

Budget and Expenses Policy - Amendments to Policy C618

Councillors Budget and Expenses Policy

Recommendation

That Council Services Committee recommend to City Council:

That the revised Councillors' Budget and Expenses Policy C618A, as set out in Attachment 1 of the April 20, 2021, Office of the City Manager report OCC00533, be approved.

Executive Summary

A review of the Councillors' Budget and Expenses Policy C618 was conducted by Administration in quarter one of 2021 to ensure that the policy remains up-to-date and reflects current expense management and accounting practices and procedures. A list of potential amendments was presented at the February 9, 2021 Council Services Committee for consideration. Since February 9, 2021 Administration has conducted stakeholder engagement to further inform the review. Draft amendments based on Administration's review and feedback gathered are set out in Attachment 1. Attachment 2 is a highlighted version with the proposed changes tracked using redlining.

Report

As part of Stage one of the policy review process, Administration brought forward a list of preliminary draft amendments to Policy C618 to Council Services Committee on February 9, 2021. The Office of the City Manager report, OCC00318, outlined the draft changes, rationale for each, and next steps in the review process. Stage two of the review process, stakeholder feedback as described in the report, was completed in March and April of 2021.

The Office of the City Clerk requested feedback from Council on the proposed revisions and potential further changes. The results of the stakeholder consultation are as follows:

- Preference to maintain flexibility around travel arrangement bookings which includes the option to be reimbursed upon return or to use a corporate credit card due to the nature of business travel, e.g. unforeseen factors may lead to a

need to reschedule flights or make other changes to bookings in a timely manner.

- Preference to align to existing City of Edmonton expense management practices and procedures where feasible.
- Supportive of discontinuing the current petty cash system in favour of expense claim reimbursement through electronic fund transfer or use of the corporate credit card system.
- Consideration be given to a review early in the next Council term.
- Supportive of referring to the Council Code of Conduct Bylaw 18483 rather than directly quoting it in order to prevent discrepancies occurring between the two documents as the code is amended over time.

This feedback has been incorporated into the draft proposed amendments to the policy (Attachment 1). See Attachment 2 for a redlined version.

Additional feedback received that would require direction from Council as it would change expenditure categories or require re-allocation within the office budget included:

- The possibility of allocating professional development and training within the Common budget instead of Ward budgets.
- A review of eligible expenditures within the community and communications Ward budget categories, including a scan of other municipalities' budget and expense policies with a focus on the donations and advertising elements.

The review schedule for C618A is at least once every four years, however; Administration recommends that the policy be reviewed in 2022 and then set on an automatic four-year review cycle after that, so that each new Council has an opportunity to address the policy that governs expense management early in its term.

Corporate Outcomes and Performance Management

Corporate Outcome(s): The City of Edmonton has a resilient financial position			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Effective and efficient expense management	Financial performance reports	Expenditures are managed within approved budgets	100%

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations

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Corporate Governance	Council direction and supporting control processes are not clearly defined	3 - Possible	1 - Minor	3 - Low	A Councillors' Budget and Expenses Policy with a high degree of specificity is in place	Regular review and updates to the policy by City Council
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Attachments

1. Revised Policy C618A
2. Revised Policy C618A - Highlighted Changes
3. Original Approved Policy C618