



CITY COUNCIL STAFF REPORT

MEETING DATE: May 27, 2025

ITEM TITLE: Consideration of Accepting a Report on the City of San Carlos Workforce Vacancies, Recruitment and Retention Trends (AB 2561).

RECOMMENDATION:

Staff recommend that the City Council receive a report on the City of San Carlos workforce vacancies, recruitment, and retention trends as it related to Assembly Bill (AB) 2561.

FISCAL IMPLICATIONS:

None.

BACKGROUND:

On September 22, 2024, Governor Newsom signed AB 2561 into law to amend the Meyers-Milias-Brown Act (MMBA), thereby creating a new obligation for public agencies to publicly address the status of their workforce vacancies.

AB 2561 requires public agencies to present the status of their vacancies and recruitment and retention efforts during a public hearing before their governing board at least once per fiscal year prior to the adoption of a final budget for the fiscal year. During the presentation, the public agency is also required to identify any changes to policies, procedures, or recruitment activities that may lead to obstacles in the hiring process.

If the number of vacancies meets or exceeds 20% of the total number of authorized full-time positions in a particular bargaining unit, the public agency shall include the following information in its presentation upon request of the recognized employee organization:

- The total number of job vacancies within a bargaining unit
- The total number of applicants for vacant positions within the bargaining unit
- The average number of days to complete the hiring process from when a position is posted
- Opportunities to improve compensation and other working conditions

Additionally, AB 2561 entitles recognized employee organizations, regardless of the vacancy rate, to make a presentation before the governing board of a public agency during the same public hearing in which the public agency makes its annual presentation on vacancies.

ANALYSIS:

The City of San Carlos has four employee groups (two represented and two unrepresented) consisting of 103 budgeted full-time positions.

The number of budgeted full-time positions by employee group for fiscal year 2024-25 are listed below:

- American Federation of State, County, and Municipal Employees (AFSCME) Local 829: 36
- Teamster, Local 856: 21
- Unrepresented Confidential Group: 13
- Unrepresented Management Group: 33

Vacancies

Position vacancies are created for a number of reasons including when newly budgeted positions are approved, when there is internal movement such as a promotion, or when an employee leaves the organization due to retirement, voluntary resignation, or involuntary termination. When vacancies occur, it is a high priority for the Human Resources division and the City's hiring managers to fill vacant positions in order to ensure continuity of services, maintain operational efficiency, and minimize disruptions to departmental functions. Timely recruitment and hiring efforts help the City sustain its workforce, meet community needs, and uphold service standards while also providing opportunities for internal growth and external talent acquisition.

Although AB 2561 now requires staff to present annually on the status of vacancies and efforts to recruit and retain staff, it has always been a priority for the City to fill vacancies as soon as reasonably possible.

Vacancy Rate by Bargaining Group as of April 30, 2025:

- AFSCME, Local 829: 8.33% (3 positions)
- Teamster, Local 856: 0.00%
- Unrepresented Confidential Group: 0.00%
- Unrepresented Management Group: 0.00%

During the current fiscal year, no bargaining unit met or exceeded a 20% vacancy of the total budgeted full-time positions.

Recruitment

The life cycle of a recruitment starts when the hiring department notifies Human Resources staff via a recruitment request form they would like to open a recruitment. HR then opens a job posting, either internally or externally, to capture applicants to interview by a panel of subject matter experts and hiring manager(s). Upon selection of a candidate, reference checks are conducted, a conditional job offer is provided, the candidate completes necessary pre-employment procedures (e.g., background check, physical, etc.), a start date is determined, and a formal offer of employment is presented.

From the start of recruitment until and new employee's hire date, the average amount of time to fill a regular vacant position is approximately 76 days.

We post our positions on a variety of platforms, including on our City website, Calopps, LinkedIn, and other social media platforms like Facebook and Instagram. For some positions we also use Handshake. Handshake is a good platform for connecting with local colleges when hiring college students or recent graduates. We also utilize niche job board for specific industries or roles such as American Public Works Association (APWA) Planetizen, and California Park & Recreation Society (CPRS) just to name a few.

Retention

The City's retention rate for the current fiscal year to date is approximately 97%, reflecting a strong ability to retain employees. The retention rate is calculated number of employees at the beginning of (July 2024), divided by the number of employees who remained with the City through April 30, 2025.

The City incorporates several retention strategies. The City aims to prioritize both physical and mental well-being. The City's hybrid-telework option help employees avoid long commutes daily. Employees are encouraged to use their paid time off to rest and recharge, reducing burnout and supporting a healthy work-life balance. Additionally, the City provides an Employee Assistance Program (EAP) and access to a wellness room that can be used outside of normal working hours.

The City also has a robust training and development program to provide career advancement as well as enhance employee engagement. Strengths-based training helps enhance employee engagement and satisfaction by focusing on an employee's individual talents, which fosters a sense of value and purpose. Professional growth and development are also fostered through the Tuition Reimbursement Program, where employees are eligible to receive reimbursement for the cost of educational programs which are directly related to the employee's occupational field with the City. This demonstrates the City's commitment to employees' long-term professional development.

In closing, the City has made significant strides in addressing vacancies and recruitment, and it is clear that retention is a crucial element for continued focus. By investing in employee engagement, wellness, professional development, recognition, and open communication, the City can continue to foster an environment where talent not only thrives but chooses to stay long-term.

ALTERNATIVES:

The alternatives available to the City Council include:

1. Receive a report on the City of San Carlos workforce vacancies, recruitment, and retention trends as it related to AB 2561; or
2. Provide staff with alternative direction.

Respectfully submitted by:

Rebecca Mendenhall, Administrative Services Director

Approved for submission by:

A handwritten signature in black ink, appearing to be 'J. Maltbie', written in a cursive style.

Jeff Maltbie, City Manager