



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Auditor-Controller
Department No.: 061
For Agenda Of: 1/6/2015
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Robert W. Geis, CPA x2100
Contact Info: x2101

SUBJECT: Revision of Policy Authorizing the Use of Private Vehicles and Vehicle Allowances

County Counsel Concurrence:

As to form: Yes No N/A

Other Concurrence: Risk Management

As to form: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Recommended Action(s):

- a) That the Board of Supervisors adopt the attached resolution revising and updating the business expense policy that provides for the authorized use of private vehicles and revision of vehicle allowances.
- b) Determine that the proposed actions are not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4) and (5) because they are government fiscal, organizational, or administrative activities that will not result in direct or indirect physical changes in the environment.

Summary:

In order to be in compliance with County Code Sec 27-13 that authorizes travel expense reimbursements, the Board of Supervisors (BOS) periodically updates and adopts a resolution that provides guidance for the use of private vehicles.

This resolution is updated for a number of changes including: addition of the Board of Supervisors, a new CEO contract, the implementation of Public Employees' Pension Reform Act (PEPRA) legislation, IRS mileage reimbursement rate effective January 1, 2015, and conversion of the vehicle allowance from a monthly allowance calculation to a bi-weekly allowance calculation. This resolution does not change the rate established by Ordinance for the Board of Supervisors or the rate established by contract for the CEO.

Background:

Revision of Policy Authorizing the Use of Private Vehicles and Vehicle Allowances

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In 1991, in order to cut costs, the County reduced the number of vehicles owned and maintained by the County. To accommodate the reduction in the fleet, policy directed that the Board of Supervisors, their

assistants, department heads, assistant department heads and the County CEO generally use a private vehicle, in lieu of a County-owned vehicle, when conducting County business. The County then provides these designated individuals with the IRS approved mileage rate for actual miles driven and a vehicle allowance to defray the costs of using one’s own private vehicle for County business in lieu of being assigned a County owned vehicle.

Currently, seventy two executive employees are not assigned a County vehicle and receive an auto allowance. Therefore the policy has effectively held down the number of vehicles in the motor pool. Additionally, benefits may accrue to the County from a reduction in the liability exposure when an assigned County-owned vehicle is utilized for personal but unavoidable trips that are an integral part of a typical day and we do not have County vehicles parked at employee residences or the perception of County vehicles being used for personal use or commuting.

Standby status employees – Currently, six executive employees whose duties require availability on a 24-hour basis, seven days a week, are assigned County owned vehicles. In 2001, the Board updated the resolution to provide equitable treatment to the “standby status” employees by providing the auto allowance, partially offset by a payroll deduction for the motor pool capital cost of the assigned vehicle.

Revision of Monthly Vehicle Allowance – The updated IRS mileage reimbursement rate increased from 56 cents per mile to 57.5 cents per mile effective January 1, 2015. The updated biweekly allowances are: \$230 for Department Heads, \$193 for BOS assistants, and \$92 for Assistant Department heads. The Auditor-Controller will continue to index future adjustments as the Internal Revenue Service makes changes to the business mileage reimbursement rate. The biweekly allowance for the Board of Supervisors was set at \$225 by Ordinance No. 4905 and the County Executive’s allowance is set at \$300 by contract.

For reimbursement purposes, the resolution sets the deductible capital cost of an assigned vehicle at the County motor pool rates – full size vehicle rate for Department heads (\$323) and the economy service rates for Assistant Department heads (\$146), adjusted biweekly to \$148 and \$67 respectively for the 2015 calendar year.

Mandates and Service Levels:

County Code Section 27-13 – Travel Expense
Internal Revenue Service Regulations

Fiscal and Facilities Impacts:

Budgeted: Yes No

Fiscal Analysis:

The annual costs of these changes to the allowances are approximately \$11,859.

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Staffing Impacts:

Legal Positions:

0

FTEs:

0

Special Instructions:

Update County Administrative Polices

Concurrences: County Executive Officer, County Counsel, Retirement Administrator, Human Resources Director

Attachments:

Resolution

Authored by:

Robert W. Geis