



DATE: June 2, 2025

TO: Mayor and Members of the City Council

VIA: Stefan Chatwin, City Manager

FROM: Diane Pitman, Administrative Services Director

DEPARTMENT: Administrative Services

SUBJECT: REPORT ON THE FOSTER CITY WORKFORCE VACANCIES,  
RECRUITMENT AND RETENTION TRENDS IN COMPLIANCE  
WITH ASSEMBLY BILL 2561 (AB 2561)

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## RECOMMENDATION

It is recommended that the City Council, by Minute Order, receive and accept an informational report on the Foster City Workforce Vacancies, Recruitment and Retention Trends in compliance with AB 2561.

## EXECUTIVE SUMMARY

AB 2561 requires public agencies, including the City, to hold at least one (1) public hearing per fiscal year to discuss vacancies, recruitment and retention efforts. This staff report along with the public presentation discusses the City's legal obligations under the new law, which took effect January 1, 2025. This presentation is for informational purposes only regarding the status of the City's vacancies, recruitment and retention efforts.

## BACKGROUND/ANALYSIS

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 workforce 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 next 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 and/or delays in the hiring process.

In compliance with the new legal obligations, the City is required to do the following:

1. Public Hearing – Report on Vacancies: For the calendar year 2024, the City's annual average percentage of vacancies (i.e., regular, full-time equivalent) is 2.9%. The highest vacancy rate in 2024 was 4.5%.
2. Employee Organization Participation: Allow the recognized employee organizations for each bargaining unit at the City to make presentations during the public hearing concerning vacancies and recruitment and retention efforts. The Human Resources Division notified the two (2) represented bargaining units at the City about the opportunity to present. (Gov. Code 3502.3(b))
3. Additional Reporting for High Vacancy Rates: If vacancies within a single bargaining unit meet or exceed 20% of authorized full-time positions in that bargaining unit, upon request of the recognized employee organization for that bargaining unit, the City must provide additional information during the public hearing, including the following: (1) the total number of vacancies within the bargaining unit; (2) the number of applicants; (3) the average number of days to fill positions; and (4) opportunities to improve compensation and working conditions for employees in the bargaining unit. (Gov. Code 3502.3(c))

For the calendar year 2024, within the City's bargaining units with recognized employee organizations, there were no vacancy rates that met or exceeded the 20% threshold. Vacancy rates by bargaining unit were:

AFSCME – 1.2%

FCPOA – 4.9%

Unrepresented Management – 5.3%

While the City did not meet the 20% threshold, as indicated in Section 2 above, AB 2561 requires that recognized employee organizations shall be entitled 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. The City sent notice of this hearing to the two (2) represented bargaining units (AFSCME and FCPOA) about the opportunity to present.

The Human Resources staff have made revisions to the recruitment process starting in late 2023 to follow best practice recommendations. Some of the process/procedure improvements include:

- Centralizing recruitment function into HR as a standard service provided to all Departments

- HR staff screen all applicants to ensure they meet minimum qualifications before proceeding further in the recruitment process
- Removing the hiring manager from the panel interview to ensure fairness and impartiality in evaluating candidates
- More robust and defensible scoring of candidates as part of the interview and overall recruitment process
- HR staff make conditional offers, negotiate salaries and conduct background checks prior to managers establishing a start date

### California Environmental Quality Act

The action being considered does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that is an administrative activity that will not result in a potentially significant impact to the environment.

### FISCAL IMPACT

There is no fiscal impact to receive this report

### CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Staff Empowerment and Operational Excellence

### ATTACHMENT

Attachment 1 – Presentation Document