

LEWIS & CLARK REGIONAL WATER SYSTEM

EMPLOYEE BENEFITS

2-1 What You Can Expect

Eligible employees enjoy many benefits and services in addition to a paycheck. Paid time off, training, retirement plan and various insurance coverages are all part of the benefit package. The following paragraphs highlight some of the benefits and services available. Separate sections of the employee handbook describe many of these benefits in greater detail.

2-2 Retirement Plan

L&C offers eligible employees the opportunity to save income through a 401(k) retirement program. This is a pre-tax payroll deduction, which can be up to 100% of your wages capped at the statutory limit. You then have an opportunity to choose from a number of diverse investment options.

In addition, L&C may also make additional discretionary matching or other profit sharing contributions to the 401(k) retirement program. Generally, it is the philosophy of the Board of Directors to encourage employees to save for their own retirement by limiting employer contributions to matching contributions so that only employees who contribute to the plan are eligible to receive discretionary employer matching contributions. For more information about the 401(k) retirement program, please refer to the Summary Plan Description provided upon eligibility into the 401(k) Plan.

2-3 Paid Holidays

A. All regular, full-time employees shall be entitled to the following seven (7) paid holidays, plus three (3) paid Personal Days:

1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Veteran's Day
6. Thanksgiving
7. Christmas Day
8. 3 Personal Days

When one of these days falls on a Sunday, the following Monday is observed as a holiday. If the holiday falls on a Saturday, the preceding Friday is observed as a holiday.

B. Employees working on an authorized holiday shall be given an additional paid day which may be used as a Personal Day at another time during the year if approved in advance. Non-exempt employees shall also receive one and one-half times their regular rate of pay for each hour worked on the authorized holiday.

C. Personal Days are subject to the same restrictions as Annual Leave. Employees shall be entitled to three Personal Days at the beginning of each calendar year. In the year hired, an employee's Personal Days will be pro-rated. Employees hired in January to April will

receive three days, employees hired in May to August will receive two days and employees hired in September to December will receive one day. Employees cannot carry over unused Personal Days. Upon termination of employment, a staff member will be paid for all accrued and unused Personal Days

2-4 Annual Leave

L&C believes that rest and relaxation are essential for staff physical and mental health, and therefore provides paid annual leave for all staff members. Regular full-time staff will accrue annual leave according to the following schedule:

<u>Years of service</u>	<u>Annual leave</u>
1 st through 5 th year	6.67 hours per month or 10 days per year
6 th through 12 th year	10 hours per month or 15 days per year
13 th year and above	13.33 hours per month or 20 days per year

A staff member can carry over annual leave to a maximum of 220 hours. New employees begin accruing annual leave on their first day of employment. Staff members must request annual leave in advance to their supervisor. The supervisor will approve the request subject to the needs of L&C. Upon termination of employment, a staff member will be paid for all accrued and unused annual leave.

2-5 Sick Leave

Full-time staff members accrue paid sick leave at a rate of one day per month of service for a total of 12 days per year. Sick leave begins accruing from the date of employment, and will be used in 30 minute increments. An employee who is absent and requests sick leave to cover such an absence may be required, at the Executive Director's discretion, to furnish a doctor's certificate.

Staff members may carry sick leave over from one year to the next, up to a maximum accrued total of 90 days. Once an employee has been employed by L&C for a period of ten years, the employee will be entitled to receive one-fourth (1/4) of their accrued sick leave paid when employment is terminated.

Sick leave is intended for the personal illness of the employee. Sick leave may also be granted at the discretion of the Executive Director or his/her designee for the purpose of attending to immediate family members, provided this leave does not interfere with efficient operation of the employee's department, not to exceed twelve (12) days per year (this involves the use of the employee's sick leave, not an additional 12 days). Immediate family as applied to this section consists of the following: spouse, children, brother, sister, mother, father, mother-in-law, father-in-law, grandchildren and grandparents or step-relatives of the same degree.

Sick Leave Donation

An employee may be eligible to receive sick leave hours donated from another employee if the employee is employed in a benefits eligible position, with no accrued annual leave, sick leave or Personal Days. To be eligible to receive sick leave donations, an employee must show need based on a serious illness or medical emergency involving the employee, a spouse, child or

parent. A “medical emergency” includes a major illness or other medical condition (i.e. heart attack, cancer) that requires a prolonged absence from work, including intermittent absences related to the same illness or condition. Maximum hours received by an eligible employee may not exceed the amount needed per pay period to receive employee’s normal base pay.

Any employee wishing to donate hours (a maximum of 10 days per year) to another employee(s) shall complete a sick leave donation form. The completed form must be submitted to and approved by the Executive Director or his/her designee. The donating employee must retain a minimum balance of ten (10) days of sick leave in order to make a donation. Donated sick leave hours will be paid at the recipient employee’s current base rate of pay. Excess hours donated, but not used by an employee, will be returned to the donating employee(s). Unused sick leave hours will be returned to the donating employee(s) in reverse chronological order of receipt (i.e. first sick leave donated will be used first).

2-6 Worker’s Compensation

All employees are covered by Worker’s Compensation, which provides medical reimbursement and disability benefits for job-related illness or injury. Reporting procedures are critical to qualification for payment under Worker’s Compensation. If an employee is injured while on the job, no matter how minor, the circumstances should be reported within 48 hours. Doctor or hospital bills for a job-related illness or injury should be not submitted through the medical plan.

Employees may use accrued annual leave or sick leave to make up the difference between Worker’s Compensation benefits and their base pay. A statement from their attending physician stating that you are able to resume your normal duties may be required before you return to work.

2-7 Medical Insurance

All regular, full-time staff members of L&C are eligible to participate in the L&C health insurance plan for medical benefits the first day of the month after completing thirty (30) days of employment, subject to all terms and conditions of the agreement between L&C and the insurance carrier. Staff members will be given medical insurance enrollment forms and information on cost of coverage during their orientation. It is the staff member's responsibility to return the completed forms to the administrative office prior to the effective date of coverage. For questions, see the Summary Plan Description provided to eligible employees.

2-8 Life Insurance

L&C provides life insurance for regular full-time staff members effective the first day of the month after satisfactorily completing thirty (30) days of employment. Eligible employees may participate in the life insurance plan subject to the terms and conditions of the agreement between L&C and the insurance carrier. The value of this L&C-provided benefit shall be two times the staff member’s annual salary plus \$5,000 for Dependent Life. For further information about this life insurance benefit, see the Summary Plan Description provided to eligible employees.

2-9 Long-term Disability

L&C offers Long-Term Disability Insurance to all eligible employees subject to the terms and conditions of the agreement between L&C and the insurance carrier. For further information about this Long-Term Disability benefit, see the Summary Plan Description provided to eligible employees.

2-10 COBRA Benefits Continuation

Under COBRA, eligible staff members and their qualified beneficiaries will have the opportunity to continue their health insurance coverage under L&C's health plan when a "qualifying event" occurs that would normally result in the loss of eligibility. Common qualifying events can include; resignation, termination of employment, death of a staff member, reduction in a staff member's hours or a leave of absence, a staff member's divorce or legal separation and a dependent child no longer meeting eligibility requirements. Under COBRA, the staff member or beneficiary who chooses continuation coverage must pay the full cost of coverage at L&C's group rates plus an administration fee.