Council Meeting of
October 10, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Subject: Finance & City Attorney – RESOLUTION reinstating automobile allowance for the legislative body and amending RESOLUTION NOS. 2006- 14 and 2006- 15

RECOMMENDATION

The Finance Director and the City Attorney recommend that the City Council adopt a **RESOLUTION** reinstating automobile allowance rates at $446 per month for the legislative body and amend **RESOLUTION NO. 2006 – 14** "Seminar, Conference and Travel Reimbursement" and **RESOLUTION NO. 2006 – 15** "Routine Monthly Expense Reimbursement".

Funding

Funding is available in the department's operating budget.

BACKGROUND/ANALYSIS

When AB 1234 became law in January 2006, there was some question whether AB 1234 applied to charter cities such as Torrance. There was also a question whether the City's current automobile allowance policy complied with existing and new law.

The City Attorney is of the opinion that AB 1234 is not applicable to charter cities. Moreover, it is questionable whether AB 1234 affected previously existing automobile allowance programs.

The City as a precaution made some minor changes to the City's policy on "Seminar, Conference, and Travel Reimbursement" and "Routine Monthly Expense Reimbursement" and adopted those revisions by resolution on February 7, 2006 to fully comply with AB1234, in the event it applied to the City. The reimbursement of automobile expenses via a car allowance was suspended pending further research.

Resolution No. 2006 – 14 and Resolution No. 2006 - 15 adopted on February 7 need to be amended to add some additional clarifying changes that are being recommended to the "Seminar, Conference, and Travel Reimbursement" and "Routine Monthly Expense Reimbursement". The clarifications are:

- Participation in local, regional, state and national community based organizations
- Attending events as representatives of the City
- Attending events that recognize service, achievement or tenure to the City
- Clarifying the legislative body to submit expense reimbursement reports directly to the Finance Department

In 1971, the City began to provide an auto allowance to department heads to reduce the number of vehicles in the City's fleet. The car allowance provided reimbursement for actual and necessary expenses in lieu of a City owned vehicle. The general analysis at that time concluded vehicle usage, while engaged in City business, was approximately two-thirds (2/3). The remaining third was considered personal usage and was used for IRS tax reporting purposes. The car allowance was extended to the Mayor and members of Council in 1981. The amount of car allowance has increased over the years, and the last increase was in 1990 to $446 per month, which is the current amount.

There is no question that cities may and do provide city vehicles for city use by city officials and employees. In many circumstances, due to operational concerns, work schedules, productivity and cost efficiencies, city vehicles are taken home.

Staff has analyzed the cost of providing each member of the legislative body a vehicle vs. a monthly car allowance (Attachment B). Staff believes continuing the auto allowance concept for the legislative body, due to the nature and requirements of their position, best meets the City's goals and requirements. In addition, the auto allowance concept is more cost effective.

Respectfully submitted,

Eric E. Tsao
Finance Director

John L. Fellows III
City Attorney

CONCUR:

LeRoy J. Jackson
City Manager

Attachments:

A. RESOLUTION– Reinstating Auto Allowance
B. RESOLUTION – Seminar, Conference and Travel Reimbursement
C. RESOLUTION – Routine Monthly Expense Reimbursement
D. Auto Allowance Cost Analysis
E. RESOLUTION NO. 2006 – 14
F. RESOLUTION NO. 2006 - 15

ATTACHMENT A

RESOLUTION NO. 2006 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE REINSTATING AUTOMOBILE ALLOWANCE RATES AT $446 PER MONTH FOR THE LEGISLATIVE BODY

WHEREAS, effective January 1, 2006, Assembly Bill 1234 modified the general law of the state governing the reimbursement of expenses for members of the legislative bodies of local agencies; and

WHEREAS, the City of Torrance 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, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, this policy provides guidance to members of the City Council on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, this policy would satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities;

NOW, THEREFORE, the City Council of the City of Torrance does hereby resolve that:

Section 1

Automobile allowance rates at $446 per month for the legislative body from January 1, 2006 forward shall be in accordance with the City's Seminars, Conferences and Travel Reimbursement Policy and the Routine Monthly Expense Reimbursement Report Policy.

Introduced, approved, and adopted this 10th day of October, 2006.

_____
Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

by_____
Ronald T. Pohl, Assistant City Attorney

ATTEST:

_____
Sue Herbers, City Clerk

ATTACHMENT B

RESOLUTION NO. 2006 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ESTABLISHING POLICY FOR SEMINAR, CONFERENCE AND TRAVEL REIMBURSEMENT

WHEREAS, effective January 1, 2006, Assembly Bill 1234 modified the general law of the state governing the reimbursement of expenses for members of the legislative bodies of local agencies; and

WHEREAS, the City of Torrance 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, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this policy provides guidance to members of the City Council on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, this policy would satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities;

NOW, THEREFORE, the City Council of the City of Torrance does hereby resolve that:

Section 1

Seminar, conference and travel expense reimbursements for the Mayor and City Council from January 1, 2006 forward shall be in accordance with the City's Seminar, Conference, and Travel Policy.

Introduced, approved, and adopted this 10th day of October, 2006.

_____
Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

by_____
Ronald T. Pohl, Assistant City Attorney

ATTEST:

_____
Sue Herbers, City Clerk

Seminars, Conferences and Travel Policy

The City of Torrance recognizes the constructive value of professional conferences, seminars, meetings, and training and provides travel funds for members of council, department managers and employees who attend such events. For City employees, the department head and City Manager must approve travel authorizations (for non-local travel). Travel request funding shall be part of the annual budget process and should be inclusive within each department budget. The expenses that are eligible for reimbursement are transportation, meals, parking, fuel, registration, lodging and authorized City purchases.

Definitions

Seminars and Conferences

Programs that specifically benefit the City by improving skills and informational levels for members of council and/or increases employee performance or skill in their immediate work assignment. This includes programs sponsored by professional and technical organizations, colleges and universities, other governmental agencies and other public and private training organizations.

Travel

Authorized attendance at conferences and meetings, taking place at any location other than City-owned facilities, including necessary transportation to and from. Travel is further designated as local or non-local, by the following:

1. Local travel is not to exceed 200 miles round trip from either the traveler's home or City Hall. The department should research all local possibilities before traveling to a non-local destination. For City employees, department head approval is required.
2. Non-local travel is travel involving at least one overnight stay to a destination(s) exceeding 200 miles round trip from either the traveler's home or City Hall. For City employees, both department head and City Manager approval is required.
3. For City employees, any conference or seminar attendance outside the United States or Canada, if concurred with by the City Manager, must also be approved by the City Council.

Expenses

An advance for meal expenses shall be provided for each day or fraction thereof while on a trip lasting more than one day. The maximum daily allowance shall not exceed $55. Adjustments may be made to the meal allowance (not to exceed the maximum daily allowable) when employees travel from home, meals are provided and/or for partial travel days. **NOTE: Original receipts must be provided, whenever possible, for actual cost to receive reimbursement.**

Unless the conference or training location necessitates differently, guidelines for individual meals are as follows:

Breakfast:	$10
Lunch:	$15
Dinner:	$30

Variance to these guidelines requires written explanation.

⇒ If the maximum meal allowance is not used and a cash advance has been obtained, the balance is returned to the City Treasurer's Office.

⇒ Meal receipts are not required for Police Officer Standards Training (POST) classes, as these funds are reimbursed to the City by the training organization.

Transportation

⇒ The use of a City vehicle for transportation will be governed by:

1. The availability of vehicles.
2. The need for an automobile for side trips at the point of destination.
3. The cost comparison, as determined by the department, with other means of transportation available, taking into consideration the loss of work time by the driver (and passengers), the costs of renting a car, mileage reimbursement and any cost savings to the City.

⇒ The rental of a car on-site will be governed by the availability of transportation to and from the Airport and hotel, the availability of transportation to and from the hotel and meeting facility, and the necessity to travel outside of the conference meetings. For City employees, any rental costs expected to exceed $250 shall be pre-approved by the City Manager.

⇒ The use of a personal automobile, by City employees, when the destination is 200 miles or more round trip must be supported by written justification and have prior approval of the City Manager. Mileage will be reimbursed at the rate that is allowed per IRS Rules and Regulations.

⇒ Air Travel: The department travel coordinator is responsible for travel arrangements. Air travel shall be arranged at coach class. The travel coordinator should make an effort to obtain the lowest possible airfare by using a variety of resources including travel agencies, Internet, advertised specials, and other opportunities that are available. If a travel agent is used, the travel agent must be notified of any advertised discount airfare or hotel rates. The point of departure should be from the airport nearest the traveler's home, unless leaving from another airport will result in substantial savings.

Lodging

The department travel coordinator or travel agent should make hotel reservations. It is expected that negotiated, conference or preferred rates will be used and government or lowest rates will be requested whenever possible. Many hotels will deduct the transient occupancy tax from the hotel bill for government employees traveling on official business.

Authorization

⇒ Members of the legislative body are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $7,500 per fiscal year, plus transportation costs, for members of Council and $10,000 per fiscal year for the Mayor. The amount not to exceed is to cover meals, fuel, lodging and registration.

⇒ Department heads are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $1,980 per fiscal year plus transportation costs. The $1,980 is to cover meals, parking, fuel, lodging, and registration.

⇒ Division heads are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $990 per fiscal year, plus transportation cost. The $990 is to cover meals, parking, fuel, lodging, and registration. The department head must approve the request before it is submitted to the City Manager's Office for approval.

⇒ Special meeting attendance: Employees required to attend special meetings such as State committee meetings or who are members of a standing committee of the League of California Cities, if provided for in the department budget, shall be able to attend with prior approval from the City Manager's Office. All expenses will be charged to department budget. It shall not be deducted from the aforementioned conference travel allowance.

⇒ A City employee who is required to attend the League of California Cities Annual Conference shall charge the conference registration fee to the City's legislative budget. Attendance at the League conference is in addition to the authorized conference travel noted above.

Requests for additional travel funds will not normally be authorized except in cases of emergency or other special situations. In such instances, the City Council, City Manager or designee of the City Manager must approve requests.

Procedures for Seminars, Conferences, and Travel

The following rules and procedures shall regulate all seminars, conferences, and training that require out-of-town or overnight trips.

Before the Trip

A. Travel Request.

All City employees are required to prepare a Travel Request and Expense Report (Form FIN-103) in advance for each trip that is planned. All components of the advance estimate section must be filled out. For example, if the registration is paid by a direct payment voucher, then the amount paid must also be indicated as an estimate. A copy of the announcement or brochure should be attached to the forms being submitted. It is not necessary to complete the section under the individual days until travel is complete and the form is submitted for final accounting. This report form shall be processed as follows:

1. After the department head has approved the travel request, the request shall be submitted to the City Manager's Office for initial approval one month before the scheduled travel date.

Deleted: A

Deleted: shall be prepared in triplicate

2. After City Manager approval, the request will be sent to the Finance Department as a travel advance voucher if a cash advance is requested.
3. The second and third copy will be returned to the employee as official authorization for the trip, and upon return, the duplicate shall serve as the expense report form that will be submitted to the Finance Department for final accounting.

B. Travel Cash Advance Request.

A travel advance shall be issued by the Finance Department in the amount approved by the City Manager on the Travel Request and Expense Report form. **In cases of legislative body travel, the Mayor or member of Council would forward the request directly to the Finance Department.** The advance estimate section of the expense report must show the estimated cost of transportation, meals, parking, fuel, registration, and lodging.

1. Cash advance to an employee will be issued by Finance on Wednesday following the week of receipt.
2. In the event the travel agent includes an invoice for the purchased plane tickets, then the payment to the vendor may be processed through a Direct Payment Voucher (DPV) to Accounts Payable.
3. Use of a rental car by a City employee must be supported with written justification and requires prior approval from the City Manager.

An advance will not be given if there is failure to comply with the time limit restrictions.

After Travel

Within 10 working days upon completion of the trip, the employee shall submit the completed second copy of the Travel Request and Expense Report to the department head for approval. The department shall forward the report to the City Manager's Office. From the City Manager's Office, the form will be sent to the Finance Department for final approval. The legislative body would forward the request directly to the Finance Department. All expenses incurred by the employee, except gratuities, must be documented with original receipts. The report must show the time and date of departure and return. The employee is to provide the following information to be reimbursed for expenditures and cash advance:

A. Lodging: Original receipts must be attached to the expense report in support of all claims for lodging.
B. Meals: Regardless of amount, charge/credit card receipts or cash register receipts for all meals must be attached. The amounts claimed for meals should include tax and tip.
C. Registration: Where the registration fee for a conference or seminar includes either lodging or meals, the details shall be set forth in the expense report and the registration receipt attached. (Note: the City does not pay for a spouse's registration or programs)
D. Transportation: When using a personal automobile, mileage will be reimbursed at the rate allowed by the IRS. Check the current mileage rate

with the Finance Department. Included in these costs are parking, tolls, taxi, and bus fees.

E. Auto Rental: The original receipts must be attached to the expense report.

Other expense items must be detailed on the expense report and supported with original receipts. When an original receipt is not available, a written explanation of the expense and the reason for the missing receipt is required and must include the name of the vendor, location, day and the dollar amount. In the event a spouse or family accompanies the employee, receipts must indicate the employee's individual expenses.

Finance Department and City Manager's Office Responsibilities

Both departments shall check the receipts for reasonableness, accuracy of figures and compliance with the City's policies and procedures.

Employee's Records

The third copy of the Travel Request and Expense Report shall be kept for the employee's personal records.

ATTACHMENT C

RESOLUTION NO. 2006 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ESTABLISHING POLICY FOR ROUTINE MONTHLY EXPENSE REIMBURSEMENT

WHEREAS, effective January 1, 2006, Assembly Bill 1234 modified the general law of the state governing the reimbursement of expenses for members of the legislative bodies of local agencies; and

WHEREAS, the City of Torrance 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, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this policy provides guidance to members of the City Council on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, this policy would satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities;

NOW, THEREFORE, the City Council of the City of Torrance does hereby resolve that:

Section 1

Routine monthly expense reimbursements for the Mayor and City Council from January 1, 2006 forward shall be in accordance with the City's Routine Monthly Expense Report Policy.

Introduced, approved, and adopted this 10th day of October, 2006.

_____
Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

by_____
Ronald T. Pohl, Assistant City Attorney

ATTEST:

_____
Sue Herbers, City Clerk

Routine Monthly Expense Report Policy

The City of Torrance shall have a uniform policy and procedure in regard to routine monthly expense reports. Members of the **legislative body** and City employees shall be reimbursed for expenses related to job responsibilities, provided that certain rules and procedures are followed. Expenses related to trips not requiring an overnight stay are included in this category. Expenses not covered in this policy and procedure will be reviewed and approved on a case-by-case basis.

The following types of activities are authorized for reimbursement:

1. Educational seminars designed to improve skills and information levels;
2. Meetings with other governmental representatives on City policy;
3. Participation in professional, local, regional, state and national organizations;
4. **Participation in local, regional state and national community based organizations;**
5. **Attending events as representatives of the City;**
6. Attending City events;
7. **Attending events that recognize service, achievement or tenure to the City;**
8. Miscellaneous supplies and equipment necessary for the performance of City related duties that are not otherwise provided by the City.

Documentation

⇒ An individual may request reimbursement by submitting a Routine Monthly Expense Report and completing the following sections:

- Detail of Expenses
- Detail Required for Extra Meals
- Other Expense
- Summary of Expenses
- Claim for Mileage and Parking and Toll

⇒ All receipts must be attached to the Expense Report form.

⇒ When reporting meals, the tax and tip must be included in the final amount.

Routine Monthly Expense Report Procedure

The following rules and procedures shall regulate the use of Routine Monthly Expense Reports.

Responsibilities

A. The department head or designee shall approve all expense reports.

B. The City Manager shall approve for City employees:

- Reports exceeding $150.00
- Department head expense reports, exclusive of auto allowance and mileage

C. **<u>The members of the legislative body would forward their expense reports directly to the Finance Department.</u>**

D. The Finance Department shall review each expense report and reimburse individuals for expenses incurred.

Procedures for Reporting Expenses

The Routine Monthly Expense Report shall be prepared *no later than* 30 days following the close of the month during which the expenses were incurred and upon approval, the report shall be submitted to the Finance Department for reimbursement.

A. Meals: claims must provide the date, name of the eating establishment, business purpose, the number of meals, and the amount of the expenses. An individual meal should not exceed $30. (Participants should take care of any alcoholic beverages as a non-business expense.)

B. Extra Meals: claims must provide the date, name, title or business.

C. City Approved Banquet Functions: State of the City, Chamber of Commerce events, etc.

D. Attendance at civic club events will be allowed only where approval has been obtained from the City Manager. (These requests must be submitted in writing prior to attendance.)

E. Other Expenses: City-related expenditures may be claimed and must provide the date, the items of expense and the amount.

F. Mileage: The destination and purpose shall be documented for each trip. Mileage will be reimbursed at the current mileage rate allowed by the IRS. Employees who receive a monthly vehicle allowance can be reimbursed on a per mileage basis for business travel that exceeds 25 miles each way. Reimbursement will be given on a per mile basis commencing after the 25th mile.

NOTE: All receipts must be attached, whenever possible.

ATTACHMENT D

The below analysis reflects the annual cost of a Toyota Camry (2007) for a five (5) year period. The analysis reflects that the City's current vehicle allowance of $446 a month is below the $494 computed by Edmunds. Edmunds is a company that provides true market value pricing, unbiased car reviews and ratings to help car consumers get a fair deal when purchasing vehicles. Edmunds is also a chief competitor of Kelly Blue Book.

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Total	Residual
Depreciation	$5,093	$2,453	$2,159	$1,913	$1,717	$13,335	$13,325
Financing	1,772	1,435	1,069	674	245	5,195	
Insurance	1,565	1,621	1,678	1,737	1,798	8,399	
Sales tax	2,199	0	0	0	0	2,199	
Fuel	1,771	1,824	1,879	1,935	1,993	9,402	
Maintenance	498	747	662	1,025	2,072	5,004	
Repairs			99	240	350	689	
Yearly Total	$12,898	$8,080	$7,546	$7,524	$8,175	$44,223	

Avg. annual business use		**Monthly**
50%	$4,422	$368.50
60%	$5,307	$442.25
67%	$5,926	**$493.83**
Current Annual Auto Allowance	$5,352	$446.00

Source: http://www.edmunds.com/new/2007/toyota/camry/100699457/cto.html
Source information derived from Edmunds New Car Purchase
Description of cost

Depreciation= This is the amount by which the value of a vehicle declines from its purchase price using 15,000 miles per year
Financing = Represents the interest expense on a loan in the amount of the purchase price
Insurance = This is the estimated average annual insurance premium charged by insurers
Sales Tax = State taxes
Fuel = Represent annual fuel cost
Maintenance = This is the estimated expense of two types of maintenance both scheduled and unscheduled
Repairs = This is the estimated expense for repairs not covered by the vehicle mfg warranty

ATTACHMENT E

RESOLUTION NO. 2006-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ESTABLISHING POLICY FOR SEMINAR, CONFERENCE AND TRAVEL REIMBURSEMENT

WHEREAS, effective January 1, 2006, Assembly Bill 1234 modified the general law of the state governing the reimbursement of expenses for members of the legislative bodies of local agencies; and

WHEREAS, the City of Torrance 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, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this policy provides guidance to members of the City Council on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, this policy would satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities;

NOW, THEREFORE, the City Council of the City of Torrance does hereby resolve that:

Section 1
Seminar, conference and travel expense reimbursements for the Mayor and City Council from January 1, 2006 forward shall be in accordance with the City's Seminar, Conference, and Travel Policy.

Introduced, approved, and adopted this 7th day of February, 2006.

/s/ Dan Walker
Mayor Dan Walker
ATTEST:

/s/ Sue Herbers
Sue Herbers, CMC
City Clerk

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

by /s/ Ron Pohl
Ronald T. Pohl, Assistant City Attorney

TORRANCE CITY COUNCIL RESOLUTION NO. 2006-14

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF TORRANCE)

I, Sue Herbers, City Clerk of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Torrance at a regular meeting of said Council held on the 7th day of February, 2006 by the following roll call vote:

AYES:	COUNCILMEMBERS	Guyton, Mauno, McIntyre, Nowatka, Scotto, Witkowsky, and Mayor Walker.
NOES:	COUNCILMEMBERS	None.
ABSTAIN:	COUNCILMEMBERS	None.
ABSENT:	COUNCILMEMBERS	None.

/s/ Sue Herbers
Sue Herbers, CMC
City Clerk of the City of Torrance

Seminars, Conferences and Travel Policy

The City of Torrance recognizes the constructive value of professional conferences, seminars, meetings, and training and provides travel funds for members of council, department managers and employees who attend such events. For City employees, the department head and City Manager must approve travel authorizations (for non-local travel). Travel request funding shall be part of the annual budget process and should be inclusive within each department budget. The expenses that are eligible for reimbursement are transportation, meals, parking, fuel, registration, lodging and authorized City purchases.

Definitions

Seminars and Conferences

Programs that specifically benefit the City by improving skills and informational levels for members of council and/or increases employee performance or skill in their immediate work assignment. This includes programs sponsored by professional and technical organizations, colleges and universities, other governmental agencies and private training organizations.

Travel

Authorized attendance at conferences and meetings, taking place at any location other than City-owned facilities, including necessary transportation to and from. Travel is further designated as local or non-local, by the following:

1. Local travel is not to exceed 200 miles round trip from either the traveler's home or City Hall. The department should research all local possibilities before traveling to a non-local destination. For City employees, department head approval is required.
2. Non-local travel is travel involving at least one overnight stay to a destination(s) exceeding 200 miles round trip from either the traveler's home or City Hall. For City employees, both department head and City Manager approval is required.
3. For City employees, any conference or seminar attendance outside the United States or Canada, if concurred with by the City Manager, must also be approved by the City Council.

Expenses

An advance for meal expenses shall be provided for each day or fraction thereof while on a trip lasting more than one day. The maximum daily allowance shall not exceed $55. Adjustments may be made to the meal allowance (not to exceed the maximum daily allowable) when employees travel from home, meals are provided and/or for partial travel days. **NOTE: Original receipts <u>must</u> be provided, whenever possible, for actual cost to receive reimbursement.**

Unless the conference or training location necessitates differently, guidelines for individual meals are as follows:

Breakfast: $10
Lunch: $15
Dinner: $30

Variance to these guidelines requires written explanation.

- If the maximum meal allowance is not used and a cash advance has been obtained, the balance is returned to the City Treasurer's Office.
- Meal receipts are not required for Police Officer Standards Training (POST) classes, as these funds are reimbursed to the City by the training organization.

Transportation

- The use of a City vehicle for transportation will be governed by:
  1. The availability of vehicles.
  2. The need for an automobile for side trips at the point of destination.
  3. The cost comparison, as determined by the department, with other means of transportation available, taking into consideration the loss of work time by the driver (and passengers), the costs of renting a car, mileage reimbursement and any cost savings to the City.

- The rental of a car on-site will be governed by the availability of transportation to and from the Airport and hotel, the availability of transportation to and from the hotel and meeting facility, and the necessity to travel outside of the conference meetings. For City employees, any rental costs expected to exceed $250 shall be pre-approved by the City Manager.
- The use of a personal automobile, by City employees, when the destination is 200 miles or more round trip must be supported by written justification and have prior approval of the City Manager. Mileage will be reimbursed at the rate that is allowed per IRS Rules and Regulations.
- Air Travel: The department travel coordinator is responsible for travel arrangements. Air travel shall be arranged at coach class. The travel coordinator should make an effort to obtain the lowest possible airfare by using a variety of resources including travel agencies, Internet, advertised specials, and other opportunities that are available. If a travel agent is used, the travel agent must be notified of any advertised discount airfare or hotel rates. The point of departure should be from the airport nearest the traveler's home, unless leaving from another airport will result in substantial savings.

Lodging

The department travel coordinator or travel agent should make hotel reservations. It is expected that negotiated, conference or preferred rates will be used and government or lowest rates will be requested whenever possible. Many hotels will deduct the transient occupancy tax from the hotel bill for government employees traveling on official business.

Authorization

- **Members of the legislative body are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $7,500 per fiscal year, plus transportation costs, for members of Council and $10,000 per fiscal year for the Mayor. The amount not to exceed is to cover meals, fuel, lodging and registration.**
- Department heads are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $1,980 per fiscal year plus transportation costs. The $1,980 is to cover meals, parking, fuel, lodging, and registration.
- Division heads are authorized to attend a conference either in or out of state and are reimbursed for conference travel expenses in an amount not to exceed $990 per fiscal year, plus transportation cost. The $990 is to cover meals, parking, fuel, lodging, and registration. The department head must approve the request before it is submitted to the City Manager's Office for approval.

- Special meeting attendance: Employees required to attend special meetings such as State committee meetings or who are members of a standing committee of the League of California Cities, if provided for in the department budget, shall be able to attend with prior approval from the City Manager's Office. All expenses will be charged to department budget. It shall not be deducted from the aforementioned conference travel allowance.
- A City employee who is required to attend the League of California Cities Annual Conference shall charge the conference registration fee to the City's legislative budget. Attendance at the League conference is in addition to the authorized conference travel noted above.

Requests for additional travel funds will not normally be authorized except in cases of emergency or other special situations. In such instances, the City Council, City Manager or designee of the City Manager must approve requests.

Procedures for Seminars, Conferences, and Travel

The following rules and procedures shall regulate all seminars, conferences, and training that require out-of-town or overnight trips.

Before the Trip

A. Travel Request.

A Travel Request and Expense Report (Form FIN-103) shall be prepared in triplicate for each trip that is planned. All components of the advance estimate section must be filled out. For example, if the registration is paid by a direct payment voucher, then the amount paid must also be indicated as an estimate. A copy of the announcement or brochure should be attached to the forms being submitted. It is not necessary to complete the section under the individual days until travel is complete and the form is submitted for final accounting. This report form shall be processed as follows:

1. After the department head has approved the travel request, the request shall be submitted to the City Manager's Office for initial approval one month before the scheduled travel date.
2. After City Manager approval, the request will be sent to the Finance Department as a travel advance voucher if a cash advance is requested.
3. The second and third copy will be returned to the employee as official authorization for the trip, and upon return, the duplicate shall serve as the expense report form that will be submitted to the Finance Department for final accounting.

B. Travel Cash Advance Request.

A travel advance shall be issued by the Finance Department in the amount approved by the City Manager on the Travel Request and Expense Report form. The advance estimate section of the expense report must show the estimated cost of transportation, meals, parking, fuel, registration, and lodging.

1. Cash advance to an employee will be issued by Finance on Wednesday following the week of receipt.
2. In the event the travel agent includes an invoice for the purchased plane tickets, then the payment to the vendor may be processed through a Direct Payment Voucher (DPV) to Accounts Payable.

3. Use of a rental car by a City employee must be supported with written justification and requires prior approval from the City Manager.

An advance will not be given if there is failure to comply with the time limit restrictions.

After Travel

Within 10 working days upon completion of the trip, the employee shall submit the completed second copy of the Travel Request and Expense Report to the department head for approval. The department shall forward the report to the City Manager's Office. From the City Manager's Office, the form will be sent to the Finance Department for final approval. The legislative body would forward the request directly to the Finance Department. All expenses incurred by the employee, except gratuities, must be documented with original receipts. The report must show the time and date of departure and return. The employee is to provide the following information to be reimbursed for expenditures and cash advance:

A. Lodging: Original receipts must be attached to the expense report in support of all claims for lodging.

B. Meals: Regardless of amount, charge/credit card receipts or cash register receipts for all meals must be attached. The amounts claimed for meals should include tax and tip.

C. Registration: Where the registration fee for a conference or seminar includes either lodging or meals, the details shall be set forth in the expense report and the registration receipt attached. (Note: the City does not pay for a spouse's registration or programs)

D. Transportation: When using a personal automobile, mileage will be reimbursed at the rate allowed by the IRS. Check the current mileage rate with the Finance Department. Included in these costs are parking, tolls, taxi, and bus fees.

E. Auto Rental: The original receipts must be attached to the expense report.

Other expense items must be detailed on the expense report and supported with original receipts. When an original receipt is not available, a written explanation of the expense and the reason for the missing receipt is required and must include the name of the vendor, location, day and the dollar amount. In the event a spouse or family accompanies the employee, receipts must indicate the employee's individual expenses.

Finance Department and City Manager's Office Responsibilities

Both departments shall check the receipts for reasonableness, accuracy of figures and compliance with the City's policies and procedures.

Employee's Records

The third copy of the Travel Request and Expense Report shall be kept for the employee's personal records.

ATTACHMENT F

RESOLUTION NO. 2006-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ESTABLISHING POLICY FOR ROUTINE MONTHLY EXPENSE REIMBURSEMENT

WHEREAS, effective January 1, 2006, Assembly Bill 1234 modified the general law of the state governing the reimbursement of expenses for members of the legislative bodies of local agencies: and

WHEREAS, the City of Torrance 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, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this policy provides guidance to members of the City Council on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, this policy would satisfy the requirements of Government Code sections 53232.2 and 53233.3 in the event such requirements could be constitutionally applied to charter cities;

NOW, THEREFORE, the City Council of the City of Torrance does hereby resolve that:

Section 1
Routine monthly expense reimbursements for the Mayor and City Council from January 1, 2006 forward shall be in accordance with the City's Routine Monthly Expense Report Policy.

Introduced, approved, and adopted this 7th day of February, 2006.

/s/ Dan Walker
Mayor Dan Walker
ATTEST:

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

by /s/ Ron Pohl
Ronald T. Pohl, Assistant City Attorney

/s/ Sue Herbers
Sue Herbers, CMC
City Clerk

TORRANCE CITY COUNCIL RESOLUTION NO. 2006-15

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF TORRANCE)

I. Sue Herbers, City Clerk of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Torrance at a regular meeting of said Council held on the 7th day of February, 2006 by the following roll call vote:

AYES:	COUNCILMEMBERS	Guyton, Mauno, McIntyre, Nowatka, Scotto, Witkowsky, and Mayor Walker.
NOES:	COUNCILMEMBERS	None.
ABSTAIN:	COUNCILMEMBERS	None.
ABSENT:	COUNCILMEMBERS	None.

/s/ Sue Herbers
Sue Herbers, CMC
City Clerk of the City of Torrance

Routine Monthly Expense Report Policy

The City of Torrance shall have a uniform policy and procedure in regard to routine monthly expense reports. Members of the City Council and City employees shall be reimbursed for expenses related to job responsibilities, provided that certain rules and procedures are followed. Expenses related to trips not requiring an overnight stay are included in this category. Expenses not covered in this policy and procedure will be reviewed and approved on a case-by-case basis.

The following types of activities are authorized for reimbursement:

1. Educational seminars designed to improve skills and information levels;
2. Meetings with other governmental representatives on City policy;
3. Participation in professional, local, regional, state and national organizations;
4. Attending City events;
5. Recognizing service to the City;
6. Miscellaneous supplies and equipment necessary for the performance of City related duties that are not otherwise provided by the City.

Documentation

⇒ An individual may request reimbursement by submitting a Routine Monthly Expense Report and completing the following sections:

- Detail of Expenses
- Detail Required for Extra Meals
- Other Expense
- Summary of Expenses
- Claim for Mileage and Parking and Toll

⇒ All receipts must be attached to the Expense Report form.

⇒ When reporting meals, the tax and tip must be included in the final amount.

Routine Monthly Expense Report Procedure

The following rules and procedures shall regulate the use of Routine Monthly Expense Reports.

Responsibilities

A. The department head or designee shall approve all expense reports.

B. The City Manager shall approve for City employees:

- Reports exceeding $150.00
- Department head expense reports, exclusive of auto allowance and mileage

C. The Finance Department shall review each expense report and reimburse individuals for expenses incurred.

Procedures for Reporting Expenses

The Routine Monthly Expense Report shall be prepared no later than **30** days following the close of the month during which the expenses were incurred and upon approval, the report shall be submitted to the Finance Department for reimbursement.

A. Meals: claims must provide the date, name of the eating establishment, business purpose, the number of meals, and the amount of the expenses. An individual meal should not exceed $30. (Participants should take care of any alcoholic beverages as a non-business expense.)

B. Extra Meals: claims must provide the date, name, title or business.

C. City Approved Banquet Functions: State of the City, Chamber of Commerce events, etc.

D. Attendance at civic club events will be allowed only where approval has been obtained from the City Manager. (These requests must be submitted in writing prior to attendance.)

E. Other Expenses: City-related expenditures may be claimed and must provide the date, the items of expense and the amount.

F. Mileage: The destination and purpose shall be documented for each trip. Mileage will be reimbursed at the current mileage rate allowed by the IRS. Employees who receive a monthly vehicle allowance can be reimbursed on a per mileage basis for business travel that exceeds 25 miles each way. Reimbursement will be given on a per mile basis commencing after the 25th mile.

NOTE: **All receipts must be attached, whenever possible.**