

ADMINISTRATIVE REGULATIONS

OFFICE OF THE CITY ADMINISTRATOR

Number: 407
Sections: 1-6
Effective Date: March 5, 1984
Amended Date: October 25, 1990

SUBJECT: Auto Allowance

1. Purpose. This Administrative Regulation clarifies the policy and procedures for eligible employees who wish to avail themselves of the auto allowance rather than a city-assigned vehicle.

2. Authority. Charter of the City of Huntington Beach, Section 401.

3. Application. This regulation applies to all Department Heads, division heads who are assigned a city vehicle, and employees who are designated in title or in practice as assistant department heads by the City Administrator.

4. Policy. Department heads, division heads who are assigned a city vehicle, and employees represented by MEO who are assigned a vehicle on a permanent basis may, upon approval of the City Administrator, choose to receive a vehicle allowance in lieu of a city car if the requirements herein are satisfactorily completed. Department heads will receive \$400 per month plus .27¢ per mile for mileage above 50 miles on any one trip. Others designated above will receive \$350 per month plus .27¢ per mile for mileage above 50 miles on any one trip.

5. Responsibilities.

5.1 The City Administrator and Department Heads shall be responsible for determining if it is appropriate to use a private vehicle for City business.

5.2 The Department Head shall be responsible for budgeting for the vehicle allowance.

5.3 The employee shall be responsible for making the request in time to allow for proper planning and budgeting.

5.4 The Administrative Services Department shall be responsible for administering this policy.

6. Procedure.

6.1 The employee shall request permission of his department head to change from using a city assigned vehicle to receiving the vehicle allowance.

6.2 The department head shall determine if it is appropriate to use a private vehicle for City business, and if a city vehicle/equipment (i.e. radios) is necessary to the effective performance of the employee's duties.



ADMINISTRATIVE REGULATIONS

6.3 Department heads shall request approval to use a private vehicle for City business from the City Administrator.

6.4 If the department head and City Administrator approve use of a private vehicle, funds for the auto allowance shall be included in the department's budget or, if necessary, transferred from the department's operating accounts to an auto allowance account.

6.4.5 As part of the approval a written memorandum of understanding shall be prepared to specify the uses and responsibilities of each party and such memo should be executed by each party.

6.5 After the effective date of this regulation, An employee who switches from a City vehicle to the auto allowance must elect to receive the auto allowance for a minimum period of three years in order to allow the City the cost savings made possible by elimination of a City vehicle. This does not negate the ability of the department head or City Administrator to require the use of a City vehicle if it is necessitated by the job in their opinion. Conversely, an employee who switches from an auto allowance to a City vehicle must elect to keep the auto option for a minimum period of three years in order to amortize the cost of the vehicle. The employee shall sign a statement acknowledging his agreement to these terms which shall be contained in the memo agreement as provided above. The general form of such memo agreement is attached hereto as Exhibit "A".

6.6 The City auto previously used by the employee, or another similar type of vehicle, shall be declared surplus and disposed of in accordance with Administrative Regulation 207, Surplus Salvage Operation, unless an exception is approved by the City Administrator.

6.7 If an employee receiving a vehicle allowance chooses to be assigned a City vehicle instead, he must give ample notice to allow for budgeting for the purchase of an additional car if one is not available. No vehicle purchases will be approved for this purpose which have not been formally budgeted.

6.8 If an employee is in a non-pay status (suspension, leave without pay or no pay) on the payroll record for a period of two weeks or more in any month, the auto allowance will be suspended until the employee returns to an active pay status. If the allowance has been paid in advance, a pro-rated refund shall be due the City.


City Administrator

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City Of Huntington Beach