



Administrative Policy Manual

Policy No: A-31

Revision Date: 08/16/2021

Approved: _____

SUBJECT: *NEW EMPLOYEE RELOCATION POLICY & GUIDELINE*

PURPOSE: The purpose of the Relocation Policy and Guidelines is to provide a means for compensating eligible employees for authorized relocation expenses. This document establishes city policy, guidelines, and procedures for payment. Only new employees in regular, full-time positions, pursuant to the provisions stipulated below, are eligible for relocation assistance.

General Policy: It is the intent of the City of Indio to fill city job openings in the most economical way possible. Payment of relocation expenses will only be authorized, when there is a lack of qualified candidates in the local labor market to fill what typically would be technical or "high level" positions as determined by the Director of Human Resources. The underlying philosophy of this relocation expense policy is that claims and payments should cover necessary, reasonable and actual expenditures and be fair and equitable to employees and the city.

The policy for payment of relocation expenses is administered by the City Manager and is dependent upon funds available during the fiscal year. Any offers to pay relocation expenses require prior approval by the Director of Human Resources and the City Manager.

Provisions:

A. Eligibility for Relocation Expense Payment

Payment for relocation expenses may be authorized for new employees in a professional, administrative, major supervisory position. Payment may also be authorized for new employees in other classifications if it is necessary to recruit outside the Coachella Valley area.

Relocation expenses will only be authorized for relocating from the prior home to the workplace. Each situation will be reviewed on an individual basis, taking into consideration the reasonableness of the proposed request. No request will "automatically" qualify for reimbursement.

Authorized relocation expenses must be repaid to the City if the employee terminates employment as specified in "1", "2", and "3" below. Except for termination of employment

involving gross misconduct, fraudulent or illegal act(s) by an employee, the provision for repayment of relocation expenses does not apply to termination of employment initiated by the City of Indio. Repayment of relocation expenses is to be paid as follows:

1. Resignation within twelve (12) months of hire date, employee must reimburse 100% of paid relocation expenses
2. Resignation after completion of twelve (12) months from hire date, but less than eighteen (18) months, employee must reimburse a pro-rata percentage of paid relocation expenses (calculated at month end):
 - (a) Completion of Twelve (12) months - 86% of paid relocation expenses
 - (b) Completion of Thirteen (13) months - 72% of paid relocation expenses
 - (c) Completion of Fourteen (14) months - 58% of paid relocation expenses
 - (d) Completion of Fifteen (15) months - 44% of paid relocation expenses
 - (e) Completion of Sixteen (16) months - 30% of paid relocation expenses
 - (f) Completion of Seventeen (17) months - 16% of paid relocation expenses
3. No repayment to the City is required upon completion of eighteen (18) months of employment.

B. Allowable Relocation Expenses

Relocation expenses paid to a new employee for the employee's benefit, are considered compensation, and will be added to the employee's W-2 statement at the end of the year. Federal and state laws require withholding payroll taxes from certain relocation expenses. When authorized by the City, an eligible employee can be granted compensation for relocation expenses as shown below. The City will provide an advance payment to the employee, when authorized, within the total amount allocated for relocation for the following expenses:

1. Moving Expenses

- (a) **Household Goods and Personal Property.** The cost of packing, loading, transporting, unloading, and unpacking household goods and personal property.
- (b) **Passenger Vehicles.** The cost of shipping and insuring in transit passenger vehicles by a moving company car carrier service.
- (c) **Insurance.** The cost of moving protection insurance for the actual value of household goods and personal property.
- (d) **Appliance Service.** The cost of disconnecting and re-installation of appliances at origin and destination for washers, dryers, refrigerators, freezers, stoves, etc.

Any additional charges for storage-in-transit at point of origin, extra pick-up and deliveries, entry into pallets, and storage charges must be paid by the employee directly to the moving company.

2. Transportation Expenses

Actual transportation expenses for the employee and the employee's immediate family, from the current residence to the City's facility. Transportation will be by the most direct route, using:

- (a) Air Coach (economy rate)
- (b) Automobile If the employee drives, in lieu of shipping automobile, payment will be at the most current IRS rate per mile.
- (c) First Class Rail Fare and roomette during overnight travel, whichever is more economical.
- (d) Tolls and parking costs.

3. Temporary Housing Expenses

The City will pay for temporary housing expenses associated with establishing a new permanent residence for the purpose of:

- (a) Selling the original residence
- (b) Packing and shipping household items

Temporary housing costs are authorized for a period of 60 days or the maximum authorized allowance, whichever is less. Authorization for temporary living and commuting expenses will terminate once the employee moves into his/her new residence.

C. Non-Eligible Expenses

Compensation will not be authorized for the expenses listed below:

1. Moving Expenses

- (a) Extra costs of Saturday, Sunday, holiday service, or waiting time.
- (b) Costs in excess of the costs required to move to or from a location other than the established former residence at the time of hire. An employee may relocate to or from a place other than the established former residence but the cost may not exceed the amount which would be required to relocate from the established former residence.

D. Claims Against Moving Company

All claims against the moving company for lost or damaged goods should be negotiated directly between the employee and the moving company, or the insurance company.

E. Maximum Reimbursement Allowable

The maximum amount of compensation for relocation shall be determined on an individual basis by the Director of Human Resources and approved by the City Manager, but shall not exceed \$5,000.

F. Approvals

All relocation agreements and expense payments within the limits specified in this document require advance written authorization by the Director of Human Resources and City Manager or designee. Each department head seeking approval of expenses should submit a written request to the City Manager that includes the name of the individual, job classification, pay range, starting step, maximum negotiated allowance, and a statement that the cost to be incurred will come from the department's approved budget unless otherwise specified. All exceptions to the limits and items stated in this document require advance written approval of the City Manager including:

1. Relocation expense reimbursement which exceeds the maximum allowable amount.
2. Any other items as stated in this policy.

H. Responsibility for Relocation Expenses

All relocation expenses will be charged to the hiring department (unless otherwise specified), utilizing the proper relocation object code as assigned by the Finance Department.

I. Relocation Authorization Form

Those for whom relocation expenses are provided must sign the Relocation Approval and Authorization Form found as Attachment A.

CITY OF INDIO - RELOCATION AUTHORIZATION FORM

Employee Information

Name _____

Position _____

Title _____

Department _____

Classification _____

Pay Range, Starting Step & Monthly Salary _____

Current Address _____

Move To _____

Maximum Negotiated Allowance _____ (NOT TO EXCEED \$5,000)

Current Phone No. _____

Department Account Number to be Charged _____

Department Head (Signature & Date) _____

Director of Human Resources APPROVE DENY

(Signature & Date) _____

City Manager APPROVE DENY

(Signature & Date) _____

In consideration of the payment for travel and moving expenses as provided by the City of Indio in connection with my employment, I agree to reimburse the City for all or the appropriate pro-rata portion of relocation costs reimbursed to me if I voluntarily leave the City of Indio service within twelve months of hire, unless the termination is a result of death, prolonged illness, disability, my unacceptability or decision by the City to discontinue my employment as stipulated in Section A, of the City's Relocation Policy & Guidelines document. The amount of the reimbursement will be reduced for each full month of employment after the twelfth (12) month through the eighteenth (18) month of employment, with no repayment required after eighteen (18) months of employment. Any amount due under this provision shall be recovered from me as a debt due the City of Indio, and I hereby authorize this amount to be withheld from my final paycheck.

Employee Acknowledgment (Signature & Date): _____