
Summary of recommendations

We set out below, under the applicable headings, our recommendations for the City's consideration.

1. Recoveries

- a) Based on our assessment of the Claims as against the Policies and consideration of all voluntary reimbursements made by Councillor Magliocca, there is no current calculated amount owing with respect to deemed ineligible expenses. There is a calculated overpayment in the amount of \$563.66; however, this amount does not include the PFC's determination of the amount of air fare upgrades and eligibility of certain hosting expenses to be reimbursed, if any.

The City needs to attend to the calculation of the air fare upgrade reimbursement and eligibility of certain hosting expenses to assess the amount to be recovered, if any, from Councillor Magliocca.

2. Consideration of further investigation

- a) In light of the findings from the Investigation, specifically in relation to Councillor Magliocca's incorrect reporting of certain hosting attendee(s) and submission of expenses for a purported FCM Director Debrief (June 3-5, 2018), Council should discuss the matter further with the City Solicitor to determine whether these matters warrant reporting to the Calgary Police Department for further investigation.

3. Policy review & revisions

- a) The City should conduct a review of the Policies and make the required revisions deemed appropriate with respect to the following:
 - i. Having 4 policies (PAC006, PAC007, PAC008 and CCo08) relating to expenses/allowances can lead to confusion and misinterpretation. The City should assess the Policies and consolidate them where practical to do so.
 - ii. PAC006 - Automobile Policy paragraph b) refers to the usage of taxi cabs for transportation on Ward and City business (to be claimed under Expense Account Policy, No. 2 below). There is no such numbered section reflected in the policy.
 - iii. PAC006 does not have a requirement for Councillors to provide an explanation of the nature of business for hosting events. PAC007 does have this requirement.
 - iv. PAC006 and PAC007 - Lacks a definition as to what qualifies as hosting. For example, having drinks at a bar versus having a sit down meal.
 - v. PAC006 and PAC007 - Councillors are required to provide the names of the attendees; however, no disclosure of the organization/company.
 - vi. PAC006 and PAC007 - There is no guidance with respect to the amount of gratuity to provide for personal meals or hosting.
 - vii. PAC007 (Section formatting) - Page 6 of the policy contains sections: i) Personal Expense Report and ii) Refunds. The sequential numbering of these sections is not consistent with the rest of the policy.
 - viii. PAC007 - The policy currently allows for Councillors to claim a maximum of \$125.00 per day for personal meals. This appears to be an excessive amount, particularly when meals are provided at conferences/events. The City should consider implementing a per diem rate meal allowance, whereby receipts should still be required to be submitted to evidence the out of pocket cost.
 - ix. PAC007 - The policy does not specify the size (i.e. compact, mid-size, full-size) of the car allowed for rental purposes.

- x. PAC007 & PAC008 - The City should consider providing guidance with respect to the criteria of reasonable alcohol consumption, both in terms of consumption and price.
- xi. PAC007 & PAC008 - Both policies refer to the *Ethical Conduct Policy for Members of Council (CC042)*, which should be replaced to reference the *Code of Conduct For Elected Officials (Bylaw Number 26M2018)*²².
- xii. CC008 - The Policy does not have a definition of “Reasonable Costs” nor does it make reference to such costs being in accordance with other travel related policies, specifically PAC007. The City should amend Policy CC008 to reference applicability to other policies, specifically PAC007.

4. Enforcement of policies

- a) The City needs to ensure that CCCO members authorized to initiate the acquisition of goods or services strictly enforce compliance with the expense/allowances policies during the Claims’ approval process. Refusing to approve non-compliant expenses will mitigate the potential for misuse of taxpayers’ dollars. Furthermore, repeated non-compliant Councillors should be reported to the Commissioner.

5. Travel service provider

- a) We understand that the City has an administrative policy whereby staff have to use the City’s full-service travel provider; however, it does not apply to elected officials. The City should consider amending this administrative policy to include Councillors, which will mitigate non-compliance with travel allowances.

6. Corporate credit card (the “CCC”)

- a) The CCC administrative policy requires that the CCC be used strictly for conducting official business on behalf of the City. The policy does not require the CCC to be used as a mandatory method of payment for allowable purchases. The City should consider requiring it mandatory for all Councillors to use the CCC for all business-related expenses. This will mitigate the opportunity for submission of duplicate expenses, ensure timely reconciliation of travel expenses and assist in tracking Councillor spending.
- b) The City should enforce its administrative policy that the CCC must not be used for personal charges under any circumstances; and, provide the CCCO with authorization to suspend/cancel credit cards in the event of abuse, including when annual ward based budgets are exceeded.

7. Code of Conduct for Elected Officials Bylaw

- a) The City should keep attendance of Councillors’ attendance at the mandatory orientation and training sessions. Councillors failing to comply in attending should be reported to the Commissioner.

8. Annual declaration

- a) The Code of Conduct For Elected Officials Bylaw establishes rules that Councillors must follow in the discharge of their office. Requiring an annual declaration instils both the importance and reminder of expected behaviours. The City should require that Councillors execute an annual declaration that they have read, understood and complied with the Code of Conduct For Elected Officials.

9. Duty to report

- a) The Code of Conduct Bylaw For Elected Officials does not obligate Councillors to report misconduct. Elected officials are accountable to the City and ultimately to Calgarians. In order to improve Council’s integrity and strengthen accountability, elected officials and their staff should be obligated to report misconduct, including self-reporting, through the proper channels. Sanctions should be imposed against those that fail to comply.

10. Communicate role of Ethics Advisor

- a) The City should communicate the role of the Ethics Advisor to its Councillors and encourage them to be proactive in seeking guidance and clarification as required.

²² In effect as of May 28, 2018.

11. Sanctions

- a) Policies PAC006 and PAC007 require disclosure of the name(s) of the party hosted. The certification/attestation provided on the Expense Report or CCC Statement further requires a list of the attendees.

With respect to Councillor Magliocca's expenses in the amount of \$2,248.58, we note that they either: (1) fail to provide the name(s) of the hosting event attendees; or, (2) the name(s) of the hosting event attendees were incorrect. As per PAC006 and PAC007, the disclosure of the name(s) of the party hosted are requirements. As such, these expenses are not in compliance with the aforementioned policies.

Bylaw Number 26M2018 – Being a Bylaw of the City of Calgary to Establish a Code of Conduct For Elected Officials, states that a Member must respect and comply with all obligations imposed on the Member by the City's policies and procedures. The failure to comply with PAC006 and PAC007 results in a contravention of the Code of Conduct For Elected Officials.

Council should consider discussing the findings in this Report with the City Solicitor and/or legal counsel to determine what sanctions, if any, needs to be taken.

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