


## MEMORANDUM

**DATE:** March 7, 2016

**TO:** Mayor John Stokes and Fellow Councilmembers

**FROM:** Councilmember Jennifer Robertson 

**RE:** Council Business and New Initiatives – Request for Direction to Staff Regarding Evaluation of Paid Parental Leave

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During the January 4, 2016 meeting, I brought up the idea of the City of Bellevue considering adding a defined parental leave benefit for our employees. Due to the staff work for this project exceeding the “8-hour rule” for Councilmember projects, Council concurrence is necessary to start this process. This memo summarizes some of the reasons for considering this type of policy and establishes the project scope of work for which I am asking Council concurrence to keep staff moving forward to bring this back for Council consideration.

### **A. Rationale for this request.**

There are several reasons that I believe it is time to consider this type of policy for our employees.

1. **Supporting families and children is a Bellevue core value.** Bellevue has a culture of being supportive of families and creating a strong support network for the children. This support has been demonstrated by the Council, the City and the community time-and-time-again in our partnerships with human services organizations, support for affordable housing, the wrap around service program in partnership with Bellevue School District, our support of Eastside Pathways, and the recent passage of the “Best Starts for Kids” levy. Having a strong parental leave policy is supportive of children and families and leads to better outcomes for both, including healthier children and lower rates of poverty for families.
2. **Recruiting and retaining top notch employees is important for providing excellence in government.** The age and duration of service by Bellevue employees demonstrates that we will be facing many retirements in the next decade which means Bellevue will need to continue to attract employees in an increasingly competitive environment. These new employees will likely be younger and moving into the age where parental leave policies could make the difference between both the initial recruitment of the top employees and employee retention.
3. **Offsetting the health care reductions with a new type of benefit is one way to provide fairness and consideration to employees.** The Affordable Care Act “Cadillac Tax” provision will be taking effect in coming years, As a result, Bellevue will need to scale back our health care to avoid transferring Bellevue tax dollars to the federal government.

Adding a parental leave benefit will be one way to offset a reduction in our health care benefits.

There are many more reasons for my support of studying this policy, but it all comes down to being the right thing to do and the right time to do it. It's a budget year in 2016, so now is an appropriate time to thoroughly consider an issue that will have a budgetary impact.

**B. Scope of Work.**

In order to analyze and consider the policy and financial implications of adding this type of policy to our employee benefit package, staff will need to undertake the work to inform the Council of the options and the costs/benefits of the various options. I have worked with the HR Department to develop a Scope for this project. This work would include the following:

**Project Request:** Have the Staff in the Human Resources Department conduct research and provide a cost analysis and feasibility of the City of Bellevue of offering a new paid parental leave program for employees of the City of Bellevue

**Scope:** Addressed the following items in detail for a potential budget request in the 2017-2018 budget cycle:

1. Provide information on the current parental leave benefits offered by the City of Bellevue, including:
  - a. The average cost of existing benefits across the board for the city on an annual basis.
  - b. The Typical Usage of such benefit(s).
2. Provide Information and a Comparison of Programs on a Regional and National Level
  - a. What these plans offer.
  - b. The average cost to the organization
  - c. What policies instigated or support such program.
  - d. Whether it is a state or local program.
  - e. Whether it is Employer or Employee funded or a shared cost.
3. Policy Development
  - a. What is the driver/reason for the plan
  - b. How the leave program would work
  - c. Who would qualify
  - d. What is qualifying reason
  - e. Benefit (% of pay)
  - f. Maximum benefit period
  - g. Whether or not to require to use other accrued leaves
  - h. Will it run concurrently with other programs (federal and state)
  - i. Is there job protection during paid leave or during extended unpaid leave
  - j. Other elements
  - k. Other options

4. Financial Impact to the City of Bellevue
  - a. Cost of a variety of options
  - b. Current and future \$ impact (demographic shift)
  - c. Replacement costs (temporary workers/backfill at OT rate)
  - d. What the rate of departing workers has been without a paid parental leave policy
  - e. Costs to replace workers who leave (i.e. what are the costs of employee recruitment and training if we don't expand the program)
  - f. Scalability
  - g. Administrative costs
  - h. Technology costs/needs
  - i. Communication needs
  - j. Program development and implementation
5. Non-financial benefit/cost analysis
  - a. Impact on recruitment and retention
  - b. Satisfaction and engagement
  - c. Productivity
  - d. Culture identity
  - e. Support balance
  - f. Co-worker impact
  - g. Non-union / union workforce
6. Estimated time to complete: May 20, 2016

**C. Action Requested.**

I am requesting that the Council support initiation of this project as described above in time for and for potential inclusion in this year's Budget One process. As such, after Council has had the opportunities to discuss and ask questions for me and staff, I plan to make the following motion:

**MOTION:** *I move to direct the Human Resources Staff to initiate the project described in the Council business materials of March 7, 2016 to evaluate adding a parental leave program for the City of Bellevue employees, including providing information, analysis, project schedule and options to the Council as part of the 2017-18 Budget Process.*

I am hopeful to not only have a second to my motion, but strong Council support as well!

Please let me know if you have any questions. I look forward to a positive discussion on this issue on Monday, March 7, 2016.