PERSONNEL POLICY & PROCEDURES: (refer to page 19)

III. Employee Conduct
Addendum #3:

   S. **PERSONAL USE OF MUNICIPAL VEHICLES PERMITTED FOR COMMUTING USE ONLY**
       *Written policy statement to comply with safe harbor requirement of Temp. Reg 1.274-6T(a)(3). See Key Issue 10M.

A City vehicle has been provided to public works employees specified by the City Council for use in the City business. Except for commuting to and from work, the vehicle shall be used only in connection with the city business. The vehicle is not to be used for any other personal purposes other than for *de minimus* personal use such as stopping for lunch or occasionally running a personal errand while in route on city business such as stopping at the bank while in route to a job site or between business appointments.

The City is making this vehicle available to you for commuting to allow you to remain available for business duties at night and on weekends. Therefore, the City requires you to commute to and from work in this vehicle.

Commuting is a personal use that must be valued and treated as a taxable fringe benefit for federal income and employment tax purposes. The City has elected to value the commuting use of your vehicle using the vehicle commuting valuation method. For withholding and reporting purposes, $3 will be charged to you as personal use income for each day you use the vehicle for commuting to and from work ($1.50 each way) for the period October 1 to September 30. You are not required to maintain a detailed vehicle log, however, you must submit a detail of the number of commuting days no later than October 15 of each year. The City will treat the personal use commuting value as paid for withholding and reporting purposes at December 31 of each year. Please sign and return this statement to the City Clerk.

Year	Make and Model	VIN #	Employee	Employee ID#
2012	Ford F250 PU Trk	---3565	John R. Peddie	#3/SS6196
2013	Ford F150 PU Trk	---9707	Richard A. Mims	#5/SS9791
1998	Ford E350 Club Van	---7983	Michael Wahlquist	#4/SS6655

Employer: Date:

Employee: Date:

Employee: Date:

Employee: Date: