



SECTION NO: 32 SUBJECT: Wage and Salary	REPLACES/AMENDS: Wage and Salary, Effective Date June 16, 2009 (Res. No. 2009-257) Amended May 16, 2017 (Res. No. 2016-174)
RESOLUTION NUMBER: <del>2022-115</del> <u>143-</u> <u>2023</u>	EFFECTIVE DATE: <del>12/7/2021</del> <u>7/18/2023</u>

## **POLICY**

In accordance with the Fair Labor Standards Act (FLSA), no employee shall be paid less than the federal minimum wage unless they are expressly exempt from the minimum wage requirement by FLSA regulations.

Generally, the hiring rate of pay is the minimum rate in the pay grade for the assigned job classification. The Human Resources Director, or designee, may grant exceptions to the hiring rate when unusual circumstances warrant a higher rate of pay in the pay grade. For example, the inability to fill the position at the minimum rate in the salary range or qualifications of an applicant may justify exceeding the minimum rate.

## **PROMOTION PAY**

Employees who are promoted and moved up ~~at least three~~to a higher pay grades shall receive either a minimum increase of ~~five-six~~ percent, rounded up to the next step in the pay grade or advance to the minimum step of the pay grade for the new position, whichever is higher.

### **Lateral Work Pay**

A permanent move to a new position that ~~is less than three pay grades higher than an employee's~~is the same pay grade as the—previous position is considered a lateral move. In this case, the employee will be moved to the same step in the higher pay grade.

### **Temporary Pay for Work in a Higher Classification**

While performing assigned temporary work in a job with a higher pay grade an employee shall receive either a five percent (5%) increase in their current base rate or the minimum step in the pay range of the higher position, whichever is higher, provided the assignment is longer than two (2) consecutive weeks and/or until filled with a permanent replacement.

The department director, or designee, must submit a status change to the Human Resources Department for any of the above situations.

### **OVERTIME PAY AND COMPENSATORY TIME**

Overtime work must be authorized in advance by the employee's supervisor, division manager, department director, or City Manager.

Except for non-exempt uniformed fire personnel and non-exempt police officers, overtime is paid, or compensatory time is awarded, for any time worked by a non-exempt employee in excess of forty (40) hours per week during seven consecutive 24-hour periods designated by the city. Non-exempt uniformed fire personnel are paid overtime, or compensatory time is awarded, for any time worked in excess of 204 hours during twenty-seven (27) consecutive 24-hour work periods designated by the city. Non-exempt police officers are paid overtime, or compensatory time is awarded for any time worked in excess of 80 hours during fourteen (14) consecutive 24-hour work periods designated by the city.

**Overtime Pay** – Overtime hours are paid at time and one-half (1 ½) the employee's regular hourly rate. Only hours actually worked shall be considered in the computation of overtime, except time off for holidays will be considered as time worked; no other types of leave will be considered time worked.

**Compensatory Time** – Compensatory time may be awarded to non-exempt employees in lieu of overtime payments for overtime hours worked, provided that compensatory time is agreed to annually by the employee, appropriately recorded by the division manager or designee, and awarded at time and one-half (1 ½) for each hour of overtime worked. In no case shall non-exempt employees in the fire and police departments accrue more than one hundred twenty (120) hours of compensatory time. All other non-exempt employees can accrue no more than eighty (80) hours of compensatory time.

A department director may limit compensatory time to an amount less than hereinabove provided, or may eliminate it altogether.

The city reserves the right to cash out accrued compensatory time consistent with FLSA regulations. At the time of separation from employment, an employee must be paid for unused compensatory time consistent with FLSA regulations. When an employee is moved from non-exempt to exempt status, the city shall pay the employee for unused compensatory time consistent with FLSA regulations.

### **ON-CALL, COURT, GRANT, AND EMERGENCY PAY**

**On-Call Time** – Non-exempt employees who are designated as "on-call" employees shall not receive pay for being on-call except as required by FLSA. Generally, if an employee is not required to remain on city premises, the time

spent waiting while on-call is not considered working time.

**Emergency Call Out** – When a non-exempt employee has left the work premises and is called to work without prior notice due to an emergency, the employee shall be compensated at time and one-half (1 ½) their regular rate of pay for all hours worked for each emergency call out. If the time worked on an emergency call out is less than two (2) hours, the employee shall be paid for two (2) hours. If the employee receives a second call within two (2) hours of the original call, the time will be added to the original call.

**Police and Fire Court Time** – When a non-exempt police officer or non-exempt fire investigator, not on duty, is required to appear in a court, or at a hearing, to testify to facts that arise within the scope of employment with the city, the employee shall be compensated at time and one-half (1 ½) their regular rate of pay, or receive equivalent compensatory time for each hour the employee is required to be present in such court or hearing. The minimum time for compensation shall be one (1) hour and in increments of fifteen (15) minutes thereafter. This provision shall not apply if the police officer or fire investigator is a party to such action, or hearings conducted pursuant to Article VI, Section 2 of the Charter of the City of Kingsport.

**Police Grant Time** – When grant dollars are awarded for law enforcement activities (in addition to normally assigned duties), the rate of pay for an officer working grant hours shall be time and one-half (1 ½) the officer's regular rate. Compensatory time is not available, and this policy does not apply to regular hours worked by full time law enforcement positions funded by grants.

## **PAY PROCEDURES**

**Pay Increases** – All employees shall be considered for a pay increase once per year, subject to Article X, Section 10 of the Charter of the City of Kingsport. Pay increases may be awarded upon recommendation of the HR department director, or designee, approval by the City Manager, or designee, and approval by the board of mayor and aldermen in the city's annual budget ordinance.

To recognize outstanding service by a regular, full-time employee over a sustained period of time, an additional increase for performance may be granted. Increase requests must be made in writing by the department director outlining the factors that relate to the quality and quantity of work performed and to the demonstrated willingness of the employee to do more than is normally expected. Increase requests must be submitted to the Human Resources Department for review and recommendation to the City Manager, or designee.

**Demotion/Transfer Pay** – Employees, voluntarily or involuntarily, demoted or transferred to a position in a lower pay grade shall be compensated at the same step in the lower pay grade

~~**Red Circle Pay** – A red circle employee is an employee who, under prior policy, retained the rate of pay they had prior to the demotion or transfer, and their rate of pay is higher than the salary range of their current position. Such employee will not be eligible for step increases, overall pay plan adjustments approved by the board of mayor and aldermen, cost of living increases, or any other salary increases until their pay is within the salary range of their current position.~~

**Supplemental Pay** – In certain departments, significant supplemental job skills required by the city shall be accorded supplemental pay as requested by the department director, who shall submit the request to the Human Resources Department for review and recommendation to the City Manager, or designee, for approval. The supplemental pay is temporary and only for the duration that the employee functions in the special assignment and maintains applicable certification.

**Holiday Pay** – Except as provided for certain employees listed in the next paragraph, non-exempt employees whose work schedule includes a holiday recognized by the city, and who works the holiday, will be paid at the regular hourly rate for each hour worked on the holiday (unless the hours are overtime), and will be provided another day off in lieu of the holiday.

Certain public works non-exempt employees who work collecting garbage, trash, recycling, and landfill, and who work a holiday for operating efficiency as determined by the Public Works Director, or designee, shall receive regular holiday pay and regular pay for the hours worked on such holiday. They will not be provided another day off in lieu of the holiday.

Any non-exempt employee scheduled to be off on a holiday but who, for emergency reasons, is called to work will be compensated at the rate of time and one-half (1 ½) for each holiday hour worked, in addition to the holiday pay.

Non-exempt employees who are off on recognized holidays will be paid their regular rate of pay (straight time). This time is considered time worked when calculating overtime hours for the pay period.

**Test/Interview Pay** – If an employee needs time away from their current duty to test or interview for promotional opportunities with the city, such time shall be granted unless there are justifiable reasons as determined by the department director, or designee, and the Human Resources Department not to permit such. Non-exempt employees shall be paid for such time, provided it occurs in their regularly scheduled workday and it does not make such employee eligible for overtime compensation.

**Severance Pay** – The city does not normally provide severance pay; however, when circumstances warrant and it is in the best interest of the city, the City

Manager, or designee, may, subject to Article X, Section 10 of the Charter of the City of Kingsport, authorize severance pay up to a maximum of twelve (12) weeks.

## **PAY DURING INCLEMENT WEATHER OR OTHER EMERGENCY CONDITIONS**

### **Essential Positions**

All employees in positions deemed essential by the City shall come to work during inclement weather or other emergency conditions. It is appropriate to inform an employee during the hiring or promotional process that such position is essential and what the expectations are concerning inclement weather attendance.

### **Non-Essential Positions – Voluntary and Involuntary Absences**

#### **Voluntary Absence:**

All employees in positions that are not deemed essential by the City may determine that it is not in their best interest to travel to work for the day due to unsafe travelling conditions. If an employee makes this decision, they shall notify their supervisor and may use any accrued vacation leave, accrued compensatory leave, or elect to use leave without pay to cover lost time. If an employee decides during the course of a work day that the weather is becoming unsafe for travel and requests to leave for the day, they shall obtain permission to leave from their supervisor and may use any accrued vacation leave, accrued compensatory leave, or elect to use leave without pay to cover lost time. Sick time may not be used to cover the absence.

#### **Involuntary Absence:**

If City offices are closed by action of the City Manager or designee for all or part of the work day, all employees in positions that are not deemed essential by the City Manager or Department Director shall not travel to work on that day, or shall leave work for the day. Such employee may use any accrued vacation leave, accrued compensatory leave, or elect to use leave without pay to cover lost time. Sick time may not be used to cover the absence.

## **OTHER PROVISIONS**

Nothing in this policy should be construed to conflict with or supersede state or federal law, or as interfering with the constitutional rights of employees.

While the city is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the city and its employees. This policy supersedes all policies that conflict with the terms of

this policy. Furthermore, this statement constitutes ONLY the policy of the city. A finding of a violation of this policy does not mean that the conduct violates state and/or federal laws.