



Legislation Text

File #: 18-412, **Version:** 1

City Council Meeting Date: August 21, 2018

To: Mayor and City Council
City Administrator Ben Martig

From: Communications & Human Resources Director Michelle Mahowald

Discuss Paid Parental Leave as a New Employee Benefit.

Action Requested:

Discuss paid parental leave after review and discussion by the Council Employment Policy Committee.

Summary Report:

The Council Employment Policy Committee has reviewed information related to Paid Parental Leave at the June and July 2018 meetings. Staff researched paid parental leave policies from Northfield employers and other cities all located in the metro area. Summary data attached. The Committee recommended full discussion by the City Council as the next step in this process.

Background Information:

1. Childbirth, adoption, and foster child placement can take a significant financial and emotional toll on working parents, and thereby can impair their ability to serve the public. Paid parental leave programs benefit children and families. Paid parental leave can reduce the risk of infant mortality and increase the likelihood of infants receiving well-baby care and vaccinations. Fathers who take time off from work around childbirth are likely to spend more time with their children in the months following their children's birth, which could reduce stress on the family and contribute to father-infant bonding. This benefit is proven to strengthen families and workplaces.
2. *Innovo Benefits* (the city's health insurance administrator) provided the following summary of key findings after research on *Transforming Maternity Care* <http://transform.childbirthconnection.org>: (Attachment 6 contains the Hyperlink)
 - 58% of women who had cesareans considered pain at the site of the incision to have been a problem in the first two months after birth, with 19% citing it as a major problem, and 16% saying the problem persisted at least 6 months.
 - 41% of women who had vaginal births considered perineal pain to be a problem in the first two months after birth, with 11% citing painful perineum as a major problem and 7% saying the problem persisted at least 6 months; perineal pain was related to having an episiotomy.
 - 13% of women had been hospitalized since giving birth. Pain related to childbirth was the most common reason, with 3% of all women re-hospitalized for a pain-related problem.

3. According to *Morneau Shepell*, the City of Northfield's Employee Assistance Program, postpartum depression (PPD) affects approximately 10 to 20 percent of new mothers. Its onset can begin days, weeks or even months after delivery.

The City of Northfield follows Family Medical Leave (federal law) and Pregnancy and Parental leave policies (state law) for requests of maternity or paternity leaves due to birth or adoption. (Attachments 1 & 2). Both run concurrent and allow up to 12 weeks of unpaid leave for employees who have worked 1,250 hours in the past 12 months. During that period, employee's jobs are protected and arrangements are made to continue employer paid benefits. Employees are required to use accrued sick and vacation time before an unpaid leave. Full-time employees accrue sick and vacation hours. Attachments 3 (Vacation Leave Policy), 4 (Sick Leave Policy), and 5 (Vacation Leave Donation Policy).

Providing Paid Parental Leave may help attract and retain employees and may reduce employee turnover. Paid Parental Leave supports Northfield's commitment to being a progressive employer of choice and we will be less likely to lose good employees.

In most cases, employees who are new parents have very little accrued leave available due to being younger and/or newer employees. Using accrued leave significantly drains their sick and vacation banks, leaving little or no paid time available after they return to work.

Following input, staff will draft a policy to be effective January 1, 2019 to financially assist new parents. This policy is comparable to a few other cities in the metro area that have approved a paid parental leave program. It will apply to both mothers and fathers.

Other policy highlights include:

- (1) All genders are encouraged to use paid parental leave.
- (2) Employees must work at least 14 hours per week or more to be eligible for Paid Parental Leave.
- (3) Eligible employees may use Paid Parental Leave immediately upon hire. Employee is not eligible for FMLA (federal law) or Pregnancy/Parental Leave (State Law) if employee has not worked 1,250 hours in the previous 12 months.
- (4) Paid parental leave is 100% of the employee's normal base wage.
- (5) The requested leave must be used within one year after the date of birth of an employee's child or date of placement within the employee's home of an adopted or foster child.
- (6) Eligible employees who have worked 1,250 hours in the previous 12 months are also eligible for family medical leave, Pregnancy and Parental Leave. Paid Parental Leave does not extend the length of these leaves.
- (7) The program does not apply to sperm or egg donors.
- (8) Voluntary Short Term Disability Insurance is available for employees to purchase to help supplement this leave (4 weeks normal delivery; 6 weeks cesarean).

Alternative Options:

Council discuss financial options.

Financial Impacts:

The Council Employment Policy Committee asked for benefits costs at 2-4 weeks. The City of Northfield averages three births per year. The City has budgeted for the cost of 2019 wages based off current employees

ages 20-45 in permanent part and full time job classifications:

Three per year at 2 weeks (10 days): \$16,907

Three per year at 3 weeks (15 days): \$25,360

Three per year at 4 weeks (20 days): \$33,813

Tentative Timelines:

Discuss and consider policy approval in the fall of 2018.