

## CHAPTER 5: COMPENSATION

### 5.01 Employee Pay Rates

Employees shall be hired at a rate set within the budget allowance for their positions. The starting wage for new employees will be determined based on their **experience, qualifications, and prevailing market conditions**. The **Mayor** with approval of **City of Toledo Council** may adjust pay rates through budget amendments as needed.

Annual pay increases will be given at the **end of the fiscal year** based on **cost-of-living adjustments** and **performance evaluations**. All approved raises will be implemented on **January 1st** of the following fiscal year after the budget has been approved.

New employees may be eligible for a **pay increase at the end of their trial period**, based on the agreement made at the time of hiring, as long as it falls within the budget constraints.

The **Mayor** or **City Administrator** may propose, and the **City of Toledo Council** may grant, across-the-board pay adjustments (e.g., cost-of-living increases) or other compensation adjustments as needed.

Any employee promoted to a position in a **higher classification** and **salary range** shall receive a raise based on **qualifications** and **budgetary considerations**.

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### 5.02 Paydays

Employees of the **City of Toledo** are paid **monthly** on the **last workday** of each month. If a regularly scheduled payday falls on a **Saturday or Sunday**, paychecks will be distributed on the **preceding Friday**. The pay period covers work performed from the last day of the previous pay period **to at least the 24th day** of each month depending on the month.

This policy aligns with **Washington State's requirement** that employees be **paid at least once per month**.

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### 5.03 Deductions

#### 1. Mandatory Deductions

The **City of Toledo** will deduct from employee wages the amounts required by **federal and state laws**, including but not limited to:

- **Federal and state income taxes**

- **Social Security and Medicare (FICA)**
- **Washington Paid Family and Medical Leave (PFML)**
- **Washington LTC**
- **Retirement contributions, if applicable**
- **Court-ordered wage garnishments or child support**

## **2. Voluntary Deductions**

Additional deductions may be made when authorized **in writing** by the employee, including:

- **Employee-elected insurance premiums, including HSA and Aflac**
- **Deferred compensation contributions**

## **3. Deductions for Elected Officials**

Elected officials may have deductions withheld from their compensation for:

- **Federal and state tax withholdings**
- **Retirement contributions (if participating in an eligible plan)**
- **Other voluntary deductions authorized in writing**, such as deferred compensation

No unauthorized deductions shall be taken from an **elected official's compensation** without **explicit consent** or **legal mandate**.

## **4. Compliance**

- No deduction may be made without **explicit legal authority** or **employee/elected official consent**, except where required by law.
- Deductions will be made in accordance with **RCW 49.48.200** and **RCW 49.52.060**, ensuring compliance with **Washington State wage laws**.

### **5.04 Travel**

The City of Toledo is committed to providing clear guidelines for employee travel conducted for official City business, including training, meetings, and other authorized purposes. This policy ensures travel is conducted in an **efficient, cost-effective, and fair manner** while adhering to all applicable laws and regulations.

## 1. Purpose

This policy establishes the rules and procedures for employee travel on behalf of the **City of Toledo**, including reimbursement for expenses incurred during authorized travel and compensation during travel time.

## 2. Authorization for Travel

- All travel must be **pre-approved** by the employee's **department head** and **Mayor**.
- Any travel expected to result in **reimbursable expenses** must have **prior authorization**.
- Requests for travel should include:
  - The **purpose** of travel
  - **Destination**
  - **Estimated cost**
  - **Duration** of travel

## 3. Reimbursable Expenses

Employees will be reimbursed for **reasonable and necessary** expenses incurred while traveling for City business. Reimbursable expenses include:

- **Mileage** for personal vehicle use at the **current IRS standard mileage rate**, if a City vehicle is unavailable.
- **Public transportation, airfare, or car rental costs**, approved in advance.
- **Lodging expenses**, provided they are reasonable and supported by receipts.
- **Meals**, subject to **per diem limits** as established by the City. *Alcoholic beverages are not reimbursable.*
- **Registration fees** for conferences, training, or seminars.

**Receipts** must be provided for all reimbursable expenses unless otherwise specified (e.g., mileage reimbursement).

## 4. Travel Time Compensation

The City compensates **travel time** in accordance with the **Fair Labor Standards Act (FLSA)** and applicable **Washington State labor laws**. Compensation rules differ based on the

nature of the trip (**day or overnight**) and the employee's classification (**exempt or non-exempt**).

#### **A. Day Trips (*No overnight stay required*)**

- **Exempt Employees:**
  - Will receive their **regular base salary**.
  - **No overtime or compensatory time** will be accrued for travel.
- **Non-Exempt Employees:**
  - **Travel during regular work hours** (e.g., 8:00 AM – 5:00 PM) is **compensable**.
  - **Travel outside regular work hours** is **not compensable** if the employee is a **passenger** in a vehicle, plane, or other mode of transportation.
  - **If the employee is required to drive, all driving time** is **compensable**, even outside regular work hours.
  - **Time spent at the work-related event** (e.g., training, meeting) is **compensable**, regardless of the time of day.

#### **B. Overnight Trips (*Travel requiring at least one night away from home*)**

- **Exempt Employees:**
  - Will receive their **regular base salary**.
  - **No overtime or compensatory time** will be accrued for travel or attendance.
- **Non-Exempt Employees:**
  - **Travel during regular work hours** is **compensable**. (*Includes weekends if occurring during normal work hours.*)
  - **Travel outside regular work hours** is **compensable only if the employee is driving**. *If a passenger, this time is not compensable.*
  - **Time spent at the work-related event** is **compensable** during scheduled hours.
  - **Non-working time** (e.g., meals, personal activities, sleeping) is **not compensable**.

### **5. General Rules for All Employees**

1. **Commuting:** Travel from **home to the regular worksite** is **not compensable**.
2. **Documentation:** Employees must track their **travel time** and submit it with their **timecard** for review by their **department head** or the **City Clerk/Treasurer**.
3. **Compliance:** This policy may change to comply with **state and federal labor laws**. Employees should consult the **City Clerk/Treasurer** with any questions.

## 6. Travel Advances

Employees may request a **travel advance** to cover anticipated expenses.

- Requests for travel advances must be submitted at least **ten (10) business days** before the travel date and require approval by the **City Clerk/Treasurer**.
- Advances must be **reconciled** with **actual expenses** upon return.
- Any **unspent funds** must be **returned to the City within five (5) business days**.

## 7. Use of City Vehicles

- Employees are **encouraged to use a City-owned vehicle** for travel when available.
- Employees must comply with **all policies** related to the **operation and maintenance** of City vehicles.
- If a **City vehicle** is **unavailable**, employees may use their **personal vehicle** and **request mileage reimbursement** at the **IRS standard mileage rate**.

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## 5.05 Travel Expense Reimbursement

### Per Diem and Mileage Rates

The City of Toledo follows the **federal per diem rates** established by the **U.S. General Services Administration (GSA)** for meals and incidental expenses (**M&IE**) and reimburses mileage at the **IRS standard mileage rate**.

#### 1. Per Diem Rates

- Employees traveling for City business will be reimbursed for **meals and incidental expenses** based on the **current GSA per diem rates** for the destination.
- Employees can find the **applicable per diem rates** at: [GSA Per Diem Rates](#).

#### 2. Mileage Rates

- Mileage reimbursement will follow the **IRS standard mileage rate** when a **personal vehicle** is used for City business and no **City vehicle** is available.
- Employees can find the **current mileage rates** at: [IRS Standard Mileage Rates](#).

### 3. Annual Updates

- The **City Treasurer** will distribute the current **per diem and mileage rates** to all employees at the **beginning of each fiscal year**.
- Employees are encouraged to contact the **City Clerk/Treasurer** with any questions about per diem or mileage reimbursement.

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### 5.06 Other Food Expenses

The reasonable cost of **food items** related to the following situations is an allowable expense:

1. **Meals for interviewers and staff** involved in assessment centers or **full-day interviews**.
2. **Costs incurred by Council, Board, or Commission members** at official City business meetings.
3. **Coffee and refreshments at training sessions or staff meetings**.
4. **Food for special ceremonies** (e.g., facility openings, swearing-in ceremonies, commendations ).
5. **Meals for employees during emergency situations** (e.g., natural disasters, infrastructure failures).
6. **Working lunches with citizen committees, county officials, or inter-agency meetings**.
7. **Employee recognition programs, wellness events, or staff appreciation meetings**.

### Documentation Required

- The **date and description** of the activity.
- **Receipts/invoices** for all expenditures.