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District of West Vancouver Corporate Policy

Administrative Services	Vehicle Use and Allowance Policy
Policy #02-10-104	
File: 0980-00	

1.0 Purpose

To outline the policy on vehicle use and car allowances when employees are required to use vehicles for District business. To ensure that the District's approach to meeting its transportation needs is cost effective, efficient, objective, fair, and includes a review process. In so far as possible, an employee is to be neither out of pocket nor advantaged by the necessity for business travel.

1.1 Definitions

In this policy:

"Business Kilometre" means:

- Business kilometres during business hours after reporting to your regular place of work within the District boundaries.
- Business kilometres outside of regular business hours includes reporting to your place of work.
- Kilometres driven between home and another work site outside of the District's boundaries.

"CCRA" means Canada Customs and Revenue Agency or its successor

"Department Manager" means a Divisional Manager duly appointed by the Corporation of the District of West Vancouver.

"Director" means a Division Director duly appointed by the Corporation of the District of West Vancouver.

"District" means the Corporation of the District of West Vancouver.

"Direct Response Vehicle" means a District vehicle that is not an emergency vehicle, but is operated by qualified personnel, and is equipped to respond directly to an abnormal situation requiring prompt action to protect the health and safety of people, or limit damage to private and public property.

“Emergency Vehicle” means a District vehicle operated in accordance with the Emergency Vehicle Driving Regulation of the *Motor Vehicle Act*, by qualified emergency response personnel, and insured as an Emergency Vehicle, as determined by ICBC.

"GVRD" means Greater Vancouver Regional District

2.0 Policy

2.1 District Vehicle Use and Reimbursement for Personal Vehicle Use

Certain District positions are required to use a vehicle in performing their duties and responsibilities. District transportation needs will be met by the following methods:

- a) Vehicles provided by the District; or
- b) Utilization of employee’s personal vehicles for which a vehicle allowance and/or kilometre reimbursement will be paid.

2.2 Vehicle Allowances and Reimbursements

The rates of the allowances and reimbursements for personal vehicle use are to be as follows:

a) Vehicle Allowance

Regular Business Drivers:

Average per month (km)	Vehicle Allowance
100 – 149	\$ 95
150 – 199	\$126
200 – 249	\$158
250 – 299	\$190
300 – 399	\$250
400 – 499	\$318
500 – 599	\$375
600 – 699	\$444
700 – 799	\$508
800 – 899	\$570
900 – 999	\$635
1000 - 1100+	\$700

b) Kilometrage Reimbursement

Positions which require use of a personal vehicle on a periodic basis shall receive Kilometre Reimbursement – Casual Drivers: at the “reasonable rate per kilometre” rate established by the Canada Revenue Agency plus, where appropriate, reimbursement of the additional business insurance premium in accordance with section 2.3 of this Policy.

2.3 Vehicle Insurance Requirements

It is the employee’s responsibility to provide adequate automobile insurance coverage as follows:

a) Public Liability (All)

Employees who use their personal vehicle for District business purposes must carry a minimum \$2,000,000 insurance coverage for personal injury, property damage and public liability.

b) Business Insurance (All)

In accordance with ICBC guidelines, employees who use their vehicle in excess of six days in any month or more than 1,600 kilometres in a year on District business must carry business insurance coverage.

Employees who are required to use a personal vehicle beyond that allowed by ICBC for personal use and are compensated by kilometre reimbursement, may also be reimbursed an amount as determined by the Manager of Risk Management to offset the difference in the insurance premium between personal and business use and minimum public liability requirement. This reimbursement does not apply to individuals receiving a vehicle allowance. Requests for reimbursement must be directed to the Manager of Risk Management and be accompanied by proof of insurance coverage. The amount of reimbursement varies depending on the ICBC rate codes for the type of vehicle and location of the employee’s residence.

3.0 Annual Divisional Review

On an annual basis timed to the Budget process, Directors will review the kilometres actually driven by staff to assess the allowance versus casual kilometres options. The approach used in their divisions to meet their transportation needs will take into consideration the following:

- Cost effectiveness and efficiency
- Frequency and extent of vehicle usage
- Emergency response
- Equipment and supplies transport

- Identification requirements

and implement appropriate changes subject to budget approval.

4.0 Reimbursement For Designated Emergency Use

In cases where District staff are required to drive District vehicles between home and work due to designated emergency response responsibilities, the District will reimburse those employees for additional income tax that will have to be paid as a result of the taxable benefit received in accordance with section 10.0 of this Policy. The Finance Department will do the calculations and Payroll will make changes as necessary for T4 issuance. Directors shall be responsible for determining which staff shall be allowed to drive District vehicles between home and work.

5.0 Reporting Procedure

Directors in coordination with Department Managers and Purchasing shall, on November 1st of each year, provide Human Resources and Finance with a listing of those individuals who have been authorized to take a vehicle home, a listing of those receiving a vehicle allowance, and a listing of the original costs of each municipal vehicle that is taken home by individuals. Human Resources shall compile this information and provide an annual report to the Executive Committee and Municipal Manager.

6.0 Changes to Allowance vs. Casual km and Designated Vehicle Use

6.1 It is the responsibility of each Department Manager, subject to approval by the appropriate Director, to determine whether reimbursement using allowance vs. casual km is most appropriate for an individual, based on the criteria stated in Section 3.0 of the Vehicle Use and Allowances Policy.

6.2 Payroll, Human Resources, Finance and the affected employee(s) must be notified in writing by the relevant manager at least one month in advance of any changes made to the vehicle allowance kilometre reimbursement or assignment of District vehicle that will be driven home.

6.3 Budgeting for changes is the responsibility of the Director.

7.0 Vehicle Identification

The District may require employees using their own vehicles for District business to identify their vehicles through the use of temporary identification (i.e. magnetic decal, visor, windshield or dash decal).

8.0 Kilometre Reimbursement Allowance/Business Insurance Reimbursement for Casual Drivers

- 8.1 Casual drivers must submit a record of kilometres driven on the appropriate form to Finance in order to receive reimbursement.
- 8.2 The Kilometre Reimbursement Allowance will be reviewed by Finance and Human Resources on a periodic basis utilizing Canada Customs and Revenue Agency's (CCRA) authorized rates.

9.0 Vehicle Allowance

- 9.1 Designated positions and/or individuals may receive a vehicle allowance and/or reimbursement in accordance with Section 2 of the Vehicle Use and Allowance Policy subject to approval of the Director and Municipal Manager.
- 9.2 The vehicle allowance rates will be reviewed periodically by Finance and Human Resources. Adjustments to the amounts stated in the policy must be approved by Council.
- 9.3 Human Resources will maintain a record of the positions authorized to take a vehicle home and to receive the vehicle allowance. Finance will maintain a record of the casual usage and business insurance reimbursement. Directors must advise Human Resources of any deletions, additions or revisions. Allowances will not be prorated for past months. (Partial months will be covered by the reimbursed rate for casual kilometre). Employees are responsible for making alternate arrangements, at no cost to the District, if their personal vehicle is not available for more than three consecutive working days.
- 9.4 Annually in November, Human Resources will distribute a Justification Form to be completed by the employee, signed off by the Department Manager and Director to be returned to Human Resources by the first week in December. The form will indicate business kilometres driven January to December (estimates for November and December) and should have attached to it proof of business insurance coverage. Detailed information on business kilometres driven will be required and must be provided to the Department Manager. The Department Manager will determine the frequency of reporting. Failure to provide such detailed information may result in the arrangement being withdrawn or the allowance received being reduced.

9.5 CCRA have declared the vehicle allowance (2.2.1) to be fully taxable. The kilometre reimbursement (2.2.2) is not considered a taxable benefit. Those employees in receipt of a vehicle allowance (2.2.1) are required to provide CCRA with the appropriate Revenue Taxation form (CCRA Form 2200) to assist in declaring offsetting expenses and verifying that the personal vehicle is used for business purposes. This form will be made available by the District. The Director of Human Resources is authorized to complete and sign or dispute the Form T2200 certifying conditions of employment. It is required for audit purposes that employees receiving allowances keep detailed records of total personal and business kilometres driven and vehicle expenses. It is the responsibility of employees receiving the vehicle allowance to instruct Payroll to increase their income tax deduction rate accordingly.

9.6 Eligibility for Car Allowance During Absences

- a) Where an employee receiving a car allowance is off work for any reason for an extended leave, the monthly allowance will be reduced by 1/20th for each working day calculated from the first day of such absence. Notice and particulars must be communicated to payroll for adjustment prior to the absence unless due to illness.
- b) An allowance will not be paid during the period an employee is using accumulated paid time-off immediately prior to retirement.
- c) An existing allowance will continue to be paid for the first 30 days of any special arrangement, acting capacity or temporary promotion to a position that does not require the use of a personal vehicle as a condition of employment. In the case of permanent promotion to such position, the allowance will cease the effective date of the promotion.

10.0 Personal Use of Municipal Vehicle/Emergency Response Capabilities

10.1 Those employees required to drive a District vehicle between work and home on a regular basis due to emergency response responsibilities will have the taxable benefit calculated by the Finance Department on an annual basis. The taxable benefit will be recorded on the employee T4 slip. A calculation will be made of the cost of the additional income tax payable. Cost reimbursement for mileage within 25 km one way from the regular place of work to home will be made to the employee at the time the T4s are distributed.

10.2 District vehicles driven between work and home may not be used for other personal travel except for designated emergency and standby coverage approved by the Municipal Manager.

- 10.3 Human Resources will maintain a listing of employees who have been authorized to take a municipal vehicle home and including being provided a full costing for each of these municipal vehicles. Directors must advise Human Resources of any deletions, additions or revisions.
- 10.4 It is required by the CCRA that for audit purposes, employees who take municipal vehicles home are required to keep detailed records of business and personal kilometres driven, the number of days in a year that the municipal vehicle is made available to the employees and any operating costs that the employees may have reimbursed the District. It is the responsibility of employees to maintain and keep such detailed records.

11.0 Conversion of Miles to Kilometres

- 11.1 For vehicles with mile odometers, the following will apply:
- At the top of the daily mileage report show in red “Miles”
 - The total daily distance traveled is to be shown in Miles
 - The total distance traveled for the month is to be shown in miles and converted into kilometres, with the kilometres shown in brackets.
 - The formulas to be used are:
 - a) Kilometres to Miles – multiply by 0.6214
 - b) Miles to Kilometres – multiply by 1.609344

12.0 Travel Outside GVRD

- 12.1 Travel by car outside the GVRD must be approved by the Department Manager.
- 12.2 Claims for travel outside the GVRD following approval by the Department Manager, are to be forwarded to the Finance Department on a Traveling Expenses form.

13.0 Use of District Vehicles or Mobile Equipment or Personal Vehicles Being Used for Business

13.1 New Candidates for Driving Positions

This applies to:

- a) External applicants who apply for driving positions or positions where the potential to drive District vehicles or the operation of District mobile equipment exists.
- b) Existing employees who apply for driving positions or positions where the potential to drive District vehicles or the operation of District mobile equipment exists and their current position does not involve driving.

Mobile equipment may include equipment such as tractors, grass mowers, Bobcats, and other equipment, which is insured for use on any highway.

13.2 At the time of applying for a position where driving is involved or is likely to be involved the candidate or existing employee will:

- a) Show to the Department Head their existing British Columbia Driver's License, and the endorsements appropriate for the vehicles operated.
- b) Provide a current copy of their Driver's Abstract. A Driver's Abstract is available to the License holder from the Motor Vehicle Branch. The candidate may phone the Motor Vehicle Branch and ask for their Driver's Abstract to be mailed directly to the employer.

13.3 Employees with Driving Responsibilities

This applies to employees who have positions that involve driving or have the potential for driving District vehicles or operating mobile equipment or use a personal vehicle as a requirement of employment.

- a) On an annual basis, each employee will be required to provide their Driver's License number to the Health and Safety Advisor, to ensure:
 - i) They maintain a valid driver's license, and
 - ii) The Driver's Licence carries the endorsements appropriate for the vehicles or mobile equipment operated.

13.4 Procedure for Driver Safety and Reporting of all Work Related Accidents

Any and all accidents involving municipal vehicles, regardless of day, time, fault, or severity, must be reported to Purchasing and Risk Management as soon as possible or within 24 hours of occurrence. Accident/Incident report forms are available from the Risk Management Coordinator. Failure to report an accident will result in suspension of driving privileges from the time the accident is discovered, until such time as the accident has been reported to the satisfaction of the Risk Management Coordinator. Drivers with multiple at-fault accidents may have their right to drive municipal vehicles revoked, may be required to participate in driver training and assessment and/or may be required to undergo a medical assessment. Such decisions are to be made after consultation with the Divisional Director, Human Resources and the relevant union.

13.5 Traffic Violation Fines

It is the employee's responsibility for payment of any speeding, parking, or other traffic violations they incur.

13.6 *Income Tax Act*

District vehicles used by employees to go to and from place of work are considered to be a taxable benefit, in accordance with the provisions of the *Income Tax Act*.

13.7 Prohibitions

- a) No one is permitted to smoke in a District vehicle.
- b) The operation or care and control of a District vehicle while committing an offence contrary to a provision of law, federal, provincial or municipal, is prohibited.

14.0 Driver's License

14.1 Valid Driver's License

All employees who will be or are receiving from the District of West Vancouver a kilometre allowance or casual kilometre reimbursement for the use of their personal vehicles or are operating vehicles owned by or leased to the District must have a valid Driver's License. The license must have the appropriate endorsements and be free from any relevant restrictions.

14.2 Candidates for Positions

Prior to making a job offer for a position which may involve driving a District vehicle or using a personal vehicle for Municipal business, the hiring supervisor must ensure the candidate provides a current Driver's Abstract, from the Motor Vehicle Branch, for review. The hiring supervisor will ensure that the candidate has a current Driver's License with appropriate endorsements and ensure that it is free from any relevant restrictions.

14.3 Loss of License or Change of License Endorsement

It is the employee's responsibility to immediately advise their Department Head, or designate of the loss of their Driver's License or of any change to the License (e.g. change of class; change of restrictions). At no time shall an employee drive a District vehicle or operate District equipment (which requires a Driver's License) after having their Driver's License suspended or required driving endorsements lifted.

15.0 Vehicles Leasing Program – Phased-Out

15.1 Vehicle Leasing Program for exempt staff (May 30, 1983) shall be phased out at the expiry of all current lease contracts and shall be converted to a monthly vehicle allowance under Section 2.2.1.

Approval Date: November 25, 2002	Approved by: Council (Closed Meeting on November 25, 2002)
Amendment Date: July 18, 2005	Approved by: Council (Closed Meeting on July 18, 2005)