



# Town of Whitby Policy

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<b>Policy Title:</b>	Council Expense Policy
<b>Policy Number:</b>	G 050
<b>Reference:</b>	Municipal Act, Municipal Elections Act, Council Remuneration By-law #6500-11, as amended. Council Resolution #467-16, #526-17, #91-18, #353-19, and #83-23
<b>Date Originated:</b>	October 11, 2016
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<b>Review Date:</b>	Not applicable
<b>Approval:</b>	Council
<b>Point of Contact:</b>	Commissioner of Financial Services/Treasurer

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## Policy Statement

The Council Expense Policy provides Members of Council with guidelines for eligible expenses incurred while fulfilling the Member's duties.

## Purpose

The purpose of this policy is to provide consistent rules and guidelines for Members of Council on expenditures that support Members of Council in fulfilling their duties as elected officials.

## Scope

This policy applies to the Mayor and Members of Council.

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## 1 Definitions

- 1.1 **Election Year** shall mean the calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>) during which a regular municipal election is held in accordance with the Municipal Elections Act.
- 1.2 **Election Period** shall mean the first day prescribed for the filing of nominations in accordance with the Municipal Elections Act and ending when the new Council takes office.
- 1.3 **Eligible Expense** means an expense that the Town will reimburse or pay directly.
- 1.4 **Ineligible Expense** means an expense that is not provided for in this Policy and will not be reimbursed or paid by the Town.
- 1.5 **Members** shall include the Mayor and all Members of Council.

## 2 Responsibilities

- 2.1 Members are to:
  - a) Adhere to this policy;
  - b) Sign-off on all expenses submitted or paid by the Town directly; and,
  - c) Meet all financial, legal, and income tax obligations.
- 2.2 Chief Administrative Officer to:
  - a) Support the implementation of this policy.
- 2.3 Treasurer (or designate) to:
  - a) Approve expenditures in accordance with this policy;
  - b) Advise Members of the status of their budget, and if budget is exceeded, require Members to personally pay the over-expenditure;
  - c) Advise Members if any submitted or proposed expenditures are ineligible or breach this policy; and
  - d) Make sure that supporting documentation is in place, and that expenditures conform to this policy.

## 3 Annual Budget

- 3.1 Each Councillor will have an annual expense limit of \$13,000 and the Mayor will have an annual expense limit of \$17,000.

- 3.2** A corporate budget will be established for one Ward Town Hall meeting per ward per year in the amount of \$300 (or \$75 per Ward Town Hall meeting x 4 meetings hosted by a Ward and Regional Councillor team) for refreshments. Expenditures beyond the \$75 per Ward Town Hall meeting or in addition the Corporate support to be provided by staff will be allocated evenly to each Ward and Regional Councillor's Annual Budget, in accordance with this Policy, following each event. For clarity, for an expenditure of \$85 at a Ward Town Hall meeting, the \$10 in excess of the corporate budget will be allocated \$5 to the Ward Councillor and \$5 to the Regional Councillor hosting the Ward Town Hall meeting.
- 3.3** A corporate budget of \$25,000 will be established for one annual publication, organized by the Mayor's Office, to communicate the Town's achievements, current projects, and the Town of Whitby, overall.
- 3.4** A corporate budget of \$40,000 will be established for Council education and training with approved consultants starting in 2024 and allocated as follows:
- a) \$20,000 will be used for Corporate Training, including municipal conflict of interest and Council Orientation/education sessions, made available to all Members of Council and co-ordinated by the Chief Administrative Officer's or Town Clerk's office; and,
  - b) \$20,000 may be used by individual Members as Supplemental Corporate Education and Training with Approved Consultants up-to the following limits:
    - Member- \$2,000 per year
    - Mayor - \$4,000 per year
- 3.5** Budget amounts noted in this Section shall be indexed annually, based on the Consumer Price Index (Ontario – All Items) in April of the previous year, and rounded to the nearest dollar starting in 2024. For clarity, 2024 budgets indexed based on April 2023 CPI.
- 3.6** Each Member may choose how to allocate their expenses within the limit established, based on their business needs, in accordance with what constitutes an eligible expense as per this policy.
- 3.7** Allocations are not transferrable between calendar years and cannot be accumulated and carried over.
- 3.8** If a Member exceeds their annual expense limit, the over-expenditure is the personal responsibility of the Member.

## **4 Excluded Expenses**

- 4.1** Council remuneration in the form of salary, benefits, and vehicle allowances are excluded from this policy as these items are accounted for through other Town of Whitby corporate policies, by-laws, or budget provisions.
- 4.2** Defence of court action brought against a Member, as such expenses are subject to and in accordance with the Indemnification By-law and/or the Town's insurance coverage.

## **5 Expense Guidelines**

- 5.1** Appendix 1 - Guidelines for Expenses for Members of Council forms part of this policy and provides Members with detailed guidelines of what expenses are eligible and ineligible.
- 5.2** Reimbursement or payment by the Town for an expense will not be made if it is not specifically provided for in this policy.
- 5.3** Expense reimbursements submitted by Members or expenditures incurred by the Town on behalf of Members will be charged to the Members' budget.
- 5.4** Member of Council claims for expenses must follow basic accounting and audit principles:
  - a) Expenses must relate to the business of the Town of Whitby;
  - b) A Member or the Town must directly incur the expense. Expenses incurred by third parties cannot be claimed;
  - c) Expenses must be consistent with what is permitted in this policy (see Appendix 1 – Guidelines for Expenses for Members of Council);
  - d) Members must provide proper documentation, including detailed original receipts, invoices, or e-bills for all expense claims. Credit card receipts or statements alone are not sufficient and will not be accepted.
  - e) Invoices must include a description of the goods purchased or services rendered, the cost, taxes and HST registration number, if applicable;
  - f) Expenses must be charged for the year in which they were incurred; Expenses cannot be carried forward to subsequent years; and,
  - g) Expenses must be submitted for reimbursement as soon as reasonably possible.

## **6 Election Year and Election Period Restrictions**

- 6.1** In accordance with the Municipal Elections Act, the Town cannot provide a subsidy to any candidate's election campaign. Therefore, special conditions for expense reimbursement for all Members of Council apply during an Election Year and, in the event of a by-election, for sitting Members of Council who are nominated in a by-election.
- 6.2** Members of Council shall adhere to the Use of Corporate Resources for Election Purposes Policy G 070 and shall not use corporate resources for campaigning as defined and specified therein.
- 6.3** In an Election Year or in the event that a by-election is held and a sitting Member of Council is nominated to run in the by-election, the following conditions shall apply to all Members of Council during an Election Year and to sitting Members who are nominated in a by-election effective at the start of the nomination period until the day after Election Day:
- a) Annual budgets noted in Sub-Section 3.1 of this policy will be prorated for each term in an Election Year (11/12 months for Members of Council to the end of the term and 1/12 months for Members of Council starting the new Council term) or in the event of a by-election; and
  - b) Other expense restrictions may apply as specified within Appendix 1.
- 6.4** During an Election Period:
- a) Eligible Expenses under the heading "Communications, Advertising and Constituency Meetings" in Appendix 1 will not be paid or reimbursed by the Town;
  - b) Ward Town Hall meetings will not be held and no annual printed publication, noted in Section 3 of this policy, will be produced, and distributed.

## **7 Interpretation**

- 7.1** Members of Council may consult with the Treasurer for guidance with respect to the eligibility of an expense and/or any interpretation on the application of this policy.

## 8 Reporting

- 8.1 Eligible expenses annually incurred by each Member shall be reported publicly in accordance with the requirements of the Municipal Act, as amended.

## 9 Policy Review

- 9.1 This policy shall be reviewed every four years prior to the budget meetings that follow the general municipal election, or as directed by Council.

## 10 Related Documents

- Council Code of Conduct
- Purchasing Policy
- Council Remuneration By-law #6500-11
- Ward Town Hall Meetings Policy
- Use of Corporate Resources for Election Purposes Policy G 070

## Appendices

### Appendix 1 Guideline for Expenses for Members of Council

This Policy is hereby approved by Council Resolution # XX-24 on this 27<sup>th</sup> day of May, 2024.