

Chapter 8. Financial Matters

1. Council Member Compensation
 - A. State law sets the overall level of compensation for City Council Members (California Government Code § 36516).
 - B. Compensation of Council Members is set by Resolution (see the San Mateo City Charter, [Section 2.03 Compensation](#)).
 - C. Council Member benefits are established in San Mateo City Charter, [Section 2.04 Benefits and Expenses](#).
 - D. A full explanation of Council Member compensation is available on the City's [website](#).
2. City Council Expense Reimbursement Policy
 - A. Authorized Expenses
 1. City funds, equipment, supplies, titles, and staff time must only be used for authorized city 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:
 - a. Communicating with representatives of regional, state and national government on matters of interest to the City.
 - b. Meeting with City staff on matters relating to City business.
 - c. Attending educational seminars designed to improve officials' skill and information levels.
 - d. Participating in local, regional, state, and national organizations whose activities effect the City's interests; however, a member of the City Council shall not accept an elected or appointed position that would require anticipated costs to the City of more than \$100 annually without City Council approval.
 - e. Recognizing the service to the City (for example, thanking a longtime employee with a retirement gift of nominal value).
 - f. Attending fundraising events for nonprofit entities providing services of benefit to the City and /or its residents.
 - g. Attending City events.

- h. Implementing a City approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member.
- 2. All other expenses require prior approval by the City Council.
- 3. The City will not reimburse the following expenses:
 - a. The personal portion of any trip.
 - b. Political contributions or events.
 - c. Family expenses, including partner's expenses when accompanying official on agency-related business.
 - d. Entertainment expenses, such as movies, sporting events, or cultural events.
 - e. Non-mileage personal automobile expenses, including repairs, citations, insurance or gasoline.

B. Cost Control

To conserve City resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. If expenses are incurred that exceed these guidelines, the cost borne or reimbursed by the City will be limited to the costs that fall within these guidelines.

1. Airfare

Airfares that are equal to or less than those available through the League of California Cities, the California State Association of Counties and the State of California are presumed to be the most economical and reasonable for purposes of reimbursement under this policy.

2. Airport Parking

Long-term parking must be used for travel exceeding 24 hours.

3. Automobile

Mileage shall be reimbursed at IRS rates presently in effect (see www.irs.gov). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses. In addition, drivers may be reimbursed for bridge and road tolls. For rental vehicles, only receipted fuel expenses will be reimbursed.

4. Car Rental

Rental rates that are equal or less than those available through the State of California's website (<http://www.catravelmart.com/default.htm>) shall be considered the most economical and reasonable for purposes of reimbursement under this policy.

5. 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, rates that are equal to or less than the group rate at the host hotel are presumed to be reasonable and reimbursable for purposes of this policy.

6. Internet

Officials will be reimbursed for Internet access connection and/or usage fees away from home, if Internet access is necessary for City business.

7. Lodging

Lodging expenses will be reimbursed or paid for when travel on official City business reasonably requires an overnight stay.

8. Meals

Reimbursable meal expenses and associated gratuities will not exceed the following rates per person:

Breakfast: \$12

Lunch: \$24

Dinner: \$45

When the meal function is an organized event, the official or employee shall be reimbursed the amount being charged by the event organizer for the meal. The City will not pay for alcohol/personal bar expenses.

9. Taxis/Shuttles

Taxis or shuttle fares 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.

10. Telephone/Fax/Cellular

Officials will be reimbursed for actual telephone and fax expenses incurred on City business. Telephone bills should identify which calls were made on City business.

11. Transportation

Officials traveling on City business shall use the most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements, using the most direct, time-efficient route. Government and group rates must be used when available.

C. Expense Reports

1. Expense reimbursement requests must be submitted on an expense report form provided by the City. Reports must document how the expenditure met the requirements of this policy.
2. Expense reports must be submitted within 30 days of an expense being incurred, and must be accompanied by receipts documenting each expense.
3. Expense reports are a public record.

D. Audits of Expenses

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

E. Reports on Meetings

Each official shall briefly give an oral report on any Brown Act meetings they attended for which they receive expense reimbursement at their next City Council, Board, or Commission meeting.

F. Violation of this Policy

Under state law, 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 reimbursement privileges, 2) a demand for restitution to the City, 3) the agency's reporting the expenses as income to the 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.