

HENDERSON-NINA WATER SYSTEM
VACATION POLICY

All full-time employees are provided with paid vacation according to the following policy. For the purpose of this vacation policy, an employee will be considered full-time if their regular work schedule requires that they work at least 35 hours per week. A day's vacation will equal the time of an employee's normal workday.

New full-time employees will be provided during their first year of hire 1-day vacation for each month worked and accrue no more than 10 days. If a new employee terminates, for any reason, prior to the anniversary hire date, any vacation previously used in the first full calendar year will be deducted from his/her final pay.

All vacation days will be made available on January 1 of each year. The number of vacation days for which an employee is eligible will be as follows:

Vacation Eligibility

| Years of Service | Total Days Vacation | May Carry Over |
|------------------|---------------------|----------------|
| 1-4 | 10 | 3 |
| 5-9 | 12 | 3 |
| 10-14 | 14 | 3 |
| 15-19 | 16 | 3 |
| 20 & Over | 18 | 3 |

Employees will lose any vacation not taken in excess of what can be carried over according to this policy unless the Board of Directors agree that the employee was unable to take the vacation days due to work related constraints in which case the Directors can decide to compensate the employee for vacation not taken or allow he/she to carry over these vacation days. Employees will not be allowed to borrow vacation from their next eligible vacation.

Should an employee leave the water system, all vacation not taken up to that point will be added to his/her final paycheck.

Vacation days can be taken as little as one day at a time. Each employee will have to schedule vacation on an individual basis with approval from the System Manager. In all cases vacation must be scheduled in advance, and there will be times when it is necessary to change or modify pre-scheduled vacation due to unforeseen work demands at the Water System. It is our intent that each employee has the opportunity to take his/her vacation whenever they would like to but this can only happen if the water system has proper coverage to maintain customer service.

The office clerk will be responsible for maintaining accurate records of vacation days taken by each employee.

Sign & date below once the above policy is read and understood.

Sign _____

Date _____

*** Approved by the Board of Directors July 1, 1996
*** Revised and Approved by Board of Directors October 8, 2001