

## CITY COUNCIL REPORT

**DATE:** April 4, 2019  
**TO:** Mayor and Councilmembers  
**FROM:** Luis Pedroza, Finance Director City Treasurer  
**CC:** Jerene Watson, Interim City Manager; Department Directors  
**SUBJECT: QUESTION REGARDING MAYOR URIBE'S MARCH 2018 PHONE BILL**

The report is in response to a question from Councilmember Grijalva regarding the validity of a Facebook post by Alex Espinosa of Mayor Uribe's March 2018 phone bill showing regular monthly charges and taxes as well as international charges. Councilmember Grijalva inquired if the attached document was provided by the City and if charges were approved by anyone or taken from the Mayor's budget. Councilmember Grijalva also inquired whether it's considered a personal expense.

### **DISCUSSION:**

The attached document is a valid City document of Mayor Uribe's telephone bill downloaded from our online portal. This was provided to Alex Espinosa as a public records request on 4/16/18. The international service was requested by the Mayor through City Clerk Brenda Aquilar to the IT department in January 2018 for the Mayor's international trip from 1/24/18 – 2/10/18. The amount came out of the Mayor's budget. The request was made in order to provide the Mayor connectivity to the City while he was out of the country as a guest of the international forum. According to our City-provided cell phone policy regarding personal use is considered taxable by the IRS. The policy defines infrequent use as: "a call to a school due to a sick child, a call to make a doctor's appointments or other infrequent and occasional situations that are similar in natures. Attached is our entire City-provided cell phone policy. It is only considered a personal expense if the majority was used for personal use and not business use.

### **RECOMMENDATION / CONCLUSION:**

This report is for information only.

**CITY OF DOUGLAS**

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User name: Clarissa Cota

Structure name: WSCA-AZ-CITY-DOUGLAS; Location: City of Douglas

For period: Mar-18

Wireless number information section

Date created	Wireless number	User name	User ID	Cost center	Billing cycle date	Account number	Price plan description
03/06/2018	520-368-7692	ROBERT URIBE	No IDA	ADMINISTRATION	03/06/2018	771899740-00001A	NATIONWIDE EMAIL & DATA 400 \$64.09 monthly access charge 400 monthly general allowance minutes \$25 per minute after allowance

Charges section

Account	Monthly charges	Voice charges	Messaging charges	Data charges	Roaming charges	Equipment charges	Purchase charges	Other charges & credits	Taxes and surcharges	Third party charges	International charges	Total
	0.00	116.29	0.00	0.00	0.00	0.00	0.00	0.00	7.95	0.00	125.00	249.24

Access charges

Charge Type	Description	From date	To date	Amount
Monthly Charges	Nationwide Email & Data 400	03/07/18 - 04/06/18	03/07/2018 04/06/2018	64.09
Monthly Charges	Int Trvl 250mb/Min/Msg For Imo	01/11 - 02/10	01/11/2018 02/10/2018	85.00
Monthly Charges	22% Access Discount	03/07/18 - 04/06/18	03/07/2018 04/06/2018	-14.10
Monthly Charges	22% - Feature Discount	01/11 - 02/10	01/11/2018 02/10/2018	-18.70
Total				116.29

Voice charges

Description	Usage period	Item type	Allowance	Used	Billable Cost
SHARED	Current	minutes	400(shared)	52	0 0.00
MOBILE TO MOBILE	Current	minutes	unlimited	47	0 0.00
Friends & Family	Current	minutes		13	0 0.00
Total					0.00

Messaging charges

Description	Usage Period	Item Type	Allowance	Used	Billable Cost
PICTURE & VIDEO	current	messages	unlimited	9	0 0.00
TEXT	current	messages	unlimited	2	0 0.00
UNLIMITED M2M TEXT	current	messages	unlimited	7	0 0.00
Total					0.00

Data charges

Description	Usage period	Item type	Allowance	Used	Billable Cost
MEGABYTE USAGE	Current	megabytes	unlimited	1,630	0 0.00
Total					0.00

Roaming charges

Description	Usage period	Item type	Allowance	Used	Billable Cost
Total					0.00

Equipment charges

Charge Type	Description	Amount
Total		0.00

Other charges and credits

Charge Type	Description	Amount
Total		0.00

Taxes and surcharges section

Description	Charges

**Policy Name: City-provided Cell Phones**

**Policy Number: 2.10**

**Effective Date: September 1, 2008**

**Policy**

It is the Policy of the City of Douglas to restrict personal use of City-provided cell phones.

City-provided Cell Phones are intended primarily for official City business purposes.

Personal use of City-provided cell phones shall be held to infrequent use or emergency events. All other personal use is considered taxable by the IRS.

The value of all personal use, except for infrequent use or emergency events, will be reimbursed to the City.

Employees shall monitor copies of applicable billing statements to determine personal use and return it to the IT Department with a receipt of reimbursement, if applicable, and a completed **Reimbursement for Personal Use Form**.

An employee shall not be required to pay more than the actual amount paid by the City for the individual cell phone account. The employee is required to make reimbursement to the City even if the personal use did not cause the City to exceed plan rates or minutes.

The City will monitor that this policy is being followed by conducting periodic audits of phone bills. Department Directors are required to ensure that their respective employees are in compliance with this policy.

**Definitions**

**Infrequent Personal Use** - For purposes of this policy, infrequent non taxable personal use is considered infrequent use such as:

- a call to a school due to a sick child
- a call to make a doctor's appointment
- other infrequent and occasional situations that are similar in nature

Infrequent use should not exceed 5 minutes on an occasional basis.

**Procedures**

***Billing Statement Review & Reimbursement Procedure***

The IT Department will distribute monthly billing statements electronically to authorized cell phone users. Cell phone users shall then:

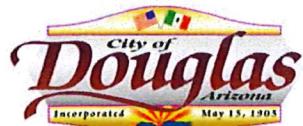
- Review each monthly billing statement for your assigned phone number and document the use of personal calls according to minutes used.

- Use the **Reimbursement for Personal Use Form** to calculate the value of the personal calls made based on the number of minutes used for personal calls at the rate of .06 cents per minute and reimburse the City for this amount.
- For cell phones that are not billed by pooled minutes, calculate a percentage of personal calls made to determine the amount reimbursed to the City.
- Submit payment for personal use of cell phones to cashiers at the Water Revenue Office.
- Submit a receipt of the reimbursement along with a completed **Reimbursement for Personal Use Form** to the IT Department within 60 days of the receipt of electronic billing.

***Monitoring Procedure***

Supervisors and/or Department Directors are required to sign all Reimbursement for Personal Use Forms before they are submitted to the IT Department. The Finance Department will conduct random and periodic audits to ensure compliance with this policy.

***Additional Information*** - Noncompliance with this policy and procedure will result in disciplinary action.



**Reimbursement for Personal Use Form**

Employee Name: \_\_\_\_\_

Department/Division: \_\_\_\_\_ Position Title: \_\_\_\_\_

Cell Phone Number: \_\_\_\_\_ Billing Month: \_\_\_\_\_

**Pooled Minutes Plan**

Monthly total cell phone charges: \$ \_\_\_\_\_

Personal Minutes Used (PMU): \_\_\_\_\_

Cost per Minute (CPM): \$0.06

Total amount to be paid PMU \* CPM: \$ \_\_\_\_\_

OR

**Non Pooled Minutes Plan**

Monthly total cell phone charges (CPC): \$ \_\_\_\_\_

Business Minutes Used: \_\_\_\_\_ %

Personal Minutes Used (PMU): \_\_\_\_\_ %

Total amount to be paid CPC \* PMU%: \$ \_\_\_\_\_

**Stipulations**

- An employee shall not be required to pay more than the actual amount paid by the City for an individual cell phone account.
- The employee is required to reimburse the City even if the personal use did not cause the City to exceed plan rates or minutes.

**Employee Certification**

I certify to the information presented by me shown above.

Employee Signature

Date

Supervisor Signature

Date

Department Head

Date