



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 0530-00

From: City Manager (CAO)

Date: August 30, 2023

Subject: Council Expense Reimbursement Policy Revision

PURPOSE:

To seek Council approval of the updated Council Expense Reimbursement Policy 1650.00.02 Revision 8 (policy).

BACKGROUND:

The current policy applies to both Council and staff and was last updated October 31, 2016. According to best and common practices, Council and staff are typically covered under separate policies as their travel expense requirements, authorization and rational can differ substantially. The cost of travel has increased over past 7 years and the policy reimbursement values need to be updated. This policy update is part of routine ongoing policy update and modernization.

DISCUSSION:

The policy differs from revision 7 in the following ways:

Policy applies to Council only – This is a best practice as Council and staff have differing reasons for expenses and therefore should have specific policies that cover each group.

Council travel budget allocation – The reference to the allocation of Council expense budget in the policy document has been removed as the budget process is the appropriate method to allocate budget. In the past 22% of the travel budget was allocated to the Mayor while the remaining 78% was split into 13% segments for individual Councillors. Through the budget process Council expenses will be budgeted based on what the expected cost of attending local government annual conferences including FCM, UBCM, and AVICC, additionally each member of Council will be provided a variable amount as approved by Council in the annual budget process.

Individual event attendance authorization – Under the old policy for a Councillor to attend UBCM, FCM and AVICC, Council was required to individually approve attendance. The new policy removes this requirement and sets out that attendance at UBCM, FCM and AVICC is approved for all Councillors.

Compensation per diem – Under the old policy council could claim \$200 per day in compensation recognizing the costs incurred in absence from the workplace or business in order to undertake City business. The maximum annual claim was limited to \$1,000. The per diem has been removed as Council is remunerated through the Council Remuneration Policy.

Personal vehicle travel – The policy has been modernized and simplified to reimburse mileage costs when traveling outside of the Comox Valley Regional District to match the Canada Revenue Agency mileage reimbursement rate.

Vehicle damage reimbursement – The policy removes the section that provides reimbursement when a Councillor or staff (old policy) damages their personal vehicle while traveling. It is not appropriate for the City to provide reimbursement for such expenses since the City does not have control over the personal vehicle with regards to maintenance, driver training or insurance coverage.

Meal allowance – The policy has updated the daily meal allowance from a set \$90/\$75 (Vancouver/Other) daily rate if away for more than 24 hours to a per meal basis:

	Proposed	Old Policy (Vancouver)	Old Policy (Other)
Breakfast	\$30	\$20	\$15
Lunch	\$35	\$25	\$25
Dinner	\$45	\$40	\$30
Misc	\$0	\$5	\$5
Total	\$110	\$85	\$70

The meal allowance method is used as it is simple, fair and provides the City with meal cost caps. By using the allowance method, it permits a Councillor to receive a reasonable reimbursement for a meal while not restricting them to a specific value, if one makes the choice to seek a meal that exceeds the allowance they will simply be paying out of pocket for the portion of the meal not covered by the allowance. If a meal is provided at a conference for example there would be no claim made for that meal, meal claims would only need to be made when a meal was purchased.

The total meal allowance is close to the federal meal allowance of \$106.10 for 2023.

Travel advance payments – The policy removes the language regarding payment of an advance prior to expenses being incurred. By removing the advance, it simplifies the expense claim process as it removes the need to reconfirm and reconcile the advance paid to the actual expenses incurred. Council can make an expense claim for expenses incurred prior to travel that can be substantiated by receipts, for example hotel or flight costs can be claimed when the expense is incurred (booked). The type of advance payments that are being limited would be pre-paid mileage and meals.

The revised policy will streamline and clarify expense claims for Council while provided added transparency to the public by clearly identifying eligible expenses.

POLICY ANALYSIS:

Council Expense Reimbursement Policy 1650.00.02 Revision 8 would replace revision 7.

FINANCIAL IMPLICATIONS:

Revision 8 of the Council Expense Reimbursement policy doesn't substantially change the overall authorization of spending therefore the financial implication of this policy change is limited. The costs

associated with attending Council related business continues to rise however this is due to inflationary factors versus policy decisions.

A Council that is incurring costs attending various engagements is one that is active and shows continued engagement on behalf of residents of the City.

ADMINISTRATIVE IMPLICATIONS:

There will be limited administrative implications from adoption of the new policy. It is expected with the policy that the expense claim process for Council will be simpler.

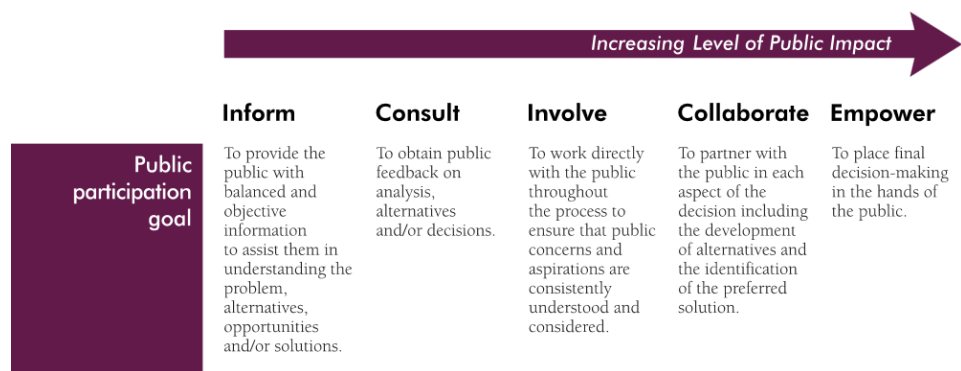
STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Financial Sustainability - Ensure capacity to accommodate big change

PUBLIC ENGAGEMENT:

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



© International Association for Public Participation www.iap2.org

OPTIONS:

1. THAT Council adopt Council Expense Reimbursement Policy 1650.00.02 R-8.
2. THAT Council provide alternative direction to staff.

ATTACHMENTS:

Appendix A – Council Expense Reimbursement Policy 1650.00.02 R-8

Prepared by: Adam Langenmaier BBA, CPA, CA, Director of Finance
Concurrence: Geoff Garbutt, M.PI., MCIP, RPP, City Manager (CAO)