



Staff Report for Council Meeting

Date of Meeting: February 26, 2020

Report Number: SRCFS.20.010

Department: Corporate and Financial Services

Division: Financial Services

Subject: SRCFS.20.010 – Member of Council Expense Policy

Purpose:

To update the Member of Council Expense Policy.

Recommendation(s):

- a) That the updated Member of Council Expense Policy, as provided in Appendix "B", be approved.

Contact Person:

David Dexter, Director of Financial Services and Treasurer, extension 2484

Report Approval:

Approved by: Mary-Anne Dempster, City Manager (Acting)

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

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Background:

Members of Council expenditures in relation to Constituency Budgets, have been guided by policy since 2012. The policy has provided clear guidelines of eligible and ineligible expenses pertaining to expenditure areas required to administer their offices as Members of Council.

In September 2018 the policy was updated to provide clear guidelines for various forms of Communications to constituents. Appendix “A” includes the 2018 updated Members of Council Expense Policy.

At the December 18, 2019 Council meeting the following direction was provided to staff:

“That the member motion submitted regarding changes to the Travel, Meal and Hospitality Expenses Directive, be referred to the Commissioner of Corporate and Financial Services for review and report back”

Summary of Significant Policy Changes

Appendix “B” provides the proposed updated Members of Council Expense Policy. The significant changes to the policy are as follows:

- 1) **Constituency Budget:** Previously each Councillor had three budget lines for use to serve their constituents (i.e. constituency, communications, and support budgets). To provide flexibility while maintaining the same overall approved budget allocation, these three budgets have been combined into one Constituency budget line.
- 2) **Donations:** Donations in support of Local Community Groups or individuals are deemed ineligible expenses under this Policy. This is made clear under section 4 of the policy.
- 3) **Meal Per Diem:** Under section 16 for Travel, Conferences, Seminars, Business Trips and Training, the existing rates were compared to other municipalities. Richmond Hill’s existing daily meal per diem is \$75 (\$15 Breakfast, \$20 Lunch, \$30 Dinner and \$10 Incidentals). In comparison to the municipalities that shared their policies, rates were either \$70 or \$75. Staff recommend maintaining the existing meal per diem rates.
- 4) **Budget Carryforward:** To provide flexibility to serve constituents, added to the policy was a provision to allow a Member of Council to carryforward a portion of unused budget for specific eligible expenses in which previous commitment to a third-party has been made and verified. These will be reported to Council as part of the annual Year-end Report in which departmental carryforwards are also reported.

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- 5) **Conditions of Reimbursement:** With the change of the City's Enterprise Resource Planning System to RHhub, there is no longer a need to complete Expense Reimbursement forms. The new system provides sufficient fields to provide the necessary expenditure information required for regular reporting. Under the Conditions of Reimbursement and Disclosure section of the policy it makes clear that all expense reimbursements and purchasing card details must be entered into RHhub along with itemized receipts.
- 6) **Roles and Responsibilities:** The policy makes clear the responsibility of each Member of Council to submit eligible expenses, ensure compliance with other City policies, submit all receipts and information, and to not exceed their annual budget. In the updated policy the Treasurer and the Clerk will no longer be approving expenditures. The responsibility for determining the appropriateness of expenses rests with the individual Member of Council. The Member of Council is accountable to the public.

Financial/Staffing/Other Implications:

The proposed update to the Members of Council Expense Policy provides no current financial impact as approved budget allocations are maintained.

Relationship to the Strategic Plan:

Providing an update on the Members of Council Expense Policy reflect the overall use and wise management of resources but also touches on the other goals in the Strategic Plan:

- a) Stronger connections in Richmond Hill to improve access to local information and services; and
- b) Wise management of resources in Richmond Hill to serve as a role model for municipal management.

Conclusion:

The proposed updated Member of council Expense Policy ("Appendix B") reflects changes to guidelines for reimbursement, as well as provides greater clarity to staff roles and eligible expenditure items.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format please call the contact person listed in this document.

- Appendix "A" - 2018 Updated Members of Council Expense Policy
- Appendix "B" – Proposed Updated Policy

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Report Approval Details

Document Title:	SRCFS.20.010 Member of Council Expense Policy.docx
Attachments:	- SRCFS.20.010 Appendix A.pdf - SRCFS.20.010 Appendix B.docx
Final Approval Date:	Feb 18, 2020

This report and all of its attachments were approved and signed as outlined below:

David Dexter - Feb 18, 2020 - 4:15 PM

MaryAnne Dempster - Feb 18, 2020 - 4:48 PM