget and proposes a 2020 budget and workplan.

**BACKGROUND:**

At the beginning of each year, the Mayors' Council adopts a strategic work plan to focus resources and time on its highest priorities in the coming year. While a range of secondary issues will also require the focus of the Mayors' Council through the year, it is the identified strategic priorities that drive the agenda and where energy is focused. At its December 12, 2018 meeting, the Mayors' Council adopted its 2019 Work Plan with the following priority elements:

1. Develop a public outreach and engagement strategy in advance of the federal election.
2. Initiate and oversee the Transport 2050 long-range planning process
3. Initiate development of the Phase Three Plan of the 10-Year Vision
4. Continue engagement with provincial government in support of Mayors' Council priorities
5. Seek a review of TransLink's governance with the provincial government

As set by the *South Coast British Columbia Transportation Authority Act* (SCBCTA Act), in 2019, the Mayors' Council was allocated a maximum budget of \$1.294 million, which is based on 0.07% of TransLink's gross revenue in the previous fiscal year.<sup>1</sup> The 2020 allocation can only be estimated since

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<sup>1</sup> TransLink's 2018 gross revenues were \$1,849,203,000; the 2019 figure will not be available until February, 2020, but is expected to be slightly higher than 2018. 0.07% of the 2018 figure is \$1,294,442

the 2019 gross revenue total will not be available until the year-end financial reports are complete in March 2020. Gross revenue figures fluctuate somewhat which in turn would impact the Mayors' Council's allocation, but it is expected that 2019 gross revenues will be slightly higher than in 2018. For the purposes of setting the 2020 budget, the allocation is assumed to be the same as was provided in 2019, at \$1.294 million.

## **DISCUSSION:**

### **Proposed 2020 Work Plan**

In the 2018 municipal elections, the Mayors' Council experienced the most significant turnover of its membership since it was created in 2008, with three-quarters of its members new to the Council. The 2019 work plan included a significant transition and orientation program to support this new cohort of members. The other work plan priorities – in particular beginning to work on the Phase Three Plan of the 10-Year Vision and the Transport 2050 planning process, and designing and rolling out an ambitious federal election engagement strategy – also provided important opportunities for the new Mayors' Council to dive deeper into its role, and learn to work together as a group of regional leaders. The final 2019 work plan priority to initiate a governance review of TransLink with the province of BC has proceeded more slowly than hoped, with the government expected to indicate it does not have time to launch a review process prior to the end of next year.

It is expected that 2020 will be a year to convert the planning and advocacy work that dominated much of 2019 into action, by:

- Approving the Phase Two Update Plan in June 2020
- Negotiating the funding strategy for the Phase Three Plan with senior governments by the end of the year to pave the way for Phase Three Plan approval in Spring, 2021

In addition, 2020 will bring the major elements of the Transport 2050 planning process to a conclusion, in advance of that plan's approval in early 2021. With T2050 in place in early 2021, the Council will be able to start shifting the region's focus from the nearly complete 10-Year Vision towards those new ideas and projects coming out of the T2050 process. Although the T2050 process to date has been high level, 2020 will bring this planning process down into a more granular level, with several intensive planning workshops planned throughout the year.

In order to support this work, a continued and strong emphasis on senior government advocacy will be critical. The new federal government remains very focused on other provinces, so getting their attention on our unique circumstances and needs will be difficult and require sustained effort. The provincial government will soon be shifting to preparing for an election expected in 2021, which means our own provincial engagement strategy will need to adapt and grow.

### **2019 Budget report**

There are several mandated or basic costs that the Mayors' Council must budget for every year:

1. Meeting expenses (facility costs, A/V services, food and refreshments, etc.)
2. Recording Secretary
3. Members' remuneration and expenses
4. Statutory responsibilities (costs, usually related to research or consultants, associated with our oversight and/or approvals of long-term strategies, investment plans, short-term fare increases, customer satisfaction/complaint process, disposition of major assets, directors' remuneration and executive compensation).

In addition to these basic costs required to run the Mayors' Council, or that are associated with discharging legislated responsibilities, the Mayors' Council has in the past also chosen to undertake:

1. *Secretariat and office expenses:* The Mayors' Council has engaged the services of a full time Executive Director to oversee the operations of the Mayors' Council Secretariat and provide advice and support to the mayors. This position represents an additional ongoing expense. The 2019 budget added a coordinator position to support the newly created Council committees.
2. *Consulting support for strategic projects:* The Mayors' Council has, from time to time, engaged consultants to assist with its work, undertaking projects in past years that included the development and implementation of a high-profile provincial and federal election outreach and engagement strategy, and communications activities in support of investment plans. In 2019, this work was focused on support for the federal election strategy and post-election advocacy.
3. *Travel:* In 2019, some travel was undertaken by Mayors' Council to support intergovernmental negotiations in Victoria and Ottawa. A similar level of travel in 2020 is expected to support federal and provincial intergovernmental relations work.
4. *Website:* The Mayors' Council website ([www.mayorscouncil.ca](http://www.mayorscouncil.ca)) was established in 2014 to support the release of the 10-year plan. Modest management costs for running this site (server and software costs, hosting fees, etc.) are born by the Mayors' Council at a nominal cost.

The Mayors' Council allocated \$611K to projected expenditures at its January 2019 meeting, 46% of its total budget envelope of \$1.294 million from TransLink in 2018. At its February 15, 2019 meeting, the Mayors' Council directed \$400,000 from the unallocated budget to support public engagement and advocacy in the lead up to the federal election, bringing the total budget to \$1,011,295 which is 78% of its total budget envelope, leaving \$283,147 unallocated.

**TABLE 1: 2019 Budget Report**

Item	2018 Actuals	2019 Budget	2019 Actuals	\$ Variance
<b>Total budget envelope from TransLink</b>	<b>\$1,181,000</b>	<b>\$1,294,442</b>	<b>\$1,294,442</b>	
<b>Expenses:</b>				
Meeting costs (food, facilities)	\$1,637	\$9,400	\$15,589	(\$6,189)
Staff support (ED, Coordinator, Rec. Sec.)	\$215,647	\$293,145	\$284,448	\$8,697
Consulting Services	\$44,689	\$50,000	\$30,531	\$19,469
Member meeting remuneration	\$187,686	\$252,250	\$236,991	\$15,259
Office supplies	\$0	\$0	\$454.00	(\$454.00)
Travel and accommodations	\$1,622	\$4,000	\$18,033	(\$14,033)
Website management	\$2,235	\$2,500	\$2,473	\$27
Public engagement and advocacy	n/a	\$400,000	\$400,000	\$0
<b>Total expenses:</b>	<b>\$453,514</b>	<b>\$1,011,295</b>	<b>\$988,517</b>	<b>\$22,778</b>
<b>Unallocated budget envelope:</b>	<b>\$727,486</b>	<b>\$283,147</b>	<b>\$305,925</b>	
<i>Expenses as % of total TransLink budget envelope</i>	<i>38.4%</i>	<i>78.13%</i>	<i>76.37%</i>	

The 2019 year-end report (January 1 to December 31, 2019) is provided in Table 1 above. Total expenses were \$988,517, or 2% under budget, with notable variances in:

- Higher meeting costs due to problems with TransLink's A/V system requiring the Mayors' Council to secure outsourced A/V support for three months
- Higher travel expenses that budgeted due to the May 2019 Ottawa trip with 5 mayors for federal advocacy, which cost approximately \$11,000 that was not originally budgeted.

### **Proposed 2020 Budget**

The Mayors' Council used 78% of its allocation from TransLink in 2019, which is higher than the typical allocation in the past which has ranged from 38-60%, driven by the significant investment in a robust federal advocacy strategy. With no provincial or federal election expected, 2020 will not require the same level of investment in advocacy, and thus require a smaller budget allocation.

**TABLE 2: 2019 Proposed Budget**

<b>Item</b>	<b>2019 Actuals</b>	<b>2020 Budget</b>	<b>\$ Variance</b>
<b>Total budget envelope from TransLink</b>	<b>\$1,294,442</b>	<b>\$1,294,442<sup>1</sup></b>	
<b>Expenses:</b>			
Meeting costs (food, facilities)	\$15,589	\$11,000	-\$4,589
Staff support (ED, Coordinator, Rec. Sec.)	\$284,448	\$289,680	\$5,232
Consulting Services	\$30,531	\$50,000	\$19,469
Member meeting remuneration	\$236,991	\$240,170	\$3,179
Office supplies	\$454.00	\$500	\$46
Travel and accommodations	\$18,033	\$15,000	-\$3,033
Website management	\$2,473	\$2,500	\$27
Senior Gov't Advocacy (i.e. Cure Congestion)	\$400,000	\$100,000	-\$300,000
<b>Total expenses:</b>	<b>\$988,517</b>	<b>\$708,850</b>	<b>-\$279,667</b>
<b>Unallocated budget envelope:</b>	<b>\$305,925</b>	<b>\$585,592</b>	
<b>Expenses as % of total TransLink budget envelope</b>	<b>76.4%</b>	<b>54.8%</b>	

<sup>1</sup> **Note:** It is anticipated that TransLink's 2019 gross revenue figure will be higher than the 2018 figure used to calculate the Mayors' Council 2020 budget envelope. This will increase the size of the Mayors' Council budget envelope. Once the final 2019 gross revenue figure is confirmed, the Mayors' Council budget allocation will be updated, and if necessary, budgeted expenditures adjusted.

The 2020 budget proposed in Table 2 assumes the following:

- Meeting remuneration of \$602 per member per meeting and other associated meeting costs (Recording Secretary, refreshments, A/V, etc.) for 11 meetings of the full Mayors' Council plus 2 committee meetings per month, with 7-8 members on each committee.
- Executive Director and Coordinator salaries and benefits, and a Recording Secretary consultant.
- Consulting services to produce 3-4 independent reports at the direction of the Mayors' Council to support statutory duties and strategic initiatives such as advocacy or policy and research.
- Limited travel to Victoria and Ottawa for the Executive Director and members for intergovernmental meetings.

As has been past practice, it is also recommended that the Executive Director, and the Chair and Vice-Chair of the Mayors' Council be delegated authority to approve expenditures incurred on behalf of the Mayors' Council according to TransLink's existing financial control policies.

### **NEXT STEPS**

Budget updates will be provided to the Finance and Governance Committee as requested through the year. Proposals to allocate a portion of the currently unallocated budget envelope, for example to support additional advocacy, must first be reviewed by the Chair before being considered by the Mayors' Council.