



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE:** FEBRUARY 24, 2026

FROM: HUMAN RESOURCES DEPARTMENT **WARDS:** ALL

SUBJECT: ACCEPTANCE OF BLUE SHIELD OF CALIFORNIA WELLNESS FUND ALLOWANCE IN THE AMOUNT OF \$70,000 - SUPPLEMENTAL APPROPRIATION

ISSUE:

Acceptance of a Wellness Fund Allowance from Blue Shield of California and authorization of a supplemental appropriation in the amount of \$70,000 for use by the Human Resources Department for the employee Wellness Program.

RECOMMENDATIONS:

That the City Council:

1. Accept \$70,000 from Blue Shield of California as a Wellness Fund Allowance to provide various employee wellness programs and initiatives; and
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record and increase in revenue in the amount of \$70,000 and appropriate expenditures in an equal amount in the Grants & Restricted Programs Fund, Human Resources-Admin, Wellness Program revenue and expenditure accounts.

BACKGROUND:

As part of the 2025 plan year health insurance renewal process, Blue Shield of California authorized a \$70,000 donation to the City to be utilized towards funding of the City's employee Wellness Program.

The City's Wellness Program has been in place since June 2009. The Program focuses on four elements of Wellness: Physical, Professional, Emotional and Financial. The mission of the City's Wellness Program is, "To foster and encourage a healthy lifestyle that focuses on the four essential elements of wellness. To ensure that employees have the tools and resources necessary to succeed in each aspect of wellness, which is an integral part of a motivated and successful workforce."

DISCUSSION:

The Benefits Division of the Human Resources Department is requesting the authorization to accept the Blue Shield of California Wellness Fund Allowance and appropriate the funds to the Wellness Program to cover employee wellness activities, including wellness challenges, incentives, employee flu shots, wellness workshops, and other related employee wellness programs.

Annual Wellness Fund Allowances are not guaranteed, and the receipt of future allowances is unknown. Blue Shield of California can provide these funds until January 31 of the following year.

The Human Resources Department intends to utilize the Wellness Fund Allowance towards future annual Wellness fairs, to cover the cost of flu shots, purchase incentives for participants; and offer other wellness programs including wellness workshops/fairs/activities and biometric screenings to all city employees.

FISCAL IMPACT:

The fiscal impact of this recommendation is an increase in revenue in the amount of \$70,000 and an equal amount appropriated in the Grants & Restricted Programs Fund, Human Resources-Admin, Wellness Program revenue account 2100001-374219 and expenditure account 2100001-453221, respectively.

Prepared by: Michelle Vizcarra, Principal Human Resources Analyst

Approved by: Rene Goldman, Human Resources Director

Certified as to

availability of funds: Julie Nemes, Interim Finance Director

Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer

Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Wellness Fund Allowance Assumptions