



Municipality of the District of Argyle

Item: Reimbursement of travel costs - policy

Date: February 11, 2019

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

At the request of Council, we reinvestigated the current costs of flights for FCM conferences with the idea of amending policy to reflect new pricing. Our Municipal Clerk, Ms. Canning produced the following information.

Major City	Airfare from Halifax (Economy / Return)	Time Zone	Current policy
Winnipeg, Manitoba	\$750 (including avg taxes of \$140 return)	Central	\$750
Montreal, Quebec	\$390 (includes avg taxes of \$110 return)	Eastern	\$500
Toronto, Ontario	\$565 (includes avg taxes of \$125 return)	Eastern	\$500
Ottawa, Ontario	\$390 (includes avg taxes of \$100 return)	Eastern	\$500
Quebec City, QB	\$395 (including avg taxes of \$125 return)	Eastern	\$500
London, Ontario	\$615 (including avg taxes of \$145 return)	Eastern	\$500
Calgary, Alberta	\$885 (includes avg taxes of \$165 return)	Mountain	\$750
Edmonton, Alberta	\$840 (includes avg taxes of \$165 return)	Mountain	\$750
Vancouver, BC	\$920 (includes avg taxes of \$160 return)	Pacific	\$1,000
Victoria, BC	\$710 (including avg taxes of \$150 return)	Pacific	\$1,000

Five items require addressing in the policy (from an administrative perspective).

1. The policy falls short financially according to our current research.
2. The reimbursement is unclear on what happens if the flight is less expensive or more expensive than the policy amount.
3. There is no requirement to submit invoices to MODA stated in the policy.
4. The absence of indication of a reimbursement of costs may expose Councilors to a taxable benefit, which should not be considered as such as it is in fact a reimbursement.
5. The HST claim is unclear and should be clearer to ensure HST claim eligibility.
6. There is no mention of taxi or other costs from getting to the airport to the eventual hotel destination.

CAO's recommended course of action:

I would recommend the following adjustments to the set fees as listed in the policy.

Atlantic – no changes

Eastern – increase from \$500 to 650

Central – increase from \$750 to \$850

Mountain – increase from \$750 to \$900

Pacific – increase from \$1,000 to \$1,100

Secondly, I would recommend that the wording be changed, to indicate these are maximum reimbursements, and that the actual reimbursement would be the lower of actual flight costs and the reimbursement amount listed. This wording protects the taxpayer and would ensure that the amount is a partial or full reimbursement of a business-related travel cost. This wording would further clarify that the HST is refundable to MODA, and that the amount is a reimbursement of cost, and thus should not be considered as income in the eyes of Canada Revenue Agency.

I would recommend additional wording allowing for reasonable taxi/uber/shuttle expenses and indicate that travel from the airport to the hotel at the destination is eligible for reimbursement with appropriate proof of expense.

Finally, the wording will be changed so that Council must submit the flight invoice to be reimbursed, like other related expenses.

Suggested motion:

Advise that CAO Muise alter the Reimbursement policy to address the noted staff recommended changes, and that the alterations receive appropriate notice prior to the next Council meeting.