

## Organizational Policy

### Relocation

#### **Purpose**

The City of Rochester is committed to recruiting teammates who will successfully support the mission, vision and values of the City. In cases where a newly-hired teammate will relocate to the City of Rochester, the City will provide assistance to support the teammate and their household members during the moving process and reduce the cost impact of relocation as outlined in this policy.

Nothing stated in this policy creates an employment contract between the City of Rochester and its employees.

#### **Eligibility**

All newly-hired, regular full-time employees classified as exempt are eligible for relocation benefits if relocating to the City of Rochester or within a 35 mile radius of City Hall from a distance greater than 50 miles. Exceptions may be approved by the City Administrator or designee.

#### **Relocation of Household**

Eligible employees may choose from two benefit options:

Option 1: Relocation contribution of \$5,000 paid directly to employee on the first and/or second pay date after their start date. No receipts are required under this method.

Option 2: Reimbursement or direct payment for approved relocation expenses up to 15 percent of the new employee's starting annualized salary. Detailed receipts are required for actual costs.

The City of Rochester will pay for relocating personal and household goods from their- primary residence, which includes:

1. Packing, loading and unloading of personal and household goods.
2. Transportation of personal and household goods.
3. Moving truck (including fuel expenses) or portable container rental.
4. Basic insurance coverage provided by carrier in their submitted bid.

The City will provide the employee reimbursement of expenses or provide payment directly to the approved service or rental provider as requested by the new employee.

In-route travel expenses, housing search expenses and temporary living expenses, as provided for by this policy, are not included in the \$5,000 contribution or 15 percent maximum reimbursement.

### *Items and Services Not Covered During Relocation*

The City of Rochester will not pay for moving, or in any way assume responsibility for loss of or damage to: vehicles, including but not limited to automobiles; vehicle mounted campers; motorcycles; airplanes; snowmobiles; sailboats; motorboats; pets; house plants; livestock; merchandise for sale or exhibition; legal, technical or personal papers; currency; notes and securities; negotiable or commercial paper; combustible items; perishable foods; or firewood.

Additionally the City of Rochester will not pay for costs incurred for: removal of draperies, rods, mirrors, or other items which may be attached to walls, disassembly/reassembly of playground equipment or shop equipment; removal of electrical equipment, light fixtures, T.V. antennas, air conditioners, stereo equipment or televisions; modifications to structures, plumbing, electric services or venting; gratuity of more than 10% for labor; or services performed by the carrier on an overtime basis unless approved in writing by the Director of Human Resources.

No expenses related to the actual sale or purchase of a home or other living accommodation will be reimbursed by the City of Rochester.

The City of Rochester will not be held responsible for damages or loss during relocation.

### **In-route travel expenses, housing search and temporary living expenses**

*In-Route Travel Expenses:* The employee and members of their household are eligible for travel allowance for reasonable expenses from point of origin to destination based on a minimum travel of 350 miles per day. Reimbursement will be for reasonable expenses incurred for meals, lodging, and incidental expenses if moving themselves. Gratuity for meals includes either the fixed amount determined by the restaurant, or an appropriate amount up to a maximum of 20%. The City does not reimburse the cost of any alcoholic beverages.

Mileage for the use of two automobiles is authorized when used in conjunction with relocation and will be compensated at the City's allowable mileage rate effective at the time.

Origin to destination mileage will be defined by mapping software chosen by the City and shall not exceed 10 percent for road construction, severe weather, or health conditions.

*Temporary Living Expense:* The employee and members of their household are eligible for temporary living expenses actually incurred for lodging, for a period not to exceed three days after arrival at the destination, beginning the morning after arrival at the new location.

*Housing Search:* A new employee, with approval of the City Administrator or designee, will be reimbursed for one round-trip airline (coach) trip for them and one member of their household to select or approve a residence. The duration of such trip shall not exceed five consecutive days. Should the employee elect to use their personal automobile for the

trip, reimbursement will be at the City's allowable mileage rate effective at the time up to a maximum amount of the cost, including tax that would have been incurred for airline (coach) travel at the time such automobile trip is made.

Reimbursement for expenses incurred during a trip to select or approve a residence will be for reasonable expenses incurred for meals and lodging. Gratuity for meals includes either the fixed amount determined by the restaurant, or an appropriate amount up to a maximum of 20%. The City does not reimburse the cost of any alcoholic beverages.

### **Procedure**

A relocation agreement must be signed by the employee prior to any payment or reimbursement.

Option 1: Employees electing Benefit Option 1 will receive the relocation contribution on the first and/or second pay date after their start date.

Option 2: Employees electing Benefit Option 2 must obtain and submit two bids for services to the City Administrator or designee for approval. Payment for moving expenses exceeding the policy maximum or not covered by this policy may be made with the approval of the City Administrator or designee.

Personal and household goods can be shipped by a carrier authorized by a state or federal regulatory agency to conduct household goods transportation services, or an employee may elect to use an alternative method of shipping personal and household goods to a new location.

In-route travel expenses, housing search and temporary living expenses; and for employees electing Option 2: All funds spent must be accounted for by completing a Personal Expense Reimbursement report within 30 days of the completion of the move. Upon completion and submission of this form to Human Resources along with all related original, itemized receipts, the reimbursement will be paid to the employee.

Required taxes will be withheld on the paycheck your relocation expenses are reimbursed. To offset the state and federal taxes associated with this benefit, the City will add 36 percent (also subject to tax) to the total cost of the moving expenses reimbursed.

Employees are required to repay all expenses for relocation paid on their behalf by the City of Rochester should they voluntarily terminate employment within one year of payment or reimbursement of relocation expenses. If an individual rescinds their acceptance, they will be required to fully repay the City any payments made for the purposes of relocation.

Relocation expenses shall be charged back to the department hiring the new employee.  
Policy revisions approved by City Administrator:



Alison Zelms

08/10/2022  
Date

*Policy History*

Current Revision: (date) 8/10/2022

Previous Revision(s): (date/s) 9/29/2020

Associated Form(s)

- Relocation Agreement
- Personal Expense Reimbursement Form

*The forms associated with this policy can be found on RW - Human Resources – Forms*

Legal/Statutory Authority

- N/A