

Staff Report to Council

Financial Services

FILE: 05-1610-01/20

REPORT DATE: November 19, 2020 MEETING DATE: December 01, 2020
TO: Mayor and Council
FROM: Cheryl Harding, Director of Financial Services
SUBJECT: Amend Council Policy C068 Council Expenses

CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL:



RECOMMENDATION(S): THAT Council:

- A. Approve the amendments to Council Policy C068 Council Expenses as presented at the December 1, 2020 meeting of Council; OR
- B. Other.

PURPOSE

To present Council with proposed amendments to Council Policy C068 (Council Expenses) policy for consideration and approval.

☐ Information Report ☒ Decision Report ☐ Direction Report

DISCUSSION

Background:

Council Policy C068 was flagged for review as part of the overall policy review process this past year. This particular policy provides guidance to Members of Council on expenditures that support fulfilling their statutory duties as elected officials and assists staff in providing the procedures to administer the policy.

Relevant Policy, Bylaw or Legislation:

Community Charter, Section 98, requires annual reporting by June 30 of each year on the total expense claim payments made to each Member of Council.

Analysis:

Expense Limits - The Council Expense policies of other municipalities were reviewed for potential improvements to the existing policy. The surveyed municipalities were found to have a wide range of structure and expense limits for Council members.

However, a common theme for some is to provide Mayor and Council with one limit per member to cover all conference and municipal business expenses. This approach creates more flexibility for Council Members to choose how they wish to spend their annual limit on permitted expenses and creates administrative efficiency by reducing the existing multiple limits to be monitored currently.

The recommendation incorporated into the amended policy is to establish an annual limit of \$6,200 for the Mayor and \$4,200 for each Councillor. These limits result in no increase to Council's existing budget. If Members of Council reach their limits they must apply to Council for further funding approval prior to incurring the expense.

Approval of Expense Claims - Approval of expense claims has been changed to add the Chief Administrative Officer or Chief Financial Officer as additional options to the Mayor or Deputy Mayor as an administrative efficiency improvement.

Housekeeping amendments - The amended policy incorporates updated position titles and grammatical clarifications and reformats the policy into the updated policy template.

COUNCIL STRATEGIC PLAN ALIGNMENT

- ☒ Principled Governance ☐ Balanced Economic Prosperity ☒ Corporate Excellence
☐ Community Spirit & Wellbeing ☐ Transportation & Infrastructure Initiatives
☐ Not Applicable

FINANCIAL IMPLICATIONS

- ☒ None ☐ Budget Previously Approved ☐ Referral to Business Planning
☐ Other

The proposed changes to the policy result in no impact to Council's existing budget.

PUBLIC PARTICIPATION

☒ Inform ☐ Consult ☐ Involve ☐ Collaborate ☐ Empower

KATZIE FIRST NATION CONSIDERATIONS

Referral ☐ Yes ☒ No

SIGN-OFFS

Written by:

Cheryl Harding
Director of Financial Services

ATTACHMENT(S):

- A. DRAFT Amended Council Policy C068 – Council Expenses
- B. Current Council Policy C068 – Council Expenses

COUNCIL POLICY C068

05 - Finance

Council Expenses

Effective Date: July 7, 2015
Revised Date: [Month DD, YYYY]

Policy Statement

1. The participation by Members of Council at conferences, seminars and meetings dealing with municipal issues is beneficial to the City since they provide information to improve Members of Council's expertise; provide an opportunity to make valuable contacts with Councils from other organizations; and provide a venue to conduct municipal business. Therefore, attendance is encouraged to ensure the City maintains or acquires skills and knowledge in emerging issues and trends in the marketplace.

As well, the Council Expense Policy provides guidance to Members of Council on expenditures that support them in fulfilling their statutory duties as an elected official, and assists in the administration and accountability of Council expenses by providing clear and understandable definitions and procedures.

Purpose

2. The policy is intended to:
 - provide Members of Council with the flexibility to allocate resources in the most efficient way to meet their own particular requirements;
 - clarify the processes that Members of Council and staff use to administer Councils budgets by providing clear and understandable definitions and procedures; and
 - recognize Members of Council are accountable for managing City resources allocated to them.

The expenses charged to the Council budget are intended to provide Members of Council with the resources to:

- administer the Mayor's office;
- conduct meetings and communicate with constituents and other stakeholders;
- support and promote activities or community groups in the community at large;

- represent the City at functions, events or conferences; and
- provide education and training opportunities to successfully perform their civic responsibilities.

Scope & Principles

3. This policy applies to Members of Council. The following principles guided its development:

Cost Benefit Analysis

The following criteria should be used to evaluate participation in training and networking opportunities:

- Does the work done by the body support Council's Strategic Plan?
- Does the body make decisions that could impact Pitt Meadows?
- Does the organization provide financial or other support to Pitt Meadows?
- Does participation help Council Members fulfill their responsibilities?
- Does participation provide valuable networking opportunities?

Integrity of Council

The integrity of Council as a whole and each Member of Council must be protected, and the interest of Council as a whole takes precedence over the personal interests of individual Members of Council.

Accountability

Members of Council are accountable for compliance with this policy. They are the stewards of City resources and are ultimately accountable to the public for the type and level of expenses they incur.

Since Members of Council use public funds when they perform their duties, the public expects public funds to be used solely for the fulfillment of their public duties.

Expenses incurred by Members of Council should be reasonable and reflect what the public expects of an elected official.

It is expected that Members of Council keep business expenses and personal expenses separate.

Transparency

The public has a right to know how public funds allocated to Members of Council are spent; and Council expense information must be balanced against the need to protect privacy and personal information, and allow time for proper accounting and reconciliation of expenses.

Flexibility and Limits

It is recognized that Members of Council need flexibility to perform their roles and pursue public interests, that they engage different stakeholders differently, while all accounting, audit, budget availability and Income Tax Act principles and rules must be followed.

Exclusions

4. Ineligible Expenses

- Purchase of goods or services from a family member or related party
- Expenses reimbursed by another organization (e.g. Metro Vancouver board which is covered by a Metro Vancouver stipend or committee meetings)
- Alcohol, cannabis
- Expenses incurred by third parties
- Contributions to individuals, businesses, or City funded services
- Overnight accommodation, transportation, mileage, and incidental costs within Pitt Meadows
- Traffic fines or parking tickets
- Vehicle repair and towing costs
- Child care, house-minding, or security costs
- Lost wages, income, or opportunity costs
- Spousal or partner travel costs
- Any expense claim which the Chief Administrative Officer or Chief Financial Officer determines to be in excess of expense policy limits or standards, to be lacking adequate documentation, or to be beyond the scope, spirit, or intent of this policy

Policy

5. Members of Council are pre-authorized to incur expenses as permitted by this policy up to the maximum amounts, per Member, established in this table. Exceeding these amounts require a resolution of Council or reimbursement of funds to the City.

| Council Member | Annual Expense Limit |
|----------------|----------------------|
| Mayor | \$6,200* |
| Councillor | \$4,200* |

*Excludes expenses incurred in serving on the Fraser Valley Regional Library Board.

Definitions

6. In this policy,
- **Conventions:** Refers to learning and networking opportunities available to Members of Council from their attendance at formal assemblies of elected officials, delegates and management from other organizations, for discussion of and for action on particular matters of common concern.
This includes but is not limited to:
 - The Canadian Federation of Municipalities (FCM) Convention
 - The Union of British Columbia Municipalities (UBCM) Convention
 - The Lower Mainland Local Government Association (LMLGA) Convention
 - **External Committee Work:** Refers to training and networking opportunities that arise out of Council approved external committee work such as: appointment to Metro Vancouver, FCM or UBCM boards and committees or committee liaison work.
 - **Self-Directed Training:** Refers to training, workshops and conferences that individual Members of Council may wish to participate in, that are not included in conferences and external committee work. Its purpose is to allow Members of Council the opportunity to develop skills and knowledge relating to their role as an elected official of the governing body of Pitt Meadows.
 - **Municipal Business:** Refers to Members of Council attendance and related expenses at all activities described herein including: external committee work and self-directed training.
 - **Members of Council:** Refers to the Mayor or a Councillor.

Roles and Responsibilities

7. Administration of this policy is delegated to the Chief Administrative Officer and/or the Chief Financial Officer.
8. Each Member of Council must ensure their expense claims are compliant with this policy.
9. The Executive Assistant to Mayor and Chief Administrative Officer will prepare the expense claim on behalf of a Member of Council and will ensure:
- The claim is signed and dated by the Member of Council;
 - Any necessary approvals and estimates are attached;

- Original receipts are attached;
 - Receipts agree with the amounts claimed;
 - The claim reflects any advances or prepayments; and
 - The expense is coded correctly.
10. The Finance Department will ensure the expense claim has been fully completed, signed and dated by either the Mayor, Deputy Mayor, Chief Administrative Officer, or Chief Financial Officer and will provide reimbursement within fifteen working days of receiving fully completed documentation.

Prohibitions

11. The consumption of alcohol, cannabis or non-prescribed mood-altering substances is prohibited while operating any vehicle under this policy. In the event of an accident any loss of insurance coverage and other related expenses is at the expense of the Member of Council.

Procedures and Guidelines

12. **Approval of Expense Claims.** Expense claims must be:
- Submitted on the appropriate expense claim form with original receipts and a copy of any necessary written approvals or cost estimates;
 - Signed and dated by the Member of Council and submitted for approval within fifteen working days of travel;
 - Signed and dated by the Mayor, Deputy Mayor, Chief Administrative Officer or Chief Financial Officer within five working days following the expense claim submission date.

Accommodation & Other Reimbursable Expenses

13. **Cleaning Expenses.** Costs incurred for cleaning clothing during extended trips exceeding one week in duration may be claimed.
14. **Hotel.** Whenever possible, accommodation cost should not exceed the cost of a standard room, double occupancy.
15. **Hotel upgrade requests.** Hotel upgrade requests shall be at the personal expense of a Member of Council unless there are ergonomic necessities attributable to physical requirements including wheel chair accessibility.

The City will reimburse the cost when there is a requirement to upgrade the hotel room or rent a separate meeting room provided that:

- it is to conduct City business that cannot wait until the Member of Council returns to the City;
- the meeting space will be made available to other attendees at conference events; and
- a rationale for the upgrade is provided with the hotel receipt.

Members of Council should book reputable accommodation close to the business or conference location at the lowest rate available to the City.

16. **Private Accommodations.** An allowance of \$50 per night may be claimed for private accommodations. This rate has been established to encourage this option which may prove to be more versatile and cost effective. (Appendix 1).
17. **Registration Fees.** Conferences, training and course registration fees may be claimed.
18. **Telephone Calls, Miscellaneous Business Services and Supplies.** Provided that the expense is not able to be avoided until the Member of Council has returned to the City, the following expenses can be claimed:
 - Business telephone calls provided the party called has been identified.
 - Office services and supplies required to complete City business (including fax, courier, postage, and photocopier).

Meals and Incidental Expenses

19. **Attendance at Events Five Hours or Less.** No per diem allowance is permitted to be claimed.
20. **Attendance at One Day Events Exceeding Five Hours.** For attendance at events exceeding five hours and not requiring overnight travel, meal expenses claimed will be paid by the City in accordance with the prorated per diem allowance limit (Appendix 1).

The prorated per diem allowance for incidental expenses is not permitted.

21. **Attendance at an Event for More than One Day.** For attendance at an event exceeding one day or for attendance at a one day event requiring overnight travel, expenses claimed will be paid by the City in accordance with the prorated per diem allowance limit (Appendix 1), including incidental expenses.

For international travel, per diem rates will be at the per diem rates in Appendix 1. In the event that these rates are not sufficient for the destination country, Members of Council may submit actual receipts for reimbursement. Actual receipts should be reasonable and appropriate in the circumstance.

22. **Guest Meals.** When guests' meals are included in a business meal expense claim, the guests must be identified and a brief rationale to claim the amount must be included. The same limits and restrictions apply to guests' meal costs, but receipts may be averaged to determine a cost per person.
23. **Meals Included in the Event Registration Fee.** If meals are included in the event registration fees then the cost of those meals should be deducted from the per diem rate (if the Member of Council participates in those meals) in accordance with the prorated per diem rate in Appendix 1.

Special dietary requirements may negate the ability to participate in meals provided at an event. Where dietary requirements cannot be met by the event, the cost of the meal, with a receipt, can be claimed without deducting the amount of the meal included in the event.

24. **Per Diem Allowance.** Expenses covered by the Per Diem Allowance:
- Meals, beverages, gratuities, and taxes
 - Taxi (other than to/from transportation terminals, or conferences and business centres)
 - Parking (other than to/from transportation terminals, or conferences and business centres, or accommodation site)
 - Telephone (other than City business calls)
 - Incidental expenditures for which a receipt would not normally be obtained

Travel Expenses

25. **Cancellation Insurance.** If air travel has been arranged based on a special fare, such as a 'seat sale' fare, the Member of Council may claim the cost of cancellation insurance.
26. **Combining Business Travel with Personal Travel.** Members of Council wishing to combine a business trip with personal travel may do so at their own expense. The Member of Council will be required to pay any additional living and accommodation expenses that are not associated with the business travel.

The City's portion of the air fare shall be the lower of:

- the actual combined fare; or



- the cost of a direct, return flight to/from the business destination based on the lowest excursion or economy fare available on the date of booking.
27. **Medical Insurance and Vaccinations.** For any travel outside of Canada, the Member of Council may claim the cost of additional medical insurance and the cost of vaccinations for business related travel.
28. **Passports.** For any travel outside of North America, the Member of Council may claim the cost of obtaining a passport, provided the passport was not also needed for personal reasons.
29. **Rental Vehicles.** In larger geographical area, where robust public transit, taxis and hotel shuttles are generally available, the rental of the vehicle should not be required unless:
- There is business to conduct beyond the scope of the event being attended; or
 - The destination airport and event location are greater than 25 kilometers apart; or
 - Two or more Members of Council are travelling together and it is more economical than the combined cost of other reasonable ground transportation (public transit, taxi, hotel shuttle). This will include the cost of hotel parking, if applicable.

Compact, economical vehicles must be used unless 3 or more persons are travelling together, in which case a mid-size vehicle is permitted.

Vehicle rental insurance must be purchased for all drivers renting the vehicle. The applicable deductible must be the lowest available. Members of Council are advised to contact their personal vehicle insurance agent for advice if required. The City will reimburse the rental of the vehicle and the insurance premium cost. In the event of an accident where the Member of Council is responsible for the loss or damage to the rental vehicle, the City will reimburse the Member of Council for the applicable deductible, provided the insurer determines fault at less than 50% on the part of the Member of Council.

30. **Request for Travel Advance.** Requests for travel advances must be approved by the Chief Administrative Officer or Chief Financial Officer. All travel advances are personally due from the Member of Council receiving the advance until such time as the advance is supported by a final accounting for the event attended through a properly approved and coded expense claim form. Advances will only be issued as part of a regular cheque run and will be in Canadian dollars.
31. **Spousal or Partner Travel.** Spousal or partner travel will not be paid by the City, unless the Member of Council is sight or physically handicapped and requires

personal assistance to travel on City business. Prior resolution of Council is required. The spouse or travel partner will be entitled to claim for the same expenses as the Member of Council.

The City may prepay a registration fee or some other expense on behalf of a spouse or travel partner, provided the City is reimbursed for this expense within ten days of return from travel. The spouse or travel partner must also reimburse the City for any non-attendance by the spouse or travel partner. If the spouse or travel partner fails to reimburse the City, the Member of Council is responsible to reimburse the City for expense outlined herein.

32. **Taxi, Airporter and Parking.** Fares to and from the airport or transportation terminal may be claimed. Members of Council wishing to drive a personal vehicle to the transportation terminal and park their vehicle for the duration of the trip may claim the cost of mileage and parking.
33. **Transportation.** Members of Council may choose their means of transportation however all costs must be reasonable in relation to the distance travelled and the most economical means of travel. Receipts are required for reimbursement (with the exception of kilometers driven when travel is by automobile).
34. **Travel Alternatives.** Members of Council who elect to travel by a form(s) of transportation other than aircraft or vehicle to their destination point, the expense reimbursement shall not exceed the cost of travel by air or vehicle, whichever is lower, as defined in this policy.
35. **Travel by Air.** Where possible, travel arrangements will be made through the City's designated travel agent by the Executive Assistant to the Mayor and Chief Administrative Officer. The airfare costs will be at the lowest available airfare at the time of booking on a regular scheduled flight at a reasonable and convenient time for travel. Where possible, Members of Council are expected to book their business travel far enough ahead to take advantage of discounted rates. If an excursion fare requires a Member of Council to extend the trip, additional per diem and hotel expenses can be claimed, provided the additional cost is less than the fare savings.
36. **Travel by Own Vehicle.** Members of Council may claim the City of Pitt Meadows per kilometer vehicle reimbursement rate, which is based on the Canada Revenue income tax regulations. Mileage for travel within the City of Pitt Meadows is not eligible for reimbursement. Road and bridge tolls, parking costs and ferry fares may also be claimed.
37. **Travel Cancellation.** A Member of Council who does not attend an event for which they have registered is responsible for all costs associated with the event should insufficient notice be given for cancellation and full refund of any monies paid out on their behalf or on behalf of their spouse or travel partner. Sufficient notice is defined as within one month of the event. If a member of Council

experiences extenuating circumstances such as illness, accident, death in immediate family or other similar circumstances they may apply to the Chief Administrative Officer or Chief Financial Officer for forgiveness of the travel cancellation cost liability. In the event a member of Council wishes to appeal a decision made by the Chief Administrative Officer or Chief Financial Officer, the appeal will be reviewed by the Mayor or Deputy Mayor for the final decision.

38. **Travelling as a Group by Vehicle.** If two or more people travel together in the same vehicle, only the Member of Council who incurs the vehicle operating expenses may claim the vehicle costs or the mileage allowance.
39. **Vehicle Insurance.** All Members of Council who drive a personal vehicle to conduct City business shall ensure that they are properly licensed and that any personal vehicle used for City business is properly registered and insured. The applicable deductible must be the lowest available given the coverage described above.

If the Member of Council is involved in a vehicle accident while travelling in their personal vehicle and conducting City business, the City will reimburse the Member of Council for the applicable deductible, provided the insurer determines fault at less than 50% on the part of the Member of Council.

ICBC policy requires drivers to obtain business use insurance when they drive for City business on a regular basis (in excess of six days per month). If Members of Council use their vehicles in excess of six days per month for City business, this policy rule applies and accordingly, the City will reimburse the difference in insurance premiums between the rate for 'pleasure plus travel to and from work' and 'business use', provided that:

- the Member of Council's personal vehicle does not already have 'business insurance' for purposes unrelated to City business; and
- proof of business insurance from ICBC is provided to the City.

Members of Council are encouraged to consult with their auto agent to ensure they are correctly rated and properly insured.

Community Relations

40. On occasion when it becomes necessary for the Mayor or Member of Council, on behalf of the community, to host other senior elected officials or to recognize dignitaries relating to the advancement of the affairs of the City, such as hosting or entertaining shall be considered part of the overall Community Relations budget. This budget will include civic celebrations, award and recognition events and community forums and the supply of Pitt Meadows based souvenirs, plaques and general presentation materials.

The Community Relations budget is separate and distinct from all other budgets related to this policy and is set by Council annually through the business and budget planning process.

Reporting

41. **Annually.** In compliance with Section 98 of the Community Charter, by June 30 of each year, the Finance Department must prepare a report separately listing the following:
- The total amount of remuneration paid to each Member of Council for the discharge of duties; and
 - The total amount of expense claims payments made to each Member of Council as reimbursement for expenses incurred by the Council Member.

The report is available to the public for inspection at the Municipal Hall during regular office hours until June 30th of the following year and on the City web-site.

42. **Monthly.** The Finance Department will produce a report listing expenses incurred by each Member of Council related to Conventions and Municipal Business activities for their review and subsequent posting on the City's web-site.

Appendix 1

Private Accommodation Per Diem Allowance (receipts not required)

| Within Canada | Within USA | Other Countries |
|---------------|----------------|-----------------|
| \$50.00 CA | \$50.00 US (*) | \$50.00 US (*) |

Full Day Per Diem Allowance for Overnight Travel (receipts not required)

| Within Canada | Within USA | Other Countries |
|---------------|----------------|-----------------|
| \$81.00 CA | \$81.00 US (*) | \$81.00 US (*) |

Partial Day Per Diem Allowance (receipts not required). Proration to be determined using the following breakdown:

| Item | Rate |
|-------------|----------------|
| Breakfast | \$17.00 |
| Lunch | 22.00 |
| Dinner | 29.00 |
| Incidentals | 13.00 |
| Total | <u>\$81.00</u> |

(*) – All funds are converted to and paid in Canadian dollars at a rate determined by the Finance Department.

Council Expenses

Effective Date: July 7, 2015

1. Policy Statement

The participation by Members of Council at conferences, seminars and meetings dealing with municipal issues is beneficial to the City since they provide information to improve Members of Council's expertise; provide an opportunity to make valuable contacts with Councils from other organizations; and provide a venue to conduct municipal business. Therefore, attendance is encouraged to ensure the City maintains or acquires skills and knowledge in emerging issues and trends in the marketplace.

As well, the Council Expense Policy provides guidance to Members of Council on expenditures that support them in fulfilling their statutory duties as an elected official, and assists in the administration and accountability of Council expenses by providing clear and understandable definitions and procedures.

2. Purpose

The policy is intended to:

- provide Members of Council with the flexibility to allocate resources in the most efficient way to meet their own particular requirements;
- clarify the processes that Members of Council and staff use to administer Councils budgets by providing clear and understandable definitions and procedures; and
- recognize Member of Council's accountability for managing City resources allocated to them.

The expenses charged to the Council budget are intended to provide Members of Council with the resources to:

- administer the Mayor's office;
- conduct meetings and communicate with constituents and other stakeholders;
- support and promote activities or community groups in the community at large;
- represent the City at functions, events or conferences; and
- provide education and training opportunities to successfully perform their civic responsibilities.

3. Authority

Administration of this policy is delegated to the Chief Administrative Officer and/or the Chief Financial Officer.

4. Scope & Principles

The policy applies to Members of Council. The following principles guided its development:

Cost Benefit Analysis

The following criteria should be used to evaluate participation in training and networking opportunities:

- Does the work done by the body support Council's Strategic Plan?
- Does the body make decisions that could impact Pitt Meadows?
- Does the organization provide financial or other support to Pitt Meadows?
- Does participation help Council Members fulfill their responsibilities?
- Does participation provide valuable networking opportunities?

Autonomy of Council

City Council, as a decision making body, is separate and distinct from City administration; and is a principle of municipal governance in the Community Charter.

Integrity of Council

The integrity of Council as a whole and each Member of Council must be protected, and the interest of Council as a whole takes precedence over the personal interests of individual Members of Council.

Accountability

Members of Council are accountable for compliance with this policy. They are the stewards of City resources and are ultimately accountable to the public for the type and level of expenses they incur.

Since Members of Council use public funds when they perform their duties, the public expects public funds to be used solely for the fulfillment of their public duties.

Expenses incurred by Members of Council should be reasonable and reflect what the public expects of an elected official.

It is expected that Members of Council keep business expenses and personal expenses separate.

Transparency

The public has a right to know how public funds allocated to Members of Council are spent; and Council expense information must be balanced against the need to protect privacy and personal information, and allow time for proper accounting and reconciliation of expenses.

Flexibility and Limits

It is recognized that Members of Council need flexibility to perform their roles and pursue public interests, that they engage different stakeholders differently, while all accounting, audit and Income Tax Act principles and rules must be followed.

5. Policy

Definitions

Conventions: Refers to learning and networking opportunities available to Members of Council from their attendance at formal assemblies of elected officials, delegates and management from other organizations, for discussion of and for action on particular matters of common concern.

External Committee Work: Refers to training and networking opportunities that arise out of Council approved external committee work such as: appointment to Metro Vancouver, FCM or UBCM boards and committees or committee liaison work.

Self-Directed Training: Refers to training, workshops and conferences that individual Members of Council may wish to participate in, that are not included in conferences and external committee work. Its purpose is to allow Members of Council the opportunity to develop skills and knowledge relating to their role as an elected official of the governing body of Pitt Meadows.

Municipal Business: Refers to Members of Council attendance and related expenses at all activities described herein including: external committee work and self-directed training and specifically excludes expenses related to attendance at conventions.

Members of Council: Refers to the Mayor or a Councillor.

Conventions - Preauthorized Approvals

In accordance with the approval limits established by Section 5 (Page 10) of this policy, authorizations to attend the annual events of the following organizations and any expenses described herein shall be paid by the City either directly to or on behalf of the attendee:

- The Canadian Federation of Municipalities (FCM) Convention
- The Union of British Columbia Municipalities (UBCM) Convention
- The Lower Mainland Local Government Association (LMLGA) Convention

Each Member of Council is entitled to substitute other conferences for preauthorized conferences provided the expenditures incurred are within the approval limits established by this policy.

Municipal Business (Excluding Conventions) - Payment Limits

The Mayor, in addition to the conventions mentioned above, is authorized to incur expenses up to a maximum of \$1,000 per year while representing the City, or engaging in municipal business, with no provision for carry-over to the next year of any unused funds.

Representing the City for municipal business includes: any expense related to attending meetings, events, banquets, a political speech/address or other business related event where the purchase of a ticket, meal or travel is required and where such expense is considered to have a direct relationship to municipal concerns or interests. Any expenses incurred within the expense types and payment limit, described above, shall be paid or reimbursed by the City.

Each Councillor, in addition to the conventions mentioned above, is authorized to incur expenses up to a maximum of \$700 per year while representing the City, or engaging in municipal business, with no provision for carry-over to the next year of any unused funds.

Representing the City for municipal business includes: any expense related to attending meetings, events, banquets, a political speech/address or other business related event where the purchase of a ticket, meal or travel is required and where such expense is considered to have a direct relationship to municipal concerns or interests. Any expenses incurred within the expense types and payment limit, described above, shall be paid or reimbursed by the City.

In addition to the limitations of expenses for conventions and municipal business that have been established by this policy, Members of Council can attend other relevant conferences, educational courses, conventions and events, providing that prior approval have been received by resolution of Council. The additional expenditures will be based on the availability of funds at the time, and capped at \$10,000 on a pooled basis.

Community Relations

On occasion when it becomes necessary for the Mayor or Member of Council, on behalf of the community, to host other senior elected officials or to recognize dignitaries relating to the advancement of the affairs of the City, such as hosting or entertaining shall be considered part of the overall Community Relations budget. This budget will include civic celebrations, award and recognition events and community forums and the supply of Pitt Meadows based souvenirs, plaques and general presentation materials.

The Community Relations budget is separate and distinct from all other budgets related to this policy and is set by Council annually through the business and budget planning process.

Expense Claim Procedures

Approval of Expense Claims. Expense claims must be:

- submitted on the appropriate expense claim form with original receipts and a copy of any necessary written approvals or cost estimates;
- signed and dated by the Member of Council and submitted for approval within fifteen working days of travel;
- signed and dated by the Mayor or Deputy Mayor of the expense claim within five working days following the expense claim submission date;

Responsibility for Accurate Expense Claims. Each Member of Council must ensure their expense claims are compliant with this policy.

The Administrative Assistant to Mayor and the Chief Administration Officer will prepare the expense claim on behalf of a Member of Council and will ensure:

- the claim is signed and dated by the Member of Council;
- any necessary approvals and estimates are attached;
- original receipts are attached;
- receipts agree with the amounts claimed;

- the claim reflects any advances/prepayments; and
- the expense is coded correctly.

The Mayor or Deputy Mayor will approve the expense claim.

Finance Department Processing of Expense Claims. The Finance Department will ensure that the claim has been signed and dated by an authorized approver (Mayor or Deputy Mayor) and that advances / prepayments have been cleared correctly, and will provide reimbursement within fifteen working days of receiving fully completed documentation.

Depending on the nature and amount of the claim, the Finance Department may at their discretion perform cursory reviews of a claim, and if discrepancies are discovered, the approver will be contacted. Members of Council will be required to reimburse the City for any expenses incorrectly claimed.

Detailed audits of some claims will also be performed on a periodic basis.

Original Receipts Required. Original receipts are required for reimbursement of expenses. For unusual occasions when an original receipt is not available, an alternative expenditure verification that is satisfactory to the Finance Department must be provided.

Request for Travel Advance. Requests for travel advances must be approved by the Chief Financial Officer.

All travel advances are personally due from the Member of Council receiving the advance until such time as the advance is supported by a final accounting for the event attended through a properly approved and coded expense claim form.

Advances will only be issued as part of a regular cheque run and will be in Canadian dollars.

Transportation

Members of Council may choose their means of transportation. All costs must be reasonable in relation to the distance travelled and the most economical means of travel. Receipts are required for all travel reimbursement (with the exception of kilometers driven when travel is by automobile).

The consumption of alcohol or non-prescribed mood-altering substances is prohibited while operating any vehicle under this policy. In the event of an accident, any loss of insurance coverage and other related expenses is at the expense of the Member of Council.

Travel by Own Vehicle. For the use of a personal vehicle for travel to and from meetings and events related to City business, Members of Council may claim the City of Pitt Meadows per-kilometer vehicle reimbursement rate, which is based on the Canada Revenue income tax regulations.

Road and bridge tolls, parking costs and ferry fares may also be claimed.

Travelling as a Group by Vehicle. If two or more people travel together in the same vehicle, only the Member of Council who incurs the expenses of operating the vehicle may claim the vehicle costs or the mileage allowance.

Travel by Air. Where at all possible, travel arrangements will be made through the City's designated travel agent by the Administrative Assistant to Mayor and the Chief Administration Officer.

The cost of airfare for a direct return flight will be at the lowest available airfare at the time of booking on a regular scheduled flight at a reasonable and convenient time for travel.

Whenever possible, Members of Council are expected to book their business travel far enough ahead to take advantage of discounted rates.

If an excursion fare requires a Member of Council to extend the trip, additional per diem and hotel expenses can be claimed, provided the additional cost is less than the fare savings.

Benefits from any promotional offer must be passed on to the City, whenever possible.

Air Porter, Taxi and Parking. Air Porter or taxi fares to and from the airport / transportation terminal may be claimed.

Members of Council wishing to drive a personal vehicle to the transportation terminal and park their vehicle for the duration of the trip may claim the cost of mileage and parking.

Rental Vehicles. In larger geographical areas, where robust public transit, taxis and hotel shuttles are generally available, the rental of the vehicle should not be required unless:

- there is business to conduct beyond the scope of the event being attended; or
- the destination airport and the location of the event are greater than 25 kilometers apart; or
- two or more Members of Council are travelling together and it is more economical than the combined cost of other reasonable ground transportation (public transit, taxi, hotel shuttle).
This will include the cost of hotel parking, if applicable.

Class of Vehicle. Compact, economical vehicles must be used unless 3 or more persons are travelling together, in which case a mid-size vehicle is permitted.

Vehicle Rental Insurance. The City does not maintain vehicle rental insurance. For the protection of the Member of Council and the City, Members of Council must ensure that adequate insurance (collision, comprehensive and third party liability insurance) is in place for all drivers either by renting the vehicle using a credit card with an insurance option, or by purchasing a policy from the rental agency. The applicable deductible must be the lowest available given the coverage described above. If required, Members of Council are advised to contact their personal vehicle insurance agent for advice.

The City will reimburse the Member of Council for the rental of the vehicle and the insurance premium cost. In the event of an accident where the Member of Council is responsible for the loss or damage to the rental vehicle, the City will also reimburse the Member of Council for the

applicable deductible, provided the insurer determines fault at less than 50% on the part of the Member of Council.

Vehicle Insurance. All Members of Council who drive a personal vehicle to conduct City business shall ensure that they are properly licensed and that any personal vehicle used for City business is properly registered and insured. The applicable deductible must be the lowest available given the coverage described above.

If the Member of Council is involved in a vehicle accident while travelling in their personal vehicle and conducting City business, the City will reimburse the Member of Council for the applicable deductible, provided the insurer determines fault at less than 50% on the part of the Member of Council.

ICBC policy requires drivers to obtain business use insurance when they drive for City business on a regular basis (in excess of six days per month). If Members of Council use their vehicles in excess of six days per month for City business, this policy rule applies and accordingly, the City will reimburse the difference in insurance premiums between the rate for 'pleasure plus travel to and from work' and 'business use', provided that:

- the Member of Council's personal vehicle does not already have 'business insurance' for purposes unrelated to City business; and
- proof of business insurance from ICBC is provided to the City.

Members of Council are encouraged to consult with their auto agent to ensure they are correctly rated and properly insured.

Cancellation Insurance. If air travel has been arranged based on a special fare, such as a "seat sale" fare, the Member of Council may claim the cost of cancellation insurance.

Medical Insurance and Vaccinations. For any travel outside of Canada, the Member of Council may claim the cost of additional medical insurance and the cost of vaccinations for business related travel.

Passports. For any travel outside of North America, the Member of Council may claim the cost of obtaining a passport, provided the passport was not also needed for personal reasons.

Combining Business Travel with Personal Travel. Members of Council wishing to combine a business trip with personal travel may do so at their own expense. The Member of Council will be required to pay any additional living and accommodation expenses that are not associated with the business travel.

The City's portion of the air fare shall be the lower of:

- the actual combined fare; or
- the cost of a direct, return flight to/from the business destination based on the lowest excursion or economy fare available on the date of booking.

Spousal or Partner Travel. Spousal or partner travel will not be paid by the City, unless the Member of Council is sight or physically handicapped and requires personal assistance to travel on

City business. Prior resolution of Council is required. The spouse or travel partner will be entitled to claim for the same expenses as the Member of Council.

The City may prepay a registration fee or some other expense on behalf of a spouse or travel partner, provided the City is reimbursed for this expense within ten days of return from travel. The spouse or travel partner must also reimburse the City for any non-attendance by the spouse or travel partner. If the spouse or travel partner fails to reimburse the City, the Member of Council is responsible to reimburse the City for expense outlined herein.

Alternative Travel. Members of Council who elect to travel by a form(s) of transportation other than aircraft or vehicle to their destination point, the expense reimbursement shall not exceed the cost of travel by air or vehicle, whichever is lower, as defined in this policy.

Travel Cancellation. A Member of Council who does not attend an event for which they have registered is responsible for all costs associated with the event should insufficient notice be given for cancellation and full refund of any monies paid out on their behalf or on behalf of their spouse or travel partner. Sufficient notice is defined as within one month of the event. If a member of Council experiences extenuating circumstances such as illness, accident, death in immediate family or other similar circumstances they may apply to the CAO for forgiveness of the travel cancellation cost liability. In the event a member of Council wishes to appeal a decision made by the CAO, the appeal will be reviewed by the Mayor or Deputy Mayor for the final decision.

Accommodation & Other Reimbursable Expenses

Hotel. Whenever possible, accommodation cost should not exceed the cost of a standard room, double occupancy.

Hotel upgrade requests. Hotel upgrade requests shall be at the personal expense of a Member of Council unless there are ergonomic necessities attributable to physical requirements including wheel chair accessibility.

The City will reimburse the cost when there is a requirement to upgrade the hotel room or rent a separate meeting room provided that:

- it is to conduct City business that cannot wait until the Member of Council returns to the City;
- the meeting space will be made available to other attendees at conference events; and
- a rationale for the upgrade is provided with the hotel receipt.

Members of Council should book reputable accommodation close to the business or conference location at the lowest rate available to the City.

Private Accommodations. An allowance of \$50 per night may be claimed for private accommodations. This rate has been established to encourage this option which may prove to be more versatile and cost effective. (Appendix I)

Telephone Calls, Miscellaneous Business Services and Supplies. Provided that the expense is not able to be avoided until the Member of Council has returned to the City, the following expenses can be claimed:

- Business telephone calls provided the party called has been identified.
- Office services and supplies required to complete City business (including fax, courier, postage, and photocopier).

Cleaning Expenses. Costs incurred for cleaning clothing during extended trips exceeding one week in duration may be claimed.

Registration Fees. Conferences, training and course registration fees may be claimed.

Meals and Incidental Expenses

Attendance at Events Five Hours or Less. No per diem allowance is permitted to be claimed.

Attendance at One Day Events Exceeding Five Hours. For attendance at events exceeding five hours and not requiring overnight travel, meal expenses claimed will be paid by the City in accordance with the prorated per diem allowance limit (Appendix 2).

The prorated per diem allowance for incidental expenses is not permitted.

Per Diem Allowance for Attendance at an Event for More than One Day. For attendance at an event exceeding one day or for attendance at a one day event requiring overnight travel, expenses claimed will be paid by the City in accordance with the prorated per diem allowance limit (Appendix 2), including incidental expenses.

For international travel, per diem rates will be at the per diem rates in Appendix 2. In the event that these rates are not sufficient for the destination country, Members of Council may submit actual receipts for reimbursement. Actual receipts should be reasonable and appropriate in the circumstance.

Meals Included in the Event Registration Fee. If meals are included in the event registration fees then the cost of those meals should be deducted from the per diem rate (if the Member of Council participates in those meals) in accordance with the prorated per diem rate in Appendix 2.

Special dietary requirements may negate the ability to participate in meals provided at an event. Where dietary requirements cannot be met by the event, the cost of the meal, with a receipt, can be claimed without deducting the amount of the meal included in the event.

Guest Meals. When guests' meals are included in a business meal expense claim, the guests must be identified and a brief rationale to claim the amount must be included. The same limits and restrictions apply to guests' meal costs, but receipts may be averaged to determine a cost per person.

Expenses Covered by the Per Diem Allowance

- Meals, beverages, gratuities, and taxes
- Taxi (other than to/from transportation terminals, or conferences and business centres)
- Parking (other than to/from transportation terminals, or conferences and business centres, or accommodation site)
- Telephone (other than City business calls)

- Incidental expenditures for which a receipt would not normally be obtained

Ineligible Expenses

- Purchase of goods or services from a family member or related party
- Expenses reimbursed by another organization (e.g. Metro Vancouver board or committee meetings)
- Alcohol
- Expenses incurred by third parties
- Contributions to individuals, businesses, or City funded services
- Overnight accommodation and transportation costs within Pitt Meadows
- Traffic fines or parking tickets
- Vehicle repair and towing costs
- Child care, house-minding, or security costs
- Lost wages, income, or opportunity costs
- Spousal or partner travel costs
- Any expense claim which the Chief Financial Officer determines to be in excess of expense policy limits or standards, to be lacking adequate documentation, or to be beyond the scope, spirit, or intent of this policy

Pre-Authorized Limits

Members of Council are pre-authorized to expend for the following expense types up to the maximum amounts, per Member, established in this table. Exceeding these amounts require the resolution of Council.

| Expense Type | Expense Limits (Up To) |
|---------------------------------|-----------------------------------|
| Convention - FCM | \$3,500 |
| Convention - UBCM | \$2,000 |
| Convention - LMLGA | \$1,000 |
| Municipal Business - Mayor | \$1,000* |
| Municipal Business - Councillor | \$700* |

Each Council Member may attend two FCM conferences over the four year election cycle. A resolution of Council is required if more wish to attend.

All Members of Council are permitted to attend the UBCM and LMLGA annual conferences.

* Excludes expenses incurred in serving on the Fraser Valley Regional Library Board.

Reporting

Annually. In compliance with Section 98 of the Community Charter, by June 30 of each year, the Finance Department must prepare a report separately listing the following:

- The total amount of remuneration paid to each Member of Council for the discharge of duties; and
- The total amount of expense claims payments made to each Member of Council as reimbursement for expenses incurred by the Council Member.

The report is available to the public for inspection at the Municipal Hall during regular office hours until June 30th of the following year and on the City web-site.

Monthly. The Finance Department will produce a report listing expenses incurred by each Member of Council related to Conventions and Municipal Business activities for their review and subsequent posting on the City's web-site.

6. Appendices

Appendix 1

Private Accommodation Per Diem Allowance (receipts not required)

| Within Canada | Within USA | Other Countries |
|---------------|----------------|-----------------|
| | | |
| \$50.00 Cdn | \$50.00 US (*) | \$50.00 US (*) |

Appendix 2

Prorated Per Diem Allowance

| Item | Rate |
|-------------|---------|
| | |
| Breakfast | \$15.00 |
| Lunch | 20.00 |
| Dinner | 30.00 |
| Incidentals | 15.00 |
| | |
| Total | \$80.00 |

(*) – All funds are converted to and paid in Canadian dollars at a rate determined by the Finance Department.