

1.00 GENERAL POLICIES

1.01 AUTHORITY

01.01.01 These policies are established by the City Council. Amendments, revisions, or the addition of new policies must be approved by the City Council.

01.01.02 This personnel policy manual replaces and supersedes any and all personnel policies previously adopted, individually or as a set of policies, by the City Council.

01.01.03 The City Manager may adopt administrative procedures that complement these policies for specific operational or personnel issues, so long as the administrative procedures do not conflict with, undermine or diminish these personnel policies.

01.01.04 Department heads may establish procedures for specific personnel issues in their departments, so long as department procedures do not conflict with City Council approved policies. If there is a conflict between a Department procedure and City Council approved policies, the terms of the City Council approved policies shall prevail. Department policies must be reviewed by the Human Resources Director and approved by the City Manager.

1.02 SEVERABILITY

The provisions of these policies are severable. If any provision or part of a policy or procedure is held invalid, illegal, or unenforceable this shall not affect the validity of the remaining provision or parts of the provisions, which shall remain in force and effect. Changes in state or federal law or regulations will supersede these policies and/or departmental policies from the effective date of the law or regulation forward.

1.03 PROMULGATION AND ADMINISTRATION

1.03.01 The City Manager will ensure the implementation, enforcement, and day-to-day administration of City policies. The City Manager may delegate authority to appropriate staff, including Department Heads, to act on City Manager's behalf in the administration of City policies.

1.03.02 With the exception of matters of appointments and other personnel actions reserved to the City Council by statute, final authority, in the form of review and approval, is reserved to the City Manager with regard to all personnel matters and subjects covered by these policies.

1.04 PURPOSE

These policies set forth guidelines for the City and are the primary rules governing employment and operating procedures within the City. The policies contained herein inform employees of the benefits and obligations of employment with the City. They have

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been prepared and adopted in order to promote consistent, equitable, and effective practices by both employees and supervisors which will result in high quality public service to the citizens of Fair Oaks Ranch.

The Personnel Policies Manual is a general guide, and the provisions of this manual do not alter the at-will employment relationship or constitute an employment agreement, contract, or a guarantee of continued employment. The City of Fair Oaks Ranch reserves the right to change the provisions of this manual at any time and without prior notice. The provisions contained in this manual are applicable to all employees. Any promises which conflict with the provisions of this manual are effective only if in writing and signed by the City Manager.

1.05 DISSEMINATION OF PERSONNEL POLICIES

1.05.01 The Human Resources Department will maintain current and prior approved versions of the manual. A copy of the most recently approved manual will be available to all employees on the City's Intranet site.

1.05.02 At time of hire, new employees will acknowledge they have reviewed the personnel policies manual and return the acknowledgement to the Human Resources Department.

1.06 TERMS SUBJECT TO APPROPRIATION

1.06.01 All terms, conditions, benefits, and provisions outlined in the personnel policies manual are subject to the availability of funds and annual appropriation by the City Council. Nothing in this manual shall be construed as a guarantee of funding or continued financial obligation beyond appropriations made by the City Council.

1.06.02 The City provides a comprehensive benefits package to eligible employees as approved and budgeted for by the City Council. These benefits may include medical, dental, and vision insurance; short- and long-term disability coverage; a Section 125 flexible spending plan for qualified healthcare expenses; contributions to a retirement plan; basic life and accidental death and dismemberment insurance; voluntary life and accidental death and dismemberment insurance; and access to a voluntary 457(b) deferred compensation plan. The Human Resources Department will maintain a current schedule of City-provided benefits on the Intranet portal for employee reference.

1.07 SMOKING AND TOBACCO USE

Smoking, tobacco use, and vaping is prohibited within City facilities and vehicles.

1.08 INSPECTION AND REASONABLE SEARCHES

1.08.01 Employees entering City property will constitute consent by the employee to

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searches at any time if a reasonable suspicion exists that weapons, alcohol, prohibited drugs, or drug paraphernalia may be found.

1.08.02 The City reserves the right to make searches of employee lockers, offices, cabinets and desks during the course and scope of their employment and while located on City property. Searches will be based on reasonable suspicion of non-compliance with City policies or investigation into misconduct. The use of privately owned padlocks or other locking mechanisms of City property is prohibited. If need be, locks will be provided by the City.

1.08.03 An employee that is found to have unauthorized possession of property or is found in possession of open alcoholic beverage containers, illegal drugs, or illegal drug-related paraphernalia on City property may be subject to disciplinary action.

1.09 WEAPONS BANNED

1.09.01 The City prohibits the carrying or possessing of weapons by any employee who is not a licensed police officer while in City-owned facilities or vehicles. Employees are prohibited from carrying or possessing a weapon while performing City services or while engaged in City business.

1.09.02 Weapons include general categories of guns, knives, explosives and other items of combat that if used could reasonably be expected by the City to inflict harm upon another.

1.10 SUGGESTED CHANGES

1.10.01 The City may revise, change, or terminate policies or procedures at any time, with or without notice and upon City Council approval.

1.10.02 The City Manager will regularly review these policies and submit any necessary or recommended changes to the City Council for approval. Employees will be provided with notice of approved changes within a reasonable amount of time of City Council adoption.

1.10.03 Employees are encouraged to make constructive suggestions for improvements to these policies or working conditions in writing to the City Manager for consideration.

13.00 SEPARATION OF EMPLOYMENT

13.01 GENERAL

The City recognizes termination of employment as the end of the relationship between the City and the employee for any reason. When employment terminates, the Human Resources Department will designate the termination type and document the action in the employee's personnel file.

13.02 VOLUNTARY TERMINATIONS

13.02.01 A voluntary termination refers to the end of the employment relationship initiated by the employee. Voluntary terminations in good standing are received by a supervisor with appropriate notice prior to their last day of work. Non-exempt employees will give at least two weeks' notice and exempt employees will give at least four weeks' notice. The City Manager may waive any portion of the notice requirement. Except for job abandonment terminations, all employees not in their introductory period and in good standing on their last day of employment will be paid the balance of their unused vacation leave.

13.02.02 Resignation is when an employee notifies a supervisor or other City official of their intent to resign from their position. The notice can be verbal or written. In either case, the supervisor or City official will, upon notification, immediately follow up with a written response back to the employee that confirms the acceptance and effective date of the resignation. The written follow-up response will be copied to the Human Resources Department and placed in the employee's personnel file.

13.02.03 Retirement is when an employee notifies the City of their intent to end their career or long-term employment with the City based on specific eligibility requirements. A retirement notice will be given in writing to the Human Resources Department. Employees wishing to retire must give at least 30 days' written notice to the Human Resources Department.

13.02.04 Death of an employee. If an employee dies while employed by the City, the separation will be voluntary and will be effective on the date of death. Upon the death of an employee, any final wages, accrued vacation, sick leave, or other compensation owed will be paid to the employee's estate, in accordance with Texas law. The municipality will require proof of appointment of an executor or administrator, or other legally recognized documentation, before releasing such payments. Payments will comply with applicable federal and state tax reporting requirements.

13.02.05 Job abandonment results from an unauthorized absence that exceeds three consecutive workdays without the employee notifying a supervisor or the Human Resources Department. Prior to dismissal, the Human Resources Department will make reasonable efforts to contact the employee to determine if there are mitigating circumstances (i.e., employee is incapacitated). Exceptions due to mitigating

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circumstances may be approved by the City Manager.

13.03 INVOLUNTARY TERMINATIONS

13.03.01 An involuntary termination is when the City dismisses an employee for a justifiable reason so long as the termination is not discriminatory or illegal. The City may take an involuntary dismissal action with or without notice.

13.03.02 For cause termination is when the City ends the employment relationship due to misconduct or a breach of performance. The Human Resources Department will prepare and deliver the written dismissal action and notice, which will contain the reasons for termination. Employees terminated for cause are not eligible for the payout of their unused vacation leave. The City Manager may approve exceptions on a case-by-case basis upon request of the terminated employee.

13.03.03 At-will termination is when the City determines it is in its best interest to end the employment relationship. The Human Resources Department will prepare and deliver the written dismissal action and notice. The at-will termination notice will not contain the reasons for termination. All employees terminated at-will who are not in their introductory period on their last day of employment will be paid the balance of their unused vacation leave.

13.03.04 Terminations due to an employee no longer being able to perform the essential functions of their job, with or without accommodation will be administered in full compliance with state and federal laws. Involuntary terminations due to inability to perform the essential functions of the job will be strictly coordinated with the City Attorney's office prior to implementation.

13.04 EXIT INTERVIEWS

13.04.01 All employees who leave employment will be offered the opportunity to provide constructive feedback to the City, if practicable.

13.04.02 Exit interviews will be scheduled and conducted by the Human Resources Department in-person and should occur on or about the employee's last day of employment. The Human Resources Department will maintain a standardized exit interview form that:

1. Provides an understanding of the reasons for the employee's departure from City employment,
2. Captures feedback on opportunities to improve organizational culture, leadership, communication, and working conditions,
3. Provides the departing employee a final chance to express concerns and share experience, and
4. Documents that the employee was counseled on final compensation, unemployment eligibility, and benefits rights.

The Human Resources Department will share the results of exit interviews with the

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terminated employee's supervisor, Department Head, and the City Manager. Exit interview forms will be kept in the employee's personnel file.

13.05 REFERENCE CHECKS

All requests for references will be referred to the Human Resources Department. The only reference check information that may be provided to another agency or person shall be the former employee's:

1. Beginning and ending dates of service, and
2. Last position held with the City.

13.06 SEPARATION PAY

13.06.01 Terminated employees will receive their final paycheck, to include cash value of any eligible unused vacation leave, on the next regularly scheduled payday following their last day of employment and upon receipt of all work items issued to them.

13.06.02 Unused sick leave balances will be set to zero upon termination of employment. Sick leave balances have no cash value.

13.07 CONTINUATION OF GROUP INSURANCE

13.07.01 The Federal Consolidated Omnibus Reconciliation Act of 1985 (COBRA) allows certain individuals the option of continuing their group health insurance, at the individual's expense, under specified conditions, beyond the date on which it would otherwise terminate.

13.07.02 The City's will provide a "Continuation of Coverage Election Form" to be completed, if elected by the employee, at the time of separation. Premiums must be paid prior to the next eligible month of coverage for the employee to remain eligible.

15.00 JOB DESCRIPTIONS AND PERFORMANCE EVALUATIONS

15.01 JOB DESCRIPTIONS

15.01.01 The Human Resources Department shall establish written job descriptions for each City position. Department Heads will periodically review, and the City Manager will approve job descriptions for authorized positions in their departments to ensure compliance with this policy.

15.01.02 Every person employed by the City, regardless of employment type, will have an approved job description prior to beginning employment.

15.01.03 The Human Resources Department will maintain a master file of all job descriptions and publish the active job description on the employee Intranet.

15.01.04 Each job description will include the following elements:

1. Job title,
2. Department and/or division,
3. Which job the incumbent reports to (supervisory relationship),
4. FLSA classification and pay grade,
5. Job description overview,
6. List of essential duties and responsibilities,
7. List of minimum qualifications,
8. List of preferred qualifications,
9. List of knowledge, skills, and abilities (KSA's)
10. List of physical requirements to perform the essential functions of the job,
11. Description of work environment, and
12. Date of last revision.

15.01.05 Job descriptions will be used for:

1. Recruitment announcements and candidate evaluation,
2. Establishment of performance expectations and used as a guide to support performance evaluations,
3. Classification and pay structure decisions, and
4. Legal compliance relating to employment laws.

15.01.06 Employees will acknowledge review and receipt of their job description during their initial employment onboarding period and upon any revisions. A copy of the signed acknowledgement will be kept in their personnel file.

15.02 PERFORMANCE EVALUATIONS

15.02.01 Regular performance evaluations serve as an essential process for assessing individual employee contributions to the City's mission, providing written performance feedback, documenting professional development needs, and aligning employee work plans and goals with organizational goals. Formal performance evaluations should

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never replace day-to-day communication and performance feedback between supervisors and employees.

15.02.02 Employees will acknowledge receipt of performance evaluations.

15.02.03 Supervisors will conduct a written performance evaluation at least annually. Written evaluations will be conducted in accordance with the annual evaluation schedule as determined by the City Manager.

15.02.04 Evaluation marks or comments that indicate substandard performance will require constructive and factual explanation that justifies the rating. Supervisors who, in the course of drafting evaluations, are expecting to make marks or comments that indicate substandard performance must coordinate with a Department Head prior to presenting performance feedback to the employee.

15.02.05 Written performance evaluations are not substitutes for performance improvement plans or disciplinary action.

15.02.06 Human Resources will publish and maintain a performance evaluation tool on the Intranet site.

17.00 PROFESSIONAL DEVELOPMENT

17.01 GENERAL

The City encourages employees to pursue educational opportunities, training programs and professional memberships that are relevant to their roles, support the enhancement of their job performance, and directly contribute to the City's mission.

17.02 SEMINARS AND CONFERENCES

17.02.01 When the City authorizes an employee to attend an educational course, training program, conference, or seminar, it will provide paid time off and reimburse associated expenses as outlined in Section 18.00 Travel. The City will not reimburse costs for training or education that is unrelated to the employee's job duties or responsibilities.

17.02.02 As defined by the Fair Labor Standards Act (FLSA), if a required class is scheduled on an employee's regular workday, the employee will be compensated at their regular straight-time rate for the hours spent in attendance, including travel time, minus their normal commute time between home and their regular work location. The appropriate overtime rate will apply to overtime hours.

17.02.03 If a required class or training is held on an employee's scheduled day off or outside of the hours spent in attendance, including travel time, in accordance with applicable wage and hour laws, compensation will be at the regular straight-time rate unless the hours are considered overtime in which case the appropriate overtime rate will apply.

17.02.04 The City reserves the right to limit the availability of education/training reimbursement based on budget appropriations or other reasons.

17.03 PROFESSIONAL MEMBERSHIPS

An employee who is a member of a professional association related to their City employment may be reimbursed for dues and necessary travel expenses when participation is beneficial to the City and funds have been appropriated to cover expenses and travel costs.

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18.00TRAVEL

18.01 GENERAL POLICY

18.01.01 The City will reimburse employees for necessary and reasonable job-related travel expenses incurred while on approved travel.

18.01.02 Employees seeking reimbursement for travel related expenses will document reasonable and allowable expenses by submitting receipts, provided travel is authorized and funds are available in the budget. The City may prepay travel related expenses such as registration fees, hotel, and transportation costs.

18.01.03 Expenses must be allowable and permitted by the funding source being used to pay travel expenses. Travel costs that are not permitted under the terms of certain grants, contracts, or agreements will not be charged as costs to those grants, contracts, or agreements.

18.02 SAME DAY TRAVEL

Travel for City business or training that occurs within a single scheduled workday must be authorized by the employee's supervisor. Travel-related expense reimbursement is limited to mileage and one meal, unless otherwise approved by the Department Head.

18.03 OVERNIGHT TRAVEL

18.03.01 Overnight travel for City business or job-related training or conferences is permissible provided that travel is authorized in advance by the Department Head and there are adequate funds available to cover expected expenses.

18.03.02 Travel expenses will be reimbursed for travel within the continental United States. Travel outside of the continental United States must be approved by the City Manager.

18.03.03 Employees who use their private automobiles will be reimbursed mileage based on actual miles travelled, not to exceed the cost of a coach class air fare ticket and associated air travel costs such as airport parking, taxi service, baggage fees, etc., as determined at the time of training, meeting or conference registration. Employees electing to use a more expensive mode of transportation will be reimbursed up to the most economical and reasonable method of travel.

18.04 EXPENDITURES/REIMBURSEMENTS

18.04.01 Employees will be reimbursed for documented and necessary expenses or will be paid per diem. Reimbursable expenses will generally be for registration, lodging, mileage, official business telephone calls, parking, tolls, taxi, and reasonable gratuities of not more than 20% of meal charge.

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18.04.02 Mileage. Employees are encouraged to use a City vehicle when driving is necessary. If a personal vehicle is used, mileage reimbursement will be at the standard-annual Internal Revenue Service mileage rate. Employees are expected to use the shortest distance between the point of departure and destination. Mileage reimbursement accumulates from the point of departure through return.

18.04.03 Lodging. The City will reimburse employees for travel-related lodging expenses during authorized work-related travel. Reimbursement for lodging will be based on the current federal daily lodging rates published by the General Services Administration (GSA) for the destination location. Lodging will be reimbursed up to the daily federal lodging rate, including allowable taxes, with receipts required. Reimbursement exceptions above the federal lodging rate may be approved on a case-by-case basis by the Department Head. Employees are encouraged to use reasonably priced accommodations. If two or more employees choose to share a hotel room or short-term rental (e.g., Airbnb or similar), each employee may be reimbursed for their pro-rata share of the total cost, not to exceed the federal lodging rate per person. All shared accommodations must be pre-approved by a Department Head and documented.

18.04.04 Meals. The City will reimburse employees for meals based on the current federal meals and incidental expenses (M&IE) rate for the destination location published by the General Services Administration. If meals are included in the cost of registration, then the City will not pay per diem for the meals provided as part of the registration. If meals are excluded, the city will reimburse at the following pro-rated M&IE daily rates: breakfast 20%, lunch 30%, and dinner 50%. Requests for per diem advances should be made at least 10 business days prior to the end of the pay period in advance of travel.

18.04.05 Expense Report. Within five business days of concluding authorized travel, employees must complete an expense report that documents the travel and actual expenses incurred on the trip. Department Heads will approve expense reports. Employees will submit their travel expense reports to Finance. A reimbursement check will be issued for allowable out-of-pocket expenses not already paid for by the City.

18.05 EXCEPTIONS

18.05.01 When two or more employees travel in a single private automobile, mileage reimbursement is paid to the employee who owns the vehicle.

18.05.02 If conference registration is paid by check, the check will be made payable only to the organization sponsoring the conference.

18.06 PROHIBITED EXPENDITURES

Personal entertainment, spouse's expenses, amusements, social activities, alcoholic beverages, traffic citations, or illegal activities are not permitted for reimbursement with City funds. There may be instances where business or conference social activities could

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benefit the City and may be allowable expenses. Such instances must be approved by the City Manager.

9.00 HOLIDAYS

9.01 WORK DURING HOLIDAYS

9.02.01 Non-exempt employees, with the exception of law enforcement employees on a 2184 patrol schedule, who are required to work on a designated holiday shall receive compensation referred to as "double time." ~~will be paid one and one-half times their normal rate of pay.~~ For the purpose of this policy, double time is defined as straight-time pay for the hours actually worked on the holiday, plus the holiday pay, regardless of the number of hours worked. This combined compensation results in an effective pay rate of double the employee's regular hourly rate for each hour worked. Holiday pay does not count toward the calculation of overtime. Non-exempt employees called in to work on a holiday shall receive a minimum of four (4) hours of pay, regardless of the actual hours worked on the holiday.

9.02.02 Law enforcement employees on a 2184 patrol schedule receive eight (8) additional hours of holiday pay for each holiday within a pay period, regardless of whether they worked on the holiday. This holiday pay is not included in overtime calculations.