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| TO: | CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON OCTOBER 6, 2015 |
| FROM: | CATHARINE SAUNDERS CITY CLERK |
| SUBJECT | AMENDMENT TO COUNCIL POLICY 28(2) COUNCIL MEMBERS' EXPENSE ACCOUNT |

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| RECOMMENDATION |
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That, on the recommendation of the City Clerk, the attached proposed by-law (Appendix "A") BE INTRODUCED at the Municipal Council meeting on October 13, 2015 to repeal Council Policy 28(2), "Council Members' Expense Account" and replace it with a revised Council Policy 28(2), in order to incorporate the following amendments to the policy:

- a) revised provisions for in-town vehicle expense claims, including either a monthly transportation allowance in the amount of \$150.00 or a per kilometre rate, using the existing City of London "Corporate Car Allowance Statement" claim form;
- b) the inclusion of a prescribed form for the submission of a request to the Corporate Services Committee, for the approval of an expense on an exception basis; and,
- c) the addition of a requirement for expense claims to be submitted within forty-five days of the date of the expense, in order to be considered for reimbursement.

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| PREVIOUS REPORTS PERTINENT TO THIS MATTER |
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August 25, 2015 – Amendment to Council Policy 28(2) Council Members' Expense Account

October 7, 2014 – Amendment to Council Policy 28(2) Council Members' Expense Account and 28(3) Mayor's Expenses Policy

June 17, 2014 – Amendment to Council Policy 28(2) Posting Council Members' Expenses

March 25, 2014 - Amendment to Council Policy 28(2) Council Members' Expense Account

February 6, 2012 – Changes to Council Policies 28(1) and 28(2) – Travel and Convention and Council Members' Expense Account

September 14, 2011 – Council Members' Use of Personal Vehicle for Local City Business (Finance and Administration Committee)

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| BACKGROUND |
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At the September 1, 2015 meeting of the Municipal Council, direction was given related to revisions to Council Policy 28(2), Council Members' Expense Account. These revisions are reflected in Schedule A to the above-noted attached Appendix A. In addition, the attached Appendix B is a "red-line" version of the Policy, which clearly indicates the changes directed by the Municipal Council.

In-Town Vehicle Use Expenses

The Municipal Council has directed that in-town travel be reimbursed either by way of a monthly transportation allowance, or by a mileage claim submission on the prescribed City of London form. This revision will be effective November 1, 2015, in accordance with the enactment date of the proposed by-law. Members will need to provide their reimbursement method for the remaining two months of 2015. Prior to January 1, 2016, they will be asked to provide their reimbursement method for the entire 2016 year.

A monthly transportation allowance of \$150.00 (\$1,800.00 per annum) is proposed which would be accommodated within the annual expense allocation of each Council Member. This is based on averaged historic claims for gas/mileage, parking and vehicle maintenance. Finance staff have estimated additional annual costs for the proposed transportation allowance in the amount of approximately \$2,700.00, which can be accommodated in the existing office fringe benefit budget allocation. These potential additional costs are related to the payment of benefit costs (OMERS, CPP and EHT) applied to the taxable portion of the allowance. This estimate assumes 100% participation in the transportation allowance option annually. A form, attached as Appendix C, will be provided to Council Members annually in order to identify their reimbursement preference.

Exception Requests

As directed at the August 25, 2015 Municipal Council meeting, an exemption request form has been incorporated into Policy 28(2). This form is intended to provide adequate background information to the Corporate Services Committee in order to expedite its decision making on exemption requests. This form is attached as Appendix D, for reference.

Expense Submission Deadlines

A new clause has been added to Policy 28(2) outlining submission requirements for expense claims, within a specified time period of the actual expenditure. Claims made under Council Policy 28(2) must be within forty-five days of the transaction, which is in keeping with the time requirement contained within Policy 28(1) Travel and Business Expense.

Additional Matters

The request for information related to innovative funding mechanisms for the funding of various community events, including the potential reallocation of funds from Councillors' Expense Accounts, as directed at the Municipal Council meeting held on September 15, 2015, will be provided under a separate report.

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| PREPARED BY: | RECOMMENDED BY: |
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| BARB WESTLAKE-POWER MANAGER, LEGISLATIVE SERVICES | CATHARINE SAUNDERS CITY CLERK |