

# COUNTY OF ST. PAUL NO. 19

*Our Mission - To create desirable rural experiences*

## **PW-17 Mechanics' Allowance Policy**

**Department: Public Works**

### **POLICY OBJECTIVE:**

The County of St. Paul wishes to provide its employees with financial assistance to obtain the best resources to carry out their duties. Certain Public Works employees require the incumbents to possess a full set of automotive mechanic hand tools with a suitable lock box and/or a pair of suitable work boots. The County wishes to implement a tool and a boot allowance for the purposes of augmenting Public Work Department toolkits and ensuring the safety of its employees.

### **POLICY STATEMENTS:**

#### **1.0 Employee Eligibility**

- 1.1 Prior to the end of each fiscal year, the Director of Public Works or his or her designee will determine and notify those employees in mechanic positions who meet the eligibility criteria listed below for a mechanics' allowance.
- 1.2 Employees who perform full-time mechanic duties for at least six of the preceding twelve months may be granted a mechanics' allowance.
- 1.3 Employees on Workers' Compensation, alternative work assignment, light duty, or leave of absence for more than six months of the preceding twelve months are not eligible for the mechanics' allowance.
- 1.4 An employee receiving a mechanic's allowance from the County of St. Paul must remain with the County for six months following any use of the allowance. If an employee terminates their employment prior to the six-month period, any tool allowance used will be deducted from the employee's final pay cheque.
- 1.5 Regular part-time and temporary employees are not eligible for a mechanics' allowance.

#### **2.0 Payment of Allowance**

- 2.1 The mechanic's allowance is up to \$1300 per fiscal year which runs from January 1 to December 31.
- 2.2 Employees who meet the eligibility requirements may purchase tools at their discretion. Following the purchase, a voucher must be submitted, with the receipt(s) attached, to the Director of Public Works or his or her designee.

- 2.3 A mechanics' allowance is considered as taxable for the purposes of retirement benefits calculations, federal and provincial income tax, and other withholdings and contributions based on gross wages paid.
- 2.4 A mechanics' allowance is not incorporated in hourly or bases wages for the purposes of calculating salary increases, overtime, benefits coverage, or any other benefit other than those based on gross wages paid.
- 2.5 As per Canadian Revenue Agency requirements, an earnings code will be established and will be reimbursed through payroll. Employees will be reimbursed for their purchases following the submission of receipts. The amount of reimbursement for the allowance will be included in Box 40 of all T4 forms as well as included in Box 14 indicating gross wages. Any Goods and Services Tax on a purchase will be reimbursed but will not be reported on T4s.

### **3.0 Tool Eligibility**

- 3.1 Any hand tools for the purposes of carrying out an employee's day-to-day duties shall be eligible.
- 3.2 Any personal protective equipment directly related to carrying out an employee's day-to-day duties shall be eligible including:
- (a) Gloves;
  - (b) Eyewear;
  - (c) Headwear;
  - (d) Clothing/Garments;
  - (e) Hearing Protection; and
  - (f) Boots.
- 3.3 If an employee wants to purchase a tool or other object that they are unsure meets the eligibility requirements they may request approval to make the purchase in writing to the Director of Public Works or his or her designee.

### **4.0 Ownership**

- 4.1 All mechanics are responsible for supplying their own tools. It is understood that employees share tools while carrying out their duties and that some of these tools will lose their usefulness over time. Any tools or equipment purchased using the mechanics' allowance will belong to the employee who submitted the voucher and receipts for that item in question.