

Exhibit 1

HR-4-01. Benefit Administration

A. Eligibility for leave. All City service employees, except part-time, emergency, seasonal, and temporary employees, are eligible for any type of leave with pay from the date of appointment. Original probationary employees earn vacation and sick leave from their date of appointment but may only use accrued sick leave during their probationary period. Except as otherwise required by law, part-time, emergency, seasonal, and temporary employees are eligible only for Paid Sick Time (as set forth in HR-4-05), administrative leave, military leave, and civic duty leave for voting and jury duty.

B. Requests for leave. Where foreseeable, an employee must obtain approval in advance and in writing prior to taking any leave.

HR-4-05. Sick Leave.

A. Accrual.

1. Full-time employees.

- a. All full-time employees shall accrue sick leave at the rate of 3.69 hours per pay period for employees with a regular work period of 7 days, and at the rate of 4.89 hours per pay period for employees with a regular work period of 28 days.
- b. Accrued sick leave is credited on the last day of the pay period in which earned, provided the employee has been in a pay status for at least $\frac{1}{2}$ of the employee's working days in that pay period. A full-time employee who does not work at least $\frac{1}{2}$ of the employee's working days in a pay period will accrue sick leave at the rate of one hour of sick leave for every 30 hours worked in that period. For example, if a full-time employee, who typically works 80 hours in a pay period works 30 hours in the pay period, the employee would receive one hour of sick leave. If that same employee works 15 hours in a pay period, the employee would receive 0.5 hours of sick leave.
- c. The maximum number of hours of sick leave that any full-time employee may accumulate is 360 hours. Sick leave earned after reaching the maximum will be converted to vacation at a rate of 1 hour of vacation for every 3 hours of sick leave up to the maximum vacation accrual.

2. Part-time, seasonal, temporary, and emergency employees.

- a. Part-time, seasonal, temporary, and emergency employees shall accrue one hour of sick leave for every 30 hours worked, up to 40 hours in a fiscal year. Accrual begins on the date of appointment; however, part-time, seasonal, temporary, and emergency employees may not use sick leave for the first 90 days of employment.
- b. All sick leave accrued by part-time, seasonal, temporary, and emergency employees will be considered Paid Sick Time ("PST"), as discussed below. Any accrued, unused PST, up to 40 hours at the end of a fiscal year, shall be rolled over to the following year; however, part-time, seasonal,

temporary, and emergency employees may only use 40 hours of PST per fiscal year.

- B. Paid Sick Time (“PST”). The first 40 hours of sick leave taken in a year by any employee will be counted as PST under A.R.S. § 23-371, et seq.
1. PST may be used for the purposes set forth in A.R.S. § 23-373, including:
 - a. An employee’s mental or physical illness, injury, health condition, or actual or potential exposure to a communicable disease;
 - b. To care for a family member’s mental or physical illness, injury, health condition, or actual or potential exposure to a communicable disease;
 - c. An employee’s or a family member’s need for medical diagnosis, treatment, or preventative care;
 - d. Certain public health emergencies; and
 - e. Absence due to domestic violence, sexual violence, abuse, or stalking involving an employee or a family member.
 2. Except as otherwise set forth herein, for purposes of this policy, a “family member” is defined as set forth in A.R.S. § 23-371.
 3. PST (and all other paid leave) will run concurrently with Family and Medical Leave Act (“FMLA”) leave if the leave qualifies as FMLA leave.
- C. Sick Leave Upon Exhaustion Of PST. Upon exhaustion of PST, full-time employees may use sick leave for:
1. The employee’s illness or injury, which renders the employee unable to perform the duties of the position.
 2. The employee’s examination or treatment by a licensed health care practitioner.
 3. The employee’s family member’s illness, injury, examination, or treatment by a licensed health care practitioner, which shall not exceed 40 hours per fiscal year, except in the case of FMLA leave (in which case, the definitions, including the definition of “family member”, and the reasons for leave set forth in the FMLA, as per HR-4-11, shall apply).
- D. Use Of Sick Leave.
1. An employee may take paid sick leave when approved by the Supervisor and Human Resources.
 2. An employee on sick leave, including PST, may be required, after being absent for three consecutive work days, to provide documentation verifying the need for leave.
 3. In certain circumstances, Human Resources may require an employee to be examined by a licensed health care practitioner designated by Human Resources. If the licensed health care practitioner determines that the employee should not work due to illness or injury, Human Resources may place the employee on sick leave or, if the employee’s sick leave is exhausted, on vacation leave, or on leave without pay. Human Resources may require the employee to obtain approval from the licensed health care practitioner prior to returning to work. The City shall pay for all examinations required pursuant to this subsection. The employee shall not be charged any leave while participating in or traveling to or from any examination required pursuant to this subsection.

E. Donation Of Sick Leave.

1. Definitions. "Extended illness or injury" means a period of at least three consecutive weeks in which the employee is medically unable to work and the employee's absence is covered under FMLA, or the employee otherwise qualifies for a serious health condition as stated in HR-4-11.
2. Eligibility.
 - a. A full-time employee may donate sick leave to another full-time employee who has no accumulated paid leave if:
 - i. The donating employee has a sick leave balance exceeding 120 hours. Only sick leave hours exceeding 120 will be available for donation.
 - ii. The recipient employee will use the donated sick leave for the recipient's own extended illness or injury.
 - iii. A recipient employee may use a maximum of two consecutive months of donated leave (320 hours for employees working 40 hours per week or 424 hours for employees with work periods of 212 hours) in a 12-month period, which shall be the same as the 12-month period used by the City for FMLA purposes. The eligibility to receive donated leave shall terminate upon employee's receipt of Long-Term Disability benefits.
 - iv. The illness or injury is not under workers' compensation.
 - v. Recipients' donation-leave requests must be approved by Human Resources and are contingent upon availability of financial funding.
 - vi. Before using donated sick leave, a recipient employee with a qualifying illness or injury shall exhaust all available compensatory, sick, and vacation leave.
3. Donation of sick leave is voluntary. Human Resources will establish procedures for donating leave and eligibility for recipients.
4. If the recipient employee separates from City service, recovers before using all donated leave, or the need for the donated leave is otherwise abated, the City shall return unused leave to contributors on a prorated basis.
5. No leave accrual will occur for recipient employees receiving payment entirely from donated sick leave.
6. Hours donated will be applied on an hour by hour basis.

F. Separation From Employment.

1. Sick leave, including PST, will not be paid out upon separation from City service except as otherwise provided by law.
2. If a full-time employee is laid off due to a reduction in force and is re-hired within one year from the separation date, he or she will be credited with all unused sick leave at the time of separation.
3. If any employee separates from City employment for any reason and is re-hired within nine months from the separation date, unused, accrued PST will be reinstated. Upon rehire, employees will be eligible to use any reinstated sick leave immediately.