

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 9, 2010

Item 1, Report No. 2, of the Audit and Operational Review Committee, which was adopted without amendment by the Council of the City of Vaughan on March 9, 2010.

1 **COUNCIL MEMBER EXPENSE POLICY**  
(Deferred Item)

The Audit and Operational Review Committee recommends:

- 1) That the Council Member Expense Policy, Version R12E, contained in the memorandum of the City Auditor, dated February 16, 2010, be amended as follows:
  - i) **4.1 Council Members and Council Staff**: delete the first sentence in bullet 14 “Council members are to personally pay for York Region expenses and claim reimbursement directly from York Region”;
  - ii) **4.2 Finance Staff**: insert:
    - Finance staff shall review submitted expense documentation and ensure the documentation is in accordance with policy prior to processing submitted expenses for payment;
  - iii) **4.3 City Auditor** : delete bullet 1 “Expense Review”;
  - iv) **4.3 City Auditor**, amend as follows:
    - **Dispute Resolution and/or Exemption to the Policy**: In the cases of uncertainty on the interpretation of any item in the Council Member Expense Policy or exemption to the Policy, the City Auditor should be consulted on the intended interpretation of the Council Member Expense Policy in question. If any dispute or exemption is not resolved the matter will be brought forward to the Audit and Operational Review Committee for a final ruling. In the meantime any disputed items will not be paid by the City;
  - v) **Advertising** insert:
    - **Eligible Expense /Council Member Budget**
    - Advertising is permitted if it is related to the business of the City in all types of media of charitable/non-profit organizations with either (1) an address in Vaughan (2) holding the event in Vaughan or (3) providing services to Vaughan. The organization must either provide a registration number (charitable or non-profit) or must have Community Service Organization (CSO) status with the City of Vaughan.
    - Council Members must provide a copy of the organization’s letter/notice/flyer/e-mail to the Council Member or a copy of the print ad, as well as (1) proof of payment if seeking reimbursement or (2) supporting documentation if requesting a cheque from the City.
    - Advertising is provided under Council Corporate Budget on behalf of all Council Members.  
**Narrative**: Council Members cannot place any advertising after June 30<sup>th</sup> in an election year;
  - vi) **Community Expense: (Donations to Community Groups)**: reword to state donations are not eligible under the Council Member Budget and delete narrative;
  - vii) **Community Expense: (Event Tickets)**: replace “York Region” where it appears in this section with “Vaughan”;

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- viii) **Community Expense: (Hosting Events by Council Member):** In the first bullet under “Narrative” add the sentence, “In the event the Member of Council is raising funds, receiving donations or services-in-kind, the event or initiative must be authorized by Council”;
  - ix) **Office Decoration and Maintenance:** replace the words “At the beginning of each term” in bullet one with “Once during the term”;
  - x) **Spousal/Companion Expenses:** delete the narrative;
  - xi) **Stationary:** insert “That toner cartridges be charged to Council Members budgets beyond normal allocation charged under Council Corporate Budget per calendar year”;
  - xii) **Mileage & Parking:** increase the Council Members mileage allowance to \$980 per month; and
  - xiii) **That the Council Member Expense Policy include appropriate wording to be provided by staff to the effect that Members of Council not award work to family members;**
- 2) **That the Council Member Expense Policy incorporating the Audit and Operational Review Committee’s recommendations of today, be forwarded to the Committee of the Whole meeting of February 23, 2010; and**
- 3) **That the following report of the City Auditor, dated February 1, 2010, be received;**

Council, at its meeting of February 5, 2010, adopted the following (Item 1, Report No. 1):

That the Council Member Expense Policy that was adopted by Council on December 14, 2009 be reconsidered;

That Clauses 1, 2, 4, 5 and 6 of the Audit and Operational Review Committee recommendation be approved; and

That the present Council Member Expense Policy, effective February 1, 2010, continue in effect until the Council meeting of March 9, 2010, at which time minor policy and administrative changes identified as both necessary and appropriate by Council shall be incorporated into the document.

**Recommendation of the Audit and Operational Review Committee dated February 1, 2010**

- 1) That the Council Member Expense Policy be reconsidered;
- 2) That this matter be deferred to a future Audit and Operational Review Committee meeting to be scheduled by the Chair;
- 3) That the present Council Member Expense Policy effective February 1, 2010, be held in abeyance until the Council meeting of March 9, 2010 and the previous policy be in effect until that time;
- 4) That the City Manager, the Integrity Commissioner, the City Auditor, and appropriate staff review the policies in place with the Audit and Operational Review Committee at a future meeting and provide a report to the Committee of the Whole meeting of February 23, 2010;

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- 5) That the memoranda from the City Auditor, dated February 1 and 3, 2010, be received; and
- 6) That the deputation of Mr. Richard Lorello, and written submission, dated February 3, 2010, be received.

Report of the City Auditor dated February 1, 2010

**Recommendation**

The City Auditor recommends:

1. That the Council Member Expense Policy that was adopted by Council on December 14, 2009 be reconsidered for further refinement and amendments; and
2. That the attached Council Member Expense Policy which incorporates the proposed changes be approved.

**Contribution to Sustainability**

The Council Member Expense Policy is being finalized.

**Economic Impact**

There is no economic impact.

**Communications Plan**

Not applicable as the policy is a draft policy being tabled for discussion.

**Purpose**

The Council Member Expense Policy has been refined to provide more clarity by the City Auditor. The changes are from the discussions at the training sessions to Council Members and their executive assistants.

**Background - Analysis and Options**

The Preliminary Draft of the Council Member Expense Policy, prepared by the City Auditor, was introduced to the Audit and Operational Review Committee meeting of November 16, 2009 for discussion purposes.

The City Auditor was directed to post the Policy on the City of Vaughan's website and obtain comments from the public. This was done on the 17<sup>th</sup> November, 2009.

All Members of Council were also encouraged to provide written feedback to the City Auditor.

After considering comments received from residents and Council Members, the edited Preliminary Draft of Council Member Expense Policy was discussed at the Committee of the Whole (Working Session) on November 30<sup>th</sup>, 2009,

Additional comments were provided to the City Auditor.

The Preliminary Draft Council Member Expense Policy was refined after considering the comments received from the Committee of the Whole (Working Session).

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The Draft Council Member Expense Policy was presented to the Audit and Operational Review Committee on December 10, 2009 for more discussion and further refinement.

The revised report was approved by Council on December 14, 2009. Training sessions were held for Council Members and their executive assistants in January 2010. This resulted in more discussions on the understanding of the policy, and minor changes for improved clarity and understanding.

The edited Council Member Expense Policy was presented, with the changes (add-ons or strikeouts) **highlighted**, to the Committee of the Whole (Working Session) dated January 25, 2010. Due to insufficient time to review the changes, it was recommended that the revised report be brought forward to the Audit and Operational Review Committee at the earliest opportunity.

#### Relationship to Vaughan Vision 2020

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

#### Regional Implications

Not applicable

#### Conclusion

The Council Member Expense Policy (which was approved by Council on December 14, 2009), has refined to provide more clarity and understanding. All changes have been highlighted for ease of review. The Policy is being brought forward at this time for further discussion and refinement.

#### Attachments

1. Report on the Council Member Expense Policy version R12C
2. Memorandum from the City Auditor, dated February 1, 2010
3. Memorandum from the City Auditor, dated February 3, 2010
4. Written submission from Mr. Richard Lorello, dated February 3, 2010

#### Report prepared by:

Michael Tupchong

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

*Please refer to Audit and Operational Review Committee, Item 1, Report No. 3, and Committee of the Whole, Item 26, Report No. 9, for further disposition regarding this matter.*

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Item 2, Report No. 2, of the Audit and Operational Review Committee, which was adopted without amendment by the Council of the City of Vaughan on March 9, 2010.

**2 REPORT ON COMMUNITY EXPENSE – HOSTING EVENTS BY COUNCIL MEMBERS**

(Deferred Item)

**The Audit and Operational Review Committee recommends that the following report of the Integrity Commissioner, dated January 12, 2010, be received:**

Council, at its meeting of February 5, 2010, adopted the following (Item 2, Report No. 1):

That this matter be deferred to a future Audit and Operational Review Committee meeting.

Council, at its meeting of January 26, 2010, adopted the following (Item 25, Report No. 1):

- 1) That this matter be referred to the Audit and Operational Review Committee; and
- 2) That the written submission submitted by Regional Councillor Rosati, dated January 12, 2010, be received.

Report of the Integrity Commissioner dated January 12, 2010

**Recommendation**

The Integrity Commissioner recommends to Council that there are no amendments required to be made to the Council Member Expense Policy, section titled "Community Expense (Hosting Events by Council Member) approved by Council on December 14, 2009.

**Contribution to Sustainability**

N/A

**Economic Impact**

N/A

**Communications Plan**

N/A

**Purpose**

At the December 14, 2009 Council meeting, the Council Member Expense Policy was approved with the exception of the part entitled "Community Expense: (Hosting events by Council Member)". A motion of City Council stated:

That Attachment 1, Council Member Expense Policy, contained in the memorandum from the City Auditor, dated December 14, 2009, be approved, subject to the section titled 'Community Expense (Hosting events by Council Member)' being deferred to the Committee of the Whole meeting of January 12, 2010, for a report from the Integrity Commissioner in consultation with the City Auditor, addressing the concerns raised."

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#### **Background - Analysis and Options**

Any donations cheques received by a Member of Council in relation to a Community Event should go directly to the event or organizing body or shall be made out to the City of Vaughan, if the Event relates to a Council approved City initiative.

If a Member of Council receives monies (i.e. nominal amounts to purchase coffee or other refreshments for a town hall meeting-type of event, the Member must follow Rule 2 (1) of the Code of Ethical Conduct which outlines exceptions to the gifts and benefits rule. Members are reminded that they are strongly encouraged to list all gifts and benefits they receive, however, in the case of categories (b), (e), (f), (g), (h) and (i) of Rule 2 (1), where the value of the gift or benefit exceeds \$500, or if the total value received from any one source during the course of a calendar year exceeds \$500, the Member shall within 30 days of receipt of the gift or reaching the annual limit, list the gift or benefit on a Councillor information statement.

#### **Relationship to Vaughan Vision 2020/Strategic Plan**

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved. However, the recommendations are adopted, training on management of confidential City documents may impact allocated resources.

#### **Regional Implications**

There are no Regional implications to the recommendations contained in this report.

#### **Attachments**

Appendix A – Integrity Commissioner's Memorandum  
Appendix B – Community Expense: (Hosting Events by Council Member)  
Appendix C – Written submission of Regional Councillor Rosati dated January 12, 2010.

#### **Report prepared by:**

Suzanne Craig  
Integrity Commissioner

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)