

Auto Allowance

Administrative Regulation 2011-01

Effective Date: July 1, 2011

PURPOSE

A monthly fixed auto allowance is to provide a fair and reasonable reimbursement when an employee uses a personal vehicle to conduct City business on frequent and routine basis. The fixed monthly allowance is intended to ease the administrative effort otherwise required to track and report every occurrence of personal auto used for business purposes for those employee who drive extensively in the performance of his/her duties and to defray the vehicle operating and fixed costs borne by the employee.

The employee is required to maintain appropriate insurance coverage to include passenger hazard and public liability and is responsible for all expenses incurred in the operation of their vehicle except parking fees and road tolls incurred on behalf of the City.

ELIGIBLE EMPLOYEE

The Mayor, the Chief of Staff and any of their exempt direct reports approved by Mayor and/or Chief of Staff, whose job functions require regular and routine use of a personal vehicle and who are not provided a city vehicle, may be eligible to receive an auto allowance.

The monthly allowance will be calculated annually based on the estimated annual business miles driven times the federal travel mileage reimbursement rate. The monthly allowance is not a wage supplement. It shall be paid through the city payroll system and is subject to all required state and federal taxes and Internal Revenue Service regulations.

AUTO ALLOWANCE CALCULATION

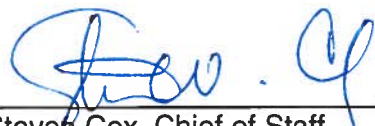
2011 Federal Mileage Reimbursement Rate of 55.5 cents per estimated annual miles driven divided by 12 and is to be paid monthly. To determine the estimated annual miles driven the employee shall track miles driven on city business for at least one month or use past mileage reimbursement requests. Should job duties require a significant change in estimated miles driven the employee may request a new auto allowance be established.

Sample Calculation:

Employee's estimated annual mileage driven for City business is 12,000 times 55.5 cents equals \$6,660.00 divided by 12 equals the monthly auto allowance of \$555.



Ann Crossey, Director of Human Resources



Steven Cox, Chief of Staff