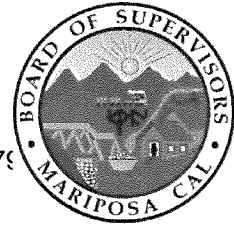




MARIPOSA COUNTY

Human Resources/Risk Management • (209) 742-1379



RESOLUTION - ACTION REQUESTED 2017-176

MEETING: April 4, 2017

TO: The Board of Supervisors

FROM: Steve Johnson, Human Resources Director - Risk Manager

RE: Approve a Relocation and Temporary Housing Reimbursement Policy

RECOMMENDATION AND JUSTIFICATION:

Approve a Relocation and Temporary Housing Reimbursement Policy to Provide Up to \$5,000 For Selected New Hire Employees for Reimbursement of Relocation and Temporary Housing Costs.

In the past, the County's Board of Supervisors approved payment up to \$2,500 on a case-by-case basis to assist new Department Heads and employees in positions as determined by County Department Heads with their relocation costs.

Staff is now recommending that the County adopt the attached Policy to address reimbursement of relocation and temporary housing costs of certain new employees in order to provide an ordered, structured and legally sound process for such reimbursement.

Providing this reimbursement on a going forward basis will provide a number of advantages to the County, including:

- Serving as a valuable recruiting tool to help attract top talent in a competitive job market.
- Helping to ease the stress and cost associated with the move by a new employee to the County.
- Requiring that employees who receive this reimbursement agree to provisions of pro-rata re-payment should his/her employment terminate within one year of the date of hire.
- Ensuring that all County new hire Department Heads uniformly have access to this reimbursement.

Regarding this last bullet point, according to the Worldwide ERC, 86% of companies require new hires to sign a payback agreement wherein if the employee leaves the company within a pre-determined amount of time of their start date, they are then responsible for paying back all or part of the cost of their relocation. This expectation seems reasonable in light of the investment the County is making in moving a new

employee and the need for the County to have some reassurance that, after a move, the employee won't simply quit without some reimbursement to the County.

The proposed Policy contains the following significant elements:

- The County will pay relocation and temporary housing expenses up to \$5,000 for certain new employees following their appointment to a budgeted position.
- The County will enter into a signed agreement with the new employee identifying an understanding of the attached County Policy.
- In consideration of the County's payment of relocation and temporary housing expenses, relocation within the limits of the County will be required.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board of Supervisors has approved payment up to \$2,500 on a case-by-case basis for relocation costs.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve the proposed Policy, and continue with the status quo method of approving relocation reimbursement on a case-by-case basis.

ATTACHMENTS:

Mariposa County Relocation Reimbursement Policy April 2017(DOCX)

CAO RECOMMENDATION

Requested Action Recommended


Dallin Kimble, Interim CAO 3/29/2017

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Kevin Cann, District IV Supervisor

SECONDER: Merlin Jones, District II Supervisor

AYES: Menetrey, Smallcombe, Jones, Long, Cann

**MARIPOSA COUNTY
RELOCATION AND TEMPORARY HOUSING
REIMBURSEMENT POLICY
April 2017**

STATEMENT OF POLICY

The reimbursement of relocation and temporary housing expenses, as described in this Policy, establishes criteria for the authorization of certain relocation and temporary housing expenses associated with the hiring of new employees in selected management and unrepresented positions.

Purpose of Policy:

This Policy states the official guidelines for the reimbursement of relocation and temporary housing expenses for new hires.

I. DEFINITIONS

A. Household Items

“Household items” shall mean personal effects and items used or to be used in the employee’s residence necessary for the maintenance of a household.

B. New Hire

“New hire” refers to an individual who has been offered, and has accepted, a Department Head position, or a position as determined by a Department Head with the County.

C. Temporary Housing Expenses

“Temporary Housing Expenses” shall mean rental expense for a house, apartment, condominium, hotel, motel, mobile home or similar dwelling temporarily occupied by the new hire until residency is established, not to exceed six months from date of hire.

II. PROCEDURES FOR CLAIM SUBMISSION

A. General Policy

1. The County of Mariposa agrees to reimburse up to \$5,000 to a new hire for the cost of relocation and temporary housing expenses.
2. All relocation expenses will be charged to the hiring Department, utilizing the proper relocation object code as assigned by the Auditor’s Office.

3. The relocation and temporary housing expense reimbursement may be used to cover the following items: moving household items, personal effects, transporting vehicles and non-standard items (e.g., boats, trailers, machinery), temporary housing expenses, travel costs during transitional period; and such other moving, relocation and/or temporary housing expenses as determined by the employee that do not conflict with Section II (B) (4).
4. Relocation and temporary housing expenses may be authorized for new hires, including Department Heads, or positions that fulfill a need in the County organization, as determined by County Department Heads.
5. The policy is limited to new hires not already employed by the County of Mariposa.

B. Documentation

New Hires must document and certify itemized relocation and temporary housing expenses following these provisions.

1. Expense claims shall be submitted on forms prescribed by the Auditor. Applicable receipts will be required for authorization and the claim for reimbursement shall follow the County Auditor's standard payroll/claim procedures based on IRS rules.
2. All expense claims must be rendered no later than six (6) months after the date incurred but within the fiscal year incurred where feasible.
3. The following are required for reimbursement:
 - a. The new hire must not be a current Mariposa County employee.
 - b. The distance between the new hire's old residence and their new residence must be at least 50 miles.
 - c. The new place of residence is within the geographic boundaries of Mariposa County.

4. Some examples of expenses not authorized by this Policy:

- a. Special services such as maid service, carpet service, disassembly of unusual articles.
- b. Storage costs at destination.
- c. Costs associated with the sale or purchase of residences, or forfeiture of deposit, penalty, etc. as a result of breaking or terminating a lease/agreement.

III. REPAYMENT PERIOD OF RELOCATION AND TEMPORARY HOUSING EXPENSES REIMBURSEMENT

A new hire will be required to repay 100 percent of reimbursement expenses to the County if he/she is terminated, resigns or changes his/her primary residence to a location outside of the county within one year of the date of hire. A new hire must repay any reimbursement received from the County in excess of actual expenses within sixty (60) days of discovery by either the County or the employee of the excess payment.

Some or all of any necessary repayments may be accomplished through a deduction from the employee's final paycheck, assuming that check is for an amount equal to or greater than the repayment amount. The County reserves the right to recover any outstanding amounts that may be due under this agreement as provided by law.

IV. RELOCATION AND TEMPORARY LIVING EXPENSES REIMBURSEMENT AGREEMENT CRITERIA

The parties shall enter into an agreement that shall, in part, include the following:

- A listing of the reimbursement schedule as defined in Section III of this Policy.
- Reimbursement of moving expenses are usually considered qualified expenses per current IRS regulations and are not subject to tax withholding and will be processed as reimbursements per the County's standard claim procedures. Reimbursement of expenses that are considered taxable according to IRS regulations will be processed per the County's standard payroll procedures and appropriately taxed. Employees are encouraged to check with a tax accountant if they have any questions on what relocation expenses may be listed as deductions in personal income statements. The new hire shall be responsible for any payment of state and/or federal taxes related to the receipt of the relocation and temporary housing expense reimbursement.

V. INTERPRETATION

Questions on Policy interpretation, application, or variations will be resolved by the County Administrative Officer or his/her designee.