

TO: Council Members
FROM: Jim Preston
SUBJECT: Cell phones
DATE: August 22, 2006

The Council had asked that we research the concept of reimbursing employees a portion of their cell phone bill for use of their private cell phone instead of being issued a city cell phone.

Paying a set amount (\$20 to \$25) each month for business use of a private cell phone would create the least administrative burden. This would be paid as part of the payroll system and be subject to tax. Attempting to extract business calls from private cell phone bills would be an administrative nightmare so a fixed fee would have to be utilized.

A survey was sent to all Department Directors asking if anyone in their Department would be interested in receive \$20 for using their personal cell phone for City business. Seven responded in the affirmative. Four of the positive responses do not currently have a City cell phone.

A higher rate would have to be justified by doing a detailed analysis of individual telephone bills to determine how much City business is conducted on an individual's cell phone. The Police and Fire Departments share cell phones so many of those phones cannot be converted to private.

The City must have at least 180 cell phones through Verizon so that pooled minutes are sufficient to cover the City's use. Keeping this number in mind, the City should conduct another survey analyzing the amount of City use on private cell phones to determine what set amount should be paid to the employees for the business use of a private cell phone. Once this is accomplished, the City should add a set dollar amount to the payroll for the first 40 employees who prove their personal and City-issued cell phone use exceeds an average of (to be determined) minutes per month for business purposes.

Cc: Coleen Schmidt, Jason Green, Tracy Davis