

TO: Mayors' Council on Regional Transportation

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

DATE: January 19, 2023

SUBJECT: **2023 Mayors' Council Work Plan and Budget**

RECOMMENDATIONS:

That the Mayors' Council on Regional Transportation:

1. Allocate \$946,547 towards projected 2023 expenditures, out of an estimated total 2023 budget envelope of \$1.478 million, leaving \$531,853 unallocated until or unless otherwise directed;
 2. Direct the Chair and Vice-Chair to oversee the 2023 Mayors' Council budget, and report back on plans and results as needed to the Mayors' Council;
 3. 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*;
 4. Release this report publicly upon approval;
 5. Receive this report;
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PURPOSE:

This report provides a brief summary of the Mayors' Council 2022 work plan and expenditures and proposes a 2023 budget based on the 2023 workplan (to be considered in a separate report). 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:

Each year, the Mayors' Council is allocated a budget ("budget allocation") from TransLink as set by [South Coast British Columbia Transportation Authority Act](#) (SCBCTA Act) at 0.07% of TransLink's gross revenues in the previous year. This annual budget allocation goes to fund:

- A. 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).
- B. More discretionary expenses that are related to delivering on the Mayors' Council's broader aims and objectives around improving transit and transportation in Metro Vancouver:
 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, along with a Coordinator position to support meetings and committees, represents an ongoing expense.

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 2022, this work, much more limited than in 2020 and 2021, was focused on the 10-Year Priorities.
3. *Travel, accommodation and meals:* In 2022, very limited travel and working meetings during meals were undertaken by Mayors' Council due to the pandemic.
4. *Website:* The Mayors' Council website (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.
5. *Senior government advocacy:* Communication consulting and research support, plus any required travel or meeting support costs to undertake federal and provincial advocacy.

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 and therefore the budget allocation is focused.

At its December 3, 2021 meeting, the Mayors' Council adopted its 2022 Work Plan and Budget with the following key elements:

- finalizing and approving the 2022 Investment Plan and new 10-Year Vision (Transport 2050 is expected to be approved in January), anticipated to concluded before the summer break.
- the development of a more detailed climate action plan, in collaboration with the province and local governments
- board appointments (including the continuation of the Board Diversity Strategy approved in 2021)
- preparing a transition and orientation plan for newly elected members of the Mayors' Council following local government elections.
- develop and finalize its 2022 Meeting Policy which will include the development and delivery of 4-5 hybrid meetings, in addition to now regular video-conference meetings.
- A request of the province conduct a governance review of TransLink, and is awaiting a response and proposed next steps.

DISCUSSION

2022 Budget

As set by the [South Coast British Columbia Transportation Authority Act](#) (SCBCTA Act), in 2022, the Mayors' Council originally estimated its budget allocated a maximum budget at \$1.175 million, which was based on 0.07% of TransLink's estimated gross revenue in the previous fiscal year. This budget envelope was revised downwards to \$1.162 million after TransLink's 2021 gross revenues were finalized in March 2022.

In 2022, the Mayors' Council allocated \$1.143 million to projected expenditures. See Table 1 below for a 2022 budget report. The 2022 expenditures shown below are based on actual expenditures recorded from January 1 to November 30, plus projected expenditures in December.

TABLE 1: 2022 Budget Report

Item	2021 Actuals	2022 Budget	2022 Expenditures	\$ Variance, budget to actuals
Total budget envelope from TransLink	\$1,501,430	\$1,175,300	\$1,162,456	-\$12,844
Expenses:				
Meeting costs (food, facilities)	\$15,071	\$46,000	\$11,622	-\$34,378
Staff support (ED, Coordinator, Rec. Sec.)	\$333,959	\$345,648	\$341,153	-\$4,495
Consulting Services	\$20,000	\$15,000	\$0	-\$15,000
Member meeting remuneration	\$372,704	\$370,114	\$287,793	-\$82,321
Office supplies	\$129	\$500	\$172	-\$328
Travel and accommodations	\$285	\$1,500	\$2,690	\$1,190
Website management	\$2,995	\$8,000	\$12,186	\$4,186
Public Affairs	\$26,689	\$56,800	\$11,024	-\$45,776
10-year Priorities: Proj Mngt & Research	\$0	\$300,000	\$41,553	-\$258,447
Total expenses:	\$771,832	\$1,143,562	\$708,193	-\$435,369
Unallocated budget envelope:	\$729,598	\$31,738	\$454,263	
<i>Expenses as % of total TransLink budget envelope</i>	<i>51.41%</i>	<i>97.30%</i>	<i>60.92%</i>	

Total 2022 expenditures are projected at \$708,193, which is 38% (\$435,369) below budget. This variance is driven by a lower contribution to 10-Year Priorities project management and research activities, lower meeting remuneration (fewer committee meetings than projected), lower meeting costs (4 in-person meetings were planned, but all were delivered by videoconference) and fewer public affairs activities than planned (preparation for an early federal or provincial election was budgeted as a contingency).

The Mayors' Council used 61% of its allocation from TransLink in 2022, which is within the normal range of 40-60%.

2023 Budget

The 2023 budget allocation can only be estimated at this time, since the 2022 gross revenue total will not be available until the year-end financial reports are complete in March 2023. For the purposes of setting the 2023 budget, and as directed by TransLink, the Mayors' Council's budget allocation is based on an estimated 2022 gross revenue figure of \$2.112 billion, which translates to a \$1.478 million budget allocation of the Mayors' Council. This budget allocation is a 27% increase from the 2022 allocation due to higher TransLink gross revenues.

The 2023 workplan is outlined in a report being considered at the Public Meeting on January 26, 2023. It is proposed that \$946,547 be budgeted out of the \$1.478 million budget allocation to support the Mayors' Council 2023 Work Plan:

TABLE 2: 2022 Proposed Budget

Item	2022 Expenditures	2023 Budget	\$ Variance
Total budget envelope from TransLink	\$1,162,456	\$1,478,400	\$315,944
Expenses:			
Meeting costs (facilities, food, videoconferencing)	\$11,622	\$60,500	\$48,133
Staff support (ED, Coordinator, Recording Sec.)	\$341,153	\$354,458	\$13,305
Consulting Services (research, communications)	\$0	\$10,000	\$10,000
Member meeting remuneration	\$287,793	\$360,189	\$72,396
Office supplies	\$172	\$200	\$28
Travel and accommodations	\$2,690	\$26,200	\$24,374
Website maintenance & agenda management	\$12,186	\$15,000	\$2,962
Public Affairs	\$11,024	\$120,000	\$108,976
10-year Priorities: Proj Mngt & Research	\$41,553	\$0	-\$41,553
Total expenses:	\$708,193	\$946,547	\$238,620
Unallocated budget envelope:	\$454,263	\$531,853	-\$77,323
<i>Expenses as % of total TransLink budget envelope</i>	<i>60.92%</i>	<i>64.03%</i>	

The 2023 budget proposed in Table 2 assumes the following:

- Meeting remuneration is estimated at \$639 per member¹ per meeting ([as set out in legislation](#)) for 11 meetings of the full Mayors' Council, plus 3 committee meetings per month for 10 months, with 7-8 members on each committee, plus working group and task force meetings, as well as study tours.
- Costs to organize 11 in-person meetings including the use of contracted service providers to deliver higher quality live-streaming now expected by the public.
- Executive Director and Coordinator salary and benefits with a COLA escalator from 2022 levels, and a Recording Secretary retained on a consulting basis for the meetings noted above.
- Consulting services to produce 1-2 independent reports at the direction of the Mayors' Council to support statutory duties and strategic initiatives in policy and governance.
- Travel and accommodation costs are anticipated to support federal advocacy.
- Website support costs to maintain current level of service.
- Senior government advocacy to support a delegation to Ottawa is for 5-7 mayors plus staff at an anticipated total cost of \$23,000, plus other communications support.

The 2023 budget is \$238,620 higher than 2022 expenditures driven by the following variances:

- Public affairs: The now-approved 10-Year Priorities provides a rationale and blueprint for substantially increased advocacy and public engagement to build the support needed to fund and implement the new services and programs in the 10-Year Priorities.

¹ As per legislation, remuneration is increased by CPI each year. The 2022 CPI adjustment is estimated at 2%, with the final figure calculated in January, 2023 once CPI data available.

- **Meeting costs:** Meeting costs will be higher due to the return to in-person meetings. In-person meetings are more costly than videoconferencing meetings due to the basic costs associated with A/V services and refreshments. In addition, in-person meeting costs are \$3000-4000 higher per meeting than similar meetings held before 2020 because of the higher quality live-streaming we will be using to meet higher public expectation of live-streamed meetings after 3 years of videoconference meetings.
- **Meeting remuneration:** Meeting remuneration is expected to be slightly higher due to a larger number of committee meetings, study tours and advocacy activities.

The proposed 2023 budget leaves \$531,853 unallocated to specific expenditure items out of a total \$1.478 million budget allocation to the Mayors' Council. This unallocated portion will remain available to the Mayors' Council to direct to new expenditures at any time during the year. It is expected that significant portion of this amount will be proposed to fund the public affairs strategy being developed now for consideration in March 2023.

The Mayors' Council 2023 budget will be adjusted if necessary in March 2023 once the final 2022 gross revenue figure is provided by TransLink. Adjustments to the 2022 budget may be required at that time if the budget envelope is substantially reduced due to lower 2022 gross revenues figure than is being estimated 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 Mayors' Council 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.