

CRMU Employee Handbook

Revised June
2017

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Coon Rapids Municipal Utilities



Disclaimer

The contents of this Employee Handbook are presented as a matter of information only. While CRMU stands behind the policies, program, and/or processes described herein, they are not conditions of employment.

CRMU reserves the right to modify, revoke, suspend, terminate, or change any or all such policies, programs, and/or processes, in whole or in part, at any time, with or without notice.

The language used in this Employee Handbook is not intended to create, nor is it to be construed to constitute, a contract between CRMU and any or all of its employees. The CRMU Employee Handbook applies to all CRMU employees. The contents of the CRMU Employee Handbook are only a summary. Employees should refer to the appropriate Policy or Program to review the full details.

Welcome to CRMU

Welcome to Coon Rapids Municipal Utilities (CRMU). We sincerely hope your association with us will be rewarding and mutually beneficial.

We are pleased to have you on our staff and trust that you share our commitment to maintaining CRMU's status as one of the best municipally-owned utilities in the country.

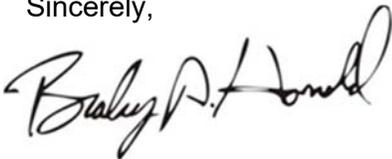
At CRMU, we are dedicated to providing unsurpassed service to our customers / owners / partners. As a member of our team, you play a critical role in this service. The first step in effectively serving our customer is through your understanding of the contents of the CRMU Employee Handbook and your rights and responsibilities as an employee. This Handbook contains an overview of CRMU's employment policies, practices, and work rules. You should use it as a reference as you pursue your career with CRMU.

CRMU's success is achieved through its employees who understand that their job is important, who work cooperatively as an integrated team and who aspire to excellence. Our goal is to actively pursue fulfillment of our Mission:

"CRMU's mission is to be the provider of choice for communications, electric, natural gas, water and wastewater services, and to improve the quality of life of our customers / owners / partners."

Our goal is to make CRMU a leader in the Utility Industry by providing excellent utility service and unparalleled customer service. This goal can only be achieved by all of us working together.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley A. Honold". The signature is written in a cursive, flowing style.

Bradley A. Honold
General Manager

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Introduction

CRMU was established in 1937 with the formation of the electric utility and 1938 with the formation of the Utility Board. Since that time CRMU has expanded encompassing a natural gas, water, wastewater and communications utility.

It is the purpose of the Board of Trustees of CRMU that this employee handbook promote and insure a spirit of confidence and cooperation between CRMU and its employees to the end that CRMU, its employees and the citizens of Coon Rapids may mutually benefit.

This employee handbook is intended to provide you with a brief overview of CRMU's major guidelines and benefit programs. Please understand that this employee handbook and any other employment policies of CRMU are NOT intended to and do NOT create a contract of employment. Each employee is an at-will employee, and the employment relationship may be terminated by either party at any time, with or without cause, and with or without prior notice.

While we want these guidelines to assist you in understanding our company policies and procedures, you should understand that it is impossible to list all policies and procedures in this employee handbook and also impossible to predict what changes may occur. In addition, situations may warrant departure from this manual.

The Board of Trustees further states that through its General Manager, it will consider all grievances that may arise regarding hours, wages and general working conditions with its employees.

This employee handbook shall become effective when passed by the Board. The Board reserves the right to revise, supplement, or rescind any or all policies or portions of this statement of policy, or to add any policies to this handbook, from time to time as it deems appropriate in its sole and absolute discretion.

Should there be a conflict between any of the terms of this employee handbook and any state or federal law, the applicable state or federal law will supersede the applicable provision of this employee handbook to the extent necessary to bring this employee handbook into conformity or compliance with the applicable law.

Employment Policies

Substance Abuse

CRMU promotes the safety of its employees, neighbors, and customers by maintaining a work place free of alcohol, illegal drugs, and people impaired by their use.

Toward that end, CRMU prohibits the possession, sale or distribution of substances of abuse, or drug paraphernalia, or being under the influence of drugs or alcohol on Company premises. Similarly, alcohol is prohibited except where approved at Company functions. No employee shall be permitted to work in an impaired condition. Nor will an employee be allowed to drive him/herself home in an impaired condition, or drive a company vehicle or drive while on company business in an impaired condition.*

Substance Abuse Prevention Program (Pipeline Personnel)

This substance abuse prevention program applies to all employees who perform a covered function on a pipeline.

A covered employee tested and found to have an alcohol concentration of 0.02 or greater but less than 0.04 shall not be permitted to perform or continue to perform covered functions until:

- a. The employee's alcohol concentration measures less than 0.02 in another alcohol test administered in compliance with this plan; or
- b. The start of the employee's next regularly scheduled duty period, but not less than 8 hours following administration of the alcohol test.

If the test of an employee, who is subject to the requirements of federal DOT drug and alcohol testing, results in an MRO verified positive test for the use of drugs, or an alcohol concentration of 0.04 or greater, the employee will be referred to an appropriate substance abuse professional for assessment and enrollment in a treatment and rehabilitation program, if recommended. Results of the positive drug or alcohol test and terms of the rehabilitation will remain confidential, except as provided by the Federal Regulations.

Employees referred to the treatment and rehabilitation program as a result of an MRO verified positive test or breath testing showing an alcohol concentration above 0.04, must immediately cease any substance abuse, must be subject to testing before returning to safety-sensitive duty, must subject themselves to periodic unannounced testing for a period of not to exceed sixty months, and must comply with all other conditions of the treatment and counseling program recommended by the substance abuse professional. All expenses for the rehabilitation program shall be paid for entirely by the employee with the employee health insurance provider funding a portion if provided in the benefit plan.

If an employee is required to take time off in order to participate in a rehabilitation program, the employee will be permitted to use sick leave, vacation time, and/or unpaid leave.

Participation in substance abuse treatment and rehabilitation will not result in disciplinary action; however, non-covered duties may be assigned until the MRO determines that the employee

may return to duty. Successful completion of the prescribed program will be required for the employee to continue employment with CRMU.

If an employee is undergoing substance abuse treatment and counseling or has returned to duty upon successfully completing such treatment and rehabilitation and a subsequent test is verified by the MRO as positive, or results in an alcohol concentration of 0.04 or greater, the employee will be terminated.

Employees who undergo substance abuse treatment and counseling under this policy and who continue to work must meet all established standards of conduct and job performance.

** Outside contractors and vendors will be advised of CRMU's policy and instructed to ensure their employee's compliance while on CRMU premises as a condition of future business dealings with CRMU.*

Smoking

CRMU has a responsibility to its employees to provide a safe and healthy work environment and to protect employees from the health risk associated with secondhand smoke. The offices, buildings, vehicles and equipment of CRMU are to be a smoke-free environment.

Equal Opportunity

CRMU maintains a policy to recruit, to hire, to compensate, to progress, and to administer employees without regard to race, creed, color, national origin, age, sex, sexual orientation, religion or disability.

To assure that CRMU employment policies achieve equal employment opportunities for all employees, CRMU will make known, through its actions, its Policy of Equal Opportunity and will encourage individuals to seek employment and to strive for advancement on the basis of individual merit.

Conflict of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which CRMU wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the General Manager for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the General Manager. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the other firm, the employee, or both.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of CRMU's business dealings.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the General Manager as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which CRMU does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving CRMU.

A violation of this policy will result in immediate discipline, up to and including termination.

Off-Duty Employment (“Moonlighting”)

CRMU expects full-time employees to regard their position with CRMU as their primary source of employment. Employees are required to notify the General Manager in writing prior to engaging in any outside employment. Employees are forbidden to conduct such "outside" business during their normal working hours and/or in any other way which would interfere with his work performance at CRMU. This includes being available for emergency work or "on call" duty as designated by the employee's job description.

Employees are forbidden to conduct such business which constitutes a conflict of interest or competes with CRMU. No employee shall recommend to a customer, the name of another employee, relative, friend, professional or nonprofessional acquaintance, for the purposes of providing any service(s) which relates to, conflicts or competes with CRMU's services.

No employee shall be permitted to use CRMU, its facilities or resources to further their own personal gain related to off-duty employment.

Employees engaging in off-duty employment and who sustain an injury or illness in connection with such employment will not be eligible for worker's compensation benefits provided by CRMU nor will the employee be entitled to paid sick leave or entitled to accrue credit for vacation or sick time during the off-duty employment-related absence.

An employee temporarily disabled due to an injury or illness sustained in any type of off-duty employment may:

1. Request approval for an unpaid leave of absence (during which time additional vacation and sick time would not accrue),
2. Request approval for use of accrued vacation time.

An employee who is unavailable for work due to an injury while engaged in off-duty employment may, at CRMU's sole discretion, be subject to disciplinary action, up to and including termination.

Harassment

It is the established policy of CRMU that all employees are entitled to a working environment free from intimidation and coercion. CRMU is particularly concerned about the possibility of employee harassment, whether it be sexual, racial, religious or of some other type. If you believe you have been the victim of harassment, or know of someone who has, report the complaint immediately to the General Manager.

A confidential investigation of any complaint will be undertaken and if the complaint is valid the offender will be subject to appropriate discipline, up to and including dismissal.

Sexual harassment is a form of sex discrimination, which is prohibited by Title VII of the Civil Rights Act of 1964.

Conduct creating an intimidating, hostile, or offensive working environment will not be tolerated and those violating this practice will be subject to remedial action up to and including dismissal. This applies to harassment of one employee by any other employee, whether in a supervisory position or not, regardless of the sex of the initiator of the harassment.

Three dimensions of offensive conduct should be considered in regards to sexual harassment: UNWANTED, UNWELCOMED, AND REPEATED. Types of behavior that might be considered sexual harassment include 1) physical - fondling, brushing, patting; 2) verbal - insults, sexual innuendo, sexually-oriented jokes; 3) nonverbal - flirting, staring, obscene gestures; and 4) environmental - pictures, posters, etc. that portray men and women as sexual objects, and which may be offensive to some individuals.

Workplace Violence

CRMU is committed to preventing workplace violence and to maintaining a safe work environment. CRMU has adopted the following guidelines to deal with intimidation, harassment or other threats of or actual violence that may occur onsite or offsite during work-related activities.

Prohibited Conduct

All employees, customers, vendors and business associates should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay" or other conduct that may be dangerous to others. Conduct that threatens, intimidates or coerces another employee, customer, vendor or business associate will not be tolerated. CRMU resources may not be used to threaten, stalk or harass anyone at or outside the workplace. CRMU treats threats coming from an abusive personal relationship as it does other forms of violence.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor or General Manager. When reporting a threat or incident of violence, the employee should be as specific and detailed as

possible. Employees should not place themselves in peril, nor should they attempt to intercede during an incident.

Employees should promptly inform their supervisor and General Manager of any protective or restraining order that they have obtained that lists the workplace as a protected area. Employees are encouraged to report safety concerns with regard to intimate partner violence. CRMU will not retaliate against employees making good-faith reports.

Investigations and Enforcement

CRMU will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as possible. CRMU will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. To maintain workplace safety and the integrity of its investigation, CRMU may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

CRMU encourages employees to bring their disputes to the attention of their supervisors or the General Manager before the situation escalates. CRMU will not discipline employees for raising such concerns.

Employee Obligation to Inform Management About Harassment – Violence – Discrimination

Employees who have experienced conduct they believe is contrary to these policies have an obligation to report such conduct through this complaint procedure. An employee's failure to fulfill this obligation could affect his or her rights in pursuing legal action. Also please note, federal, state and local discrimination laws establish specific time frames for initiating a legal proceeding pursuant to those laws.

All allegations of sexual harassment, other harassment, workplace violence or any discrimination will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the General Manager so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Initial 180 Days of Employment

Full-time employees shall be considered as probationary employees for the first 180 days. Full-time employees are covered under the company benefit program on the date of hire, except sick leave which is not available until after 90 days of employment, and insurance benefits which are not available until after 30 days of employment.

Employment of Relatives

CRMU has no general policy against hiring relatives. However, a few restrictions have been established to help assure the fair and equitable treatment of all full time employees.

While applications for employment from relatives are considered, family members such as parents, children, spouses, siblings or in-laws will not be hired into positions where they directly or indirectly supervise or are supervised by another family member. Further, such relatives will not be placed in positions where they work with or have access to sensitive information regarding an immediate family member. The company discourages dating among employees where there is a direct supervisory relationship. Any variance from this policy must be reviewed by the General Manager and the Board.

Employment of Minors

As a general rule, full-time employees of the company must be 18 years of age or older. Applicants under 18 may be hired only under special conditions and with the advance approval of the General Manager. This does not apply to temporary or part-time help.

Personnel Records

It is important that personnel records contain accurate and up-to-date information about every employee. Consequently, it is the responsibility of each employee to provide current information concerning type of work, experience, special skills, work areas of interest, education, training, person to notify in case of emergency, military, professional activities, etc. The employee is also responsible for effecting changes in marital status, name, address, dependents, telephone number, or citizenship as each occurs. An employee may review his or her personnel file upon request. Arrangements for review are to be made in advance through the General Manager. During the review, the file must remain under company supervision. An employee is also entitled to a copy of his or her personnel file.

Hours of Work

Subject to variation at the General Manager's discretion, the normal working schedule shall be a 40 hour work week and an 8 hour day. The General Manager shall establish the work day and work week for each employee, at the General Manager's discretion. Schedules may be revised by the General Manager at the General Manager's discretion at any time without advance notice. You are expected to be at your work station at the beginning of the work day.

Flexible Work Schedule

CRMU supports flexible work scheduling. Requests to work modified work schedules should be based on a work/family need and be made to the General Manager. CRMU should accommodate these requests when a change does not create a significant inconvenience for the site, department or customer base. If the flexible schedule causes conflicts within the

department, or if there are scheduling abuses, the General Manager may cancel the arrangement.

Lunch and Rest Periods

Generally, all employees receive a one hour lunch period. Scheduled lunch periods may vary. Coffee breaks, or Rest Periods of 15 minute duration should be taken once in the morning and once in the afternoon. Even though your actual work day is 7-1/2 hours, YOU ARE PAID FOR A FULL 8 HOUR DAY.

Performance Appraisals

The performance and development of employees are furthered through a process which provides regular, open, thoughtful discussion of performance, objectives, achievements, progress and development.

Accordingly, CRMU evaluates the performance of all employees. An employee will normally receive at least one formal performance appraisal every year.

The written appraisals establish a sound basis for decisions concerning compensation, progression, assignments, development, and performance improvements.

Resignation / Termination

If you decide to leave CRMU, two weeks notice to the General Manager is appreciated to allow an orderly transition for both you and CRMU.

An exit interview will be conducted and you will be informed of termination benefits under various company programs. It is your responsibility to advise the company of any address changes during the 12 month period following your termination. This will ensure that information concerning earnings and benefits reach you after termination.

Upon termination from CRMU and solely at the terminated employee's own expense, a terminated employee may continue medical and dental coverages at full benefit cost for up to 9 months pursuant to COBRA.

Residency Required

It is the objective of CRMU with the following employee residency requirements to provide a fair and reasonable policy that will ensure the reliability of CRMU's utility operations and service, yet provide flexibility for the employees.

Policy Makers

Because these employees are responsible for developing policy affecting the utilities as well as the community, it is imperative that they reside within the community for which they are establishing policy; therefore, these employees are required to live within the corporate limits of the City of Coon Rapids, Iowa.

Non-Emergency Response Personnel

Because these employees are not responsible for making policy and not directly responsible for immediate emergency response, there is no residency requirement.

Emergency Response Personnel

CRMU provides 24-hour utility service. Because certain utilities are essential for health and safety, it is imperative that these employees be able to respond to emergencies even during adverse weather conditions to maintain utility services; therefore the following is required:

- Employee must live within 5 miles, by road, of the corporate limits of the City of Coon Rapids, Iowa.

Professional Certifications, Qualifications or Licenses

If a professional certification, qualification or license is required as a condition of employment, it must be maintained in an active status.

Loss of Driving Privileges

Employees required to have a driver's license as an essential function of their job as outlined in the job description must hold a valid license at all times. If an employee's license is revoked, or if such loss is imminent, CRMU must be notified by the employee.

References

With regard to third-party requests for information with respect to a current or former employee, CRMU will respond only to confirm dates of employment and job title. This includes employment verifications of current or former employees for loans, housing, etc.

Wages and Salary Policies

Pay Procedures

All employees are paid semi-monthly on the 15th and last working day of the month (24 pay periods per year).

Federal Withholding Taxes, Social Security Taxes, State Income Taxes and IPERS are deducted from your check as required by law.

Overtime Pay

Overtime work is scheduled when necessary to fill customer demands and meet business obligations. All overtime work should be preapproved by the employee's direct supervisor to the extent possible. In no case shall an employee earn overtime pay more than time and one-half pay for any hour worked except as noted below.

The following Overtime Rates will be paid to all **full-time hourly** employees for time worked as follows:

- No overtime will be paid for time spent attending meetings, schools or educational training.
- When an employee is called to work on a day being observed as a Holiday, the employee shall receive time and one-half for all time worked in addition to the regular holiday pay.
- Time and one-half for Saturdays and Sundays.
- Time and one-half for hours worked beyond 8 hours in any one day.
- When an employee is "on-call" and called to work on other than the regularly scheduled work day, the employee shall receive a minimum of 2 hours of pay at time and one-half except if the employee is called to work within 2 hours of starting time of a regular work day. In such case the employee shall receive pay at the time and one-half rate from the time called to the starting time of the regular work day.
- When an employee is not "on-call" and called to work on other than the regularly scheduled work day, the employee shall receive a minimum of 2 hours of pay at double time except if the employee is called to work within 2 hours of starting time of a regular work day. In such case the employee shall receive pay at the double time rate from the time called to the starting time of the regular work day.
- When an employee is "on-call" and required to take emergency calls on a 24 hour basis for 7 consecutive days the employee is guaranteed 8 hours of overtime pay for that week. The employee shall receive in addition thereto, when called out, the regular overtime rate of pay as specified in this policy.

- When an employee is “on-call” the employee is required to carry out assignments on weekends and holidays.

The following Overtime Rates will be paid to all part-time hourly employees for time worked as follows:

- Time and one-half for hours worked beyond 40 hours in any established work week.

The following Overtime Rates will be paid to all salaried employees for time worked as follows:

- No overtime will be paid for salaried employees.

Employee Benefits

Time-Off of Work

All employees need written approval for all paid time off from work (i.e. vacation, sick, bereavement leave, etc.). The employee shall complete the appropriate "Time-Off Request" form in the office and have it approved by their immediate supervisor. Employees shall also post the "Time-Off Request" to CRMU's electronic calendar.

Holidays

Full-time employees are eligible for seven (7) paid holidays in each calendar year. To receive holiday pay, you must work the regularly scheduled workday before and after the holiday, be on approved vacation, or have an authorized physician's excuse for illness. Employees shall receive 8 hours of regular pay for observed holidays, and the day shall be counted as a day worked for the purposes of overtime. In addition, at the discretion of the General Manager, 1/2 day before December 25 and 1/2 day before January 1 may be granted as additional holiday time. The following seven holidays are paid CRMU holidays:

1. January 1
2. Memorial Day
3. July 4
4. Labor Day
5. Thanksgiving Day
6. Day After Thanksgiving
7. December 25

When an employee is required to stand call on a holiday that employee shall be granted a day of the employee's choice off with regular time pay. This day should be taken as soon as possible but must be taken by the end of the year in which it accrued.

Time off with pay will be allowed for employees wishing to attend religious services for religious holidays if approved by the General Manager.

Unless otherwise communicated, when a holiday falls on Sunday, the following Monday will be observed. If a holiday falls on Saturday, the preceding Friday will be observed.

Vacations

CRMU's vacation plan is designed to provide you with the opportunity to rest and get away from the everyday routine. You are encouraged to take advantage of this time and every attempt will be made to grant your specific requests. The General Manager, however, is obligated to fulfill the business needs of each department and must schedule in accordance with these needs. The General Manager will have control of scheduling all vacation and shall have the discretion to permit additional vacation time.

The vacation year for purposes of determining vacation eligibility is from January 1 through December 31. Vacation is accrued on January 1 of each year for each eligible full-time employee according to the following schedule:

Earned Vacation Schedule

Initial Year of Employment

No vacation or negotiated at hiring.

Years Employed

0 but less than 1	5 days
1 but less than 4	10 days
4 but less than 9	15 days
9 but less than 19	20 days
19 years or more	25 days

* Note: Years Employed = January 1 of Current Year minus hire date.

Vacation time may be accrued to a maximum of 7 weeks of which no more than 3 consecutive weeks may be used at one time. Vacation will not accrue if unused when 7 weeks have accrued.

Upon termination/separation, remaining earned vacation for the year will be paid out, with appropriate payroll taxes withheld.

The examples below illustrate how vacation is earned in one year and taken the next, and how vacation pay at termination/separation would be paid out.

- Employee is hired full-time July of 2016. In January of 2017 he is eligible for 5 days of vacation to use in 2017 because Years Employed = 0.5. In January of 2018 he will receive 10 days of vacation because Years Employed = 1.5.
- Employee is hired full-time January 1 of 2016. In January of 2016 she is eligible for 0 days of vacation because of initial year of employment. In January of 2017 she is eligible for 10 days of vacation because Years Employed = 1.0. She will receive 15 days of vacation beginning January of 2020, and she will receive 20 days of vacation beginning January of 2025.
- Employee is hired full-time in October of 2016. In January of 2017 she is eligible for 5 days of vacation to use in 2017 because Years Employed = 0.3. In January of 2018 she will receive 10 days of vacation because Years Employed = 1.3.
- Employee is hired full-time in February of 2016. In January of 2017 he becomes eligible for 5 days of vacation because Years Employed = 0.9. In May of 2017 he resigned, after having taken 2 days of vacation in April. He will receive 3 days of paid out vacation upon separation.

Health Insurance

CRMU's present Health Care Plan is optionally provided to all full-time employees (not less than 30 hours per week) and their dependents. CRMU reserves the right to change this plan at any time. Coverage begins first of the month following 30 days of employment.

CRMU will advise employees terminating employment or who have dependents no longer eligible for coverage of their rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA). In certain circumstances as prescribed by law, an employee or their eligible dependent is allowed to continue participation in a CRMU group health insurance program for a specified period of time

Consult your Health Insurance Benefits Booklet or online portal at www.hrconnection.com for full details.

Health Reimbursement Arrangement (HRA)

CRMU has established a defined contribution plan or Health Reimbursement Arrangement to repay qualified unreimbursed medical expenses of employees as outlined in the plan.

Consult your Health Insurance Benefits Booklet or online portal at www.hrconnection.com for full details.

Dental Insurance

CRMU's present Dental Care Plan is optionally provided to all full-time employees (not less than 30 hours per week) and their dependents. Coverage begins first of the month following 30 days of employment. Under certain circumstances as required by law, CRMU may allow for the continuation of coverage for employees or dependents at the employee's or dependent's own expense. CRMU reserves the right to change this plan at any time.

Consult your Health Insurance Benefits Booklet or online portal at www.hrconnection.com for full details.

Flexible Benefit Plan

CRMU has established a Flexible Benefit Plan that allows employees to select certain benefits normally paid on an after-tax basis and, through payroll deduction, pay for those benefits on a pretax basis.

There are three areas in the Plan:

1. Premium Conversion: Allows employees to pay their share of health premiums with pretax dollars instead of after-tax dollars. This may also include but is not limited to other premiums such as dental insurance and vision insurance.
2. Medical Reimbursement: Allows employees the ability to use pretax dollars to pay for qualified medical expenses not covered by insurance.
3. Dependent Care Reimbursement: Allows employees to set aside pretax dollars and use it to pay their dependent care expenses for children under the age of 13, the elderly, and the disabled or handicapped. The day care must be directly related to gainful employment.

* Note: This page includes only a brief recap of benefits. Consult your Health Insurance Benefits Booklet or online portal at www.hrconnection.com for full details.

Income Protection

CRMU provides full-time active employees with several income protection benefits. Coverage begins first of the month following 30 days of employment. Coverage, unless otherwise specified, is at no cost to the employee.

Term Life Insurance: 100% of your basic annual earnings, rounded to the nearest next higher \$1,000. Maximum \$60,000.

Accidental Death and Dismemberment: 100% of your basic annual earnings, rounded to the nearest next higher \$1,000. Maximum \$60,000.

Dependent Life Insurance: Wife or husband \$2,000; Child from birth to 26 years - \$1,000.

Short Term Disability: Payments begin after 6 consecutive days of absence from work, subject to the following schedule. Signed documentation from your doctor, including reason for absence and estimated date of return, must be submitted to qualify. All short term disability benefits need to be pre-approved by the General Manager who will need written verification from the employee's physician.

<u>Length of Employment</u>	<u>Benefit</u>
1 day to 5 months	None
5 months or more	100 % - 2 weeks, 60% - 3rd Month

- Maternity Leave is treated as a short-term disability. Coverage is 6 weeks for a normal delivery and 8 weeks for a cesarean delivery.
- Adoption Leave is treated as a short-term disability for mothers. Coverage is 6 weeks for children less than three years old.
- Organ Donation is treated as a short-term disability. Coverage is up to 4 weeks for a vascular organ (heart, lung, liver, pancreas, kidney, intestine, or other organ that requires the continuous circulation of blood to remain useful for purposes of transplantation).

Long Term Disability: Payments begin after employee has been totally and continuously disabled for 90 days; benefit equals 66% of base salary up to a maximum of \$6,000 per month.

Workers' Compensation Insurance

CRMU carries insurance to cover the cost of work-incurred injury or illness for both full-time or part-time employees. Benefits help pay for treatment and part of any income lost while recovering. Specific amounts are prescribed by law and each case is handled individually. To be assured of maximum coverage, work-related accidents must be reported immediately and claims filed promptly.

The employee must make the maximum effort possible to return to work as soon as employee is able. CRMU will attempt to provide alternate duty, light duty or another job which the injured employee is capable of performing, during the employee's recovery from injury, and during which time the employee is unable to perform employee's regularly assigned job, if a position is available.

Any employee who has been out of work for more than two (2) weeks due to illness or injury (on Medical Leave of Absence) will be required to submit to a medical examination conducted by a physician designated by the employer for purposes of determining whether it is safe for the employee to return to work. CRMU reserves the right to require the employee to be examined by a doctor selected by CRMU, at no cost to the employee, to determine whether an employee is able to return and at what level of work or job category (i.e. light duty, alternate job). Should an employee refuse an independent examination requested by CRMU, employee will be subject to disciplinary action, up to and including termination.

Employees out of work on workers' compensation will not be paid by CRMU for holidays. Workers' compensation is based upon the average of the employee's wages, which includes holidays.

Leave of Absence With Pay

Sick Leave: Full-time employees receive up to 6 days of sick leave in each calendar year, credited on January 1. Employees may accrue a maximum of 12 days of sick leave. Eligibility for sick leave begins after completing 90 days of full-time employment. During initial year of employment sick leave is pro-rated from date of eligibility to December 31, unless negotiated at the time of hiring.

This benefit is designed to cover doctor visits and brief illnesses that result in an absence of less than one week. Sick leave may also be used to care for a sick child or parent. Since such events can occur more than once in a year, we urge you to carefully consider how and when you use your sick leave.

For illness or disability lasting more than one week, full-time employees are covered by Short-term disability, which is described in the Income Protection section of this handbook.

Sick leave is paid at 100% of base pay if you notify the General Manager prior to or within 30 minutes after the start of the work shift. Unused sick leave is not paid at termination.

Bereavement Leave: You may receive up to five paid consecutive work days leave due to a death in the immediate family (spouse, child, foster or step child); up to three days for parent, foster or step parent, grandparent, grandchild, sister, brother, or in-laws (parent, sister, brother); and with General Manager's approval, up to one day for friends, and / or other relatives.

Jury Duty: CRMU will not request that anyone be excused from jury duty except under unusual circumstances. When an employee is selected to serve on a jury, he/she is paid the difference between jury duty pay and the employee's base rate for the work time missed due to jury duty.

Employees will not receive jury pay if jury duty occurs during nonscheduled working time, except where Jury Duty reasonably interferes with work schedules.

Employees must verify jury duty and must return to work if released from jury duty before noon on any regular work day.

Short-Term Military Reserve or Guard Leave: A leave of absence is granted for those who must fulfill National Guard or Reserve military obligations. Such employees may receive the difference between their base pay and their military pay not exceeding 14 days (80 hours) per year; or for up to 6 months if called to active duty in time of state or national emergency. All benefits continue up to 30 days.

Leave of Absence Without Regular Pay

Family Medical Leave Act (FMLA): Pursuant to the provisions provided by the FMLA, qualifying employees may receive 12 weeks during any calendar year.

Long-Term Military Leave of Absence: On presentation of official military papers for entrance into any of the Armed Services of the United States, employees will be placed on a military leave of absence and be paid any prorated vacation pay due.

Military leaves are granted for the duration of the original period of military service plus ninety (90) days. Benefits are canceled thirty days after leave begins.

Personal Leave of Absence: Personal leave of absence without pay will be considered on an individual basis in cases of compelling or extenuating circumstances. Request must be submitted in writing by the employee to the General Manager a minimum of two weeks in advance, stating the duration and reason for the leave.

Available vacation must normally be used before a personal leave of absence will be granted. Personal leave entitlement is as follows:

<u>Length of Employment</u>	<u>Maximum Allowable Time</u>
0 to 1 year	Not eligible
1 year or more	Up to 12 weeks

In cases involving unusual hardships for employees with three or more years of service, such leaves may be extended for an additional period of time in 30 day increments up to six months. Benefits are suspended for leaves over 12 weeks.

Return From Leave of Absences

Upon return from leaves of absence, employees resume their former or equivalent jobs, in accordance with qualifications.

If you are on a Long-Term Disability Leave of Absence, you must return to work when your doctor determines you are able to resume normal duties. CRMU requires a physician's release before reinstatement to the active payroll.

A physician's release may also be required when returning to work from other medically related absences.

Should you be unable to return to work at the expiration date of the leave and desire an extension, you must contact your supervisor. If an employee fails to report for work at the end of the leave, you will be considered to have voluntarily resigned.

Retirement Plan

Following is a brief summary of the retirement plan offered by CRMU.

IPERS: Iowa Public Employees Retirement System provides retirement and death benefits which are established by state statute.

* Note: This page includes only a brief recap of benefits. Consult your IPERS Benefits Booklet for full details or login online at <https://www.ipers.org>.

Pension Plan

Through CRMU, employees are eligible to participate in the State of Iowa's 457 Employee Contribution Plan. Participating employees may contribute pre-tax contributions into the plan through a minimum \$25 monthly payroll deduction. There is no company or CRMU match. For details on this supplemental retirement savings plan visit: <https://das.iowa.gov/RIC/PSE/CRU>.

Employee Development

CRMU is committed to the development of productive employees. From time to time you will have an opportunity to participate in various training programs. These programs should provide you with the opportunity to advance your basic knowledge or particular skill.

It is your responsibility, to both CRMU and yourself, to apply proper diligence when the opportunity for such training is presented. Transportation to and from training, lodging and meals while at classes will be expensed to CRMU in accordance with established policy.

Employee Activities

From time to time the company provides various recreation, social and cultural activities for employees and their families. Special employee events might include outings, tours, tickets to special events, recognition parties, etc. Such events are usually posted.

Allowances

Clothing: CRMU will provide a clothing allowance for all full-time employees required to wear uniforms. CRMU will pay 50% of all uniform costs. CRMU will pay 100% of costs for specific equipment such as boots, overshoes, raingear, hearing protection, eye protection, etc. when preapproved by the General Manager.

Wellness / Recreation: CRMU will provide up to \$300 per full-time employee for any of the following community based recreational activities:

- Swimming Pool Memberships

- Golf Course Memberships

- Rec Center Memberships

- Rezolution Fitness Center

- Any other community based recreational membership as approved by the Board

Service Group: CRMU will pay the dues for any employee wishing to actively participate in a community based service group such as Rotary, Lions Club, etc.

Safety, Health and Environmental

Safety is given an equal priority to any other function of the Company. CRMU will not compromise safety, health or the environment. It is the responsibility of every employee to act and work in a safe manner at all times. Our performance as a business is measured against both financial and safety standards. **Therefore, safety compliance is a condition of your employment. Violation of safety policy is grounds for termination.**

Every employee will receive safety training on a periodic basis. This training will be designed to protect not only you as an individual from injury, but to protect the physical assets of the company and the environment from losses due to fires, spills or unsafe practices. All employees shall adhere to safety procedures mandated by OSHA and CRMU, which may be amended from time to time.

Failure of any employee to comply with the following general safety procedures, or more specific safety procedures published for your specific task, may endanger you, your co-workers and threaten the integrity of our company or the environment. Employees must also be aware that failure of an employee to follow and/or utilize safety equipment and safe working procedures may result in direct or personal fines to the employee by OSHA.

Fire or Emergencies

When the emergency signal is sounded indicating a fire, fire drill, tornado, etc., employees are to stop work immediately, to shut off power, gas, air, if applicable, at the work area, and to file calmly out of the building through the designated exit or to proceed to the designated shelter area.

Occupational Safety and Health Act

In accordance with the provisions of the Occupational Safety and Health Act of 1970, the full text outlining the rules and obligations is available from the General Manager.

Safety Signs

All warning signs and safety signs must be approved by the General Manager and must be strictly obeyed.

Fire Safety

Fire extinguishers and other fire-fighting equipment must not be moved from their established locations or tampered with in anyway; they must be ready, when needed, to put out fires. Only those employees trained in the use of fire extinguishers are allowed to use them.

Injuries

All work related injuries, or suspected injuries, no matter how slight, must be reported to the General Manager before the end of the shift in which the injury occurred. The employee must complete an accident/injury/incident form provided by CRMU's insurance company. The form must be completed even if the employee does not seek any medical service, or any loss time from work.

First aid supplies are available at all locations. Any doctor, hospital, or medical expenses incurred by an employee who has not notified the General Manager, will be considered as “self-obtained medical treatment” and may not be paid by Worker’s Compensation Insurance.

Horseplay

Horseplay and scuffling are strictly prohibited.

Personal Protective Equipment

When it is not practical or feasible to eliminate specific hazards utilizing engineering techniques or administrative practices, then the use of Personal Protective Equipment may be necessary. Special safety equipment such as rubber/leather gloves, safety glasses, face shields, hard hats, flame resistant and arc-rated clothing, etc. will be provided as needed by CRMU.

Clothing: Some tasks require that employees wear flame-resistant and arc-rated outer clothing and leather gloves. See [Flame-Resistant \(FR\) Clothing Guidance document](#).

Hard Hat: Employees are required to utilize hard hat protection where it is required.

Safety Glasses: Appropriate eye protection must be worn in all areas where machines or operations present any hazard of flying objects, including fragments or chips, excessive dust, glare, or any combination of these.

Face Shields: Face shields & balaclava (sock hood) and/or flash suit hoods may be required.

Hearing Protection: Employees are required to utilize hearing protection where it is required to attenuate the noise.

Safety Shoes: Protective footwear is designed to guard against serious foot injuries incurred from falling materials and/or be flame resistant. Employees are required to wear approved safety footwear in areas designated by the General Manager.

Equipment Regulations

Protective Guards: Protective equipment such as guards (mechanical and electrical) must be in place and must not be removed. Only those employees trained in the (Lockout/Tagout), are allowed to remove protective safety devices. Do not remove or tamper with “Do Not Operate” tags or signs on switches or equipment.

General Housekeeping

All good housekeeping practices, such as putting trash in the proper containers, keeping aisles open, maintaining access to doors, walkways, and fire extinguishers, storing material neatly and safely, returning material and tools to their proper places, etc., must be followed. All unsafe equipment, practices, and conditions should be reported to the General Manager immediately. Only authorized personnel and employees should perform repairs and maintenance.

General Policy

Business Expenses

CRMU reimburses employees for all reasonable and necessary business expenses, which may include transportation, meals, lodging, telephone, tips and other miscellaneous expenses.

An employee must fill out an expense form and have it approved by the General Manager before any reimbursement is made.

Driving on Company Business

Some positions require driving a company vehicle. Other times you may be required to drive your own vehicle or rent a vehicle on company business. Employees are required to drive safely and obey all laws. Unacceptable driving records in a company vehicle or while driving your own or a rented vehicle on company business may result in disciplinary action or termination. Under no circumstances should an employee drink and drive in a company vehicle or on company business.

Telephone Use - Cellular Telephone Use

Company telephones are to be used for business purposes in serving the interests of our customers (*some positions may require the employee to carry a cellular telephone*) and in the course of normal business operations. On occasion, personal calls may be necessary, but we ask your cooperation in limiting them to emergencies or essential personal business and in keeping them as brief as possible. Excessive telephone usage (business or personal cell phone) for personal matters may result in discipline.

Employees should not use hand held cell phones for business purposes while driving. Employees must adhere to all federal, state, local or corporate rules and regulations regarding the use of hand held cell phones for business purposes while driving. Should an employee need to make a business call while driving, he or she should locate a lawfully designated area to park and make the call. Note: whenever State or local laws pertaining to cell phone usage are more restrictive, they shall apply.

Internet / Electronic Mail (Email) / Computer Usage

The Internet is a powerful communications tool and a valuable resource of information about vendors, customers, competitors, technology, new products and services, and applicable governmental laws, rules and policies. However, an employee's improper use of Company-provided Internet services can waste time and resources and create legal liability and embarrassment for both the Company and employees.

The use of Company provided Internet services is for business purposes only. An Internet service includes, but is not limited to: e-mail, file transfer protocols, web browsers, news groups or instant messaging.

Prohibited Activities

Employees are strictly prohibited from using Company-provided Internet services in connection with the following activities:

- Engaging in illegal, fraudulent, or malicious conduct.
- Working on behalf of organizations without any professional or business affiliation of CRMU.
- Sending, receiving or storing offensive, obscene or defamatory material.
- Annoying or harassing other individuals.
- Sending uninvited email of a personal nature.
- Monitoring or intercepting the files or electronic communications of employees or third parties.
- Obtaining unauthorized access to any computer system.

Employees violating this policy are subject to discipline, up to and including termination of employment. Employees using Company-provided Internet services for defamatory, illegal or fraudulent purposes also may be subject to civil liability and criminal prosecution. This is not a comprehensive list and CRMU reserves the right to discipline employees, up to termination, for actions not listed above.

Personal Use

Internet services are provided by the Company for employee's business use. Very limited or incidental use of Internet services for personal, non-business purposes is acceptable. However, personal use must be infrequent and must not: involve any prohibited activity; interfere with the productivity of the employee and/or consume or deplete system resources available for business purposes.

Copyright Information

Use of Company provided Internet services to copy and/or transmit any documents, software, or other information protected by copyright laws is prohibited.

Monitoring Rights

Employees should not assume the confidentiality of any activities using Company-provided access or services. The Company reserves the right to review any files, messages or communications sent, received or stored on Company-provided computer systems.

Confidentiality

To protect the company's interests all employees whose positions entail working with sensitive information are reminded not to disclose confidential information to other employees or outside the company.

CPNI: Customer Proprietary Network Information. Employees shall comply with all federal regulations regarding the appropriate use of CPNI.

Any employee violating this is subject to discipline, up to and including termination as outlined in the "Standards of Conduct" section of the Employee Handbook.

Use of Social Media

CRMU recognizes the value of online social media tools for connecting with customers, board members and employees. However, in order to ensure that CRMU maintains a values-oriented, positive, professional image and to protect the safety and privacy of CRMU's customers, board members and employees, all employees must abide by the following expectations when using social media for work or personal purposes. Failure to follow CRMU's guidelines may result in disciplinary action, up to and including termination of employment.

Using Social Media for Work Purposes

CRMU social media pages have been or will be created and will be maintained by designated employees as determined by the General Manager. No other public CRMU-related social media pages may be set up by CRMU employees, except as described above.

Using Social Media for Personal Purposes

- Many CRMU employees may maintain individual pages on social media sites to connect with their friends and family. Employees should be mindful that what is published on their social media sites will be public for a long time – protecting privacy should be a priority.
- Do not use your Corporate CRMU email address to establish an account on a social media platform.
- Employees must remember that any personal information viewable by the public should abide by CRMU's values and employee conduct expectations, whether or not employees identify themselves online as a CRMU employee.
- Employees should recognize that they are personally responsible for the content they publish on social media sites. If blogging or commenting about your job or co-workers, employees must be constructive and understand your authorized role as an advocate for CRMU and our customers. Additionally, employees can be disciplined for commentary, content or images that are defamatory, pornographic, proprietary, harassing, and libelous or that can create a hostile work environment. Examples of inappropriate content include (but are not limited to):
 - References to photos of use of illicit substances
 - Photos that are sexually revealing
 - Disclosure of confidential information related to past, present or future employees, members, guests or other persons conducting business with CRMU
 - Confidential or proprietary (non-public) information pertaining to the business of CRMU, its customers and affiliates
 - Use of CRMU's name or image to endorse or promote any product, opinion, cause or political candidate
 - Posting of defamatory information about past, present or future employees, board members, guest or other persons conducting business with CRMU
- Postings that mention CRMU should remain positive. Revealing internal policy disputes or opinions that conflict with CRMU's official policies or publically stated positions is prohibited.
- CRMU provides employees access to various forms of information technology to facilitate communication. Use of CRMU's resources by employees is intended for work-related purposes. Utilizing CRMU resources for excessive use of social media sites for purposes that are not work-related is prohibited. There should be no expectation of privacy while using company issued equipment. Employees misusing CRMU resources will be subject to disciplinary action, up to and including termination.

- Federal and State laws apply to social networks and the blogshpere. Consequently, CRMU employees should understand that they may be liable for copyright and trademark infringement, libel, breach of contract, etc. depending on what they write or post.

Posting Photos and Videos of CRMU Activities Online

Any CRMU photos posted online must be posted through CRMU's website or social media site by designated employees. Unauthorized use of CRMU's logo is prohibited.

The world of social media is changing rapidly. If in doubt about how this policy applies to new social media sites, please contact the General Manager.

Standards of Conduct

CRMU has identified a set of core values that define the type of culture and treatment we maintain for our employees and customers. These core values are essential in developing an atmosphere for providing superior customer services. The core values are Integrity, Professionalism, Leadership, Innovation and Positive Environment.

Accordingly, it is important that all of us take responsibility to uphold these values in our dealings with the company and with co-workers. When for whatever reason, an employee fails to meet these standards, CRMU takes a constructive approach to disciplinary matters to insure that actions which interfere with a successful and efficient work place are not continued.

Attendance Standards

Good attendance is an acknowledged condition of employment at CRMU. Paid sick days are provided to recognize the need to compensate for occasional unavoidable absence.

All employees are expected to be on the job at their starting time. Any employee who is excessively absent is subject to disciplinary action, up to and including discharge.

Conduct Standards

Failure to meet CRMU's standards may result in: a friendly reminder; an oral warning; a written warning or discharge. In arriving at a decision for which action will be taken, the seriousness of the infraction, the past record of the employee, and the circumstances surrounding the matter will be considered.

Depending on the seriousness of the violation, and the attitude exhibited by the employee to an action taken, CRMU may forgo the friendly reminder, oral or written warnings, and immediately dismiss an employee. This policy is not a formal progressive discipline policy.

Infractions of Standards

Following is a list of infractions which may result in immediate termination:

- Theft, fraud, gambling, carrying weapons or explosives, or violation of criminal laws on company premises.
- Threatening, intimidating, coercing, using abusive language, or otherwise interfering with the performance of fellow employees.
- Performance which does not meet the requirements of the position, insubordination or refusal to comply with instruction, or failure to perform reasonable duties.
- Falsification of any customer, supplier, or company records, including deliberate alteration of employment applications, time cards or filing false insurance or worker's compensation claims.

- Deliberate damage, destruction, theft, or unauthorized removal of company property or of another employee's property.
- Willful violation of any safety rules, or unauthorized removal of safety guards.
- Engaging in personal work without permission.
- The use of alcoholic beverages on company premises (except at authorized company functions) or the possession, use, sale, or distribution of substances of abuse or drug paraphernalia while on duty or while off duty and on company property.
- Reporting to work or working under the influence of alcohol or habit forming drugs.
- Sleeping on company time.
- Assaulting or attempting to assault an employee, fighting on company property, or deliberately inciting anyone to engage in an assault or fight.
- Being in an unauthorized area, or examining records without authorization.
- Engaging in such other practices as may be inconsistent with the ordinary and reasonable rules of conduct necessary to the welfare of CRMU and its employees.
- Sexual or other unlawful or unwelcome harassment.
- Excessive absenteeism or absence without notice.
- Violation of policies.
- Unauthorized use of telephones, mail system, or other employee owned equipment.
- Unsatisfactory performance or conduct.
- Inappropriate use of CPNI.

This is not a comprehensive list and CRMU reserves the right to terminate any employee for actions not listed above.

Company Policy

Changes in Policy

Since CRMU believes in continuous improvement our business is constantly changing. Therefore, we reserve the right to change any of our policies, including those covered here, at any time. We will notify you of these changes by posting them on the bulletin board in the office or by other appropriate means. Changes will be effective on dates determined by the company and you may not rely on policies that have been superseded. No worker or supervisor other than the General Manager has any authority to alter the foregoing.

If you are uncertain about any policy or procedure, please contact the General Manager.

Employee Handbook Not a Contract

This handbook has been provided to you for the purpose of acquainting you with our policies, benefits and mutual responsibilities. It does not constitute a contract of employment in whole or in part. The company may add to, change or delete any of the contents at any time.

Employee Handbook Receipt & Acknowledgment

At Will Employer

I have received a copy of the CRMU Employee Handbook containing policies and regulations which apply to me. I also understand that a copy of the CRMU Employee Handbook is also available for viewing at <http://www.crmu.net>. I have read the Employee Handbook, and agree to abide by its terms as revised by the Board of Trustees of Coon Rapids Municipal Utilities from time to time. I understand that this Employee Handbook does not constitute a contract of continued employment for any specified term and that my relationship with CRMU is at-will such that either party can terminate the relationship at any time, with or without cause, and with or without prior notice.

In consideration of my employment, I (the employee) understand that just as I am free to resign at any time, CRMU reserves the right to terminate my employment at any time without cause and without prior notice. I also understand that no representative of CRMU has the authority to make any assurance to the contrary.

I further understand this Employee Handbook may be amended at any time. In that case, changes will be communicated to me.

Employee Signature

Employee's Name (Type or Printed)

Date

Please submit a copy of this acknowledgment to be kept in your personnel file and keep one copy for your records.