

**Amendment No. 1
to
First Amended and Restated Employee Handbook**

This Amendment No. 1 to First Amended and Restated Employee Handbook (this “Amendment”) is made part of the Madras Aquatic Center Recreation District (“District”) First Amended and Restated Employee Handbook dated effective July 1, 2022 (the “Handbook”). This Amendment is made effective for all purposes as of January 1, 2023 (the “Effective Date”).

1. Findings and Purpose. District hereby adopts the following leave of absence policy amendment (the “Policy Amendment”). The Policy Amendment will be in full force and effect as of the Effective Date; provided; however, in accordance with applicable law an employee will not be eligible to receive family and medical leave insurance benefits under the Policy Amendment until September 3, 2023.

2. Amendment - Paid Family and Medical Leave. Section 17 – Leave of Absence contained in the Handbook provides eligible employees a leave of absence subject to and in accordance with the Handbook. The following Paid Family and Medical Leave (“PFML”) policy is added as Section 17(h) to the Handbook.

2.1 Subject to the terms and conditions contained in this Policy Amendment and the Handbook, each eligible employee (as defined below) will receive paid leave subject to and in accordance with this PFML policy. This PFML policy is intended to comply with the paid leave requirements provided under ORS 657B.015 et seq. If any part of this policy is in conflict with current applicable law, then applicable law takes precedence over the conflicting provision of this policy. All other non-conflicting provisions of this policy will remain in full force and effect. Employees seeking further information regarding this PFML policy should contact the Director.

(a) Definitions.

As used in this PFML policy, the following terms have the following meanings:

“Base year” means the first four of the last five completed calendar quarters preceding the benefit year.

“Benefit year” means the 12-month period as determined by the director of the Oregon Employment Department (“OED”) by rule under ORS 657B.340.

“Child” means (a) a biological child, adopted child, stepchild or foster child of an eligible employee or of the eligible employee’s spouse or domestic partner, (b) a person who is or was a legal ward of an eligible employee or of the eligible employee’s spouse or domestic partner, or (c) a person who is or was in a relationship of in loco parentis with an eligible employee or with the eligible employee’s spouse or domestic partner.

“Eligible employee” means an employee who (a) has earned at least \$1,000 in wages during the base year or if an employee has not earned at least \$1,000 in wages during the base year, an employee who has earned at least \$1,000 in wages during the alternate base year, and (b) may apply for paid family and medical leave insurance benefits under ORS 657B.015.

“Family and medical leave insurance benefits” means the wage replacement benefits that are available to an eligible employee under ORS 657B.050 for family leave, medical leave or safe leave.

“Family leave” means leave from work taken by an eligible employee to (a) care for and bond with a child during the first year after the child’s birth or during the first year after the placement of the child through foster care or adoption, or (b) care for a family member with a serious health condition. “Family leave” does not include leave described in ORS 659A.159 (1)(d) (to care for a child suffering from a condition which is not a serious health condition), ORS 659A.159 (1)(e) (to deal with the death of a family member), or ORS 659A.093 (military leave).

“Family member” for purposes of this policy includes the following: (a) the spouse of an eligible employee; (b) a child of an eligible employee or the child’s spouse or domestic partner; (c) a parent of an eligible employee or the parent’s spouse or domestic partner; (d) a sibling or stepsibling of an eligible employee or the sibling’s or stepsibling’s spouse or domestic partner; (e) a grandparent of an eligible employee or the grandparent’s spouse or domestic partner; (f) a grandchild of an eligible employee or the grandchild’s spouse or domestic partner; (g) the domestic partner of an eligible employee; or (h) any individual related by blood or affinity whose close association with an eligible employee is the equivalent of a family relationship.

“Medical leave” means leave from work taken by an eligible employee that is made necessary by the eligible employee’s own “serious health condition” as defined by ORS 659A.150.

“Safe leave” means leave taken for any purpose described in ORS 659A.272.

(b) Employee Contribution.

An employee is required to contribute 60% of the total contribution rate (as determined annually by the OED) of the employee’s wages. In accordance with ORS 657B.150, District will deduct the applicable employee contribution rate from each employee’s paycheck.

(c) District Contribution.

In accordance with ORS 657B.150, District will contribute 40% of the total contribution rate (as determined annually by the OED) of each employee’s wages. District may (but is not obligated to) contribute a percentage of the employee’s total contribution rate as identified above (which percentage contribution is determined by District annually and may be adjusted (or eliminated) in District’s sole discretion). The remaining balance (if any) of the employee’s contribution rate must be paid by the employee.

(d) Applying for Paid Leave.

Commencing September 3, 2023, an eligible employee must apply for family and medical leave insurance benefits directly through the OED. An employee may submit an application online at paidleave.oregon.gov.

(e) Permitted Purposes.

In accordance with ORS 657B.020 an eligible employee may qualify for family and medical leave insurance benefits for any of the following permitted purposes (or combination thereof): (a) family leave; (b) medical leave; or (c) safe leave. The OED has sole discretion to determine whether an employee is eligible (i.e., qualified) for family and medical leave insurance benefits. An employee who disagrees with the OED’s decision may appeal the decision under ORS 657B.410.

(f) Length of Leave.

In any one benefit year, an eligible employee is entitled to 12 weeks of paid leave for any of the permitted purposes (identified above), or combination thereof. An employee who takes the entire 12 weeks for family leave to bond with a child after birth may take an additional two weeks for limitations related to pregnancy, childbirth, and/or a pregnancy-related medical condition. Eligible employees may take leave consecutively or intermittently in increments equivalent to one workday or one workweek at a time.

(g) OFLA and FMLA while on PFML.

Any paid leave under this policy must be taken concurrently with any leave taken by an eligible employee under the Oregon Family Leave Act (“OFLA”) or the federal Family and Medical Leave Act of 1993 (“FMLA”).

Notwithstanding the immediately preceding sentence, an eligible employee who is taking leave under this policy in combination with OFLA and/or FMLA leave may take a total of 16 weeks of combined paid and unpaid protected leave in a single benefit year (or 18 weeks for an eligible employee with limitations related pregnancy, childbirth, and/or a pregnancy-related medical condition).

(h) Notice.

If the need for leave is foreseeable, an employee desiring to take leave must provide the employee's supervisor 30-days advance notice of his or her intention or need to take leave under PFML. If the need for leave is unforeseeable (i.e., in the case of an emergency), the employee must provide (a) verbal notice to the employee's supervisor within 24-hours of commencing leave, and (b) written notice the employee's supervisor within three days of commencing leave. Failure to provide appropriate notice under this policy may result in a reduction in the eligible employee's benefit amount as determined by the OED.

Any information related to an employee's notice/request for PFML will remain confidential. District will not disclose such information without express prior written consent of the employee unless disclosure is otherwise required by law.

(i) Benefits while on PFML.

If an employee is on approved PFML by OED, the employee will receive payment of wages directly from the OED. District is not responsible for an employee's wages while an employee is on leave under PFML and receiving family and medical leave insurance benefits from the OED. Notwithstanding the immediately preceding sentence, District will continue the employee's health insurance coverage (if any) under any "group health plan" on the same terms as if the employee had continued to work (i.e., District will continue to pay its share of the employee's medical insurance premiums during paid leave). An employee must continue to pay his or her share of medical insurance premiums before they are due. An employee on paid leave will not accrue seniority or any other employee benefits (e.g., vacation time) that may otherwise accrue while the employee is working. An employee may, but is not required to, exhaust all other paid time (e.g., paid sick time, vacation time, etc.) before applying for paid leave under this policy.

(j) Job Protection.

An employee returning to work from OED approved PFML will be reinstated to the employee's former position; provided, however, that the subject employee must have worked for District for no less than 90 days prior to commencement of the PFML. If the position has been eliminated, the employee may be assigned to an available equivalent position. Reinstatement is not guaranteed if the position has been eliminated for circumstances where the law does not require reinstatement.

(k) Return from Leave.

Employees are expected to promptly return to work when the circumstances requiring PFML under this policy have been resolved, even if the leave was originally approved for a longer period. Reinstatement will not be considered if the leave period exceeds the maximum allowed. Employees are on PFML under this policy because they are unable to work. Employees who work for other employers during their leave, or who use PFML for reasons other than the reason for which PFML had been granted, may be subject to disciplinary action up to and including termination of employment.

(l) Retaliation Prohibited.

District prohibits retaliation against an employee who takes leave in accordance with this PFML policy. Retaliation in violation of this PFML policy may result in disciplinary action up to and including termination of employment. An employee who believes that they may have been retaliated against for having inquired and/or taken leave under

this PFML policy is urged to promptly notify the employee's supervisor so that the employee's concerns may be investigated.

(m) Complaint Process under PFML.

An employee who alleges a violation of ORS 657B.015 et seq. may bring a civil action under ORS 659A.885 or may file a complaint with the Commissioner of the Bureau of Labor and Industries in the manner provided by ORS 659A.820.

3. Miscellaneous. This Amendment is hereby made part of the Handbook. The provisions of the Handbook that are not amended by this Amendment remain unchanged and in full force and effect.