

# Report

**City of Merritt**  
**REGULAR Council Meeting**  
**January 26, 2021**

**File Number: 2240.63**

**To:** Sean Smith, Chief Administrative Officer  
**From:** Wayne Anderson, Director of Finance & IT  
**Date:** January 21, 2021  
**Subject:** 2020-21 Annual Operating Agreement with BC Transit

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**RECOMMENDATION:**

**THAT Council authorize the Mayor and Corporate Officer to sign the 2020-21 Annual Operating Agreement with BC Transit.**

**Background:**

The City has an agreement with BC Transit for the provision of transit services for the residents of Merritt and TNRD Electoral Area M. Each year the budget for the operation of the transit service is updated and a new operating agreement is prepared. The 2020-21 Annual Operating Agreement (AOA) has been submitted to the City for signatures. The term of the agreement is April 1, 2020 to March 31, 2021.

The 2020/2021 transit budget includes 50% of the \$95,635 in COVID-19 -19 BC Safe Restart funding to offset fare revenue losses and COVID related expenses. The remaining balance of this funding will be put in to a reserve to be applied to our 2021-22 operating costs.

**Discussion:**

Staff has reviewed the AOA and feel that it reflects accurately the relationship between BC Transit and the City of Merritt. The terms of the agreement are acceptable to the City and therefore it is recommended that the agreement be signed and returned to BC Transit before the January 31, 2021 deadline.

**Financial / Risk Implications:**

The AOA budget, as attached to this report, has been used to prepare the City's draft 2021 budget and will be the basis for the 2021-2025 Financial Plan. Changes to the AOA in subsequent years will be incorporated into future Financial Plans.

**Attachments:**

- Annual Agreement Cover Letter
- Annual Operating Agreement

**Respectfully submitted,**

**Wayne Anderson, CPA, CMA**  
**Director of Finance & IT**