

**Policy Number F09-0500-23****Mileage Allowance Policy**

Department:	All Council and Staff	Policy Number:	F09-0500-23
Section:	Employee/Council Expenses	Effective Date:	September 2023
Subject:	Mileage Allowance Policy	Revised Date:	
Authority:	Canada Revenue Agency – Automobile and Motor Vehicle Allowance, By-Law 2023-082		

Purpose:

The purpose of this policy is to provide a consistent and fair approach to reimbursing The Municipality of Brockton Council and employees for mileage expenses, parking transit and highway toll charges incurred as part of their employment. Brockton acknowledges that Council and employees should be compensated for the expenses associated with the use of personal vehicles for municipal business. Further, the Municipality recognizes that setting standards for drivers' licences, qualifications and automobile insurance are important to protect employees and to minimize risk and liability to the Municipality.

Scope:

This policy applies to all Municipality of Brockton Council, employees, and volunteer firefighters who are engaged in work-related activities outside of their normal work location. This allowance is for use of their own vehicle in connection with or in the course of their employment. The allowance is a taxable benefit unless it is based on a reasonable per-kilometer rate as per the rate set by the Canada Revenue Agency (CRA).

Procedures:

1. Councillors, employees, or volunteer firefighters who are required to use their personal vehicle for authorized municipal business outside of the Municipality shall be reimbursed at the rates established by the Federal Department of Finance (CRA) for tax exempt amounts.
2. The allowance amounts reflect the key cost components of owning and operating an automobile such as, but not limited to, depreciation, financing, insurance, maintenance and fuel costs.
3. The claim must include the origin, destination, and the purpose of the trip. For purposes of calculating mileage, the claim for mileage is from the normal work location to the visiting site location, not including any travel between home and the employee's normal work location.
4. Driving beyond the borders of Ontario is to be pre-approved in writing by the employee's supervisor prior to travel.
5. Mileage reimbursement must be authorized by a Department Head or Supervisor and shall be claimed using the Municipality's Employee Expense Report Form.
6. All expenses incurred, including tabulations, shall be checked by the CFO (Chief Financial Officer) against all motions and policies of council and should there be any discrepancies, the expense report form shall be returned to the employee who shall correct such discrepancies. In lieu of not being able to provide correct back up the employee shall remove the unsubstantiated expense from the report. Expenses shall not be paid until:

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- 6.1. The travel expense form complies with the motions/policies of Council;
 - 6.2. The CFO or CAO authorizes the expenses.
7. Mileage claims are processed through Accounts Payable and shall be paid to the employee by direct deposit.
 8. Contract employees are governed by the terms and conditions as set out in their offer of employment or contract agreement.
 9. Pre-authorized toll charges (e.g. Highway 407) incurred while on authorized Municipal business will be reimbursed; transponder fees do not qualify for reimbursement. All such charges shall be supported with documentation appended to the Employee Expense Report Form.
 10. Employees will be reimbursed for all reasonable parking expenses incurred in the performance of their duties. Expenses must be supported by paid receipts appended to the Employee Expense Report Form.
 11. Employees will be reimbursed for all authorized transit fares as a result of travel for authorized municipal business.
 12. Vehicle rentals for authorized municipal business must be pre-approved by the employee's Supervisor or Department Head and must represent the more economical option compared to mileage reimbursement or other travel methods. Reimbursable costs may include the base rental fee, fuel charges, and required insurance coverage, provided receipts are submitted with the Employee Expense Report Form. Luxury or upgrade fees will not be reimbursed unless pre-approved.

Travel

13. AUTHORIZED TRAVEL

- 13.1. Councillors are entitled to receive reimbursement for expenses while attending the following:
 - I. Annual conferences of municipal associations of which the governing body is a member;
 - II. Board or executive committee meetings, committee meetings, associated meetings with federal or provincial ministries, workshops and seminars, provided the official is a director, committee member or task force member within the sponsoring organization;
 - III. Annual conferences or board meetings of any organization on which an official sits as a director/committee member representing the governing body and where the governing body is entitled to voting delegate status because of its membership;
 - IV. Out-of-town business as a representative of the Municipality or of a local board or commission, provided that prior approval has been received from the governing body; and,
- 13.2. Staff are entitled to receive reimbursement for expenses while attending the following:
 - I. Annual conferences of municipal associations of which the governing body is a member.
 - II. Board or executive committee meetings, committee meetings, associated meetings with federal or provincial ministries, workshops and seminars, provided the staff member is a director, committee member or task force member within the sponsoring organization;
 - III. Annual conferences or board meetings of any organization on which a staff member sits as a

director/committee member representing the governing body or is part of a professional association or membership;

- IV. Out-of-town business as a representative of the Municipality or of a local board or commission provided that prior approval has been obtained;
- V. Out-of-town business to meet with peers to discuss best practices; and,
- VI. Out-of-town training courses provided that such training is of benefit to the staff member's position or necessary to retain licensing/designations and that prior Supervisor approval has been obtained.

In-Town Travel

- 14. The Municipality shall reimburse employees, as set out in detail below, for necessary and reasonable travel expenses incurred while conducting business on behalf of the Municipality for in-town travel greater than 5km from their regular place of work.
- 15. The Municipality shall not reimburse employees for travelling to and from the employee's place of residence to their regular place of work.
- 16. Reimbursements shall be made only when requests are submitted in accordance with this Policy.
- 17. Approved mileage shall be paid at the CRA rate. This rate shall increase or decrease as the rate is changed by the CRA.
- 18. It shall be the sole responsibility of each employee to ensure that appropriate and adequate insurance is in place for their use of a personal vehicle on Municipal business for in-town travel, if applicable. Employees should consult with their insurance broker to ensure that their automobile coverage is suitable for business use of their vehicle. A minimum of \$2 million liability insurance is recommended by the Municipality for the protection of the employee in the event that a personal vehicle is used on municipal business. The Municipality shall not be liable in the event that an employee's insurance is not adequate in any event.
- 19. A Municipal vehicle will be used for in-town travel where available
- 20. Group travel between employees and/or neighbouring Municipal colleges should be a priority where appropriate to do so

Employee Automobile Insurance:

All employees using a personal vehicle for municipal business purposes are required to have \$2,000,000 liability coverage for bodily injury or death. The employer may require proof of automobile insurance coverage.

Drivers' Licence:

An employee who is required to drive a Municipal vehicle must possess a valid drivers' licence in good standing, free of driving offences under the *Criminal Code of Canada*, R.S.C. 1985, c. C-46, as amended, for a period of five (5) years, unless other requirements appear in the particular job description, and additional qualifications such as a DZ licence, as applicable. Proof of the qualifications such as a Drivers Abstract should be presented at time of hire. Employees who are required to drive a Municipal vehicle or use a private vehicle for Municipal business are subject to an annual drivers' licence check applying Ministry of Transportation of Ontario information.

Vehicle Accident Report:

Municipal employees using a municipal vehicle or private vehicle must complete a detailed report of a vehicle involved in any accident occurring while using the vehicle for municipal business purposes within twenty-four (24) hours of the incident to be submitted to their supervisor who shall forward the report to the CAO and

Health and Safety Coordinator. In cases where there is personal injury or damage that exceeds the amount stipulated under the *Highway Traffic Act*, R.S.O 1990, c. H.8 as amended, as a reportable accident, the Police must be notified within twenty-four (24) hours.

Traffic Violations:

The cost of fines resulting from traffic violations, parking offences, etc. will not be borne by the Municipality, whether operating a municipal vehicle or the employee's private vehicle. They are the responsibility of the vehicle operator at the time of the offence.

Responsibilities:

Employees are responsible to:

- Know and comply with this policy.
- Keep accurate records of mileage when using their vehicle on municipal business. Complete the Employee Expense Report Form for review and approval by their Department Head or designate.
- Submit requests for mileage reimbursement on a regular and timely basis.
- Maintain a valid driver's licence and automobile personal liability insurance when using their private vehicle for municipal business purposes. Employees should inform their insurance carrier if they use their private vehicle for municipal business purposes. The cost of additional coverage, if any, is the responsibility of the employee.
- Inform their Department Head of any change in the status of their drivers' licence if required to drive a municipal vehicle in the course of their duties.
- Complete detailed reports of any accident, as applicable.

Department Heads are responsible to:

- Monitor submissions of mileage claims for accuracy and consistency.
- Consult with the CFO if unable to resolve a concern regarding a mileage claim.
- Approve mileage claims and forward to Accounts Payable for processing.
- Consult with Human Resources to review options in all situations of loss/suspension of a drivers' licence when the employee is required to drive a Municipal vehicle.

Human Resources are responsible to:

- Support the implementation of the mileage policy.
- Support Department Heads in the resolution of issues concerning the application of this policy.
- Ensure that drivers' abstracts are obtained and drivers' licences/qualifications are verified as part of the recruitment process, as appropriate.
- Conduct annual checks through the Ministry of Transportation for all employees required to drive a municipal vehicle.
- Work with Department Heads to deal with situations where loss/suspension of a drivers' licence impacts on the employee's ability to carry out the duties of their position