THE CITY OF Red Deer

**CORPORATE ADMINISTRATIVE POLICY**

**6121-CA**

# Private Vehicle Use and Parking - Compensation

**Purpose:**

1 To establish compensation guidelines for private vehicle use and parking.

**Policy Statement(s):**

2 The City uses Private Vehicle Use Frequency Classification Code for the purpose of determining whether compensation for private vehicle use and parking is a taxable benefit.

3 **Private Vehicle Use Frequency Classification Code**
(1) **Code A** – Regular users that use a private vehicle 3 or more days per week.
(2) **Code B** – Somewhat regular users that use a private vehicle an average 1 to 2 days per week.
(3) **Code C** – Occasional users that use a private vehicle less than weekly.
(4) **Code D** – Not required use a private vehicle.

4 The General Manager or Department Manager determines the required classification code for positions requiring the use of private vehicles. If a job has multiple ratings (e.g., same job code has multiple portfolios for individual employees such as City-wide coverage versus coverage only at City Hall), Human Resources, along with the Department Manager, will determine the appropriate classification code for the employee dependent upon that employee's portfolio.

5 **General Managers and Department Managers** vehicle use and parking are a perquisite and will be compensated as follows:
(1) For the use of a private vehicle, an employee has one of two options for recovering travel within the city that they can choose from:
  (a) bi-weekly at an allowance of $76 for the use of their vehicle. This is a taxable benefit; or
  (b) Submit a mileage claim for travel as per 5304-CP Travel and Business Expense Reimbursement.
(2) For the use of a private vehicle for travel outside of the city, General Managers and Department Managers will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.
(3) For parking a private vehicle, the compensation is based on the location of their office:
  (a) If office is located in areas where pay parking is in place, General Managers and Department Managers will be provided a bi-weekly at a rate of $37.50 for an employee to secure parking of their choice. This is a taxable benefit.
  (b) In non-pay areas where parking is provided, an allowance will not be provided, and the General Manager or Department Manager will use one of the following when visiting pay parking areas:
    (i) the division or department purchases a shared on-street parking pass to use as needed;
    (ii) the division or department purchases a shared off-street parking pass (parking lot) to use as needed;
    (iii) the division or department purchases prepaid parking cards for use in any of the pay meters or parking lots; or

(iv) the General Manager or Department Manager pays personally and submits an expense claim for reimbursement as per 5304-CP Travel and Business Expense Reimbursement.

6 **Employees that work at City facilities where pay parking is in place** (e.g., City Hall), and are required by their position to use their private vehicles for City business will be compensated as follows based on the frequency code classification:

(1) Regular users (Code A) will be compensated as follows:

(a) For the use of a private vehicle, an employee has one of two options for recovering travel within the city that they can choose from:

(i) bi-weekly at an allowance of $76 for the use of their vehicle. This is a taxable benefit; or

(ii) submit a mileage claim for travel as per policy 5304-CP Travel and Business Expense Reimbursement. This is non-taxable.

(b) For the use of a private vehicle for travel outside of the city, employees will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.

(c) For parking a private vehicle, the employee has one of two options that they can choose from based on use:

(i) a bi-weekly at a rate of $37.50 is provided to secure parking of their choice on those days when a vehicle is required. This is a taxable benefit; or

(ii) if vehicle usage is high frequency to warrant claiming mileage on a monthly basis, then a hangtag will be provided for parking. Approval by the Department Manager is required. This would be applicable to positions such as, but not limited to, a Safety Code Officers and Safety Specialists who carry out site visits and submit mileage claims for travel under (6)(1)(a)(ii). This is non-taxable.

(2) Somewhat regular users (Code B) will be compensated as follows:

(a) For the use of a private vehicle, an employee has one of two options for recovering travel within the city that they can choose from:

(i) bi-weekly at an allowance of $76 for the use of their vehicle. This is a taxable benefit; or

(ii) submit a mileage claim for travel as per policy 5304-CP Travel and Business Expense Reimbursement. This is non-taxable.

(b) When using a private vehicle for travel outside the city, employees will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.

(c) For parking a private vehicle, a bi-weekly at a rate of $15 is provided for an employee to secure parking of their choice on those days when a vehicle is required. This is a partly taxable benefit.

(3) Occasional users (Code C) will be compensated as follows:
  (a) For the use of a private vehicle, the employee will be reimbursed mileage through the submission of a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.
  (b) On the occasional time, when an employee is required to use their private vehicle and park while on City business in pay parking areas, the department, at the discretion of the Department Manager, may compensate the employee with one of the following:
    (i) the department purchases an on-street parking pass for employees to use as needed;
    (ii) the department purchases an off-street parking pass (parking lot) for employees to use as needed;
    (iii) the department purchases prepaid parking cards for employees to use in any of the pay meters or parking lots; or
    (iv) the employee pays personally and submits an expense claim for reimbursement.

7 **Employees that work at City facilities where non-pay parking is in place** (e.g., Civic Yards), and are required as per their job description to use their private vehicles for City business will be compensated as follows based on the frequency code classification:

(1) Regular users (Code A) will be compensated as follows:
  (a) For the use of a private vehicle, an employee has two options for recovering travel within the city that they can choose from.
    (i) Bi-weekly at an allowance of $76 for the use of their vehicle. This is a taxable benefit; or
    (ii) Submit a mileage claim for travel as per 5304-CP Travel and Business Expense Reimbursement. This is non-taxable.
  (b) When using a private vehicle for travel outside the city, employees will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.
  (c) Allowance will not be provided for employees parking in non-pay areas.
  (d) For parking a private vehicle while on City business in pay parking areas, the department, at the discretion of the Department Manager, may provide the employee with one of the following:
    (i) the department purchases an on-street parking pass for employees to use as needed;
    (ii) the department purchases an off-street parking pass (parking lot) for employees to use as needed;
    (iii) the department purchases prepaid parking cards for employees to use in any of the pay meters or parking lots; or
    (iv) the employee pays personally and submits an expense claim for reimbursement.

(2) Somewhat regular users (Code B) will be compensated as follows:
  (a) An employee has two options for recovering travel within the city that they can choose from:
    (i) bi-weekly at an allowance of $76 for the use of their vehicle. This is a taxable benefit; or

(ii) submit a mileage claim for travel as per 5304-CP Travel and Business Expense Reimbursement. This is non-taxable.

(b) When using a private vehicle for travel outside the city, employees will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.

(c) Allowance will not be provided for employees parking in non-pay areas.

(d) For parking a private vehicle while on City business in pay parking areas, the department, at the discretion of the Department Manager, may provide the employee with one of the following:

(i) the department purchases an on-street parking pass for employees to use as needed;

(ii) the department purchases an off-street parking pass (parking lot) for employees to use as needed;

(iii) the department purchases prepaid parking cards for employees to use in any of the pay meters or parking lots; or

(iv) the employee pays personally and submits an expense claim for reimbursement as per 5304-CP Travel and Business Expense Reimbursement.

(3) Occasional users (Code C) will be compensated as follows:

(a) Mileage will be reimbursed and the employee will be required to submit a mileage claim as per 5304-CP Travel and Business Expense Reimbursement. Mileage is a non-taxable benefit.

(b) For parking a private vehicle while on City business in pay parking areas, the department, at the discretion of the Department Manager, may provide the employee with one of the following:

(i) the department purchases an on street parking pass for employees to use as needed;

(ii) the department purchases an off street parking pass (parking lot) for employees to use as needed;

(iii) the department purchases prepaid parking cards for employees to use in any of the pay meters or parking lots; or

(iv) the employee pays personally and submits an expense claim for reimbursement.

(4) There is no taxable benefit for parking outside of the downtown area as per Canada Revenue Agency Guidelines.

8 **Employees who are not required to use their private vehicles** (Code D) for City business and choose to drive to work will be required to make their own arrangements for parking.

9 **If a parking card or pass has been provided**, it will only be used for approved City business and comply with the following:

(1) The card or pass shall not be used for the following:

(a) in locations not specified on the pass;

(b) when the employee is not working or on City business;

(c) when the private vehicle is not required; or

(d) providing it to anyone else unless approved by the General Manager or Department Manager.

(2) If a parking ticket is issued while using the card or pass, their Department Manager or Supervisor's approval will be required to void the ticket.

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**References/Links:**

1 5304-CP Travel and Business Expense Reimbursement

2 6120 CA Private Vehicle Use and Parking

3 6120.01-CP Private Vehicle Use and Parking-New Hire and Existing Employees

**Scope/Application:**

1 This Policy applies to City employees.

**Authority/Responsibility to Implement:**

1 General Managers and Department Managers are responsible for monitoring compliance within their respective divisions and departments.

2 The General Manager of Growth & Finance is authorized to develop corporate procedures for implementation and application of this Policy.

**Inquiries/Contact Person:**

1 Contact Department Managers with questions about interpreting and applying the Policy.

**Policy Monitoring and Evaluation:**

1 This Policy will be evaluated two years from date of approval with revisions made as required.

**Document History:**

| Date: | Approved/Reviewed By: | Title: |
|---|---|---|
| Approved: August 30, 2018 | "Paul Goranson" | Interim City Manager |
| Revised: March 1, 2019 | "Craig Curtis" | City Manager |
| Revised: July 13, 2020 | "Allan Seabrooke" | City Manager |
| Revised: February 2, 2026 | "Tara Lodewyk" | City Manager |

**Administrative Revisions:**

| Date | Revisions |
|---|---|
| November 22, 2023 | Rate for vehicle use is updated to match Canada Revenue Agency. Fixed typographical errors. Revised General Manager title under the Authority/Responsibility to Implement section. |
| December 22, 2023 | Rate for vehicle use is updated to match the Canada Revenue Agency Rate Guidelines for 2024. |
| July 8, 2025 | Rate for vehicle use is updated to match the Canada Revenue Agency Rate Guidelines for 2025. Fixed grammatical errors. |