

	Wage and Salary Policy	
	Section No: 3.02	
	Category: Compensation & Classification Policies	
	Resolution Number: 257-2026	
	Effective Date: September 1, 2026	
	Supersedes: Section 32, Resolution 143-2023 - 7/18/2023	
	Next Review Date: September 1, 2028	
Responsible Office: Human Resources		
Policy Applies to:	☒ All City employees (Full-time, Part-time, LSEs, temps, etc.) ☐ All City and School Employees	☐ Full-Time employees only ☐ Other: _____

Relevant Definitions

N/A

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.

Promotional Pay

Employees who are promoted to a position in a higher pay grade shall receive a minimum salary increase of six percent (6%), rounded up to the next step within the new pay grade, or placement at the minimum step of the new pay grade, whichever results in the higher salary. The City Manager may, at their discretion, approve a salary increase greater than six percent (6%) based on the circumstances of the promotion and the needs of the City.

Lateral Work Pay

A permanent move to a new position that is the same pay grade as the previous position is considered a lateral move. In this case, the employee will not receive a change in pay.

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 106 hours during fourteen (14) 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.

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

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.

Consequences of Policy Violation

Violation of this policy may be subject to disciplinary action including up to termination of employment.

Related Information or Procedures:

N/A

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. 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.

Contacts

The following office can address questions regarding this Policy: Human Resources Department, phone: (423) 229-9401, HROffice@kingsporttn.gov