



## STAFF REPORT TO THE CITY COUNCIL

**DATE:** Regular Meeting of May 26, 2026

**TO:** Mayor and Members of the City Council

**SUBMITTED BY:** Kristi Carter, Human Resources Manager

**REVIEWED BY:** Patrick Tang, Interim City Manager

**SUBJECT:** Compliance with Assembly Bill 2561 (Government Code Section 3502.3): Public Agency Vacancies, and Recruitment and Retention Efforts

### RECOMMENDED ACTION:

Receive and file the staff report and presentation regarding workforce vacancies, and recruitment and retention efforts in accordance with Government Code Section 3502.3.

### BACKGROUND:

Assembly Bill 2561 (Government Code Section 3502.3) requires public agencies to annually present information regarding workforce vacancies, and recruitment and retention efforts prior to adoption of the fiscal year budget. The law also permits recognized employee organizations to provide comment during the same public hearing.

If vacancies within a bargaining unit exceed 20% of authorized positions, additional reporting requirements apply upon request of the recognized employee organization.

The City provided notice of this public hearing, including the meeting agenda and related staff report materials, to its recognized employee organizations in accordance with Government Code Section 3502.3.

### REVIEW AND ANALYSIS:

#### Employee Groups

The City's workforce consists of five employee groups totaling 64 authorized full-time positions as of December 31, 2025. Staffing adjustments during the 2024-2025 fiscal year included an operational support position within Public Works funded through enterprise

and special revenue sources. The City Manager position is contract-based and is not included in the full-time equivalent (“FTE”) count.

<b>Employee Group</b>	<b>Budgeted FTEs</b>
Teamsters Local 315	24
Hercules Police Officers’ Association	23
Executive Level Employees	6
Mid-Management Employees	3
Non-Represented Employees	8

Vacancies

Vacancies occur due to retirements, resignations, promotions, transfers, and newly authorized positions. Departments work closely with Human Resources to recruit and fill vacancies as efficiently as possible to support operational continuity and service delivery.

As of December 31, 2025, the City’s overall vacancy rate was 1.56%. Vacancy rates as of December 31, 2025, by employee group are reflected below.

<b>Employee Group</b>	<b>Vacancy Rate (%)</b>
Teamsters Local 315	0%
Hercules Police Officers’ Association	4.35%
Executive Level Employees	0%
Mid-Management Employees	0%
Non-Represented Employees	0%

Staff did not identify any significant policy, procedural, or recruitment-related obstacles materially impacting the City’s ability to recruit and retain employees during the reporting period.

Recruitment and Retention Efforts

In calendar year 2025, the City’s retention rate was 94 percent. The City continues to support workforce recruitment and retention through flexible scheduling, telecommuting opportunities for eligible positions, employee wellness resources, professional development opportunities, and employee engagement initiatives. These efforts are intended to support employee well-being, workforce stability, and long-term retention.

**FISCAL IMPACT:**

There is no fiscal impact to receiving this report and presentation.

**ATTACHMENTS:**

Presentation