City Council & Clerk Department
Ward Budget Guidelines

Approved – DATE

I. GUIDING PRINCIPLES

Ward budgets support Council Members in their myriad responsibilities as legislators and community representatives. Within the framework of applicable laws, these guidelines provide consistent direction on the use of these funds so that Council Members have a significant degree of control over the operation of their ward offices.

These guidelines are based on the following principles:

- *Integrity of the City Council*
  The integrity of City Council must be preserved to ensure the propriety of the City's legislative body is maintained at the highest ethical standards.
- *Accountability*
  The public expects public funds will be used prudently for appropriate public purposes. In their fiduciary relationship, Council Members are accountable to their constituents for the type and level of expenses incurred by their ward offices.
- *Transparency*
  The public has a right to know how public funds allocated to Council Members are spent.
- *Compliance*
  All ward expenditures must conform to the City's policies and procedures, as well as any other applicable legal or regulatory requirements.

II. WARD BUDGET PROCEDURES

A. Budget Parameters

1. As part of its annual budget process, the City Council shall determine and set the allocation for ward budgets, which shall be distributed in equal amounts to each ward office unless determined otherwise by action of the City Council.
2. Council Members may allocate their ward budget in any amount to any line item as long as the expenditures are consistent with City budget policies and collective bargaining agreements and these guidelines, and any further or additional restrictions or requirements that may be imposed from time to time by the City Council.
3. If a ward spends more on one line item account than anticipated, the ward must spend less within another account category.
4. The total ward budget is the bottom line.

B. Business Expenses – General Terms

1. Business expenses are incurred in the interest of the City for the advancement of the City. By definition, business expenses pertain to the legitimate functions of municipal government and support the achievement of the City's stated goals and objectives.
2. Public funds shall not be expended or committed for personal or private use, for purposes unrelated to the business of the City, or for political, campaign, or election-related activities.
3. Business expenses are subject to the normal approval processes contemplated in the City's financial and procurement/purchasing policies and are permissible uses of the appropriated

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ward budgets. When necessary, due to normal processing cycles, business expenses may be reimbursed when incurred by a Council Member.

4. In cases of uncertainty on interpretation of these guidelines, or where there is a question as to whether an expense qualifies as a business expense, ward offices should consult the City Clerk. If any dispute on the question is unresolved, it may be submitted to Council Leadership for a determination. Pending the decision of Council Leadership, any disputed expenses will not be paid by the City.

C. Financial Reports

1. An individualized expenditure report detailing the previous month's activity will be furnished to each ward following the period end and reconciliation by the Finance Department, generally the third week of the month.
2. Upon request, the Clerk's Office will prepare interim or special expenditure reports.

D. Deficits

1. A year-end deficit in any ward budget may be allowed and carried over into the next fiscal year, at the discretion of the City Council; provided, any such deficit may only be carried over in the first, second, and/or third year(s) of the four-year elected term of the City Council. A deficit may not be carried over for more than two consecutive years.
2. A year-end deficit is not allowed between the fourth year of a four-year elected term and the first year of a new elected term of City Council.
3. The City Council may, in its discretion, refuse to allow any deficit in a ward budget to be carried over into a successive fiscal year.

E. Savings

1. A year-end savings in any ward budget may be allowed and carried over into the next fiscal year, at the discretion of the City Council, and such savings will be re-appropriated to the respective ward office(s) through the Council's annual year-end reconciliation action in accordance with the City's financial policies. Savings may be carried over in the first, second, and/or third year(s) of the four-year elected term of the City Council.
2. Year-end savings are not allowed to be carried forward between the fourth year of a four-year elected term and the first year of a new elected term of City Council.
3. Wards with less than a full-time Aide or Associate (3/4 time or less) will receive a transfer of funds from the City Clerk budget for the unused portion of the salary only, based on the hourly wage of the FTE. The amount returned to each ward will be projected through December 31 of the current fiscal year based on the number of hours worked during the first three quarters of the year. The fund transfer will occur between October 1 and November 30 in each applicable year.
4. The City Council may, in its discretion, refuse to allow any savings in a ward budget to be carried over into a successive fiscal year.

F. Risk Management Process

1. If a ward experiences personnel-related costs which are unanticipated, unavoidable, or unmanageable within their budget allocation, the Council Member may ask for an adjustment at the end of the year. If available, the adjustment will come from other departmental savings. If no other departmental savings are available, the adjustment will be made by inclusion in the Council's year-end reconciliation action in accordance with the City's financial policies.

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2. Conditions for reimbursement: Examples of unavoidable expenses include Unemployment Compensation and Workers Compensation. An example of an expense which might be unmanageable would be extended leaves such as FMLA or maternity leave where the ward needed to hire additional staff.
3. Amount: Expenses under $2,000 would be handled within the ward budget. Total expenses over $2,000 could be reimbursed.
4. Procedure: The Council Member requests consideration of an additional appropriation to the ward budget at the end of a calendar year. Subject to the discretion and decision of the City Council, and if the circumstance(s) meet the criteria, the amount could be transferred to the ward budget, or the request could be included in the Council's annual budget reconciliation action in the following year.

G. Deadlines and Cost-Sharing Agreements

1. All purchase orders exceeding $500 must be submitted to the Clerk's Office by no later than the close of business on the last regular business day before November 30 each year to allow sufficient time for specification writing, bidding, internal processing, delivery, and invoicing before the end of the year.
2. To ensure accuracy, the Clerk's Office must be notified in writing (in advance by e-mail) of agreements between wards or with other departments on split billings, cost-sharing agreements, and similar arrangements.

III. Items Included in Ward Budgets

A. Personnel Expenditures

1. Salaries, wages, and fringe benefits for substitutes for Council staff or for supplemental staff (e.g., interns, contractors, permit employees, etc.).
2. Overtime.
3. Background checks.

B. Computers and other electronic devices

1. Additional software, hardware, or technology projects, including initial cost, installation, configuration, repair, maintenance, and applicable ongoing charges which are beyond the City's standard configuration.
2. Moves, additions, or changes.

   Note: Unisys has a product catalog with costs on-line, available at: http://citytalk/it/products
3. Wireless charges for laptops and network cards. There is an IMAC charge to enable a laptop.
4. NAS storage charges if those costs can be attributed to specific wards exceeding their established memory capacity.
5. Applicable Tier 4 software licensing, installation, maintenance, repair, and upgrades.
6. IMAC and ongoing charges to enable non City devices to access the City's network.
7. Cable installation and/or ongoing service charges for cable television.
8. Web conferencing charges.

C. Phone lines

1. New telephone lines, such as additional private numbers or intercoms.
2. Smart phone or cell phone purchases and monthly charges, as well as any replacement costs for lost equipment.
3. Additional telephone instruments, accessories, and installation.

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4. Audio conferencing.

D. Communications

1. Postage (first class, and bulk), labels, and delivery charges. Express letter and package delivery, including courier service.
2. Printing and copying in the Document Solutions Center (in-house print/production center), including stationery and envelopes, GIS, business cards, and outside printers.
3. Printing on high speed copier/printers in the City Council office area if ward specific user codes are programmed on those machines.
4. Photography and graphics.
5. Advertising and publications such as neighborhood newspapers.
6. Recognition, awards, frames, and related items for ward-specific usage.
7. Network cards for Windows mobile devices, such as PDAs.
8. Interpreter fees.

E. Professional Development

1. Travel, conferences, workshops, and training sessions.
2. College tuition reimbursement.
3. Memberships and dues.
4. Books and subscriptions.

F. Food and Beverage within City Policy

For policy details: http://www.minneapolismn.gov/policies/
[*See* Employee Rewards & Recognition Policy]

Allowable expenditures in this category include:

1. Formal training sessions.
2. Seminars.
3. Office interdepartmental meetings.
4. Executive level meetings at which City policy is discussed.
   (Not allowed for department staff meetings)

Note: Any expenditure of $1,000 or more requires authorization by the Finance Officer.

G. Transportation

1. Parking vouchers for guests.
2. Mileage reimbursement: Council Members may have their mileage reimbursed in accordance with IRS rules.
3. Bus passes/bike storage lockers for Council Members.
4. Parking in lots or ramps in the community while on ward business.

H. Office Furnishings, Facilities, and Supplies

1. Office furnishings, chairs, tables, etc., when discretionary and not budgeted as part of an overall replacement plan.
2. Decorating, repair, and maintenance.
3. Building, carpentry, electrical and painting labor and supplies.
4. Small office equipment, including maintenance and repair.
5. Office supplies, equipment, and printer toner cartridges.
6. Off-site room rental.

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7. Lost key or access card/fob charges.
8. Any ergonomic assessments, adjustments, purchases, or modifications to workstations, desks, chairs, and any other equipment for the ward that are in addition and/or supplemental to the one-time evaluation that is charged to the Clerk's budget.
9. Discretionary office moves (moves not associated with the 4-year election cycle).

   Note: In the case of a special election, the new Council Member will assume the office space vacated by the prior Council Member. If a Council Member with more seniority desires another office, that Council Member will pay the cost of both moves. Move costs include items such as the cost of the physical move, computer set up, phones and basic repairs, but no items such as painting, decorating and remodeling. Moving costs are approximately $2,000 for a three person office.

IV. ITEMS INCLUDED IN THE CITY CLERK BUDGET

Certain administrative costs which serve the operating needs of all wards are allocated to the Clerk's Office to achieve economies where practical and to assure the provision of these shared services/expenses equally among all wards. These include:

A. Fixed charges, which include the Liability Self-Insurance Premium, Workers' Compensation, Property Services Rental, Human Resources Benefit Administration, BIS Application Support, BIS Operating Charges, BIS Data Connectivity Charges, BIS Telephone Connectivity Charges, BIS Special Charges and any similar incidental operating charges that are applied to all wards.

B. The costs associated with maintenance, repair, and general operation of the Council's Chamber (room 317), designated meeting and conference rooms, the Council's reception area, including telephones, furnishings, and minor equipment.

C. Paper and ancillary supplies for centralized, shared equipment supporting all wards; including but not limited to printers, fax, and printer/copier(s).

D. A fax machine, including the purchase, maintenance and repair, long-distance charges, and ancillary supplies.

E. One initial ergonomic assessment and any associated ergonomic adjustments, purchases, or modifications for each Council Member and each Aide and Associate. Subsequent adjustments, purchases, or modifications will be the charged to the respective ward budget after the initial assessment and any necessary adjustments have been completed.

F. Costs for monthly parking and/or Metro (bus) passes for Council Members' aides and associates.

G. Costs associated with a complimentary water cooling dispenser.

H. Standard executive office furniture for Council Members' offices, when funds are budgeted and available.

I. Transition and inaugural expenses following regular municipal elections, when funds are budgeted, including moving costs for affected positions.

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V. INAPPROPRIATE USES OF CITY FUNDS

The following list provides examples of expenses that are inconsistent with the public purpose doctrine and are, therefore, ineligible for payment using City funds or for reimbursement by the City. Public funds shall not be expended or committed for personal/private use, for purposes unrelated to the business of the City, or for political purposes or campaign or election-related activities.

A. Any expenditure that is or would be inconsistent with the City's policies and collective bargaining agreements or which would be inconsistent with other applicable legal restrictions on the use of public monies.

B. Flowers, greeting cards, gifts, or donations to individuals or groups.

C. Appliances (e.g., refrigerators, microwave ovens, coffee makers, water dispensers).

D. Clothing for employees that is not City-provided through a labor contract.

E. Food and beverage items that are or would be inconsistent with City policy. Ward staff meetings do not qualify as an authorized purpose even if the meeting is instructional or training in nature.

F. Alcohol.

G. Entertainment for non-City employees, such as tickets to events.

H. Entertainment for City employees.

I. Membership, registration, or participation fees or costs not directly related to City business.

J. Political expenses including fundraising tickets, printing or mailing.

K. Fundraising tickets or donations to causes: Contact the City's Ethics Officer if you are invited to attend a fundraiser, gala or similar event at reduced or no cost to discuss if acceptance of the invitation is permitted under the Ethics Code.

L. Payment of fees: Traffic and parking tickets, towing and impound lot charges. Payments to release animals from the Animal Shelter. Payment of permits.

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