

CITY OF MOUNTAIN VIEW
RESOLUTION NO.
SERIES 2017

A RESOLUTION OF THE CITY COUNCIL MODIFYING CITY COUNCIL POLICY A-2,
CITY COUNCIL POLICY GOVERNING EXPENSES OF THE COUNCIL

WHEREAS, under City Council Policy A-2, City Council shall consider and adopt a written policy governing expenses of the Council and any modifications made to the Policy; and

WHEREAS, the City Council directed the Council Procedures Committee, a subcommittee of the Council, to review the City Council Policy Governing Expenses of the Council; and

WHEREAS, the Council Procedures Committee held a publicly noticed meeting to discuss potential modifications to the City Council Policy Governing Expenses of the Council on February 23, 2016; and

WHEREAS, the Committee recommends the City Council amend Council Policy A-2 for items as follows:

- General clean-up language to modernize the policy and additional explanations and clarifications for reimbursement throughout the policy;
- Removing specific amounts allocated to each Councilmember by category and reference (e.g., telecommunications, travel and expenses, per term, etc.) and referencing the amounts as adopted annually by the Council. Thereby, not requiring the policy to be revised if there are changes in amounts adopted;
- Providing an allowance for Communication Costs for cell phone and data plans, as allowed by the Internal Revenue Service as a nontaxable fringe benefit, representing a reasonable amount of the actual expenses. Other Communication Costs (telephones, fax lines, computers, Internet access, etc.) will continue to be reimbursed on actual expenses;
- Specify Councilmembers are eligible for management development funds similar to other unrepresented employees;
- One City logo item per year, at the discretion of the Mayor, is included as part of the City Council budget;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View hereby adopts the modifications to City Council Policy A-2, as described above and as shown in Exhibit A attached to this resolution..

PJK/7/RESO
546-03-21-17r-E

CITY COUNCIL POLICY

SUBJECT: CITY COUNCIL POLICY GOVERNING EXPENSES OF THE COUNCIL NO.: A-2

PURPOSE:

~~To establish a policy governing~~ This Policy establishes the guidelines and standards regarding reimbursement of actual and necessary ~~reimbursable and miscellaneous~~ expenses of the City Council incurred in the performance of official City duties.

1. Policy, Legislative Intent, and General Rules

- a. ~~City~~ Councilmembers may incur miscellaneous expenses in fulfilling the responsibilities of an elected official. All expenditures of public funds must be related to the performance of City business. ~~City~~ Councilmembers may be reimbursed for actual and necessary expenses incurred in the performance of authorized City business and official duties in conformance with this Policy. ~~This Policy establishes the guidelines and standards regarding reimbursement of such expenditures incurred by members of the City Council.~~
- ~~b. Certain authorized out-of-pocket expenses incurred by a Councilmember in the performance of their official duties as a representative of the City are eligible for reimbursement as provided in this Policy.~~
- b. ~~e.~~ City funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized City business. ~~Councilmembers may utilize City support services for conducting official City business,~~ including the Document Processing Center, voice mail services, document imaging systems ~~and access to,~~ computers, copy machines, etc.
- c. ~~d.~~ Councilmembers, upon request, will be provided with City ~~purchasing~~ procurement cards or credit cards, which may be used only for the purposes and in the amounts provided for in this Policy and the Procurement Card Policy 2-11. Detailed receipts of charges on City purchasing cards must be remitted to the City Clerk's Office in a timely manner in support of the monthly statements.

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~~e. Receipts or other substantiation of charges on City purchasing cards must be remitted monthly or upon request.~~

d. ~~f.~~—The amounts identified in this Policy for each specific purpose cannot be exceeded or combined with an amount budgeted for another purpose, ~~or~~ nor may amounts be carried over from one year to the next.

2. Authorized Expenses

Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this Policy are met:

a. Communicating with representatives of regional, State, and national government on City-adopted policy positions;

b. Attending educational seminars designed to improve ~~officials'~~ an official's skill and ~~information~~ knowledge levels directly related to City business;

c. Attending a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including ethics training required by Government Code Sections 53234, ~~and following~~ get seq.;

d. Attending a meeting of any multi-jurisdictional governmental body on which the Councilmember serves as the City's designated representative;

e. Attending any meeting or providing service on a given day at the formal request of the Council or attending other regional events or meetings where representing the City in an official capacity;

f. Participating in regional, State, and national organizations whose activities affect the City's interests, including, but not limited to, National League of Cities, League of California Cities, Association of Bay Area Governments, Santa Clara County Cities' Association, Joint Venture: Silicon Valley, Sustainable Communities, Santa Clara Valley Transit Authority, or U.S.

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Conference of Mayors; ~~International Conference of Shopping Centers or the First Five Commission;~~

~~g. Recognizing service to the City (for example, thanking a long time employee with a retirement gift or celebration of appropriate value and cost);~~

g. ~~h.~~—Attending City events; ~~and~~

h. ~~i.~~—Implementing a City-approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member; ~~and~~

i. ~~j.~~—Dinner or admission expenses for a spouse or guest ~~pursuant to the policy for local expenses set forth in~~ accordance with Section ~~108.a.~~

3. Expenditures Requiring Council Approval

~~a.~~ Except as set forth in Section 2-~~above~~, all other expenditures require prior approval by the ~~City~~ Council at a public meeting. Any questions regarding the propriety of a particular type of expense should be resolved by the ~~City~~ Council before the expense is incurred.

4. Unauthorized Expenses Erroneous Charges of Payments

Expenses charged to a City account or paid in error that are unauthorized per Section 4.a and nonrefundable expenses per Section 4.b under this Policy shall be reimbursed to the City within 30 days of notification.

a. Unauthorized Expenses

Examples of expenses that the City will not reimburse include, but are not limited to:

The personal portion of any trip;

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- ~~• b. — Except as set forth in Section 10, family expenses, including spouse, guest or partner's expenses or charges, fees or costs of any any kind when accompanying a portion of the trip not related to City business;~~
- Expenses for any individual other than the Councilmember on City-related business, activities, or events, as well as expenses related to children, other family members or guests, or pet except as set forth in Section 8.a;
- ~~• e. — Entertainment expenses, including not related to City business, for example: theater, movies (either in-room or at the theater), movies, sporting events (including golf related expenses) or activities, personal services such as a massage or use of the gym or other resort or hotel facilities or other cultural, voluntary events;~~
- ~~• d. — Nonmileage Personal automobile expenses, including repairs, traffic citations, insurance, or gasoline, with the exception of mileage reimbursement, pursuant to Section 7.b;~~
- e. — Personal losses incurred while on City business;
- ~~• f. — Expenditures of a personal nature; e.g., personal (incidentals, clothing, other non-City business-related travel expenses; etc.);~~
- ~~• g. — Reimbursement for local meals with constituents, friends, relatives, staff or other Councilmembers is expressly disallowed not associated with an overnight event;~~
- h. — Reimbursement for political contributions or expenses for events sponsored by political organizations, candidates, office holders, or for other political purposes is expressly disallowed; and;
- i. — Charitable contributions, expenses, or events;

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- Expenses reimbursed by other organizations. Expenses for which a City Councilmember receives reimbursement from another agency are not reimbursable. The amount of travel expense reimbursed to the City by organizations such as the U.S. Conference of Mayors, National League of Cities, League of California Cities, or other organizations for travel by a Councilmember shall be credited to the travel budget of that Councilmember.^{5.}—;

b. Reimbursements of Nonrefundable Expenses^{City}

Councilmembers ~~will be required to pay~~ must reimburse the City with personal funds for any nonrefundable expenses if they register for an event (e.g., conference, dinner meeting, etc.) but do not attend, unless they ~~are able to~~ designate a substitute ~~to attend in their place~~ attendee, or if they cannot attend as the result of a personal illness or emergency. ~~Councilmembers will be permitted,~~ which is limited to one paid ~~but unattended~~ event per year.

5.6. Management Development Funds

Councilmembers are eligible for Management Development Funds, which may be combined with ~~the amounts provided to Councilmembers under this Policy to increase the amount available for purposes permitted by this Policy and the guidelines regarding use of Management Development Funds,~~ as follows:

- a. Management Development Funds may be used ~~for authorized travel expenses~~ in accordance with the City's Management Development Policy No. 3-2.
- b. Amounts shall be the same as unrepresented employees.
- c. Travel Funds may not be used to supplement Management Development Funds.

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~~7. Erroneous Charges of Payments. Expenses charged to a City account or paid in error that are not permitted by this Policy shall be reimbursed to the City or otherwise resolved within 60 days of notification.~~

6.8. Equipment, Supplies, and Communication Expenses

a. Miscellaneous Supplies

The following supplies and materials are available to Councilmembers at City Hall for use in conducting official City business:

- A card key for access to City Hall, to be returned when a Councilmember leaves office;
- Miscellaneous office supplies such as paper, writing materials, ~~etc.~~ digital storage devices;
- Business cards.

b. City Souvenirs

City souvenirs are intended for official distribution. A log sheet describing the type and number of items ~~and amounts~~ requested by a Councilmember ~~for official purposes~~ shall be ~~kept and~~ maintained by the City Clerk and copy of the log shall be distributed to the Council quarterly or semiannually. Souvenirs shall be regulated to the following types of items:

- One City logo item per year, at the discretion of the Mayor, is included as part of the City Council budget.

c. Communication Costs and Allowances ~~Costs~~

Communication tools (e.g., telephones, fax lines, cell phones, data plans, computers and Internet access) are necessary for Councilmembers to fulfill their responsibilities of communicating with constituents, City staff members,

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and others in the course of City business. Each Councilmember shall receive an annual communication budget ~~of up to \$1,680~~, and the Mayor shall receive ~~\$2,280~~. a supplemental amount as adopted by the Council in the annual Adopted Budget. This budgeted amount is the maximum amount that can be reimbursed intended to a Councilmember for cover all telecommunication costs including telephones, fax lines, cellphones, data plans, computers, Internet access, etc.

A communications purposes. Communication costs incurred in excess of this amount allowance or stipend shall be the responsibility of the Councilmember. Receipts are required for all reimbursement claims provided to each Councilmember semi-annually based on the amount included in the Adopted Budget for cellular telephones and tablet devices. The communication allowance shall be a reasonable amount to represent the reimbursement for actual costs associated with telecommunication items noted above.

For all other communication costs (e.g., telephone, fax lines, computer data plans, and Internet access), amounts shall be reimbursed based on actual costs and detail receipts shall be required for all reimbursement claims.

Such items used shall be for business purposes with a *de minimis* amount of personal usage allowed. Amounts provided are subject to IRS regulations and guidelines.

Telephone and computer communication costs, with receipts, may be reimbursed as follows:

- Monthly service charges for two (2) telephone lines, or combination of telephone lines and cellular phones.
- Expenses for cellular phones (including flat amounts charged for calling plans) used for City and personal business will be reimbursed up to \$50 per month with receipt for service. The amount to be reimbursed for

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~~cellular phone use will be reviewed annually by the Council Finance Committee.~~

- ~~• Reimbursement for toll calls related to City business shall be allowed, provided supporting receipts documenting costs are submitted with reimbursement request identifying City-related calls.~~
- ~~• Internet service provider charges in order to enable e-mail communication with appropriate documentation of actual cost.~~

d. Per-Term Allowances

Councilmembers ~~are required to~~must have ~~certain types of~~ office equipment to discharge their functions and communicate with staff. For each term of office, Councilmembers will be reimbursed ~~for the purchase of~~by providing supporting documentation, up to the amount adopted by the following types of Council for office equipment up to the amounts shown for each item. The amounts identified for each item. Amounts may not be ~~exceeded or combined with amounts identified for other items.~~Any unspent amounts do not carry ~~from one term forward~~to a future term. Receipts are required for all reimbursement claims subsequent term.

- ~~• File Cabinet: \$200 per term.~~
- Computer, Printer and Peripheral Equipment, Fax Copier, Answering Machine, Cellular Phone, Pager, Personal ~~Digital Assistant~~Devices (such as a ~~Palm Pilot~~smart phone, tablet, laptop, etc.), and the actual costs of installing up to two (2) telephone lines, incurred after election to the ~~City~~ Council: ~~\$3,600~~amount per term- as included in the Adopted Budget for the fiscal year elected to office.
- Reimbursement for maintenance warranty plans or repairs of ~~these office~~ items ~~shall be permitted as long as the amount reimbursed remains within the maximum allowance for that piece of equipment. However, these amounts is allowed.~~ Allowance may not be used for monthly service or usage charges.

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7.9: Council Travel, Meals, and Lodging

~~Expenses permitted while traveling outside of the City shall include, but not be limited to, the items. The expenses described in this section. All shall not exceed the budget allocated to each Councilmember in Section 9 of this policy. All expenses and reimbursement claims are subject to this Policy and must be documented with detailed receipts; however, a City Incidental Expense Receipt Form may be used to claim reimbursement for those incidental expenses not exceeding Twenty Five Dollars (\$25), for which a receipt which is lost or not normally provided. The expenses described in this section will not exceed~~ Expenses permitted while traveling outside of the budget allocated City include, but are not limited to each Councilmember as described in, the "Budget" section of this Policy following:

- a. Airfare. Transportation costs to and from the authorized destination shall not exceed economy-class airfare unless such fare is not available. ~~Government and group rates must be used when available.~~
- b. Automobile Mileage; Parking; Tolls. ~~Mileage incurred in the course of official duties~~ Parking, bridge, and road tolls (including FasTrak and mileage (which shall be recorded and reimbursed at the current Internal Revenue Service rate for ~~nonitemized~~ nonitemized travel.)). [NOTE: See *www.irs.gov*.] ~~These rates are designed to compensate the driver for gasoline, insurance, maintenance and other expenses associated with operating the vehicle. This mileage amount does not include parking, bridge and road tolls, which are also reimbursable.~~
- c. Car Rental. Rental rates ~~that are~~ must be the best available rate for a midsize or smaller car.
- d. Taxis/Shuttles. Taxi or shuttle fares ~~may be reimbursed~~, including a 15 percent gratuity per fare, when the cost of such fares is equal to or less than

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- the cost of car rentals, ~~gasolinemileage~~, and parking combined, or when such transportation is necessary for time efficiency.
- e. Airport Parking. Long-term parking must be used for travel exceeding 24 hours.
 - f. Baggage. Baggage ~~handling fees and gratuities of for~~ up to ~~15 percent are reimbursable~~ two pieces of checked bags.
 - g. Telecommunication Charges. ~~Telephone charges for~~ Official business ~~made on dates incurred~~ when traveling, ~~clerical or technical assistance~~ such as faxing, photocopying, or computer service; and other normal, necessary, and reasonable expenses ~~may be reimbursed. Telephone, cellular, fax and other telecommunication charges when traveling out of town shall be limited to City business and shall be charged as a travel expense. The travel budget may not be used for communication charges except during out of town travel. Personal calls shall not be reimbursed.~~
 - h. Lodging. ~~Lodging expenses at the best available rate for that area for comparable accommodations will be reimbursed or paid for when travel on official City business reasonably requires an overnight stay.~~
 - i. ~~Conferences/Meetings.~~ If ~~such~~ lodging is required in connection with a conference or meeting, lodging expenses shall not exceed the maximum group rate published by the conference or activity sponsor for the meeting ~~in question~~ if such rates are available at the time of booking. If the group rate is not available, the Councilmember shall use comparable lodging at the best available rate for that area ~~consistent with this Policy.~~
 - j. ~~Other Lodging.~~ Travelers ~~must request government rates, when available. Lodging rates that are equal to or less than the conference rates or are the best available rate for that area for comparable accommodations are presumed to be reasonable and hence reimbursable for purposes of this Policy.~~

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~~i.k.~~ Meals. Meal expenses ~~and~~, associated gratuities ~~may be reimbursed, and~~ incidentals up to a total of One Hundred Dollars (\$100) per day, with detailed receipts provided.

~~l. Expenses Reimbursed by Other Organizations. Expenses for which a City Councilmember receives reimbursement from another agency are not reimbursable. The amount of travel expense reimbursed to the City by organizations such as the U.S. Conference of Mayors, National League of Cities, League of California Cities or other organizations for travel by a Councilmember shall be credited to the travel budget of that Councilmember.~~

8.10 Local and Miscellaneous Expenses

a. ~~Local Expenses for Guests. Dinner or Admission for Spouse or Guest. Dinner or admission expenses for a spouse or guest may be allowed for events, which require a Councilmember's attendance as an official representative of the City and at which a guest or spouse would be expected invited to attend, is permitted. Each Councilmember is allowed guest expenses for up to three events sponsored by the City, Santa Clara County Cities Association or League of California Cities and one event sponsored by a non-City sponsored organization to utilize his or her expense account for guest expenses for a maximum of four events. The Mayor shall be allowed guest expenses for two additional events (guest expenses for a total of three) sponsored by a non-City sponsored organizations six events.~~

b. Local Meals. Costs incurred by a Councilmember for local meals or lunches in the course of meeting with constituents, staff, or other Councilmembers ~~cannot~~ are not reimbursable and shall not be charged ~~to or reimbursed by the City on a Councilmember's procurement card.~~

c. Admission Cost. The portion of the cost of admission or a ticket or donation to an event which represents a charitable, political, or other contribution is not an authorized expense and not reimbursable ~~under this Policy.~~

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~~b.d.~~ d. Professional Development. Costs incurred for professional development (seminars, publications, and memberships) related to a Councilmember's duties as an elected official may be reimbursed ~~from his or her available management-development budget~~ as provided for in the City's Professional/Management Development Program Policy and this policy, and are the same amount as provided to unrepresented employees.

9.11 Budget

- a. Annual Council Budget. The annual budget for ~~City~~the Council expenses shall be recommended by a subcommittee of the ~~City~~Council and approved by the Council in the annual City budget.
- b. Mayor's Budget. A supplemental amount may be allocated to the Mayor to be used as a contingency for the additional duties of the office. Because the term of the Mayor does not coincide with the fiscal year, the incumbent Mayor will be allocated one-half of this amount ~~infor~~ each of the two fiscal years in office.
- c. Budget Adjustments. Outgoing Councilmembers shall be allocated 50 percent of the budget for their seat. Incoming Councilmembers shall be allocated 50 percent of the budget for their seat.
- d. Training and Conference Reserve. A "training and conference reserve" (the "Reserve") account shall be established in an amount approved by the City Council. The "Reserve" may be used by any Councilmember, Mayor, or Vice Mayor ~~for a purpose consistent with this Policy and~~ who has exhausted the amount budgeted for Training, Conference, and Travel for their seat, for a purpose consistent with this Policy. The Mayor or Vice Mayor ~~shall approve~~ must give prior approval for use of the "Reserve" by Councilmembers ~~consistent with this Policy~~ in accordance with Section 10.d.
- e. Councilmember Budgets. Following adoption of the annual budget, upon request, staff will work with each Councilmember to develop an annual budget within the ~~amount~~ allocated ~~to~~ amount for each member. ~~The purpose~~

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~~of this budget is in order~~ to provide a monitoring tool for ~~each Councilmember~~Councilmembers.

- f. No Transfer of Councilmember Budget. The budget amount allocated to a Councilmember may not be used to pay for the expenses of, or transferred to, another Councilmember.
- g. Amendment. The budget may be amended by the ~~City~~Council at any time.

10.12. Monitoring and Reporting

- a. Expense Report. All expenses and claims for reimbursement shall be ~~presented on City expense report forms and should be~~ submitted to the Finance and Administrative Services Department on City expense report forms within ~~60~~30~~60~~ days of the incurred expense, and ~~shall be received~~ within the ~~same~~ fiscal year in which they were incurred. All expense reports shall be accompanied by detailed receipts and shall document that the expenses comply with this Policy for expenditure of public resources. Inability to provide such documentation in a timely manner may result in the expense being borne by the Councilmember. All expense reports are subject to audits.
- b. Tracking Expenses. Expenses of Councilmembers ~~will be~~are tracked individually against the budgeted amount and reported to Councilmembers as requested.
- c. Receipts Required. ~~Receipts supporting reimbursement requests shall be~~Detailed, itemized receipts are required for all expenses and reimbursement claims.
- d. Use of Reserve. ~~Except as Otherwise Provided in Section 9.d of this Policy.~~ The Mayor, or Vice Mayor in the absence of the Mayor, ~~shall~~must approve use of the "Reserve"~~described in under~~ Section 5.d of this policy and shall interpret any questions of policy, legislative intent, and interpretation of a questioned expenditure consistent with this Policy. Neither the Mayor ~~or nor~~

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Vice Mayor may make interpretations or determinations regarding their own expenditures or use of the "Reserve." The Vice Mayor ~~shall make decisions required by this Policy regarding~~ must approve any use of the Reserve for expenditures of the Mayor. ~~Any Councilmember unhappy with the interpretation or decision of the Mayor or Vice Mayor on the questioned expenditure or use of the "Reserve" Disputes~~ may appeal be appealed to the Council Finance Committee by individual Councilmembers.

- e. Personal Responsibility for Payment. ~~Individual Councilmembers are personally responsible for paying any expenditure~~ Expenditures in excess of ~~their~~ the budget amounts or any expenditure ~~which is in excess of this Policy or which is not in compliance with this Policy~~ is the responsibility of the individual Councilmember.
- f. Report to the Council. ~~At the following City Council meeting~~ Each official shall briefly report on meetings attended at City expense: at the next scheduled Council meeting. If multiple Councilmembers attended, a joint report may be made.

11.13. Violation of This Policy

Use of public resources or falsifying expense reports in violation of this Policy may result in any or all of the following: (1) loss of procurement card and/or reimbursement privileges; (2) a demand for restitution to the City; (3) the City's reporting the expenses as income to the elected official to State and Federal tax authorities; (4) civil penalties of up to \$1,000 per day and three times the value of the resources used; and (5) prosecution for misuse of public resources pursuant to Section 424 of the Penal Code.

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Revised:

Revised: April 24, 2007, Resolution No. 17203

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Effective Date: July 29, 1963

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