

PHYSICAL AND MENTAL WELLBEING OF CITY OF SANTA FE EMPLOYEES.

ONE YEAR EXTENSION EVALUATION:
MID POINT FY26



Physical and Mental Wellbeing of City of Santa Fe Employees Proposed Rules

Two New Rules Fall Under *Rule 13 Leave* of the City of SF Personnel Rules/Regulations and Policies

1. Rule 13.91 Wellness Day Leave

2. Rule 13.92 Two-Hour Weekly Physical & Mental Fitness Leave.

*Rules Went Into Effect on July 1, 2023.

- Granted 1 Year Extension to Gather Robust Data.
- Required Mandatory Survey Response for all Participating Employees

Rule 13.91 Wellness Day Leave: One (1) Wellness Leave Day

1. Rule 13.91 Wellness Day Leave: One (1) Wellness Leave Day

- a) Available to ALL City employees who are classified full-time and part-time, exempt, and term employees, who have successfully completed the employee Probationary Period.**
- b) Must be taken within the current calendar year, or it is forfeited.**
- c) Upon separation of employment, employees will not be compensated**

Rule 13.92 Two-Hour Weekly Wellness Program: Physical and Mental Fitness Leave.

1. Employees may take up to two hours per week for fitness and wellness activities, available to all full-time and part-time, exempt, and term employees who have passed their probationary period.
2. Employees must request a modified schedule through the standard process for flexible arrangements.
3. Time is designated for physical and mental fitness activities and requires approval from an immediate supervisor, Division Director, Department Director, and City Manager.
4. Usage options:
 - i. Four half-hour segments over four days during the lunch period.
 - ii. Two full hours either in the morning or afternoon over two days.

Measuring the Effectiveness of the Physical and Mental Wellbeing Program



How to Measure Effectiveness

What Type of Data is Quantifiable?

1. Enrollment and Utilization Rates:

1. **Data to Collect:** Track how many employees are using the fitness & wellness leave and how often. Gauges the level of participation and immediate uptake of the policy.

2. Healthcare Costs:

- **Data to Collect:** Overall Claims, Sick Leave, Total Leave Cost

How to Measure Effectiveness

What Type of Data is Qualitative?

1. Employee Satisfaction and Morale:

- **Data to Collect:** Conducted survey to assess employee satisfaction, morale, and their perception of work-life balance. Is the policy positively impacting employee well-being.

2. Usage Patterns:

- **Data to Collect:** What was primary use of the program time for Physical Fitness Activities or for Mental Wellbeing Practices.

3. Feedback Mechanisms:

- **Data to Collect:** Establish feedback channels where employees can express their views on the policy's effectiveness and suggest improvements.

Quantifiable Data

EE Enrollment and Utilization Rates Findings Mid Point FY 26

- **FY26 (07/01/2025 to 12/31/2025)**

Total Employees (EE) Enrolled (ER) = 352

Total Employees (EE) Enrolled (ER) Utilized = 351

Total Utilization by Employees = 8,999.93 times

Total Employees Who Respond to Survey = 344

$$\text{Overall Utilization per Employee} = \frac{\text{Total Usage by All Employees}}{\text{Total Number of Employees Enrolled}} \quad \text{OR} \quad \text{Overall Utilization per Employee} = \frac{8,999.93}{352} = 25.57$$

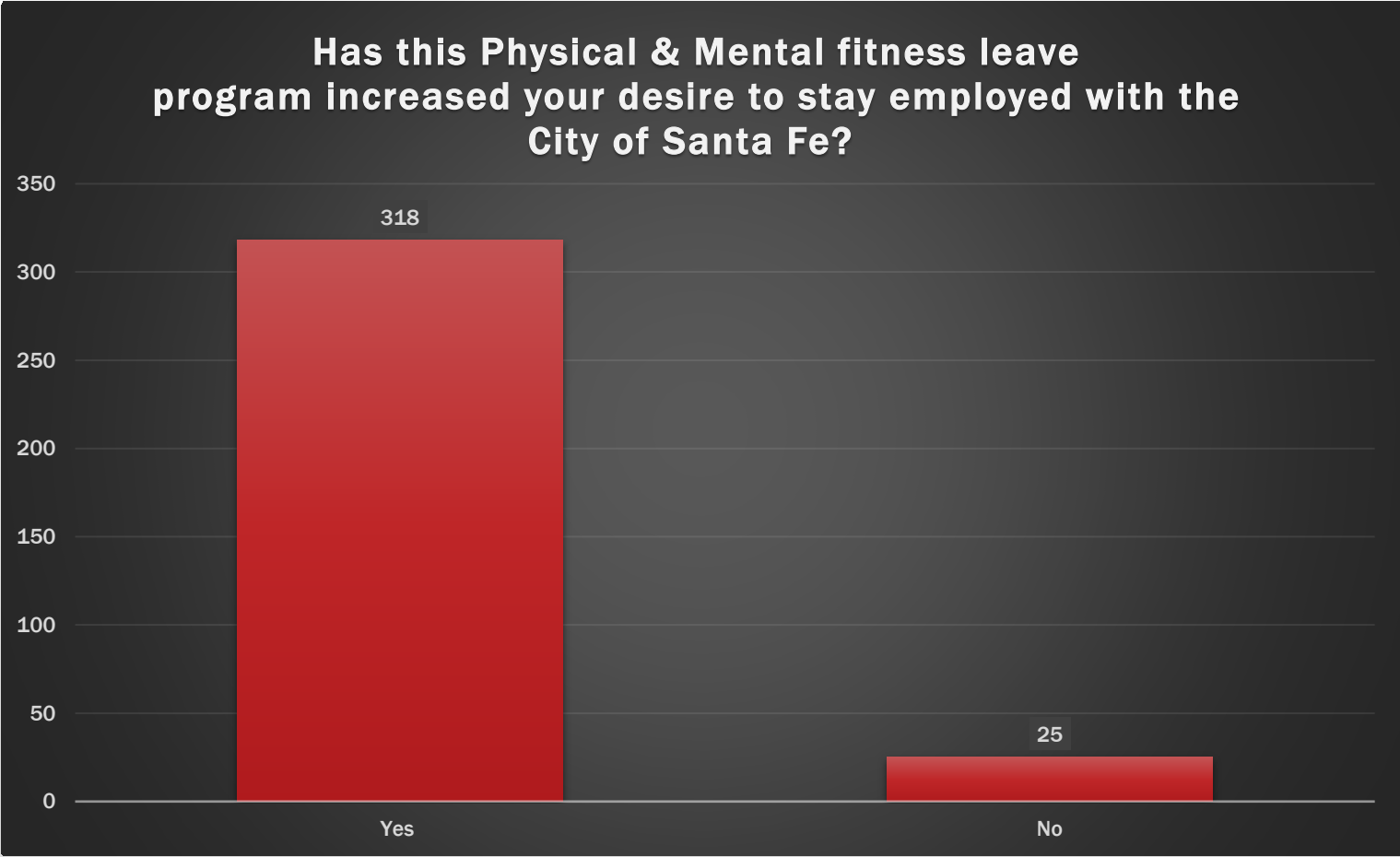
The average overall utilization of the Physical & Mental Wellbeing leave per employee is 25.5 hours and coincides with the 13 pay periods x 2 hours of allowed leave.

Out of the 352 employees who enrolled, 351 employees utilized the leave, which is 99.7% of employee utilization.

Fitness Leave Total Cost = \$287,627.38

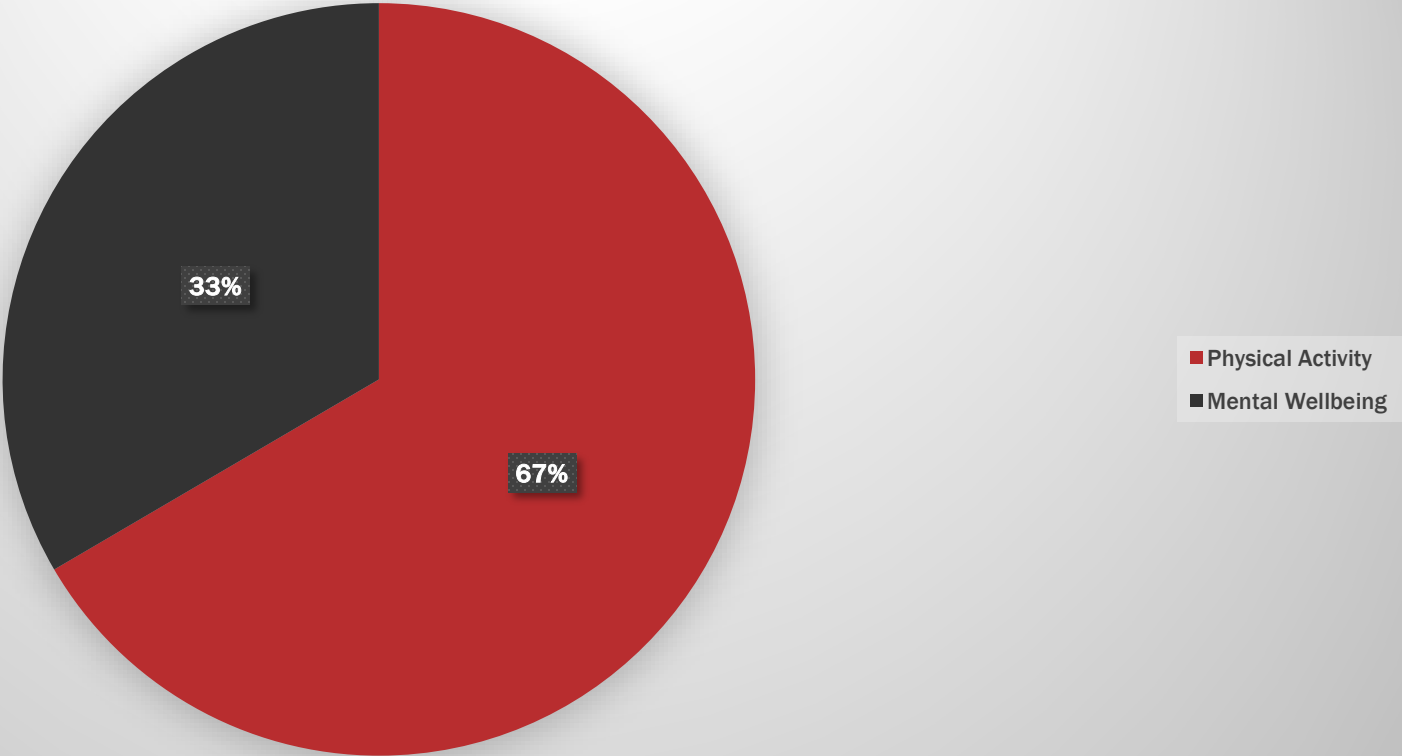
Qualitative Data

Retention Survey



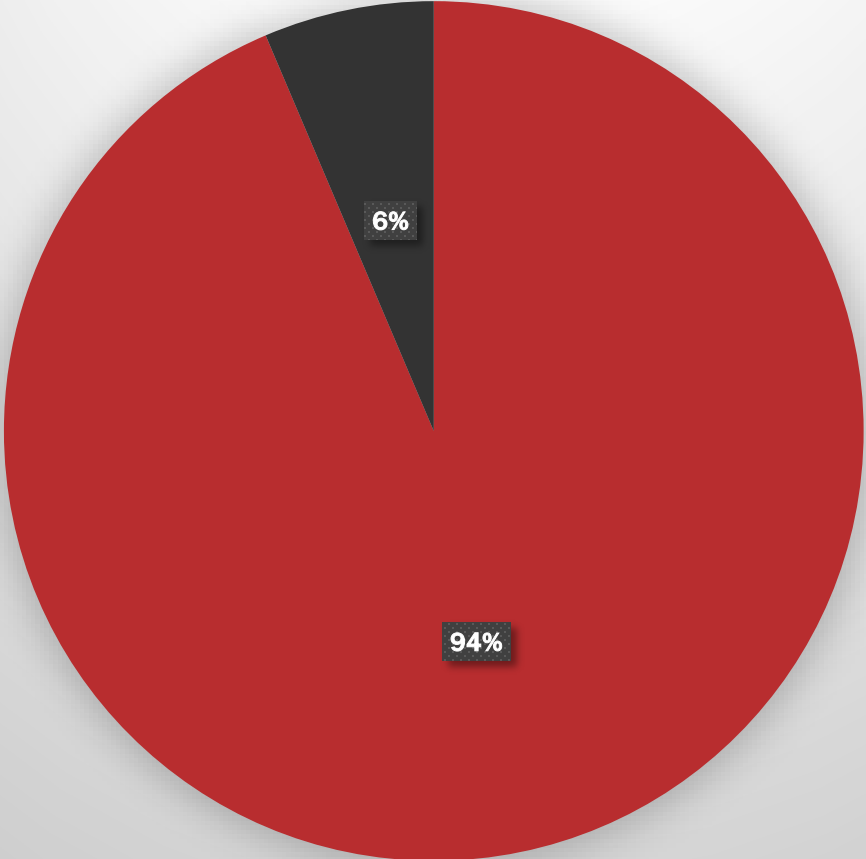
Primary Leave Usage

Do you primarily use the program's time for physical fitness activities or for mental wellbeing practices?



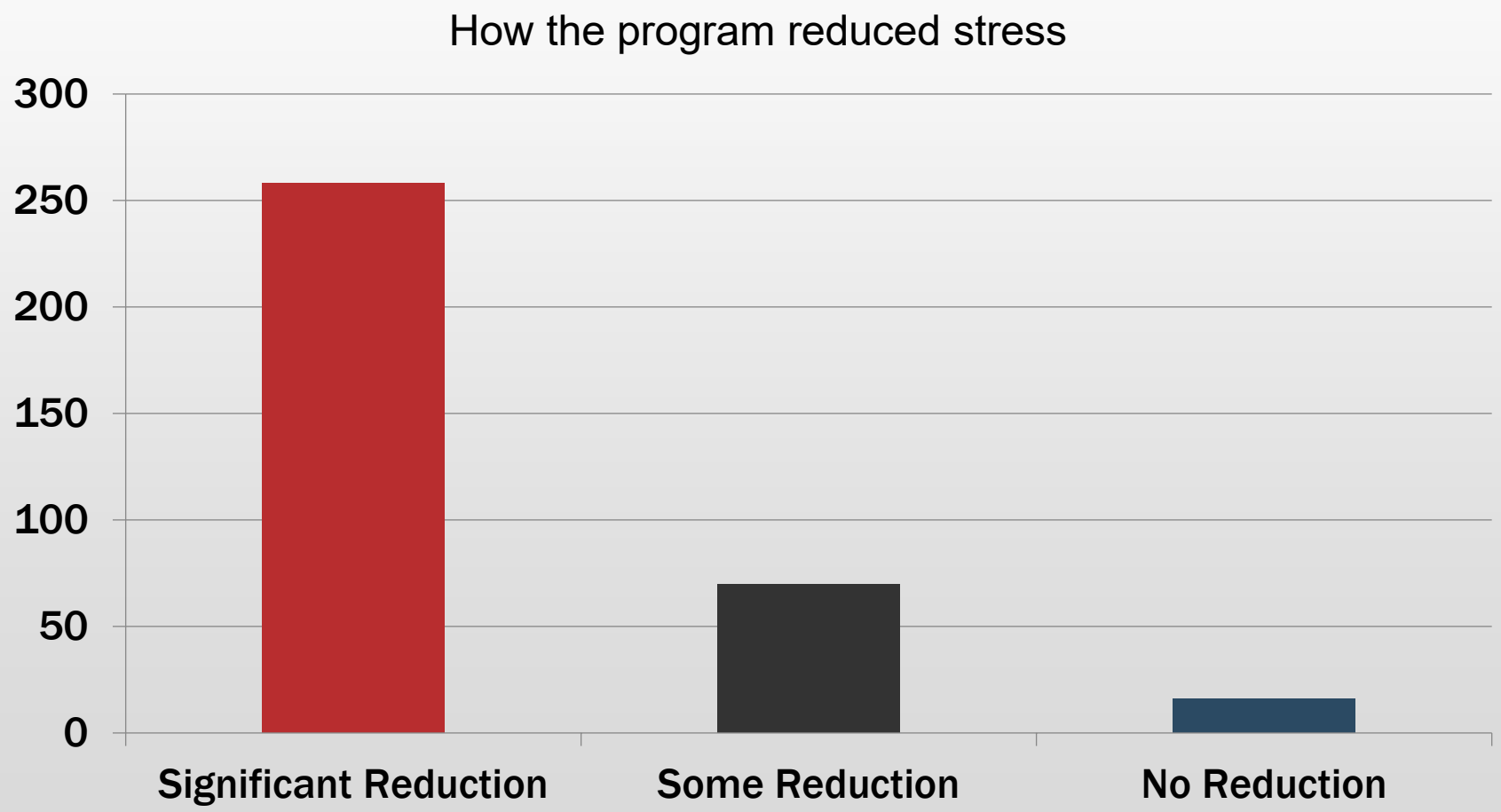
Morale Survey Totals

Has your morale at work improved since participating in the Physical & Mental fitness leave program?



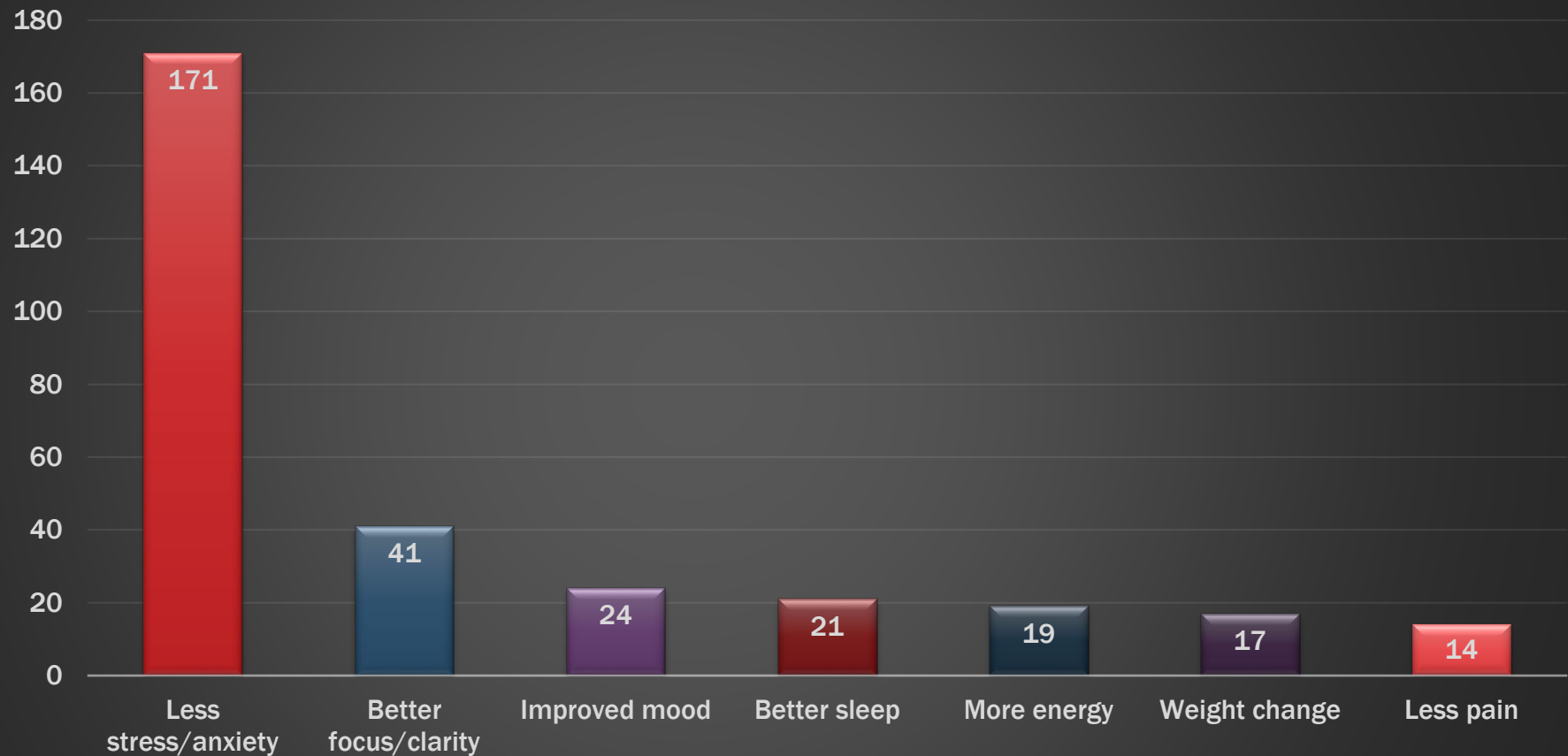
Employee Stress Reduction

Please rate how the Physical and Mental Fitness Program has reduced stress for you?



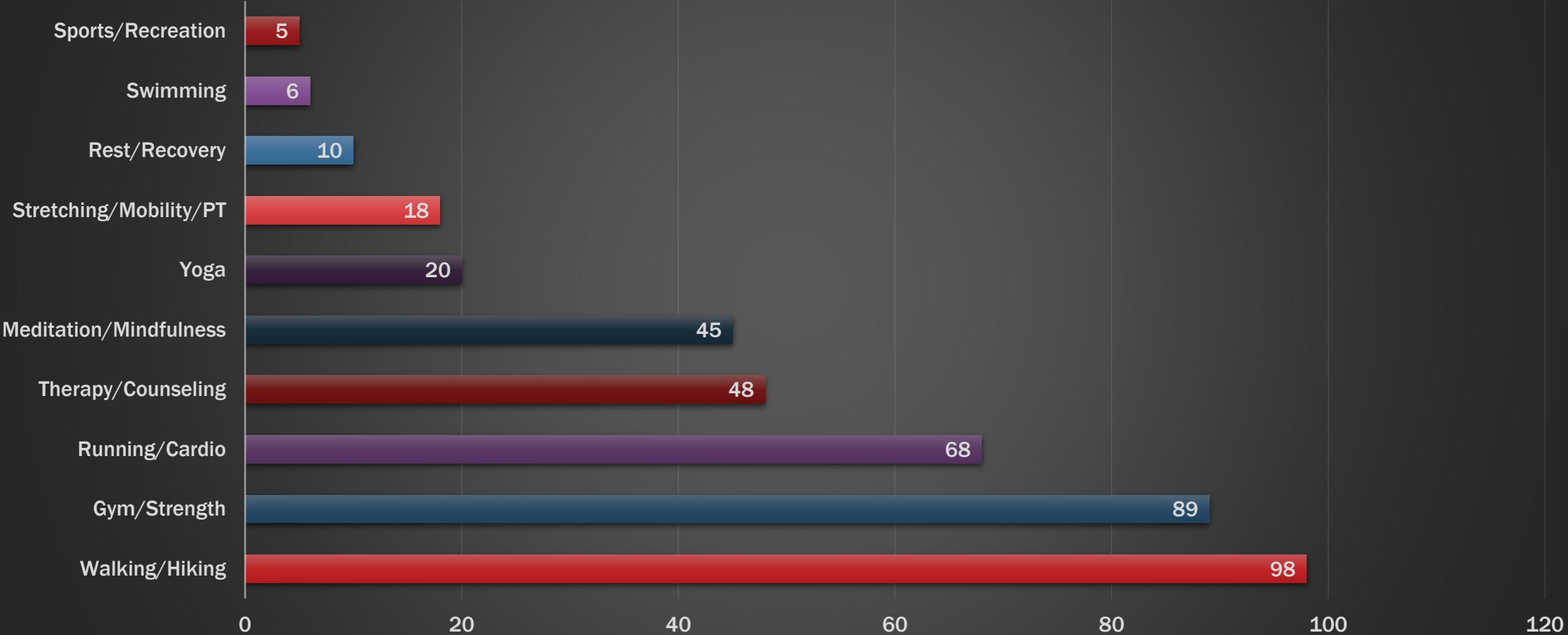
Most Mentioned Employee Benefits Testimonials

Themes mentioned in reported changes



Wellness Program Effect: Top Utilization Activities

Most common activities mentioned



Executive Summary: Key Takeaways

- 344 total responses analyzed (employee feedback).
- 93.6% report improved morale at work.
- 92.7% say the program increases desire to stay employed (excluding non-response).
- 76.7% report noticeable positive physical health changes.

Sick Leave Usage

PHYSICAL AND MENTAL WELLBEING LEAVE PARTICIPANTS

VS

NON-PARTICIPANT EMPLOYEES

Sick Leave Usage: Mid Point FY26

Sick Leave Usage: Participating EEs

Data Collected:

Usage: Participating EEs (352 employees)

Sick Leave Amt: 26,055 Hours

Sick Leave PD = \$868,957.15

AVG Use Per EE = 74 hours per EE or
12.34 Hours per month per EE

Sick + Wellness Leave = \$1,156,584.53

Sick Leave Usage: Non-Participation EEs

Data Collected:

Usage: Non PEE (1,048 employees)

Sick Leave Amt: 49,669.91 Hours

Sick Leave PD = \$1,571,341.37

AVG Use Per EE = 47 hours per EE or 8 hours
per month per EE

*****Sick leave is not limited to an employee's own medical needs; it may also be used to care for dependents covered under the employee's benefit plans. Where an employee with multiple school age children may need to use leave for their child's appointments.**

Medical Claims

AS OF FY 26 MIDPOINT

Healthcare Cost: FY first

Medical Claim Costs:

Overall Medical claims:

- FY24 = \$19,303,662.75
- FY25 = \$20,809,108.85
- FY26 MDP = \$9,254,963.53

******If FY26 trend continues, claims can be estimated at \$18.5 million for FY26 and/or 1.5 million less than FY25**

Note: Claims are represented as all employees plus all dependents on their plan and not employee specific.

Equity Concerns

NON-TRADITIONAL WORK SCHEDULE EQUALITY CONCERNS

Access Challenges Should Not Prevent Permanent Adoption

Core Argument

Concerns that some employees (e.g., night shifts, weekends, or field-based roles) may face barriers to using Physical and Mental Wellbeing Leave.

Why Elimination Is Not the Answer

- Unequal access reflects an implementation challenge, not a policy flaw.
- Unequal access exists across many City benefits and is routinely managed through flexibility and adaptation.
- Removing Wellness Leave takes away one of the few recovery tools available to employees.
- The policy establishes a Citywide commitment to employee well-being, regardless of usage patterns

Bottom Line

Equity does not require identical usage. Fair access is achieved through thoughtful application, not policy elimination.

Equity Is Achieved Through Flexible Implementation

Primary Solution: Adaptation, Not Elimination

Equitable Implementation Options

- Flexible use aligned with non-traditional shifts
- Before/After scheduled or alternative time usage with supervisor approval
- Department-level planning to ensure service coverage, similar to vacation or sick leave scheduling

Outcome

- Preserves Wellness Leave as inclusive, operationally sound, and equitable
- Supports morale, retention, and workforce sustainability
- Maintains essential services while expanding access across job classifications

Recommendations for Governing Board

Governing Body Recommendation

Governing Body needs to make a decision, as 1 Year Extension Pilot Program Expires on June 30, 2026

Options:

1. Allow Pilot Program to Expire
2. Make Program Permanent in City of Santa Fe Personnel Rules/Regulations & Policies

Governing Body Recommendation

Discontinue the Physical and Mental Wellbeing Leave Policy by Allowing the Pilot Program to Sunset

Key Findings:

- The Physical and Mental Wellbeing leave did not demonstrate measurable reductions in sick leave usage.
- Data indicate that participating employees utilized Wellness Leave and Sick Leave at comparable levels, resulting in a cumulative increase in total leave usage. Rather than replacing sick leave, Wellness Leave functioned as an additional benefit, effectively doubling leave-related costs without a corresponding reduction in sick leave utilization.

Fiscal Impact:

Based on available data, the program has not demonstrated fiscal sustainability or significant cost offsets.

Governing Body Recommendation

Establish Physical and Mental Wellbeing Leave as a Permanent Policy

Transitioning the Physical and Mental Wellbeing Leave Pilot Program into a permanent policy is in the City's long-term interest. Supporting employees' physical and mental well-being improves organizational performance and delivers measurable benefits in three critical areas:

- **Healthier Employees, Better Performance** – Promotes mental and physical wellness, mitigates burnout, and enhances focus, resilience, and overall productivity.
- **Reduced Healthcare Costs** – Decreases in medical claims suggest preventive self-care is lowering healthcare expenses, with potential long-term savings that could offset the Wellness Leave cost of \$288K
- **Stronger Workforce Stability** – Boosts morale, retention, and engagement by demonstrating the City's commitment to employee well-being.