



Quality on Tap



Employee Handbook

Personnel Policies and Procedures

MCWD Board of Directors
Last Update – December 2025

INTRODUCTION

Welcome! As an employee of Morgan County Water District, you are an important member of our team. We hope that you will find your position here rewarding, challenging, and productive.

This employee handbook is intended to provide you with a general understanding of the district's human resource policies, benefits, and rules. It is intended to familiarize you with important information about the district as well as information regarding your own responsibilities. It is important that you read, understand, and follow the provisions of this Handbook. Although the Employee Handbook describes important policies, practices, and benefits, it is not intended to constitute a legal document which could create any expressed or implied contractual obligations. You will be notified in writing of any amendments and additions to these policies and procedures. Keep this handbook, additions, and any revisions on file for your reference. It is your responsibility to keep your Employee Handbook updated.

This Handbook cannot anticipate every situation or answer every question about employment. Additionally, circumstances will require that guidelines, practices, and benefits described in this Handbook change. Accordingly, the District reserves the right to modify, supplement, or rescind any provision of this Handbook, as it deems necessary. The Employee Handbook does not establish any rights or duties on the part of either the district or the employee.

The district is constantly striving to improve operations, services provided to customers, and relations with employees. You are encouraged to bring suggestions for improvements to the attention of your supervisor or the General Manager. Additionally, if you have any questions, contact your supervisor. By working together, the District believes that it will share with its employees, sincere pride in the workplace, and the services we are here to provide.

Thank You,

Morgan County Water District Board of Directors

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MISSION STATEMENT

The mission of Morgan County Water District is to serve as a water distribution specialist, providing exceptional and sustainable services.

The District will continue to provide exceptional and sustainable care by:

- Continuously improving the quality and efficiency of operations and service by being proactive and innovative;
- Supporting and retaining highly trained staff that is knowledgeable, engaged, team oriented and responsive to the community and other agencies;
- Providing support for the good of the county to remain a respected and active industry partner, and;
- Providing continuous outreach and education to our customers on issues and topics that impact the services we provide and our role as water distribution specialists.

BOARD POLICY

The Board has established a set of employment guidelines and benefits, and only upon formal action can changes be made. Rules and Regulations are considered essential to the orderly conduct of the District's business. Observance and understanding of these rules will enable harmonious work with a true cooperative spirit in maintaining safe and dependable service to the District's customers. The policies and procedures contained herein supersede all previously issued policies, procedures, rules, or instructions related to human resource management at Morgan County Water District. All purchases of \$1500.00 and above must be pre-approved through the Board.

ORGANIZATIONAL RESPONSIBILITIES

The Morgan County Water District Board of Directors is the governing body of the District. The Board appoints the General Manager, an executive position with overall responsibility for the District operations. The duties of the General Manager include: full charge and control of the maintenance, operation, and construction of the water distribution systems of the District; keep a record of any and all water leaks as these take priority over other jobs; full power and authority to employ and discharge all employees at-will, assign the duties of employees, and adjust the compensation of employees subject to approval by the Board. The Management positions of the District are defined as follows: General Manager, Office Supervisor, and Field Supervisor. The duties and powers of the employees in these positions are of a nature that such employees are classified as engaged in duties related to management.

SECTION I – INTRODUCTION TO EMPLOYMENT

A. At-Will Employment

Employment by the District is at-will and has no specified term or tenure. Employment is at the mutual consent of the employee and the District and can be terminated at will, at any time, by the employee of the District. This means that any employee has the right to terminate the employment relationship at any time, either with and with cause or advance notice, and the District reserves the same right. No one in the District has the legal ability or authority to alter the at-will nature of the employment relationship.

B. Equal Employment Opportunity

The District prohibits discrimination against employees or applicants for employment based on race, color, religion, sex, sexual identity, gender, gender expression, gender identity, national origin, ancestry, citizenship, age marital status, physical or mental disability, medical condition, sexual orientation, genetic information, military and veteran status or any other basis protected by law. The District will afford equal employment, including compensation, hiring, training, promotion, transfer, discipline, and termination. Refer to the Recruitment and Selection Policy for information on the hiring process.

C. Reasonable Accommodation

The District provides employment-related reasonable accommodations to qualified individuals with disabilities to perform essential job functions and to victims of domestic violence, sexual assault, or stalking for their safety at work. An employee who desires reasonable accommodation should make a request in writing to the Human Resource Department. The request must identify the job-related functions at issue and the desired accommodation(s). The District may require additional information, such as reasonable documentation of the existence of a disability. The District will arrange for a discussion with the employee to fully discuss all feasible potential reasonable accommodation(s) can be made, and the type of accommodation to be provided. The District will not provide accommodation that would pose an undue hardship upon District finances or operations, or that would endanger the health or safety of the employee or others. The District will inform the employee of its decision in writing.

D. Nepotism

Relatives, spouses, and domestic partners of employees may be employed by the District; however, they may not be employed within the same work area or department to avoid the potential for, or appearance of, preferential treatment. If an employee becomes related to a current employee or involved in a domestic partnership with another employee after being employed, the District reserves the right to address these issues on a case-by-case basis. Under no circumstances will an employee be allowed in a position of authority or influence over a

relative, spouse, or domestic partner. At the discretion of the General Manager, an employee may be reassigned if feasible.

E. Immigration and Reform and Control Act

Employees are required to sign the form for Employment Eligibility Verification and provide necessary identification documents.

F. Conflict of Interest

A conflict-of-interest statement may be required for some employees pursuant to current State, County, and Local legal statutes.

SECTION II – ON THE JOB

A. Public relations

Employees will not make news release comments about the District unless specifically directed by the General Manager. Normally, individuals seeking information about the District should be referred to the Officer/Field Supervisor or the General Manager.

B. Smoking

Smoking and chewing tobacco are prohibited in District vehicles and all enclosed workplaces including, but not limited to, offices, control rooms, laboratories, shops, storage rooms, vaults, equipment rooms, restrooms, board room, conference rooms, lobby, lunch/break rooms, kitchens, and hallways.

C. Business Dress and Uniforms

Employees who are not provided with uniforms are expected to dress in a manner consistent with good business practices and appropriate to the work setting. All clothing must be neat, clean, and in good repair. The following are examples of inappropriate dress during normal working hours: mini-skirts, halter/tube/crop type tops, athletic clothing, sheer clothing, torn, cut, or frayed clothing, and clothing with obscene messages or artwork. Jeans are acceptable. Employees provided with uniforms by the District must wear them. The District, under a uniform rental agreement, will pay for uniform exchanges, except for such personnel as may be designated by management. Management is responsible for determining the number of weekly changes necessary. Employees are liable for any loss or damage to uniforms and coveralls caused by negligence or misuse, and such loss or damage will be recovered through a payroll deduction.

D. District Property

All property belonging to the District is public property for the benefit of ratepayers, and any unauthorized sale or other wrongful disposal is in violation of the law. Employees will not

remove any property under the control of the District and salvage and/or surplus equipment or materials without the express consent of the General Manager. This prohibition does not apply to items considered to be trash and/or junk which are properly disposed of in any trash or dump site.

E. Internet and Electronic Communications

The District's Internet System/Data Access and Electronic Communications Systems policy addresses the District's legal responsibilities and concerns regarding the proper use of the internet and all electronic communications equipment and systems. Employees may use the District's electronic communication system for limited personal use. No employee should have an expectation of privacy with respect to information transmitted, received, or stored in any of the District's electronic communications systems or equipment. Any unlawful, unethical, or inappropriate use is strictly prohibited. Employees who misuse the District's systems may be subject to discipline, up to and including termination.

F. Vehicle Use

District vehicles are available for use by employees engaged in District business. Personal vehicles should only be used for District business when District vehicles are not available. Employees required to use personal vehicles will be reimbursed at the current IRS rate per mile, plus tolls, parking, etc. Arrangements for use of District vehicles during or outside of normal business hours may be made only upon prior approval of the General Manager or designee. Except for vehicles assigned to employees on a 24-hour basis or by prior approval of the General Manager, vehicles must be locked and parked in the designated District parking area at night and on weekends. Certain employees are provided with 24-hour use of a District vehicle for transportation between the employee's residence and the District office or work sites. Assignment of the vehicle is not for specific benefit of the employee, but for the improved operational efficiency and effectiveness of the District. Employees will not use District vehicles for personal purposes other than commuting to and from work and for incidental personal use such as a stop between work and home. Employees will not transport non-employees or family members in District vehicles. A District furnished vehicle for commuting is a taxable benefit, according to the Internal Revenue Service (IRS). No employee will drive a motor vehicle using a wireless telephone unless that telephone is specifically designed and configured to allow hands-free listening and talking and is used in that manner. If no hands-free option is available, employees must pull off to the side of the road to a safe area to make or receive a phone call. Under no circumstance may a driver initiate, review, or answer a text message while driving a vehicle on District business. Additionally, the use of a Personal Digital Assistant (PDA) or laptop computer for reading, composing or sending emails, or entering data while driving is prohibited. The inappropriate use of a cellular phone violates State Law and the District's Vehicle Use Policy. Violators are subject to both enforcement action of the law and disciplinary

action by the District. If an employee utilizes vacation time, their designated vehicle is to be parked at the District property.

G. District Owned Cell Phones

The District provides District owned cell phones to employees who are inspectors and duty personnel. Field Technicians should use District cell phones assigned to them during the business day.

SECTION III – CODE OF CONDUCT

A. Standards of Conduct

To protect the rights and safety of all employees and to ensure the efficient operations of the District, employee activities are governed by reasonable standards of conduct. The following acts are illustrative, not exhaustive, of acts which are grounds for disciplinary action and/or termination of employment with the District. All employees are “at-will”; the employment relationship may be terminated at any time by the District or the employee with or without cause.

1. Poor job performance.
2. Discourteous conduct or abusive or vulgar language directed toward any employee, customer, visitor, guest, or member of the public. Any action indicating a disrespect or disregard for the District, its vendors, suppliers, or clients.
3. Excessive absenteeism or tardiness or failure to inform the immediate supervisor within 30 minutes of the scheduled reporting time.
4. Failure to get permission to leave early or arrive late.
5. Disrespectful behavior toward a manager or supervisor or insubordination that may include refusal to carry out a directive.
6. Misuse of the District’s funds.
7. Failure to acquire or maintain current certifications or licenses required by the position.
8. Release of confidential information or information of a personal nature about an employee or customer unless the specific work duties require the giving or exchanging of such information.
9. Falsification of forms, records, or reports including, but not limited to, time sheets, employment applications, or medical information.
10. Possessing or bringing firearms, weapons, open containers of alcohol, illegal drugs, or chemical on or to District property.
11. Unauthorized possession or removal of property, records, keys, or other materials.
12. Smoking, including the use of e-cigarettes, and chewing tobacco in restricted areas.

13. Destroying or willfully damaging the District's or another employee's property.
14. Noncompliance with safety or health rules or practices or engaging in conduct that creates a safety or health hazard.
15. Sexual harassment or other unlawful harassment of an employee, customer, vendor, or member of the public.
16. Giving false or misleading information during the application or selection process.
17. Failure to report involvement in an accident or giving false information in accident or insurance reports.
18. Unauthorized opening of, or tampering with, locks in desks, doors, and cabinets or unauthorized use of or duplication of keys.
19. Reporting to work under the influence of illegal drugs or alcohol or drinking alcoholic beverages or using illegal drugs on the job.
20. Threatening or intimidating behavior towards employees or members of the public per the District's Workplace Violence Policy.
21. Failure to immediately report the loss of a Kentucky driver's license due to suspension, withdrawal, forfeiture, or confiscation by any court of law or by the Kentucky Division of Motor Vehicles. This includes Driving Under the Influence (DUI), Speeding, or any loss of driving privileges. This rule applies only to those employees who must maintain such a license as a condition of their employment.
22. Misrepresenting reasons when requesting a leave of absence or time off work.
23. Unacceptable personal grooming, hygiene, or inappropriate dress.
24. Conduct undermining authority or disruptive of District functions or detrimental to close working relationships among employees.
25. Conduct that could adversely affect the good reputation of the District.
26. Violation of District policies, Federal, State, or Local Laws.
27. Soliciting, collecting funds, and/or circulating literature of any nature on District property during working hours without the approval of the General Manager.
28. Taking more than the specified time allowed for meals or rest periods.
29. Failure to disclose outside work activities that may result in a conflict of interest with work performed as a District employee.
30. Misuse of electronic systems (email, internet, fax) per the District's policy.
31. Working overtime without prior authorization.

B. Discrimination and Harassment

The District is committed to providing a work environment that is free of discrimination, harassment, and intimidation. In keeping up with this commitment, the District prohibits all forms of unlawful harassment of any employee or individual. The District's Harassment Policy defines harassment and provides a complaint process. The District will take all reasonable steps to prevent harassment. All employees should report harassment promptly. No employee will be disciplined or retaliated against should they report harassment. Supervisors observing

harassment must take immediate action to stop the behavior and report the incident to Human Resources. Employees who violate this policy may be subject to discipline up to and including termination.

C. Workplace Violence

As a part of the District's commitment to provide a safe place for employees to work and to safeguard the public, acts or threats of physical violence will not be tolerated, including intimidation, harassment, and/or coercion which involve or affect the District, or which occur on District property. The prohibition against threats or acts of violence applies to everyone involved in District operations, including employees, contract workers, and anyone on District property. Employees are responsible for reporting acts of a threatening or violent nature directed at themselves or others to their supervisor, manager, and/or Human Resources. Violations of the Workplace Violence policy may result in disciplinary action and/or legal action. Refer to the District's Workplace Violence Policy for additional information.

D. Bullying

It is the policy of the District that all employees should be able to work in an environment free from bullying. Workplace bullying, including cyber bullying, is unacceptable and will not be tolerated. Workplace bullying is behavior that harms, intimidates, offends, degrades, or humiliates a co-worker, possibly in front of other employees, customers, vendors, or members of the public. Examples of bullying include but are not limited to, profane or disrespectful language, hostile and rude behavior or speech directed at a co-worker, derogatory or sarcastic remarks and comments about a co-worker's appearance or job performance, angry outbursts or yelling, name calling, throwing anything at or toward a co-worker, comments that undermine a co-worker's trust and confidence, and retaliation against any person who has reported disruptive behavior. Cyber-bullying is the use of cell phones, instant messaging, email, chat rooms, or social networking sites used to harass, threaten, or intimidate a co-worker. Bullying is not an isolated incident of inappropriate behavior or a supervisor holding an employee accountable for performance. Bullying is distinguished from unlawful harassment in that it is not illegal or directed at someone's membership in a protected classification. All employees are encouraged to report workplace bullying. Any reports will be treated seriously. Managers and Supervisors must take reasonable measures to prevent workplace bullying and respond promptly. Disciplinary action up to and including termination will be taken against anyone who bullies a co-worker or retaliates against an employee who reported workplace bullying.

E. Alcohol-Drug Free Workplace

In recognition of the District's responsibility to maintain a safe work environment, the District will act to eliminate any substance abuse, which increases the risk of injuries, accidents, or substandard performance. Substance abuse includes the use or possession of illegal drugs, alcohol, or abuse of prescription drugs, which could impair work performance and/or ability to

perform the job safely. Employees must not: (1) be at work, drive a vehicle on District business, or operate the District's equipment with any amount of alcohol or illegal drugs which would result in a confirmed positive test; (2) use alcohol, possess open containers of alcohol, or use or possess illegal drugs while on duty; or (3) manufacture, distribute, dispense, sell or provide illegal drugs to any person while on duty. If the use of a prescription drug combined with the duties of the job creates an unsafe working condition, this must be reported to the supervisor prior to returning to work. Employees whose job performance is so restricted may be subject to reassignment, medical examination, or other actions specified by applicable statutes and regulations. Employees may be subject to drug and alcohol testing when there is reasonable suspicion that the employee has violated the rules above. Employees who violate the policy may be subject to discipline up to and including termination.

F. Safety

To achieve the goal of a safe and healthy work environment. The District furnishes a place of employment which is free from recognized hazards that are causing or are likely to cause death or serious physical harm to its employees. The District provides safe working areas, equipment, tools, and other work devices. All District personnel protective equipment (PPE) required for specific positions will be issued to appropriate employees. Proper maintenance of the PPE is the responsibility of the employee. Safety rules and regulations are fully contained in the District Safety Manual. Noncompliance with safety or health rules or practices or engaging in conduct that creates a safety or health hazard may result in discipline up to and including termination.

G. Fitness-for-duty

If the District has reason to question the ability of an employee to perform the essential job functions, a fitness-for-duty evaluation may be requested. Results of the evaluation will be maintained confidentially and separate from the employee's personnel record. If a fitness-for-duty evaluation is necessary, the employee will be required to be examined by a treating personal physician or specialist selected by the District. Failure to attend a fitness-for-duty evaluation may result in disciplinary action up to and including termination.

SECTION IV – GENERAL WORKING CONDITIONS

A. Orientation and Training

New employees are given an Employee Handbook to familiarize themselves with the rules and regulations of the District for employment. The employee's supervisor will discuss formal and informal practices to further inform the employee. Required training will be provided.

B. Probationary Period

The first six months of employment with the District is the probationary period. During the introductory period, an employee may be released without cause and without right of appeal, grievance, or hearing. Approximately three (3) months after employment, an introductory performance appraisal will be conducted by the supervisor. At the end of the six-month probationary period, the supervisor will conduct a final introductory performance appraisal. If the introductory employee has been satisfactorily performing the job functions and meets all other conditions of continued employment, the supervisor will recommend the employee be granted status as a regular employee. If the introductory employee's performance fails to meet the standards of the District, employment may be terminated. The Termination Procedures in Section XII do not apply to introductory employees who have not been granted regular status.

C. Performance Appraisals

Performance appraisals are an important developmental tool for both the District and the employees. Employees will receive periodic written appraisals about their job performance, including a review of the District's Harassment Policy. After the employee's introductory period, reviews will be conducted annually on the anniversary of the hire date, unless otherwise indicated. The appraisal is conducted by the employee's immediate supervisor. The employee is requested to sign the appraisal form indicating that the employee has read the appraisal. If an employee refuses to sign the appraisal, the supervisor will note the refusal on the form. The employee may make written comments on the form and/or attach them to the appraisal for inclusion in the personnel file. An employee who fails to meet job expectations may be placed on disciplinary action, up to and including termination.

D. Work Schedules and Attendance

Employees who work full-time are assigned to a definite work schedule of at least 40 hours per week. Employees who cannot report to work at the scheduled time must notify their supervisor at least one hour prior to the beginning of the workday. Excessive absenteeism or tardiness, taking more than the specified time allowed for meals or rest periods, and failing to get permission to leave early or arrive late, may be grounds for discipline. The Administration Building is open to the public Monday through Friday, except for Holidays, from 8:00am to 4:00pm. Employees who work in the Administration Building receive one 30-minute lunch period and two (2) 15-minute break periods designated by the supervisor. These periods are staggered to provide continuous service to the public. Lunch periods may occasionally be modified with supervisor approval. Field Operations employees work Monday through Friday, except for Holidays, from 8:00am to 4:00pm. A 30-minute lunch period and two (2) 15-minute break periods are designated by the supervisor. The 30-minute lunch period may not be a designated time due to the nature of the job. If the job is an all-day event, break for lunch accordingly. Employees may be required to work overtime in case of emergency and work duty shifts as necessary.

E. Pay Periods/Payday

Employees are paid on a bi-weekly basis with 80 hours excluding a lunch period constituting a bi-weekly pay period. The pay period consists of two (2) work weeks. The regular work week covers a seven (7) day period that begins at 12:01am on Sunday and ends the following Saturday at 12:00am. Employees will accrue 3.69 hours each pay period for time worked (vacation, sick pay) in addition to any duty pay and overtime accrued for the pay period.

F. Time Sheets/Leave Pay Records

Non-exempt employees are subject to overtime and complete bi-weekly time sheets that are reviewed and signed by the supervisor. Exempt employees are salaried and complete bi-weekly leave pay records that report any full days of absence.

G. Employee Information Changes

Employees should inform their supervisor as soon as possible of any changes to residency or mailing address, telephone number, emergency contact, dependents, and marital status.

H. Access to Personnel Records

Employee files are confidential with access limited to the employee and other District employees only if they have a “need to know”, such as Human Resources staff in the course of their normal business, management considering an employee for a promotion or transfer, and others only a specifically authorized by the General Manager. Nonemployees may not, except with specific authorization, have access to the personnel files. Generally, such access will be granted only upon the advice of counsel. Employees may inspect their own personnel file by completing a request form and viewing the file in the presence of Human Resource staff.

I. Privacy of Protected Health Information

As required by the Health Insurance Portability and Accountability Act (HIPPA), designated staff with access to certain medical information, including plan selection, receive specific training on health information confidentiality. In addition, medical information is required to be maintained in secure locations and accessible only to employees trained in HIPPA. If a breach occurs or is suspected, all employees must be notified. Refer to the Notice of Privacy Practices of Protected Health Information for additional information.

SECTION V – COMPENSATION AND CLASSIFICATION

A. Job Descriptions

A job (or class) description is a generalized, but not specifically detailed, description of work performed by one or more employees. Job descriptions are in writing and contain the definition or purpose of a job, essential functions, qualifications, physical demands, and working conditions. Not every task an employee is expected to perform is included in a job description.

Job descriptions are used for numerous purposes such as recruiting, performance evaluations, and salary surveys. Job descriptions are established for all authorized positions. The Board may increase or decrease the number of positions through the annual budget process.

B. Salary

Salaries of individual employees should be reviewed by the General Manager and Board Members annually.

C. Lateral Transfer

A lateral transfer is an appointment to a different classification with the same pay range. The employee's salary remains the same, and the annual review date does not change.

D. Demotion

There are two types of demotion, voluntary and involuntary. A voluntary demotion is a transfer to a class with a lower salary range and may result in a decrease in pay. Voluntary demotions generally occur when an employee has a desire to perform a different type of work. An involuntary demotion occurs because of a disciplinary action and may result in a loss of pay. A demotion changes the employee's annual review date to the effective date of the demotion, including any future increases.

E. Reclassification

A reclassification is a change in job classification due to the significant changes in the job duties and responsibilities of a position. The position changes should take into consideration the needs of the District and the best use of available resources. Supervisor should consult with Human Resources before making any significant changes to an employee's position. Requests for reclassification are submitted to Human Resources for review. A position may be reclassified to an existing classification with a higher or lower pay range or to a new position, if necessary, as approved by the Board. When the position is reclassified to a class with a higher pay range, the employee will move to the minimum pay for the new pay range or receive a 5% pay increase, whichever is most beneficial to the employee. When a position is reclassified to a classification with a lower pay range, the employee's pay will be placed at the step nearest to the employee's current pay that does not result in a pay increase. If the employee's current pay exceeds the pay range of the new classification the employee's pay may be y-rated. A reclassification changes the employee's annual performance review date to the effective date of the reclassification including any future step increases.

F. Overtime

The District is subject to the requirements of the Fair Labor Standards Act (FLSA), a Federal Law, requiring paid overtime or compensatory time for all hours worked in the excess of the work week (40 hours in a 7-day period). The District provides overtime above and beyond the FLSA's requirements as an additional benefit for non-exempt employees. Exempt employees are not eligible for overtime pay or compensatory time. Non-exempt employees must get prior approval from the General Manager and Board before working overtime. The General Manager must get prior approval from the Board before working overtime. All overtime must be reported on an employee's timesheet, even if the employee did not have prior approval. Overtime is paid at the rate of one and one-half times the regular hourly rate (time and a half) or two times the regular hourly rate (double time) as specified below. For calculating overtime, paid time off is considered hours worked within an employee's regular workday or week. Paid time off includes compensatory time, holidays, sick leave, vacation, and recovery time. Including paid time off as hours worked for computing overtime is an additional benefit provided to employees by the District and not required by law. Overtime is defined as time worked in response to a request by the supervisor in excess of the employee's regular work shift, work week, or any hours worked on a scheduled day off including District recognized holidays. Nonexempt employees receive time and a half for overtime hours worked on days other than Sundays and Holidays. Overtime worked on Holidays (the District observed Holiday, not the actual Holiday) is paid double time unless part of a regular or modified work shift. Overtime call outs/call backs are paid for the duration of the emergency or until the employee is released or starts the regular work shift, whichever is sooner. Travel time from/to residence is included as overtime not more than 30 minutes each way.

G. Recovery/Recuperation Time

For safety reasons, all employees of the District are eligible for paid recovery/recuperation time if subject to overtime work as indicated below. Recovery time does not apply to employees assigned to stand-by duty or if there is a scheduled change of regular work hours or shift for scheduled repairs. If, due to unforeseen circumstances other than an emergency as defined under the Emergency Response Plan (i.e. EOC is activated), recovery time may be provided as follows: An employee whose regular scheduled workday ends no later than 4:00pm and is required to work continuously from the beginning of their shift until after 9:00pm, or is called back to work and works past 12:00am Midnight, may be provided up to ten (10) recovery hours off from the time of release from work before reporting for duty. An employee called back to work after 12:00am Midnight may be provided up to eight (8) recovery hours off from the time of release from work before reporting for duty. If the recovery hours fall into the regularly scheduled workday, the employee will be paid, at regular hourly rates, for those overlap hours normally worked and report for work at the end of the recovery period to complete the regularly scheduled workday. With the permission of the supervisor, the employee may use vacation, floating holiday, or compensatory time off to make up the regular workday hours. If the recovery time

extends past the end of the regular workday, no additional payments for recovery hours will be made.

H. Cellular Telephone Allowance

Management staff are provided with a cellular telephone allowance as authorized by the District resolution. All other employees are eligible for the allowance on a case-by-case determination by the manager of the employee's department depending on the nature of the work the employee performs, and the need to maintain contact with the employee during work hours and non-work hours is best accomplished by using a cell phone. If an employee utilizes vacation time, cell phones are to be left at the office.

SECTION VI – EMPLOYEE BENEFITS

A. Eligibility

Group insurance for medical, dental, and vision is provided to benefit eligible employees including introductory and regular employees working full time (scheduled to work at least 40 hours per week). Coverage begins on the first day of the third month following the date of employment unless otherwise indicated. Eligible family members may be enrolled; proof of relationship documents (i.e. birth or marriage certificates) must be provided upon initial enrollment. Employees must notify Human Resources within 30 days of a “life change” to make changes to benefits outside of the open enrollment period. Life changes include but are not limited to birth or adoption of a child, marriage, divorce, or death. Contact Human Resources for more information on eligibility and benefits.

B. Medical Insurance

Eligible employees are required to enroll in one of the District’s available group medical insurance plans and may elect to enroll eligible family members. Coverage for family members will continue until they are eligible for coverage under any other health care plan or are no longer eligible for coverage under the District’s medical plans. The District may continue to provide access to other medical plans if the minimum participation required for each plan is met. If the minimum participation is not met, the District may no longer provide the plan and not be obligated to provide a replacement. Base medical premiums are provided to eligible employees at the discretion of the District as specified in the MOU. The base medical premium is the monthly maximum the District pays. The employee is responsible for any costs above the base medical premium. The District’s plan is in accordance with the Internal Revenue Code allowing pre-tax contributions through a payroll salary deduction. The deductions for medical contributions are taken bi-weekly from an employee's paycheck. When an employee is on leave

of absence without pay, the employee is responsible for making monthly premium payments to the District for their share of the contributions.

C. Dental and Vision Insurance

Coverage is provided by the District for full-time employees. The employee will pay for their eligible family members.

D. Worker's Compensation

Employees who are injured while working must report the injury immediately to their supervisor. Reporting promptly helps to avoid problems and delays in receiving benefits, including medical care. The District provides Worker's Compensation Insurance coverage as required by law to protect employees who are injured on the job. This insurance authorizes and pays for medical care that is reasonably required to cure or relieve the effects of the injury in addition to partial payment for loss of earnings that result from work related injuries and illness. Worker's Compensation payments represent 2/3 of an employee's pay subject to statutory minimum and maximum amounts. Employees may use sick leave or other accumulated leave benefits to supplement the disability payment. The District's Return to Work Program (RTW) is mandatory for employees who are partially disabled from a work-related injury or illness, and provides temporary modified work assignments and duties, when reasonable. Refer to the complete policy for more information.

E. Long-Term Disability (LTD) Insurance

Long-Term Disability (LTD) Insurance is provided at District cost for full-time employees. LTD provides approximately two-thirds (2/3) of their salary if an employee is unable to work due to disability. Eligibility for benefits begins after a thirty (30) day waiting period. Benefits are offset by State Disability Insurance and Worker's Compensation Insurance.

F. Life/Accidental Death and Dismemberment Insurance

Coverage is provided by the District for full-time employees.

G. Federal Social Security and Medicare

The Federal Insurance Contribution Act (FICA) is a tax paid by the District and employees for Social Security and Medicare. Social Security is the governmental fund that provides income to retirees, disability, etc. Medicare provides medical insurance coverage to persons over age 65. Employees are responsible for all employee-related contributions to FICA.

H. Kentucky Public Employees Retirement

Eligible employees will be enrolled in the County Employees Retirement System (CERS) for retirement benefits. CERS retirement is a defined benefit plan that provides a lifetime benefit

determined by a set formula: Years of Service Credit x Benefit Factor = Percentage of Final Compensation/Unmodified Allowance.

I. Meetings, Seminars, and Conferences

Employees may attend conferences, meetings, seminars, training and other functions for the purpose of furthering the interests of the District. Costs for travel and associated expenses will be paid or reimbursed by the District according to the meetings, seminars, and conferences attendance policy. Employees must obtain approval for attendance. Travel/registration arrangements will be made by the District and should be scheduled as early as possible. All travel should be prudently planned at the most reasonable cost. The meal reimbursement rates will be as follows: Breakfast - \$8.00; Lunch - \$10.00; Dinner - \$18.00.

J. Certification Renewals and Exams

For positions that require specific certifications, the District will reimburse employees for certification renewals and exams upon successful passing of the exam. The District will reimburse employees for the cost of required Continuing Education Requirements (CEUs) upon successful completion and passing of the course(s). CEUs must be accepted by the applicable agency that issues the certification to receive reimbursement by the District. For positions that do not require certifications, the District may reimburse employees for the cost of certification renewals, certification exams, and associated CEU costs for certifications if management determines that it would be beneficial to the District. All employees must obtain approval before registering or taking any CEU courses, certification exams, or applying for certification renewals. If prior approval is not obtained, reimbursement will not be granted.

K. Memberships

Employees may participate in professional, technical, and business-related associations and organizations. The General Manager may approve payment of the membership depending on applicability to the employee's position and functions of the District.

L. Employee Wellness Center

As part of the District's Wellness Program, membership to the wellness center with weights and exercise equipment is provided for the benefit of all employees. Employees should check with their personal physician prior to starting an exercise routine.

M. Safety Footwear

Employees who are required to wear safety footwear on the job may request a voucher or reimbursement for one pair of shoes or boots per year up to a maximum of \$150. Employees must have prior approval from their supervisor and the Safety Technician.

SECTION VII – Paid Time Off and Leaves of Absence

A. Vacation Leave

The District provides paid vacation leave and encourages employees to take vacation each year. Requests for vacation leave should be made 2 weeks in advance and requires supervisor's approval. Employees should try to schedule time off that does not interfere with critical times such as meter reading, first of the month, bill due dates, and cut-off dates. Vacation leave time cannot be used before it is earned. However, employees can request to use vacation hours that will accrue during the pay period when they are on vacation. Full time employees that are assigned to a definite schedule of 80 hours per pay period are to accrue vacation leave from the first date of employment according to years of service by fiscal year.

Fiscal Years Annual Accrual Hours per pay period:

0-2	80
11+	120

Full time employees assigned to work a defined schedule of less than 80 hours per pay period (including an approved temporary reduced schedule or an approved leave of absence) and part time employees accrue vacation leave on a prorated basis. The maximum accrual of vacation leave is 240 hours. When an employee has reached the maximum, no further vacation hours are accrued until the employee takes sufficient time off to reduce the accrued vacation hours below the maximum. In the event of separation from employment with the District, employees will receive payment for unused vacation leave. Under an unforeseeable hardship or emergency, the General Manager may approve a written request from an employee to allow accumulation of vacation leave in excess of the maximum accrual or payment for earned vacation leave. To request a vacation leave payment, the employee must have used at least one week's vacation in the previous two years. Only one request for vacation payment can be made per year. During the vacation leave the employee shall leave District provided vehicles and cell phones at the District office.

B. Holidays

The District provides employees with paid time off for the holidays listed below. If a holiday falls on a Saturday or Sunday, the preceding Friday or following Monday is observed. When the observed holiday falls on an employee's regular workday off, an alternate day off may be taken with the same pay period (unless the employee is assigned to a definite schedule of less than 80 hours per pay period). Floating holiday hours may be taken in increments of less than a full day; floating holiday hours not taken by the end of the fiscal year are forfeited and do not carry over to the next fiscal year. Full time employees assigned to a definite schedule of 80 hours per pay period receive holiday pay of eight (8) hours on the observed holiday or their alternate day off. Full time employees assigned to work a defined schedule of less than 80 hours per pay period

(including an approved temporary reduced schedule or approved leave of absence) and part time employees receive holiday pay hours on a prorated basis, not to exceed the number of hours in their regular scheduled work day that falls on an observed holiday. Employees shall work the day before and the day after the observed holiday to receive holiday pay.

Holidays observed by the District are as follows:

New Year's Day

Presidents Day

Martin Luther King Day

Good Friday

Primary Election Day

Memorial Day

Juneteenth

Independence Day

Labor Day

Sorghum Festival Friday

Columbus Day

General Election Day

Veteran's Day

Thanksgiving (Thursday and Friday)

Christmas Eve

Christmas Day

New Year's Day

C. Sick Leave

Paid sick leave is provided by the District to all employees and may be used for the employee's actual sickness, disability, or medical appointment; if a victim of domestic violence, sexual assault, or stalking; or to attend to the illness of a child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling, or parent of the employee's spouse or registered domestic partner. Sick leave taken for other than the employee's own use is limited to a maximum of 48 hours per year unless otherwise permitted by law. To receive sick leave pay, an employee must notify the supervisor prior to or within one hour after the start of the work shift. The employee should contact the supervisor daily unless hospitalized, absent due to prolonged

illness, or placed on Family and Medical Leave. The number of sick leave days credited is not intended to establish a guideline for acceptable attendance. Examples of sick leave abuse include but are not limited to: failure to notify supervisor within established time limits, frequent absences on Friday and/or Monday, maintaining low or zero sick leave balances, frequent absences prior to or following a holiday, or any pattern of absences that can be identified by a review of leave usage. Misrepresenting reasons when requesting leave time may be grounds for discipline.

Employees may donate sick leave to another employee. The request must be made by filing out the proper sick leave form. Please ask your supervisor for the request form.

D. Bereavement Leave

With prior approval, and at the discretion of the General Manager, full-time employees are eligible to take up to three (3) working days per year paid bereavement leave in the event of the death of a member of the employee's immediate family. For the purpose of this benefit, immediate family includes employee's spouse, child, registered domestic partner, stepchild, parent, stepparent, legal guardian, grandparent, grandchild, brother, sister, stepbrother, stepsister, and the mother/father of their spouse or registered domestic partner. An employee may be allowed to use sick leave, compensatory time off, or vacation leave for the purpose of supplementing bereavement leave.

E. Leave Without Pay

Leave without pay for any reason other than medical reasons may be granted by the General Manager for a period not to exceed 20 workdays, or by the Board for more than 20 workdays.

F. Medical Leave Without Pay

An employee requiring leave due to a disability resulting from illness or other physical condition, including pregnancy, miscarriage, and childbirth, may request medical leave without pay. The request must be made in writing and requires approval by the supervisor and General Manager. The District is very concerned about employee health and well-being and will make every attempt to fulfill requests. All accrued benefits including sick leave, vacation, compensatory time, and holidays must be exhausted before medical leave without pay will be considered. Medical leave without pay is a maximum of four-month period which can be used after sick leave and vacation leave have expired to preserve regular job status. Health insurance will be paid by the District during medical leave without pay, one (1) month for every year of service to a maximum of four (4) monthly premium payments. Thereafter, the employee is responsible for making premium payments to the District. Salary payment and service credit do not accrue during medical leave without pay or any other time when salary is not received.

Regular employment status may be extended during a period of temporary total disability resulting from an accepted industrial accident worker's compensation claim. If unable to return to work at the end of medical leave without pay, the employee will be considered inactive status until no longer disabled, with a maximum inactive status period of year for year of service. Continuation of medical coverage will be made available through the District insurance carrier. The District will make every effort to re-employ persons who have been on inactive status. Re-employment to a suitable vacant position for which the employee qualifies will depend upon the physical ability to perform the essential function of the job; provided management recommends re-employment. Employees rehired after a disability may use previous service for earning vacation leave.

G. Family and Medical Leave

State and Federal Family Leave laws provide up to 12 work weeks of unpaid family/medical leave within a designated 12-month period of certain medical and family issues. Federal law also provides up to 26 work weeks of unpaid leave for qualifying care of a service member. Refer to the Family and Medical Leave Policy for more information.

H. Jury Duty or Witness Leave

Employees will receive full pay for jury duty or witness leave, provided their jury duty or witness pay is turned over to the District. The District may request that employees apply to the Court for postponement of jury duty if their absence would be detrimental to the District. Employees must notify their supervisor immediately when a jury duty notice or subpoena is received. Employees will continue to receive their regular District paycheck for the duration of such service but must maintain the timecard provided by the Court, and any pay received must be turned over to the District. If employees are excused for any part of the day, they must contact their supervisor.

I. Military Leave

Employees who participate in military service or military reserve organizations are eligible for benefits under state and federal laws or regulations applicable to public agencies. If an employee is involuntarily called to active duty, in addition to legal requirements, the District will supplement military pay up to the difference between military pay and the employee's regular gross bi-weekly pay without overtime for up to one year. The District will also continue health, dental, and vision insurance for the employee and dependents; continue life and long-term disability insurance for the employee; pay equivalent retirement contributions; and continue retirement service credit and leave accruals for up to one year. If the involuntary active duty extends past one year, the Board will review the extension of pay and benefits on a case-by-case basis.

SECTION VIII- DISCIPLINE

Employee discipline is intended to be corrective in nature with the objective of obtaining compliance with rules, orders, procedures, standards of conduct, and competent job performance.

A. Types of Discipline

Disciplinary procedures may include, but are not limited to, oral reprimand, written reprimand, suspension from duty without pay up to a maximum period of two weeks, reduction of pay, demotion, or termination. All other forms of disciplinary actions are reserved for decision by the General Manager and the Board. Disciplinary action is normally based upon, but not limited to, violations of District policies and Standards of Conduct. In some situations, supervisors may utilize counseling and guidance of employees prior to resorting to disciplinary action. Oral reprimands and written reprimands are subject to review under grievance procedures.

Suspension from duty without pay, reduction in pay, and demotion imposed by written notice to the employee stating the reason(s) are subject to review under procedures for reconsideration by the General Manager and Board. Supervisors are permitted to issue oral and written reprimands. All other forms of disciplinary actions are subject to review by the General Manager and the Board.

B. Corrective Actions

It is not always necessary that the corrective action process commences with an oral reprimand or includes every step. The above options are not to be seen as a process in which one step always follows another. Some actions, particularly those that are intentional or serious, warrant more serious action on the first or subsequent offense. Consideration will be given to the seriousness of the offense, the intent and action of the individual, and the environment in which the offense took place. Management has the right to use any of the corrective steps to properly respond to the situation.

SECTION IX- GRIEVANCE PROCEDURES

The formal grievance procedure provides employees with a means by which a complaint, decision, or problem is formally reviewed, and an answer or decision is given at progressively higher management levels. The formal grievance procedure is designed to supplement, not replace routine methods or respond to and settling employee problems. No supervisor will discourage employees from the use of the formal grievance procedure. All regular employees may use the formal grievance procedures. The employee may choose a representative to assist in presenting the grievance.

The grievance should be in writing and should include:

- * A statement of the District's policy, rules, or practices involved.
- * A statement of the facts and events involved in the matter.

- * An explanation of how the employee has been adversely affected.
 - * A statement of the corrective action requested and the reason the action is appropriate.
- When warranted by unusual circumstances (illness, extended absences, etc.) the General Manager may extend the time limits indicated in the step below.

Step 1

The employee will present the written grievance to the immediate supervisor within five (5) work days from the day in which the grievance arises or becomes known to the employee. The supervisor will respond in writing within seven (7) work days and include the employee the reason for the decision. In this step, the supervisor will give the employee a full opportunity to explain the grievance and review all aspects. The supervisor will make all efforts to give a prompt answer; however, if more information is necessary or if the grievance involves a matter beyond the supervisor's authority, the supervisor will ensure that the problem is brought to the attention of the person with the responsibility to make such a decision. The supervisor will ensure the employee is aware of the right to proceed to Step 2.

Step 2

If the employee is not satisfied with the supervisor's reply in Step 1 and chooses to proceed to Step 2, the employee must present the written grievance to the Department Head within five (5) work days of receipt of the response. The Department Head will respond in writing with seven (7) work days.

Step 3

If the employee is not satisfied with the departmental reply in Step 2 and chooses to proceed to Step 3, the employee must present the written grievance to the General Manager or designee within five (5) work days. The General Manager will review the previous decisions and respond in writing within ten (10) work days. The decision of the General Manager is final.

SECTION X – TERMINATION PROCEDURES

The availability of and access to the termination procedure does not alter the at-will employment status of the District employees. Except in an emergency, the following procedure will be followed.

A. Written Notice and Severance Pay

The employee will be provided with a written notice within the effective date of termination and the provisions of Judicial Review. The reasons for the termination may be stated in the termination notice provided that the reason(s) has been documented in the disciplinary termination filed in the employee's personnel file. Except for disciplinary termination, regular employees, at the discretion of the General Manager, may be provided with severance pay of up

to two weeks for two through five years of service, and up to one month for over five years of service. Acceptance of severance pay is a waiver of the right to request reconsideration of the termination.

B. Employee's Request for Reconsideration

An employee, other than an introductory employee may request that the General Manager reconsider the decision to terminate the employee. The request for reconsideration must be submitted in writing within fourteen (14) days after the notice of termination has been mailed to the employee or personally delivered to the employee. In the event the request is not received within this period of time, the opportunity to request reconsideration will be waived. A request for reconsideration must be in writing and must contain the following:

- * The reason that reconsideration is requested
- * A summary of the factual information supporting the reasons for the request including written statements of other people and any documents to be reconsidered. The General Manager will determine if a hearing is appropriate and notify the employee.

C. Conduct of the Hearing

The General Manager will conduct the hearing in closed session, unless determined otherwise. The employee will be entitled to have representation at assist in the presentation of the request for reconsideration. The General Manager may designate a person to present the District's position with respect to the termination. The employee has the burden of proving that the initial decision to terminate the employee should be reversed, and the employee should be retained by the District. The hearing will be conducted in an informal manner; the General Manager will make the appropriate rulings with respect to procedure and the admission of evidence or information for consideration. The District and the employee will have the right to produce evidence and witnesses and to cross-examine witnesses. The hearing may be recorded and transcribed. The District will pay for the initial costs incurred for Court Reporter's services and the preparation of the record. If the employee desires a copy of the transcript, the employee must pay for that copy.

D. Waiver of Reconsideration

A failure to request reconsideration in the manner set forth in paragraph two above, acceptance of severance pay (in the case of a non-disciplinary termination), or failure of the employee to appear at the time and place of the hearing will be deemed a waiver by the employee for reconsideration by the General Manager and acceptance of the termination.

E. Notice of Decision

The General Manager will notify the employee of the decision in writing. The time limit for the judicial review of the final decision of the General Manager pursuant to the Code of Civil

Procedure #1094.6 and District Judicial Reviews run from the date the notice is deposited in the mail.

F. Petition to the District Board of Directors

An employee has thirty (30) days from the date of the General Manager's decision is deposited in the mail to petition the District Board of Directors for review of the General Manager's decision. In the event the Board of Directors determines that a review is appropriate, the examination will be based on the record of the General Manager's action. In the event the Board of Directors denies the petition or determines after review to sustain the General Manager's decision, the time limit for judicial review of the Board's decision pursuant to Code of Civil Procedures #1094.6 and District Judicial Review runs from the date the notice is deposited in the mail. The Board will notify the employee in writing of the Board's decision.

MCWD EMPLOYEE HANDBOOK ACKNOWLEDGEMENT

I have read all of the above policy statements and I understand the policies completely. This will become part of my personnel file.

Employee Signature

Date