



Agenda Date: 4/3/2007
Agenda Placement: 6I

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Mark Gregersen - Director
Human Resources
REPORT BY: Barbara Scriven, Human Resources Analyst III, 253-4000
SUBJECT: Reimbursement for Moving Expenses for Assistant Auditor-Controller and Administrator of Alcohol and Drug Programs

RECOMMENDATION

Human Resources Director requests approval to reimburse the interstate relocation and temporary living expenses for Ms. Tracy Schulze, the newly recruited Assistant Auditor-Controller, in an amount not to exceed \$15,000; and the intrastate relocation and temporary living expenses for Ms. Connie Moreno-Peraza, the newly recruited Administrator of Alcohol and Drug Programs, in an amount not to exceed \$10,000.

EXECUTIVE SUMMARY

The proposed action presents relocation assistance guidelines identifying eligible moving and temporary living expenses for recipients of relocation assistance. The proposed action would also extend relocation assistance to the newly recruited Assistant Auditor-Controller in an amount not to exceed \$15,000 and to the Administrator of Alcohol and Drug Programs in an amount not to exceed \$10,000.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Salary savings in the budgets of the Auditor-Controller and the Substance Abuse Services division of the Health and Human Services Agency realized due to the vacancy of these two positions (Assistant Auditor-Controller and Administrator of Alcohol and Drug Programs).
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Reimbursement of moving expenses and temporary living allowances

are typically required in order to attract experienced high caliber professional candidates. While a salary increase may be used to attract an appropriately qualified employee in some instances, a moving allowance serves both the new employee and the County budget better than a salary increase. The allowance relieves immediate one time expenses for the new employee but does not constitute an ongoing cost to the County.

Is the general fund affected? Yes

Future fiscal impact: None.

Consequences if not approved: The County may be required to pursue other, potentially less experienced and qualified candidates for these positions leaving these key positions vacant for some time. Since Ms. Schulze and Ms. Moreno-Peraza are the only viable candidates at this time, it is likely an executive search firm would need to be retained to draw additional candidates at considerable cost to the County. A recruitment through a search firm costs approximately \$20,000.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In order to remain competitive and attract top quality managers from around the nation, the Board has previously authorized reimbursement of moving expenses for several critical managerial candidates. While the County does not currently have an established relocation assistance policy, Human Resources recognizes the need for a formalized policy that would identify guidelines for those situations when relocation assistance is warranted and to clearly outline those moving and temporary living expenses that are eligible for reimbursement. In collaboration with the County Executive Office, Human Resources is developing a comprehensive policy to be presented at a future date but has developed the preliminary guidelines outlined below in order to assist in recruiting two high level management candidates. The guidelines are as follows:

APPLICABILITY AND GENERAL GUIDELINES:

Relocation and temporary living expense reimbursement will only be offered to positions approved by the County Executive Officer that are either difficult to recruit for and/or are department head or assistant department head level. A moving distance criterion will ultimately need to be established. Staff is considering a number of different options, but have not arrived at a final recommendation. However, in the immediate case both individuals would qualify for relocation assistance under any criterion that staff would recommend in the future. The recommendations for reimbursement are as follows. For interstate relocations, the County will reimburse up to \$15,000 of eligible relocation and temporary living expenses, of which no more than \$5,000 can be spent on temporary living expenses. For intrastate relocations, the County will reimburse up to \$10,000 of eligible relocation and temporary living expenses, of which no more than \$5,000 can be spent on temporary living expenses.

RELOCATION EXPENSES:

Eligible expenses would include the packing, storing, transportation, and insuring of normal household goods and possessions. Costs associated with house hunting and final travel to the new location are also

reimbursable under this category and include airfare, gas, lodging, car rental, and food. Expenses must be documented in the form of receipts in order to receive reimbursement.

| **TEMPORARY LIVING EXPENSES:**

Reimbursement of eligible expenses under this category are intended to cover those costs associated with temporarily living in the new location while acquiring permanent housing. Reimbursable temporary living expenses include car and lodging rental, garbage pickup, and utility and phone hook ups, but do not include those normal and customary living expenses such as food, gas and entertainment. Expenses must be documented in the form of receipts in order to receive reimbursement.

| **REPAYMENT OF RELOCATION EXPENSES UPON TERMINATION:**

Relocation recipients are required to pay back all or a percentage of the total reimbursements received if they voluntarily terminate their employment with the County of Napa prior to completing three years of employment. The payback schedule is as follows:

- | Termination prior to completing one year - 100% payback due.
- | Termination after one year but prior to completing two years - 67% payback due.
- | Termination after two years but prior to completing three years -33% payback due.

Human Resources is requesting the Board's approval to extend relocation assistance under these guidelines to two immediate cases involving the relocation of senior management candidates. A successful national recruitment for the Assistant Auditor-Controller position has identified Ms. Tracy Schulze of Mukwonago, Wisconsin as the candidate of choice. Ms. Schulze is an experienced Certified Public Accountant with over 11 years of financial experience, three years of which she served as the Comptroller for Walworth County. Human Resources is recommending relocation assistance associated with the interstate relocation of Ms. Schulze and her family to California. Under the provisions of the guidelines outlined above, Human Resources is requesting a total relocation and temporary living assistance package not to exceed \$15,000. Ms. Schulze would be subject to the early termination payback provision previously outlined.

After nearly two years of extensive recruitment efforts by both Human Resources and a contracted executive search firm, the Health and Human Services Agency has identified and attracted a highly regarded candidate for the position of Administrator of Alcohol and Drug Programs. Ms. Connie Moreno-Peraza has ten years of extensive experience in county government and particularly as an administrator in the field of substance abuse prevention and treatment. Ms. Moreno-Peraza will be relocating her family from the San Diego area where she currently resides. Human Resources is requesting that the Board approve a total relocation and temporary living assistance package not to exceed \$10,000. Ms. Moreno-Peraza would be subject to the early termination payback provision.

Therefore, subject to the relocation guidelines presented earlier, it is requested that the Board authorize reimbursement of eligible relocation and temporary living expenses for the interstate relocation of the Assistant Auditor-Controller in an amount not to exceed \$15,000 and for the intrastate relocation of the Administrator of Alcohol and Drug Programs in an amount not to exceed \$10,000.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Karen Gratton