

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:		Item Type:		1 st Reading		2 nd Reading
10/20/2021 File No.: 21-259		Resolution	Ordinance Reading	8/18/2021		9/1/2021
		Ordinance	Public Hearing		\boxtimes	⊠
		Other	Advertising Required			
			Quasi Judicial:			
Fiscal Impact (\$):		ccount Balance (\$):	Funding Source:	Proje		ct Number :
\$0		\$0	N/A			N/A
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:		Department:	
□ Yes ⊠ N	0	N/A	Radu Dodea, Human Resources Director		Human Resources/Risk Management	
Strategic Plan Focus Areas:						
☐ Finance & Budget			ganizational Capacity		☐ Infrastructure/Projects	
Implementation Timeline:						
Estimated Start Date: 10/20/2021 Estimated End Date: N/A						

SHORT TITLE:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, CREATING CHAPTER 2, "ADMINISTRATION," SECTION 2-7 ADOPTING AND CODIFYING THE PROVISION OF PAID PARENTAL LEAVE FOR CITY EMPLOYEES; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

At the City Commission meeting held on February 3, 2021, staff was directed to explore the feasibility and economic/fiscal impact of implementing a paid parental leave benefit for City employees for the birth, adoption, or placement of a foster child and to bring back for discussion.

An Agenda Item was submitted for the June 2, 2021 City Commission Regular Meeting and a resolution was adopted to direct Staff to prepare an ordinance for the implementation of a Paid Parental Leave Policy for City Employees.

Background:

While no federal laws require us to provide paid parental leave, it is a valuable benefit to our employees as well as to their families. Additionally, implementing a paid parental leave policy is an attractive tool that is useful in recruiting talented workers.

Workers oftentimes face tension in balancing their roles as parents and workers, especially if there are adverse consequences for missing too much time from work due to the birth, adoption or foster placement of a child. Employees of the City, having worked at least 1,250 hours in the previous 12 months, have job protection under the Family Medical Leave Act (FMLA) for up to 12 weeks following the birth, adoption, or fostering of a child. FMLA leave is unpaid; however, the employee may use their accrued leave. A paid parental leave policy would be an added benefit to those employees (women and men) who need that continued income following the birth, adoption or foster placement of a child.

The City's average number of births per fiscal year for the period October 1, 2017 through present, pursuant to the FMLA data on file, is seven (7).

Current Situation:

Local government agencies in the State of Florida and around the country have begun adopting paid parental leave policies (PPL).

A review of the PPL policies summarized in Exhibit 2, Paid Parental Leave Policies for Municipal Employees, indicates the most common benefit duration being offered is six (6) to twelve (12) weeks of paid leave. Employees must have worked for the organization at least one (1) year, and leave must run concurrent with FMLA. In addition to the birth of a child, leave is also provided for the adoption of a child or placement of a foster child. Some of the agencies offer 100% of a full-time employee's (FTE) base salary for the duration of leave, while others offer a reduced percentage of salary per two-week segment of leave.

FMLA data shows the average number of leave hours taken for the birth, adoption, or placement of a foster child for employees is 480 hours (12 weeks).

Staff has drafted the attached PPL policy (Exhibit 3) with the following provisions:

- ✓ This Policy will provide paid parental leave to City workers, after one (1) year of continuous service with the City;
- ✓ Employees will be entitled to up to twelve (12) weeks of paid parental leave for the purpose of caring for her or his newborn, newly-adopted, or newly-placed foster child or children;
- ✓ This leave shall apply equally to parents regardless of gender, as well as to same-sex couples;
- ✓ The leave period shall not exceed twelve (12) weeks per birth, adoption of foster care placement regardless of the number of children born, adopted by the employee, or placed in the employee's home through foster care;
- ✓ During the leave period, the employee shall be paid 100 percent of her or his base wages for the twelve (12) weeks period;

- ✓ This leave shall occur concurrently with, count against, and not be added to periods of unpaid or job protected leave for which the employee may also be eligible, including the federally-mandated 12 weeks of FMLA leave, and/or any other unpaid leave;
- ✓ The number of paid parental leave period an employee may take is unlimited over the duration of her or his employment with the City, but employees are only eligible for one twelve-week paid leave per birth, adoption, or foster care placement;
- ✓ If both parents are City employees, each employee is entitled up to a twelve-week leave period and they make take their parental leave period concurrently, subsequently, or in any other combination but not to be taken intermittently.
- ✓ Under paid parental leave, an employee may not use any paid parental leave unless the employee agrees in writing, before commencement of the leave, to subsequently work for the City for at least 12 weeks.
 - Failure to meet the 12 week work obligation will require the employee to reimburse the City the total amount of any Employer contribution the City paid to maintain the employee's health insurance coverage during the period that paid parental leave was used.
 - The City Manager may waive the work obligation if an employee is unable to return to work because of the continuation, recurrence, or onset of a serious health condition of the employee or the newly born/placed child.

Why Action is Necessary

It is the intent of the City Administration to create and maintain a work culture that supports employees in their effort to balance their work responsibilities with the demands of personal and family life. This is a valuable benefit to our employees, as well as their families. The PPL Policy supports these goals and values by allowing parents additional flexibility and paid time to bond with their new child, adjust to their new family situation, and balance their professional obligations.

Action is necessary to adopt the attached ordinance requiring the City Manager to implement and maintain a Paid Parental Leave Policy for City Employees.

Cost benefit:

Historically, leave usage is taken into account as part of the City's annual budget development process. All City employees are budgeted 2080 hours annually. All full-time City employees accumulate 96 hours of leave for sick and at least 104 hours of vacation leave annually. So whether employees work or utilitze their accrued leave, the funding to pay an employees' full salary is included in the budget. Additionally, there are some departments that take into account both anticipated and unanticipated leave usage that occurs during the year to ensure City services are not interrupted by budgeting overtime or use of temporary staffing. Generally, during extended employee's leave, work may be distributed among existing staff.

With the adoption of this Paid Parental Leave Policy, employees could have more accrued leave available in the future, and therefore could potentially have higher saparation payments upon leaving the City.

The cost of offering paid parental leave benefits is difficult to predict and staff would recommend tracking the actual costs associated with the policy (if adopted) and reporting them annually for a period of time in order to determine the true cost of the benefit. As a point of reference, staff calculated the value of this benefit to an employee that is eligible, based on the average hourly rate of all employees eligible for the benefit multiplied by the maximum eligible Paid Parental Leave time afforded to obtain and estimated value of \$14,906. Furthermore, based on the same average hourly rate for all employees eligible for this benefit, and those employees eligible for additional Assignment Pay, staff calculated a potential additional impact of \$1,136 to provide a

5% Assignment Pay for an employee that would be assigned additional duties and responsibilities during the duration of leave.

PROPOSED ACTION:

Staff recommends approval on second reading of the attached Ordinance authorizing the implementation of a paid parental leave benefit for City employees for the birth, adoption, or placement of a foster child.

ATTACHMENT(S):

Exhibit 1 – Ordinance

Exhibit 2 – Summary of Paid Parental Leave Policies for Municipal Employees

Exhibit 3 – Paid Parental Leave Policy

Exhibit 4 – Paid Parental Leave Presentation

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Radu Dodea

Human Resources Director

Reviewed By: <u>Noemy Sandoval</u>

Noemy Sandoval

Assistant City Manager

Approved By: Jeremy Earle

Jeremy Earle City Manager