

**TO:** Mayors' Council on Regional Transportation

**FROM:** Mike Buda, Executive Director, Mayors' Council Secretariat

**DATE:** December 3, 2020

**SUBJECT:** **2021 Mayors' Council Work Plan and Budget**

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**APPROVED RESOLUTIONS:**

That the Mayors' Council on Regional Transportation:

1. Approve the 2021 Work Plan;
  2. Allocate \$712,635 towards projected 2021 expenditures, out of an estimated total 2021 budget envelope of \$1.379 million, leaving \$666,423 unallocated until or unless otherwise directed;
  3. Direct the Chair and Vice-Chair to oversee the 2021 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. Release this report publicly upon approval;
  6. Receive this report;
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**PURPOSE:**

This report provides a brief summary of the Mayors' Council 2020 work plan and budget and proposes a 2021 budget and workplan. Given the intergovernmental and personnel issues likely to be discussed, the report is presented in-camera, with a recommendation that it be released publicly upon approval.

**BACKGROUND:**

At the beginning of each year, the Mayors' Council has adopted 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 January 30, 2020 meeting, the Mayors' Council adopted its 2020 Work Plan with the following priority elements:

1. Approving the Phase Two Update Plan in June 2020
2. 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
3. Bring the major elements of the Transport 2050 planning process to a conclusion, in advance of that plan's approval in early 2021

As set by the [South Coast British Columbia Transportation Authority Act](#) (SCBCTA Act), in 2020, the Mayors' Council was allocated a maximum budget of \$1.46 million, which is based on 0.07% of TransLink's gross revenue in the previous fiscal year.

The 2021 allocation can only be estimated at this time, since the 2020 gross revenue total will not be available until the year-end financial reports are complete in March 2021. In normal years, gross revenue figures fluctuate by a relatively small amount which in turn have a small impact on the Mayors' Council's allocation, so estimates based on the previous year's budget allocation are used for planning purposes. Due to the pandemic and resultant financial impacts on TransLink, it is not possible to estimate 2020 gross revenue figures until the late-December. For the purposes of setting the 2020 budget, TransLink has assumed the Mayors' Council's budget allocation to be slightly lower than was provided in 2019, at \$1.379 million, although the final figure is expected to be lower.

## **DISCUSSION:**

### **Proposed 2021 Work Plan**

At its October 1, 2020 meeting, the Mayors' Council approved a renewed mandate for the remainder of its term, until the end of 2022. This mandate includes two primary objectives:

- 1. COVID Recovery and Rebuilding:** Complete our COVID-19 rebuilding strategy, including rebuilding transit ridership, and recovering the full losses expected over the 10-year investment plan period.
- 2. Renewing the 10-Year Vision:** Renew transportation plans, both the longer-term Transport 2050, and its medium-term subset, the 10-Year Vision, to account for the post-pandemic environment and reflect the new transportation pressures and trends we were seeing prior to the pandemic.

An implementation work plan for these two objectives was approved at the October 29, 2020 meeting. The work plan for this 2021-2022 mandate renewal serves as the foundation of the Mayors' Council's 2021 work plan. More detail on these work plan elements can be found in the October 29, 2020 report.

Complementary to the mandate renewal are several additional 2021 work plan objectives:

- 3. Government relations:** In order to support the mandate renewal's two primary objectives, a continued and strong emphasis on senior government advocacy will be critical. Building a relationship with the new provincial government, including the new Cabinet and newly elected MLAs, is always important, but even more so given the urgency of COVID recovery and the new government's substantive transit agenda. Federal engagement will also be important given that the 2021 budget may include Safe Restart Phase Two funding, as well as infrastructure stimulus. A federal election is also possible and will require an outreach and engagement strategy.
- 4. Governance:** The Mayors' Council platform for the 2020 provincial election included a call for governance reform. The NDP responded to this call with a commitment to "talk about challenges with the current model, and your ideas for how it could be improved to better deliver the services that people in the region count on." Given this is a long-standing priority of the Mayors' Council, it will be important to map out a strategy to respond to the new government's invitation to engage on this issue. Separately from the issue of governance reform, last July the Mayors' Council asked staff to report back on how to "consider the importance of diversity and how it can be incorporated in the 2021 Screening Panel process" for appointing members to the TransLink Board.

### **2020 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, Recording Secretary)
2. Members' remuneration and expenses
3. Statutory responsibilities (costs, usually related to research support, associated with oversight of long-term strategies, investment plans, 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 2020, this work, much more limited than 2019, was focused on the federal budget (including to support meetings with MPs in Ottawa by a group of mayors), the provincial election and research on the TransLink funding model as part of our COVID recovery strategy.
3. *Travel:* In 2020, very limited travel was undertaken by Mayors' Council prior to the pandemic, to support intergovernmental negotiations in Victoria and Ottawa.
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.) were covered by TransLink for the first year and are now born by the Mayors' Council at a nominal cost.

The Mayors' Council allocated \$708,850 to projected expenditures at its January 2020 meeting, which was 48.5% of its total budget envelope of \$1.460 million from TransLink in 2020. See Table 1 below for 2020 budget report. The 2020 expenditures shown below are based on actual expenditures recorded from January 1 to October 31, plus projected expenditures in November and December.

**TABLE 1: 2020 Budget Report**

Item	2019 Actuals	2020 Budget	2020 Expenditures	\$ Variance
<b>Total budget envelope from TransLink</b>	<b>\$1,294,442</b>	<b>\$1,460,936</b>	<b>\$1,460,936</b>	<b>\$0</b>
<b>Expenses:</b>				
Meeting costs (food, facilities)	\$15,589	\$11,000	\$12,372	-\$1,372
Staff support (ED, Coordinator, Rec. Sec.)	\$284,448	\$289,680	\$299,312	-\$9,632
Consulting Services	\$30,531	\$50,000	\$13,500	\$36,500
Member meeting remuneration	\$236,991	\$240,170	\$243,869	-\$3,699
Office supplies	\$454.00	\$500	\$652	-\$152
Travel and accommodations	\$18,033	\$15,000	\$7,265	\$7,735
Website management	\$2,473	\$2,500	\$8,890	-\$6,390
Senior Gov't Advocacy	\$400,000	\$100,000	\$116,266	-\$16,266
<b>Total expenses:</b>	<b>\$988,517</b>	<b>\$708,850</b>	<b>\$702,126</b>	<b>\$6,724</b>
<b>Unallocated budget envelope:</b>	<b>\$305,925</b>	<b>\$752,086</b>	<b>\$758,810</b>	
<i>Expenses as % of total TransLink budget envelope</i>	<i>76.4%</i>	<i>48.5%</i>	<i>48.06%</i>	

Total 2020 expenditures are expenses are projected at \$702,126, or 0.9% (\$6,724) over budget, with variances in:

- Higher meeting costs due to the addition of Committee of the Whole meetings and several special meetings of the Mayors' Council or committees.
- Lower general consulting services costs due to the pandemic reducing the need for research consulting support, but higher senior government advocacy costs due to higher than anticipated support requirements for federal budget advocacy, and the snap provincial election.
- Higher website management costs due to technical problems requiring a migration of web service providers and a website redesign. Efforts are underway to bring the website in-house at TransLink.
- Lower travel costs due to COVID.

The Mayors' Council used 48% of its allocation from TransLink in 2020, which is within the normal range of 38-60%. A final 2020 budget report will be provided in January 2021, once November and December expenditures are recorded.

### **Proposed 2021 Budget**

In 2021, it is proposed that \$712,635 be budgeted to support the Mayors' Council, which is 51.7% of the \$1.379 million total allocation assumed by TransLink (see Table 2). Although TransLink's 2020 gross revenues are likely to be well below 2019 due to the pandemic which would therefore translate to less than a \$1.379M allocation to the Mayors' Council, TransLink is comfortable with this budget proposal, and regardless has included \$1.379M for the Mayors' Council in its own 2021 budget.

**TABLE 2: 2021 Proposed Budget**

<b>Item</b>	<b>2020 Actuals</b>	<b>2021 Budget</b>	<b>\$ Variance</b>
<b>Total budget envelope from TransLink</b>	<b>\$1,460,936</b>	<b>\$1,379,058<sup>1</sup></b>	<b>-\$81,878</b>
<b>Expenses:</b>			
Meeting costs (food, facilities)	\$12,372	\$7,000	-\$5,372
Staff support (ED, Coordinator, Recording Sec.)	\$299,312	\$308,795	\$9,483
Consulting Services	\$13,500	\$25,000	\$11,500
Member meeting remuneration	\$243,869	\$328,090	\$84,221
Office supplies	\$652	\$500	-\$152
Travel and accommodations	\$7,265	\$750	-\$6,515
Website management	\$8,890	\$2,500	-\$6,390
Senior Government Advocacy	\$116,266	\$40,000	-\$76,266
<b>Total expenses:</b>	<b>\$702,126</b>	<b>\$712,635</b>	<b>\$10,509</b>
<b>Unallocated budget envelope:</b>	<b>\$758,810</b>	<b>\$666,423</b>	<b>-\$92,387</b>
<b>Expenses as % of total TransLink budget envelope</b>	<b>48.06%</b>	<b>51.68%</b>	

The 2021 budget proposed in Table 2 assumes the following:

- Meeting remuneration of \$602 per member per meeting ([as set out in legislation](#)) for 11 meetings of the full Mayors' Council and 6 meetings of the Committee of the Whole, plus 2 committee meetings per month for 10 months, with 7-8 members on each committee.
- Associated meeting costs such as A/V, refreshments, etc. will be assumed only for September to December, given the unlikelihood of returning to in-person meetings prior to then.
- Executive Director and Coordinator salary and benefits, and a Recording Secretary retained on a consulting basis for the meetings noted above.
- Consulting services to produce 2-3 independent reports at the direction of the Mayors' Council to support statutory duties and strategic initiatives such as advocacy or policy and research. In particular, research support may be required for the governance objectives in the workplan.
- Website support costs will return to normal "maintenance-level" spending now that the server upgrade and site redesign is complete.
- Senior government advocacy is proposed given the likelihood of a federal election, and the need to be active in upcoming federal and provincial budget development processes.

The 2021 budget is 1.5% or \$10,509 higher than projected 2020 expenditures. Projected expenditures are higher for meeting remuneration and the Recording Secretary given the direction to organize up to 6 Committee of the Whole workshops in addition to the regular series of meetings, to support development of T2050 and the 2021 Investment Plan. Meeting costs are lower given the assumption that virtual meetings will continue through the summer due to distancing requirements of the pandemic. Only limited travel is anticipated to support senior government advocacy, and only in the fall if distancing requirements lift. Advocacy support will be lower than in 2020.

The Mayors' Council actual budget for 2021 will be adjusted if necessary and confirmed in February 2021 once the 2020 gross revenue figure is provided by TransLink. It is not anticipated that adjustments to proposed spending will be required given that just 50% of total budget envelope is being allocated based on 2019 gross revenues – this 2021 level of spending provides more than sufficient room for a much lower 2020 gross revenues figure than is being assumed by TransLink in this report.

As has been past practice, it is 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 new initiatives not assumed in this budget must first be reviewed by the Chair before being considered by the Mayors' Council.