

RESOLUTION NO. 127-17

**A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
ADOPTING REVISIONS TO THE 2006 CITY COUNCIL EXPENSE AND
EXPENDITURE POLICY**

WHEREAS, Section 36514.5 of the Government Code states: city council members may be reimbursed for actual and necessary expenses incurred in the performance of official duties. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3 of the Government Code; and,

WHEREAS, Section 53232.2(b) of the Government Code states: If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of the legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses; and,

WHEREAS, the city council adopted an expense and expenditure policy in 2006 which has not been revised since; and

WHEREAS, the policy regulates the expenditure of City of Richmond resources by the mayor and councilmembers, as well as the standards against which those expenditures will be measured, and is intended to satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities; and,

WHEREAS, the policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources; and,

WHEREAS, the policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws; and

WHEREAS, the policy also applies to any charges made to City of Richmond issued CalCards.

NOW THEREFORE BE IT RESOLVED, that the City Council Expense and Expenditure Policy, revised October 24, 2017 and attached hereto, is hereby approved.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held October 24, 2017, by the following vote:

AYES: Councilmembers Choi, Martinez, Myrick, Recinos, Willis, Vice Mayor Beckles, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

TOM BUTT
Mayor

Approved as to form:

BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 127-17**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on October 24, 2017.



Pamela Christian, Clerk of the City of Richmond

Richmond City Council Expense and Expenditure Policy

Adopted June 20, 2006

Revised October 24, 2017 by Resolution No. 127-17

Definitions

1. Local - means within Contra Costa, Alameda, San Francisco, San Mateo, or Marin County.
2. Non-Local - means outside of areas defined as “Local.”
3. City Council or councilmember – includes all members of the Richmond City Council, including the separately elected mayor.

Authorized Expenses

When considering the annual budget, the City Council shall consider appropriating sufficient funds to cover estimated expenses covered by this policy.

City of Richmond funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized City of Richmond business. 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:

1. Communicating with representatives of regional, state and national government on adopted policy positions;
2. Attending educational meetings, conferences and seminars designed to improve officials’ skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the City of Richmond’s interests;
4. Recognizing service to the City of Richmond (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Attending City of Richmond events: "City of Richmond events" shall mean an event open to the public: (1) taking place on City-owned property; or (2) financed in whole or in part by the City; or (3) sponsored or co-sponsored by the City.
6. Implementing a City of Richmond-approved strategy for attracting or retaining businesses to the City of Richmond, which will typically involve at least one staff member; and

7. Expenses for membership in organizations, books and electronic media used for City of Richmond business, whether or not related to a conference or meeting.

All other expenditures, including but not limited to the following, require prior approval by the City Council:

- A. International travel;
- B. Expenses which exceed the annual limits established for each Councilmember.

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

1. The personal portion of any travel;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on agency-related business, as well as children- or pet-related expenses;
4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
6. Personal losses incurred while on City of Richmond business. Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

Cost Control

1. To conserve City of Richmond resources and keep expenses within community standards for public officials, expenditures shall adhere to these guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the City of Richmond will be limited to the costs that fall within the guidelines.
2. With the assistance of the designated City Council and Mayor's Office staff, those councilmembers who have CalCards are responsible for monitoring their CalCard bank statements to ensure expenditures do not exceed budgets.
3. The Finance Department is responsible for processing expense reports for payment. City Council and Mayor's Office staff shall prepare an itemized quarterly report, for each

councilmember that will show the usage of the debit card or reimbursements and compliance with this policy and shall be available as a public record on request.

Transportation

1. Travel expense is allowed only for non-local travel. The City Council automobile expense payment is expected to cover local travel.
2. If it is known that a councilmember will leave office within 45 days of a planned travel, a majority of the City Council must approve any requests for non-local travel in the form of a non-consent calendar agenda item.
3. The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Charges for rental vehicles may be reimbursed under this provision if more than one City of Richmond official is attending an out of town conference, and it is determined that sharing a rental vehicle is more economical than other forms of transportation. In making such determination, the cost of the rental vehicle, parking and gasoline will be compared to the combined cost of such other forms of transportation.
4. Government and group rates must be used when available.

Airfare.

Airfares that are equal or less than those available through the [Enhanced Local Government Airfare Program](#) offered through the League of California Cities (www.cacities.org/travel) or available coach class prices that are reasonable and economical.

Automobile.

Personal local automobile mileage is intended to be covered by monthly auto stipend allowances. This amount does not include bridge and road tolls, which are also reimbursable.

Car Rental.

Rental rates for vehicles consistent with cargo and passenger needs equal or less than the median price for that area listed on websites like www.orbitz.com shall be considered the most economical and reasonable for purposes of reimbursement under this policy.

Taxis/Shuttles.

Fares for taxis or shuttle, including for rideshare services, may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time-efficiency.

Lodging

1. Lodging expense will be allowed only for non-local travel and may include the night prior to commencement of a conference, meeting or event, and each successive day, including the final or last day of attendance.
2. Lodging expenses will be reimbursed or paid for when travel on official City of Richmond business reasonably requires an overnight stay.

Conferences/Meetings

If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.

Other Lodging

Travelers must request government rates, when available. Lodging rates that are equal to or less to government rates are presumed to be reasonable and hence reimbursable for purposes of this policy. In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the median retail price for lodging for that area shall be considered reasonable and hence reimbursable.

Meals

Reimbursable meal expenses and associated gratuities shall not exceed the Federal General Services Administration Schedule for specific geographical areas for “Meals and Incidental Expenses.” See <https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup>.

The City of Richmond will not pay for alcohol/personal bar expenses.

Telephone/Fax/Cellular

Officials will not be reimbursed for actual telephone, cell phone or fax expenses incurred on City of Richmond business.

Internet

Officials will be reimbursed for Internet access connection and/or usage fees when away from home Internet access is necessary for City Council-related business.

Airport Parking

Officials will make every effort to use long term parking for air travel exceeding 24 hours.

Other

Baggage handling fees and gratuities of up to 15 percent of cost will be reimbursed. Expenses for which City Council officials receive reimbursement from another agency are not reimbursable.

CalCard Use Policy

Each councilmember, upon request and upon taking office or any time thereafter, will be issued a CalCard for official agency business consistent with this expense policy.

Receipts documenting expenses incurred on the CalCard and compliance with this policy must be submitted monthly.

City of Richmond CalCards may not be used for personal expenses, even if the official subsequently reimburses the City of Richmond.

Expense Report Content and Submission Deadline

All CalCard receipts and expense reimbursement requests must be submitted on an expense report form provided by the City of Richmond Finance Department. This form shall include the following advisory:

All expenses reported on this form must comply with the City of Richmond's policies relating to expenses and use of public resources. The information submitted on this form is a public record. Penalties for misusing public resources and violating the City of Richmond's policies include loss of reimbursement privileges, restitution, civil and criminal penalties as well as additional income tax liability.

Expense reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the local agency official should explain whose meals were purchased, what issues were discussed and how those relate to the City of Richmond's adopted legislative positions and priorities.

Councilmembers must submit their expense reports within 90 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation.

Inability to provide such documentation in a timely fashion may result in the expense being borne by the councilmember.

Audits of Expense Reports

All expenses are subject to verification that they comply with this policy.

Reports to City Council

Councilmembers may report on meetings attended at City of Richmond expense in one of two ways:

1. At the City Council meeting following attendance at a conference, meeting or event, the councilmembers may provide an oral report during the Council Reporting section of the City Council Agenda. If multiple officials attended, a joint report may be made; or,
2. The councilmember may submit a written report to the City Clerk that will be placed on the next City Council agenda.

Compliance with Laws

Councilmembers should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All City of Richmond expenditures are public records subject to disclosure under the Public Records Act and other laws.

Violation of this Policy

Any dispute regarding the interpretation or serious non-compliance with this policy shall be referred to the City Council.

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: (1) a demand for restitution to the City of Richmond, 3) the agency'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.