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**REPORT TO THE ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 4, 2009**

SUBJECT: Electoral Area Director Mileage Expense Reimbursement Policy

PURPOSE/ISSUE:

The members of the Electoral Area Services Committee requested a review of the current mileage expense reimbursement policy, as a result of concerns that the current policy may not adequately compensate directors for expenses incurred in the conduct of CRD business.

HISTORY/BACKGROUND:

The policy was amended in March 2008 to incorporate the following change "That Electoral Area Directors be reimbursed for travel expenses for trips of greater than 10 kilometres from their residences provided that the destination of the travel is a place where Electoral Area business is conducted." The term Electoral Area business is not specifically defined. The 10 kilometre limit acknowledges that mileage from home to the regular place of work becomes a taxable benefit, if reimbursed.

The mileage rate policies of other regional districts were reviewed. Most use a single rate for all mileage claims with several, including Islands Trust, adopting the provincial rate, currently 50 cents per km. A staggered rate is used by the CRD of 50 cents per km up to 3000 km claimed annually and 44 cents per kilometer thereafter. One other regional district uses a staggered rate.

ALTERNATIVES:

1. That the current mileage expense reimbursement policy be amended to eliminate the reduced rate for mileage over 3000 kilometres,.

Implications - Amending the mileage rate policy to eliminate the lower rate over 3000 kilometres will have very little cost to the CRD except for the electoral areas. The increased cost over 3000 kilometres would be charged to the respective electoral area's administration budget.

2. That the current mileage expense reimbursement policy be amended to eliminate the 10 kilometre reduction for trips greater than 10 kilometres from directors' residences.

Implications - Eliminating the 10 km reduction from all trips on electoral area business raises a taxable benefit risk for the CRD and the directors. It is not recommended that this be changed.

3. That the current mileage expense reimbursement policy be maintained.

SUMMARY/CONCLUSIONS:

The current mileage reimbursement policy does have some minor variations from those of other districts. Elimination of the reduced rate for mileage over 3000 kilometres is recommended as it would primarily impact electoral area directors and would be consistent with most other jurisdictions.

RECOMMENDATION:

That the current mileage expense reimbursement policy be amended to eliminate the reduced rate for mileage over 3000 kilometres.

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Concurrence

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COMMENTS: