

Agenda Report

DATE: March 12, 2007

TO: City Council
FROM: City Manager
RE: A RESOLUTION AMENDING THE POLICY FOR REIMBURSEMENT FOR TRAVEL AND EXPENSES FOR ELECTED OFFICIALS

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution amending the Policy for Reimbursement for Travel and Expenses for Elected Officials.

BACKGROUND

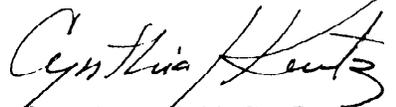
On May 15, 2006, the City Council implemented the terms of AB 1234 by adopting by Resolution that established a policy for travel and expense reimbursement for members of the City Council. Under the terms of AB 1234, the policy must either specify what constitutes "reasonable" rates for meal and lodging expenses or default to the reimbursement rates established by the Internal Revenue Service. The policy adopted by the City Council implemented reimbursement rates which, upon subsequent review, do not adequately reflect meal and lodging costs in California or other regions in which Councilmembers are likely to travel for City business. For example, IRS establishes a maximum reimbursement rate for Sacramento of just \$94 per night, and \$59 per day for all meals, tips, and transportation to and from meals if not available on site. A survey of hotels in downtown Sacramento reveals an average daily rate of \$175, depending on the time of year, and average meal rates, including tax and tip, of approximately \$78. The IRS reimbursement rate for lodging in Washington DC is \$166, and for San Francisco is \$130. A survey of hotels in those cities reveals an average daily rate of \$241 for Washington DC, and \$185 for San Francisco. The average cost for daily meals for Washington DC was found to be \$98, and for San Francisco was \$92 versus an IRS rate of \$64 for each city.

The attached Resolution will amend the policy to provide that the City finds lodging rates of not more than 1.75 times the IRS rate for hotels and 1.5 times the average rate for food under the reimbursement policy. These maximum hotel reimbursement rates apply only in the event that government or conference rates are not available, and only in the event that meals are not provided at a conference or training session. The maximum hotel reimbursement rates established are exclusive of state and local taxes.

FISCAL IMPACT

There may be minimal fiscal impact associated with this action. Travel expenses for members of the City Council were included in the adopted FY 2007 operating budget. It is not anticipated that additional appropriations will be necessary because of the changes in reimbursement rates.

Respectfully Submitted,



CYNTHIA J. KURTZ
City Manager

Prepared and
Approved By:



KARYN S. EZELL
Director of Human Resources

RESOLUTION NO. _____
(AMENDING RESOLUTION NO. 8596)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
AMENDING THE POLICY FOR REIMBURSEMENT FOR TRAVEL AND
EXPENSES FOR ELECTED OFFICIALS

WHEREAS, the City of Pasadena takes its stewardship over the use of its limited public resources seriously; and,

WHEREAS, public resources should only be used when there is a substantial benefit to the City; and,

WHEREAS, the City Council of the City of Pasadena adopted Resolution No. 8596 on May 16, 2006, establishing a Policy for Reimbursement for Travel and Expenses for Elected Officials; and,

WHEREAS, such Policy must specify what constitutes reasonable rates for the reimbursement of meals, lodging and expenses for travel;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena as follows:

SECTION 1. The City Council of the City of Pasadena finds the maximum reimbursement rates specified in this Amendment to be reasonable under the provisions of AB1234.

SECTION 2. Section D. of the Policy for Reimbursement for Travel and Expenses for Elected Officials of Resolution Number 8596, is hereby amended to read in its entirety:

“D. Reimbursement for lodging expenses will be provided when travel on official City business reasonably requires an overnight stay. If such lodging is in connection with a conference, lodging reimbursements 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. Travelers must request government rates, when available. In the event conference or government rates are not available, reimbursement for lodging expenses shall be subject to a maximum of not more than 1.75 times the IRS maximum, exclusive of state and local taxes, per night.”

SECTION 3. Section E. of the Policy for Reimbursement for Travel and Expenses for Elected Officials of Resolution Number 8596, is hereby amended to read as follows, in its entirety:

"E. Reimbursement for actual expenses for daily meals and incidentals shall be subject to a daily maximum of not more than 1.5 times the IRS maximum, exclusive of state and local taxes. The City will not pay for alcohol expenses. Receipts for expenses shall be required for reimbursement."

SECTION 4. All other provisions of Resolution Number 8596 shall remain in force and effect.

SECTION 5. This amendment shall be effective as of May 15, 2006.

Adopted by the following vote at the meeting of the City Council on _____, 2007:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jane Rodriguez, City Clerk

Approved as to Form:



Michele Beal Bagneris, City Attorney