

VOLUNTARY FURLOUGH POLICY

In an effort to proactively manage operational costs while minimizing the impact to our workforce, the City is implementing a Voluntary Furlough program. The City also recognizes the value of offering flexibility to employees, with the opportunity to take unpaid time off on a voluntary basis, and in doing so, offers the option for voluntary furlough time off to non-union regular full-time employees. Employees represented by a union, election judges, paid-on-call, temporary, and seasonal employees, and regular part-time employees are not eligible to utilize voluntary furlough time off.

This voluntary furlough policy is effective as a pilot program from 09/24/2025 through 12/31/2026. However, the City may rescind this policy at any time with seven (7) calendar days' notice.

An employee's request for voluntary furlough time off should be submitted to their supervisor as per departmental policy. Every effort will be made to honor the employees furlough time off requests, but management reserves the right to limit the number of staff off at any one time, taking workload, operations, and service needs into account. Furlough time should be taken in accordance with this policy.

- 1. Definition of furlough The voluntary taking of unpaid time off from work.
- 2. Furlough time needs to be requested by the employee and approved by a supervisor in advance and in writing; furlough time will not be an automatic or retroactive designation when an employee is off work on an unpaid status. A supervisor must notify Human Resources prior to approving an employee's request for furlough time. The employee must designate the time taken off as furlough on their timesheet as approved by their supervisor.
- 3. A full-time employee may utilize a maximum of 80 hours of unpaid furlough leave during a calendar year.
- 4. Furlough time taken of 80 hours or less in a calendar year will not affect benefit/leave accruals for full-time employees.
- 5. The City will continue to pay the employer portion of insurance benefits during the designated furlough time off.
- 6. PERA Leave Purchase: Employees have the ability to preserve their eventual retirement benefit by making a voluntary contribution to PERA for the member share, plus interest, of PERA service or salary reduced because of the furlough. Where an employee elects to make a member contribution related to a furlough, the City will make the employer matching contribution. Under PERA policy, both the member and employer contributions must be sent



to PERA together, and in accordance with PERA's policy. It is the employee's responsibility to coordinate the PERA leave purchase payment with the City. Additional information: <u>PERA</u> Leave Purchases.

- 7. Employees may take their furlough in full days, half days, or by the hour in increments of one (1) hour or greater; furlough time off does not need to be taken in consecutive days. Furlough time off may be taken as a block of time.
- 8. Salaried (exempt) employees: during the work week in which furlough time is used, exempt employees are considered non-exempt (hourly) and are not eligible or authorized to work more than 40 hours that work week. The employee will return to salaried (exempt) status the first day of the next workweek in which no furlough time is approved.
- 9. Furlough time off cannot create additional overtime either for the employee taking the furlough (before or after the furlough) or for other employees during the furlough (covering shifts, hours, duties, etc.). Time taken off as furlough will not be counted as actual hours worked (during the same pay period the time was taken) for the purposes of determining overtime eligibility.
- 10. Employees on an approved furlough may receive and respond to emails/calls related to their return-to-work plan with a supervisor; however, employees on approved furlough are prohibited from performing regular work duties and should not be responding to work emails or accessing systems or otherwise performing work.