

Career Service Rule Section 2-20 B. - Adoption, Amendment or Repeal of Career Service Rules (“Rules”). When the Board or the OHR Executive Director determines that a change in the Rules is necessary or desirable, the procedure shall be as follows: ... 2) The proposed rule change shall be posted on the same bulletin boards as the local, state, and federal-mandated posters, as well as the Career Service Board’s internet page, and made available to appointing authorities, employees, and the general public for comments and suggestions. A short summary of the proposed rule change and the reason(s) for the proposed change shall be posted with the proposed rule change... 4) A public hearing on the proposed rule change shall be held by the Board.

**PLEASE POST ON ALL BULLETIN BOARDS AS SOON  
AS POSSIBLE**

Public Hearing Notice No. 633

A Career Service Board Public Hearing has been scheduled regarding the proposed revisions to **Career Service Rule 11-27 Budget Required Furlough**.

A Career Service Board Meeting regarding Public Hearing Notice No. 633 is scheduled for **Thursday, December 17, 2020**. The public hearing starts at **9:00 AM** and will be conducted through a provided conference call number and available digital link through public notice of the agenda, released no later than two days prior to the scheduled meeting.

If anyone wishes to submit written comments or talk to OHR staff regarding this notice, please contact:

Office of Human Resources  
Employee Relations Team  
(720) 913-5710  
[ERSTeam@denvergov.org](mailto:ERSTeam@denvergov.org)

Comments regarding this notice should be submitted no later than **12:00 P.M. on Monday, December 14, 2020**.

If anyone wishes to address the Board regarding this notice please contact George Branchaud at (720) 913-5650 or at [george.branchaud@denvergov.org](mailto:george.branchaud@denvergov.org) no later than **12:00 P.M. on Wednesday, December 16, 2020** to get on the agenda. You are encouraged to submit written comments regarding the subject matter of your testimony at this time so that the Board has time to adequately consider your input.

**PLEASE POST ON ALL BULLETIN BOARDS  
AS SOON AS POSSIBLE**

**RULE PROPOSAL 63D**

**TO:** Appointing Authorities, Managers, and Employees  
**FROM:** Karen Niparko, OHR Executive Director  
**DATE:** December 3, 2020  
**SUBJECT:** Proposed revisions to Career Service Rule 11-27 Budget Required Furlough

**THIS PROPOSED PROVISIONAL REVISION TO THE CAREER SERVICE RULES IS BEING POSTED FOR PUBLIC COMMENT AND HEARING TO BE HELD ON**

**Thursday, December 17, 2020, at 9:00 A.M.**

CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
<p>H. Maintenance of benefits:</p> <p>1. During furloughs of three (3) consecutive months or less:</p> <p>a. employees will continue to earn PTO, or sick and vacation leave, and</p> <p>c. the City will continue paying its share of the employee's health, dental, and life insurance premiums.</p>	<p>H. Maintenance of benefits:</p> <p>1. During furloughs of three (3) consecutive months or less the City will continue to provide:</p> <p>a. employees with accrued PTO, or sick and vacation leave, and</p> <p>c. payment of the employer's share of the employee's medical, dental, and life insurance premiums.</p>	<p>11-27H.1.</p>	<p>These changes are for clarity only to emphasize what the City will continue providing.</p> <p>The change in subsection a. is only to clarify that these benefits are accrued.</p> <p>The changes in subsection c. are for clarity only including changing the wording from health to medical to be consistent with terminology.</p>

CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
<p>H.2. For furloughs exceeding one (1) month, the employee must arrange for payment of the employee's portion of the employee's health, dental, and life insurance premiums as well as supplemental insurance coverages such as vision and supplemental life insurance by executing a deduction agreement allowing the City to make monthly deductions from the employee's accrued paid leave (PTO or vacation leave) and holiday leave accruals equal to the amount of employee owed premiums.</p>	<p>H.2. For furloughs exceeding one (1) month, the employee must arrange for payment of the employee's portion of the employee's medical, dental, and life insurance premiums as well as supplemental insurance coverages such as vision and supplemental life insurance by executing a deduction agreement allowing the City to make monthly deductions from the employee's accrued paid leave (PTO or vacation leave) and holiday leave accruals equal to the amount of employee owed premiums. Upon exhaustion of paid leave, employees must deposit the amount of all premiums due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.</p>	<p>11-27H.2.</p>	<p>This changes the word health to medical.</p> <p>The rest of the changes are conforming revisions to bring the Career Service rules in compliance with the Affordable Care Act (ACA). The ACA's measurement and stability period requires employers to provide employees with 12 months of affordable medical coverage if they worked more than 1560 hours in the previous 12 months.</p> <p>The current rule requires the employee to pay for the full cost of their medical insurance after three (3) months, which is prohibited.</p>
	<p>3. For furloughs exceeding three (3) consecutive months, benefits will be administered as follows:</p> <p>a. City contributions to the employer's portion of medical premiums will continue for the length of the stability period as defined in DRMC Sec. 18-172(2). The employee must arrange for payment of the employee's portion of the employee's medical benefits through the deduction agreement referred to above and upon exhaustion of paid leave, employees must</p>	<p>11-27H.3.a.</p>	<p>This is a conforming revision to bring the Career Service rules in compliance with the Affordable Care Act (ACA). The ACA's measurement and stability period requires employers to provide employees with 12 months of affordable medical coverage if they worked more than 1560 hours in the previous 12 months.</p>

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	<p>deposit the amount of all premiums due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.</p>		
	<p>3. For furloughs exceeding three (3) consecutive months, benefits will be administered as follows:</p> <p>b. City contributions to dental, and life insurance shall be discontinued. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.</p>	11-27H.3.b.	<p>This addition is necessary to limit the City's contribution to non-medical plan elections to three months and to identify how employees may continue these coverages.</p>
	<p>4. For furloughs extending more than twelve (12) consecutive months, benefits will be administered as follows:</p> <p>a. City contributions to the employer's portion of medical premiums will be discontinued. An employee may continue to receive medical benefits by paying both the employer and the</p>		<p>This is a conforming revision to bring the Career Service rules in compliance with the Affordable Care Act (ACA). The ACA's measurement and stability period requires employers to provide employees with 12 months of affordable medical coverage if they worked more than 1560 hours in the previous 12 months.</p>

CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
	<p>employee cost of continuing coverage by depositing the amount due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.</p>		
	<p>4. For furloughs extending more than twelve (12) consecutive months, benefits will be administered as follows:</p> <p>b. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.</p>		<p>This addition is necessary to identify how employees may continue these insurance coverages.</p>
<p>H.3. If an employee resigns employment or is laid off from the City during or after an extended furlough of 30 consecutive days or more, the City will deduct any unpaid employee benefit premiums from the employee's accrued paid leave and holiday leave accrual prior to the payout of those amounts as addressed in CSA Rules 10-26 and 10-36.</p>	<p>H.5. If an employee resigns employment or is laid off from the City during or after an extended furlough of 30 consecutive days or more, the City will deduct any unpaid employee benefit premiums from the employee's accrued paid leave and holiday leave accrual prior to the payout of those amounts as addressed in CSA Rules 10-26 and 10-36.</p>	<p>11-27H.3.</p>	<p>Change in numbering to H.5</p>

CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
H.4. After three (3) consecutive months of extended furlough, the employee may apply for benefits through COBRA.	n/a	11-27H.4.	Deleted to be in compliance with the ACA.

**DELETIONS ARE INDICATED BY strike through AND ADDITIONS ARE INDICATED BY bold, italics, and underline.**

### **11-27 Budget Required Furlough**

The following rules apply when the Mayor of the City and County of Denver decides to furlough city employees, or to allows appointing authorities to furlough employees of their agencies, due to budgetary reasons.

- A. This Rule is intended to comply with the Fair Labor Standards Act regulation 29 C.F.R. § 541.710, which permits furloughs for budgetary reasons without affecting the exemption status of an overtime exempt employee except in the workweek in which the furlough occurs and for which the employee's pay is accordingly reduced. Exempt employees become non-exempt employees during any week that a furlough day is taken. Furlough hours are not considered hours worked for purposes of calculating overtime.
- B. Furlough days are based on an eight-hour workday. In order to ensure the cost savings that furloughs are intended to achieve, during the workweek in which an employee takes one or more furlough days, the furlough hours taken and hours actually worked plus any paid leave taken (including holidays and comp time used) should not total more than forty (40) hours. An employee who exceeds this 40-hour limitation will not get full credit for the furlough hours taken in that week. Instead, those furlough hours will be reduced in proportion to the overage and have to be made up on another date, preferably within the same payroll period.
- C. Scheduled furlough days declared by the Mayor will be taken in eight (8) hour increments, unless an employee receives supervisory approval to work part of the day and make up the remaining hours at a later time, preferably within the same payroll period. The Department of Finance will determine how furloughs declared by the Mayor, other than scheduled furlough days, will be implemented, including whether they may be taken in less than eight (8) hour increments. When the Mayor has allowed an appointing authority to furlough employees, the appointing authority may determine how such furloughs will be implemented.
- D. The Mayor may exempt certain employees and/or classifications from mandatory furloughs in order to maintain essential City services or for other necessary business reasons.
- E. During the period of time in which the Mayor has declared mandatory furloughs, employees may take additional voluntary furlough days with the prior approval of the employee's appointing authority. Except as otherwise provided, the same rules apply to voluntary furloughs that apply to mandatory furloughs.
- F. If the Mayor decides to impose, or allows an appointing authority to impose, an extended furlough of 30 consecutive days or more, the number of consecutive furlough days taken shall not count towards the probationary period of employees on employment probation when placed on the extended furlough. Such employees will resume their probationary

period upon returning from the extended furlough. This suspension of the probationary period during an extended furlough shall not be considered an extension of employment probation under Rule 5-34.E.

G. If an employee on extended furlough of 30 consecutive days or more obtains other employment, the employee must promptly submit to their supervisor and/or OHR either a request for approval of outside employment in accordance with the Denver Code of Ethics or a notice of resignation effective no later than one day prior to the first day of their new employment.

H. Maintenance of benefits:

1. During furloughs of three (3) consecutive months or less **the City will continue to provide:**

a. employees **with accrued** ~~will continue to earn~~ PTO, or sick and vacation leave, and

b. ~~receive~~ paid holiday leave for observed holidays, even if the workday immediately preceding and/or immediately following the holiday is a scheduled furlough day, and

c. ~~The City will continue paying~~ **payment of** ~~it's~~ **the employer's** share of the employee's ~~health,~~ **medical,** dental, and life insurance premiums.

2. For furloughs exceeding one (1) month, the employee must arrange for payment of the employee's portion of the employee's ~~health,~~ **medical,** dental, and life insurance premiums as well as supplemental insurance coverages such as vision and supplemental life insurance by executing a deduction agreement allowing the City to make monthly deductions from the employee's accrued paid leave (PTO or vacation leave) and holiday leave accruals equal to the amount of employee owed premiums. **Upon exhaustion of paid leave, employees must deposit the amount of all premiums due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.**

**3. For furloughs exceeding three (3) consecutive months, benefits will be administered as follows:**

**a. City contributions to the employer's portion of medical premiums will continue for the length of the stability period as defined in DRMC Sec. 18-172(2). The employee must arrange for payment of the employee's portion of the employee's medical benefits through the deduction agreement referred to above and upon exhaustion of paid leave, employees must deposit the amount of all premiums due with the City's**

**COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.**

**b. City contributions to dental, and life insurance shall be discontinued. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.**

**4. For furloughs extending more than twelve (12) consecutive months, benefits will be administered as follows:**

**a. City contributions to the employer's portion of medical premiums will be discontinued. An employee may continue to receive medical benefits by paying both the employer and the employee cost of continuing coverage by depositing the amount due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.**

**b. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.**

**3-5.** If an employee resigns employment or is laid off from the City during or after an extended furlough of 30 consecutive days or more, the City will deduct any unpaid employee benefit premiums from the employee's accrued paid leave and holiday leave accrual prior to the payout of those amounts as addressed in CSA Rules 10-26 and 10-36.

~~4. After three (3) consecutive months of extended furlough, the employee may apply for benefits through COBRA.~~

I. Nothing herein precludes the Mayor from designating specific furlough days or otherwise determining how to implement furloughs.

## **11-27 Budget Required Furlough**

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- B. Furlough days are based on an eight-hour workday. In order to ensure the cost savings that furloughs are intended to achieve, during the workweek in which an employee takes one or more furlough days, the furlough hours taken and hours actually worked plus any paid leave taken (including holidays and comp time used) should not total more than forty (40) hours. An employee who exceeds this 40-hour limitation will not get full credit for the furlough hours taken in that week. Instead, those furlough hours will be reduced in proportion to the overage and have to be made up on another date, preferably within the same payroll period.
- C. Scheduled furlough days declared by the Mayor will be taken in eight (8) hour increments, unless an employee receives supervisory approval to work part of the day and make up the remaining hours at a later time, preferably within the same payroll period. The Department of Finance will determine how furloughs declared by the Mayor, other than scheduled furlough days, will be implemented, including whether they may be taken in less than eight (8) hour increments. When the Mayor has allowed an appointing authority to furlough employees, the appointing authority may determine how such furloughs will be implemented.
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- E. During the period of time in which the Mayor has declared mandatory furloughs, employees may take additional voluntary furlough days with the prior approval of the employee's appointing authority. Except as otherwise provided, the same rules apply to voluntary furloughs that apply to mandatory furloughs.
- F. If the Mayor decides to impose, or allows an appointing authority to impose, an extended furlough of 30 consecutive days or more, the number of consecutive furlough days taken shall not count towards the probationary period of employees on employment probation when placed on the extended furlough. Such employees will resume their probationary period upon returning from the extended furlough. This suspension of the probationary

period during an extended furlough shall not be considered an extension of employment probation under Rule 5-34.E.

G. If an employee on extended furlough of 30 consecutive days or more obtains other employment, the employee must promptly submit to their supervisor and/or OHR either a request for approval of outside employment in accordance with the Denver Code of Ethics or a notice of resignation effective no later than one day prior to the first day of their new employment.

H. **Maintenance of benefits:**

1. During furloughs of three (3) consecutive months or less the City will continue to provide:
  - a. employees with accrued PTO, or sick and vacation leave, and
  - b. paid holiday leave for observed holidays, even if the workday immediately preceding and/or immediately following the holiday is a scheduled furlough day, and
  - c. payment of the employer's share of the employee's medical, dental, and life insurance premiums.
2. For furloughs exceeding one (1) month, the employee must arrange for payment of the employee's portion of the employee's medical, dental, and life insurance premiums as well as supplemental insurance coverages such as vision and supplemental life insurance by executing a deduction agreement allowing the City to make monthly deductions from the employee's accrued paid leave (PTO or vacation leave) and holiday leave accruals equal to the amount of employee owed premiums. Upon exhaustion of paid leave, employees must deposit the amount of all premiums due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.
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result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.

- b. City contributions to dental, and life insurance shall be discontinued. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.

- 4. For furloughs extending more than twelve (12) consecutive months, benefits will be administered as follows:

- a. City contributions to the employer's portion of medical premiums will be discontinued. An employee may continue to receive medical benefits by paying both the employer and the employee cost of continuing coverage by depositing the amount due with the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.

- c. An employee may continue dental, and life insurance, as well as any supplemental insurance coverages (i.e. vision and supplemental life), by depositing the entire cost to the City's COBRA administrator every month. The employee's failure to pay premiums will result in coverage being cancelled. Insurance coverages that are cancelled cannot be reinstated until the next open enrollment period.

- 5. If an employee resigns employment or is laid off from the City during or after an extended furlough of 30 consecutive days or more, the City will deduct any unpaid employee benefit premiums from the employee's accrued paid leave and holiday leave accrual prior to the payout of those amounts as addressed in CSA Rules 10-26 and 10-36.

- I. Nothing herein precludes the Mayor from designating specific furlough days or otherwise determining how to implement furloughs.