

# **ADMINISTRATIVE REGULATION 23-08**

## **MAYOR BLESSING A. MOBOLADE**

**DATE:** November 1, 2023

**TOPIC:** Eligible Employee Auto Allowance

**LEGAL AUTHORITY:** City Charter §§ 3-10(b), 4-10, & 4-40(k); City Code § 1.2.314

### **1.0 Purpose and Scope**

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 a 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 employees who drive extensively in the performance of their 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 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.

### **2.0 Terms Defined**

“Eligible Employee” - The Mayor, Chief of Staff, Deputy Chief of Staffs and any of their exempt direct reports in the MGR/SMG pay bands 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.

### **3.0 Procedures**

#### **AUTO ALLOWANCE CALCULATION**

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.

The Federal Mileage Reimbursement Rate per estimated annual miles driven is divided by 12 and is to be paid monthly. To determine the estimated annual miles driven, the employee shall track miles driven for the purpose of 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. Time spent in home-to-work travel is not eligible for reimbursement or

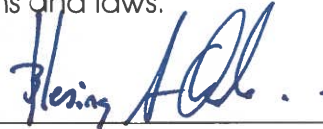
monthly fixed auto allowance.

Sample Calculation:

Employee's estimated annual mileage driven for City business is 12,000 (miles) times 55.5 (cents) equals \$6,660.00 (12,000 x .555 = 6,660.00)  
\$6,660.00 divided by 12 equals the monthly auto allowance of \$555/mo. (6,660 / 12 = 555).

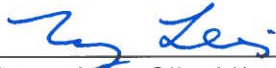
#### 4.0 Miscellaneous

- 4.1. This Administrative Regulation shall be effective as of November 1, 2023, and shall remain in effect until amended or rescinded.
- 4.2. This Administrative Regulation shall be filed with the City Attorney and made available for public inspection on the City's website.
- 4.3. This Administrative Regulation does not limit, restrict or replace the Mayor's ability to exercise any authority granted by City Charter §§ 3-10(b), 4-40, or 15-30 or to utilize the City's human resources policies and procedures or other applicable policies, procedures, rules, regulations and laws.



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Blessing A. Mobolade, Mayor

APPROVED AS TO FORM:



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Office of the City Attorney