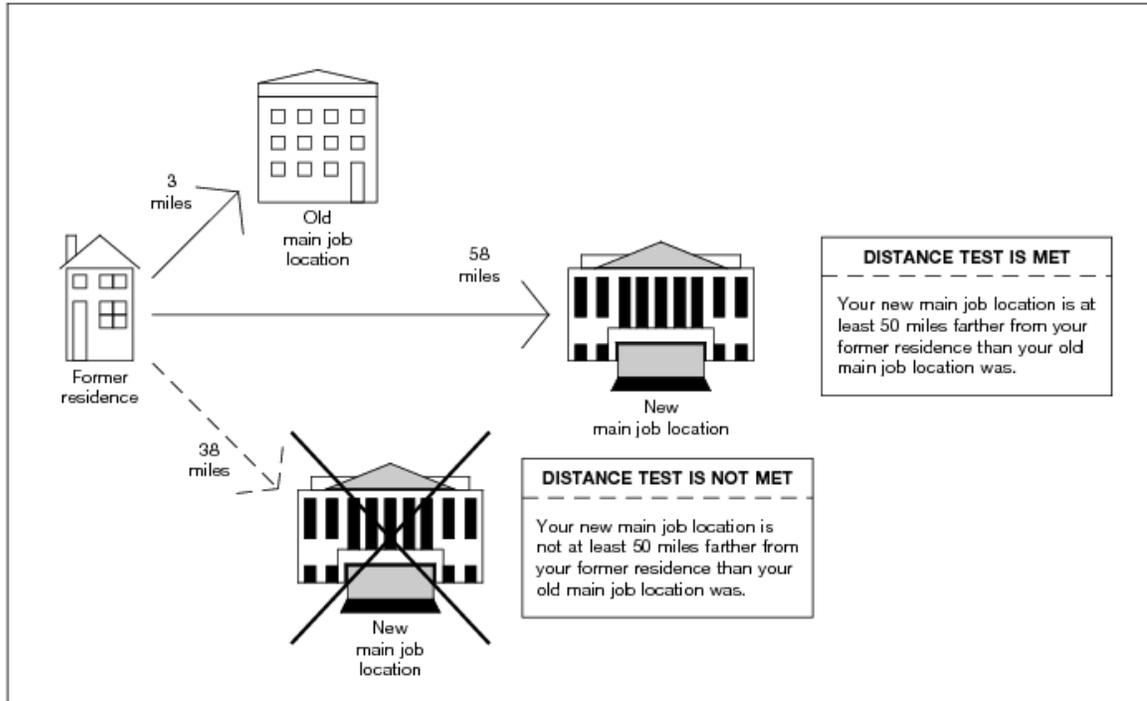


**City of Seaside**  
**Relocation Expense Repayment Policy**  
**February 16, 2017**

- I. **PURPOSE:** The purpose of this Policy is to outline the City of Seaside's Relocation Cost Repayment Policy for full-time Mission Critical Management Positions. This policy will be administered at the discretion of the City Manager.
  
- II. **POLICY:** In order to attract well qualified employees from outside of the local area, and to fill Mission Critical Management Positions, the City Manager is authorized to reimburse the cost of relocation expenses for new management employees. **Such reimbursements will be treated as a loan, which must be repaid by the employees pursuant to the terms and conditions described in this Policy.** Participation in the Relocation Cost Repayment program is optional.
  - A. At his/her discretion, the City Manager shall determine which new employees qualify to participate in the program and for what maximum loan amount. The maximum total loan for any participant under this program shall be \$15,000.
  
  - B. Mission Critical Management positions include: Police Chief, Fire Chief, Deputy Police Chief, Police Commander, Fire Division Chief, Finance Director, Assistant Finance Director, Recreation Director, Human Resources Director, Building Official, Economic Development Manager, Public Works Services Manager, Senior Planner, and City Clerk.
  
  - C. To be eligible for consideration to receive a loan for the cost of relocation expenses in the form of reimbursement, participating employees:
    - 1. Must be selected to fill a full-time Mission Critical Management Position as determined by City Manager;
  
    - 2. Must move their residence from a distance 60 miles or more away from the City of Seaside to a residence within the geographic boundaries of the City of Seaside.
  
    - 3. The participating employee's new job location must be 50 miles or more away from his/her former residence than the former job location was from the employee's former residence. For example, if the participating employee's former job location was three miles from his/her former residence, the new job location must be at least 53 miles from that former residence. See figure below for an illustration of the distance requirement.



**D. Participating employees' payment obligations are as follows:**

1. In the event the employee separates from the City prior to one year of employment, the employee must repay 100% of any money loaned for the cost of relocation expenses;
2. In the event the employee separates from the City after one year of employment, but before completing the second year of employment, the employee must repay 80% of any money loaned for the cost of relocation expenses;
3. In the event the employee separates from the City after two years of employment, but before completing the third year of employment, the employee must repay 50% of any money loaned for the cost of relocation expenses;
4. If the employee works for the City for three or more years of employment, any money loaned for the cost of relocation expenses will be forgiven.

**III. PROCEDURE:**

**A. Department Directors will:**

1. If upon selecting a candidate to fill a Mission Critical Position, the Department Director selects a candidate who meets the requirements of this policy, the Department Director will meet with the City Manager to determine if a loan for the cost of relocation expenses should be included in the final job offer, and if so, for what amount.
2. If the City Manager authorizes a loan for the cost of relocation expenses, the Department Director will include the approved amount in the final job offer letter.

**B. Human Resources will:**

1. Upon receipt of the accepted job offer, the Human Resources Department will provide the new employee with the Relocation Cost Repayment Policy and Relocation Cost Loan Agreement.

**C. The Finance Division will:**

1. Track the amount loaned to ensure no employee receives over the authorized limit;
2. Determine which relocation costs are considered "Accountable" or "Non-Accountable" under the current Internal Revenue Service Code; and
3. Report any reimbursements on the employee's Form W-2.

**D. The Participant will:**

1. Move their residence from a distance 60 miles or more away from the City of Seaside to a residence within the City limits of the City of Seaside. Additionally, the employee's new job location must be 50 miles or more away from his/her former residence than the former job location was from the employee's former residence. For example, if the participating employee's former job location was three miles from his/her former residence, the new job location must be at least 53 miles from that former residence. (See figure above for an illustration of the distance requirement.)
2. Complete the move within one year of the employee's date of hire;
3. Agree to repay any loan for the cost of relocation expenses pursuant to the terms and conditions in this Policy;

4. Select the most reasonable and cost effective moving options;
5. Submit receipts with all requests for reimbursement to the City Manager's Office on a timely basis (within 60 days of the date the expense was incurred).

**IV. Eligible Expenses.** The City will reimburse expenses that are reasonable for the circumstances of the employee's move. Understanding that each individual's circumstances will vary, the following expenses are presented as examples of the types of expenses that would qualify for reimbursement. Please read IRS Publication 521 to understand the tax implications of accountable vs. non-accountable expenses. Any participant in this program is encouraged to seek advice on the federal and state tax implications of such participation.

- A.** Examples of accountable expenses (non-taxable) include: Actual travel expenses; cost of packing, crating, and transporting household goods and personal effects and for the employee and family from the former home to the new home; cost of connecting or disconnecting utilities; cost of shipping vehicle and pets; the cost of storing and insuring household goods and personal effects (max 30 days); and cost of moving household goods and personal effects from a place other than the former home (i.e. a storage unit).
- B.** Examples of non-accountable expenses (taxable) include: Any part of the purchase price of a new home; expenses of buying or selling a home (fees and closing costs); department of motor vehicle fees; expenses of entering into or breaking a lease; home improvements to sell home; loss on the sale of a home; pre-move house hunting expenses; real estate taxes; refitting of carpet and draperies; return trips to the employee's former residence; security deposits; and storage charges except those incurred in transit.

**City of Seaside  
Relocation Cost Loan Agreement**

I was offered participation in the City of Seaside's Relocation Cost Repayment Policy, which is incorporated herein by reference. I understand that my participation in the program is optional, and I wish to participate.

I understand and agree that in consideration for my participation in the Relocation Cost Repayment Policy, I will repay the City for any loan received in the form of reimbursement for the cost of relocation expenses, as described in Section II of the City's Relocation Cost Repayment Policy. Repayment of all funds received under this program will be due and payable upon separation unless a repayment plan is negotiated with the City.

I also certify that I meet the following eligibility criteria:

1. The City Manager authorized my participation in this program because I was hired into a Mission Critical Management Position.
2. I moved/am moving into a residence from a distance 60 miles or more away from the City of Seaside to a residence within the geographical boundaries of the City of Seaside.
3. My new job location within the City of Seaside is 50 miles or more away from my former residence than my former job location was from my former residence. (See Section II.)
4. I have/will complete my move within one year of my date of hire.
5. I have/will select the most cost effective moving options and I will submit receipts documenting all requests for reimbursement within 60 days of the date the expense was incurred.

I understand that if I do not meet all five of the above requirements I am not qualified for any funds under this policy.

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Manager's Signature

\_\_\_\_\_  
Date