



DATE: February 24, 2026

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT: Public Hearing Pursuant to Government Code Section 3502.3 to Receive a Report on City of Hayward Vacancies; and Recruitment and Retention Efforts

RECOMMENDATION

Staff recommends that the City Council receives the presentation for information purposes only during the public hearing at which the City will report on workforce vacancies, recruitment, and retention efforts. The City's recognized employee organizations will be provided an opportunity to make a presentation on these subjects, if desired.

SUMMARY

Assembly Bill 2561 (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 communication 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.

FISCAL IMPACT

There is no direct fiscal impact associated with conducting the public hearing required under Government Code section 3205.3.

BACKGROUND

AB 2561, Chapter 409, an act to add Section 3502.3 to the Government Code (GC) was signed into law on September 22, 2024, and became effective January 1, 2025. AB 2561 was introduced to address the issue of job vacancies in local government, which adversely affects the delivery of public services and employee workload. Among other requirements, the bill mandates that public agencies conduct a public hearing to present the status of vacancies, recruitment, and retention efforts during a public hearing before the agency's governing body at least once per fiscal year prior to the

adoption of the next fiscal year's budget and identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.

GC 3502.3 entitles recognized employee groups, 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.

DISCUSSION

This report outlines the City's job vacancies, recruitment, and retention strategies. All data collected is from Fiscal Year (FY) 2025-2026, from July 1, 2025 through January 30, 2026. While AB 2561 has specific requirements as outlined above, the City recognizes the current financial state of the organization and included data in this report beyond the requirements of AB 2561. This additional data provides a more holistic view of vacancies as they relate to the current financial situation of the organization.

For purposes of this reporting, vacancies created from layoffs, separations through the Voluntary Separation Incentive Program (VSIP), and other separations during the fiscal year are included as part of the vacancy rate calculations as these positions are still part of the current fiscal year's adopted budget. Permanent changes to Full Time Equivalents (FTEs) and positions will be considered as part of the budget review process and proposed for adoption in the upcoming FY 2026-2027 budget.

Definitions

The City utilizes the following definitions when calculating the vacancy rate:

Total Budgeted FTEs – The total number of regular FTEs that are adopted in the current fiscal year budget.

of Total Positions – The total number of regular full-time and part-time *positions* allocated to approved classifications.

Viable Vacancy – A funded, authorized regular position that is currently vacant.

Vacancy Rate – The number of viable vacancies divided by the total number of positions.

Status of Vacancies

As of January 30, 2026, the City maintains 956.3 budgeted FTEs within a total of 977 authorized positions. Of the authorized positions, 135 are currently identified as viable vacancies, resulting in an overall vacancy rate of 13.82% as shown in Table 1 below.

The following table outlines viable vacancy data by employee group. This breakdown reflects budgeted FTE, total authorized positions, viable vacancies, and the corresponding vacancy rate for each group for the current FY as of January 30, 2026.

Table 1

Employee Group	Total Budgeted FTE Count	# of Total Positions	# of Viable Vacancies	Vacancy Rate
IAFF Local 1909	130	130	8	6.15%
IAFF Local 1909 Fire Officer's	8	8	0	0%
Fire Chief's Association	2	2	0	0%
Hayward Police Officers' Association	193	193	24	12.44%
Hayward Police Management	4	4	0	0%
SEIU 1021 Clerical	193.3	211	38	18.01%
SEIU 1021 Maintenance	137	137	21	15.33%
IFPTE Local 21	116.5	119	15	12.61%
Hayward Association of Management Employees	111.5	112	18	16.07%
City Appointed	3	3	0	0%
Mayor and Council	7	7	0	0%
Unpresented Employees (Exempt)	30	30	10	33.33%
Unpresented Employees (Non-Exempt)	9	9	0	0%
Unpresented Employees (Executives)	12	12	1	8.33%
Total	956.3	977	135	13.82%

Recruitment and Retention Efforts and Challenges in the Hiring Process

The City continues to implement targeted strategies to address viable vacancies for positions that are not part of the City's larger vacancy management strategy. During this time period, key efforts included the use of hiring incentives in hard-to-fill public safety classifications, community outreach, and implementing additional fiscal checks and balances in the hiring processes to ensure more thorough financial review of vacancies prior to advertising for recruitment.

For public safety classifications, recruitment timelines are extended due to required background investigations, medical and psychological evaluations, and academy training requirements. These mandated processes impact hiring timeframes, but are necessary to ensure compliance and maintain public trust.

Additionally, public safety agencies statewide are competing within a limited candidate pool, resulting in increased competition for qualified applicants. Evolving job expectations, retirements, and heightened performance standards further narrow eligibility pools. While during this time period hiring incentives were utilized as part of previously authorized tools, these incentives were discontinued effective January 2026 to help reduce expenditures.

Community outreach during this time period included participation in the Community Hub which was offered by Hayward Public Library as a full-service, one-stop resource center for patrons to access City of Hayward and community partner services. Recruitment staff participated by providing general advisement and guidance with resume review, job search support, and navigation through the City's hiring website and process.

Recruitment Statistics for FY 2025-2026

During the current time period the City initiated 37 individual job postings, including seven promotional recruitments, received 2,564 applications, created 62 eligibility lists, and filled 65 vacancies.

Vacancies Created and Maintained as a Result of Layoffs, VSIPs, and Other Separations

To help address the City's financial situation, staff implemented additional checks and balances in partnership with departments to identify and prioritize vacant positions needed to maintain continuity of operations. This included actively maintaining vacancies allocated to the General Fund where the operational need to fill was not immediate.

Additional operational measures were exercised to create savings through vacancy management, including offering the VSIP, implementing layoffs, and maintaining vacancies created through other separations.

Voluntary Separation Incentive Program

An initial offering of VSIP was opened to all staff with the purpose of incentivizing employees to voluntarily separate from their position and create vacancy savings for the City. The program was geared towards those already contemplating separation and received a total of 14 applications with 12 final approvals for the first offering of the program, two applicants withdrew from the program. The total number of separations through VSIP is shown in Table 2 below.

2025 Layoffs

In order to balance the budget for the current fiscal year, the City made the difficult decision to notice 17 employees for layoff. Of those 17, five employees noticed had available options, including reduction in hours, transfer into viable vacant positions, or bumping rights. The remaining 12 separated through layoff with no bumping rights. Additional employees were displaced through the bumping process and noticed for layoff; in total 14 employees were separated from the City through layoff. The total number of separations through layoff is shown in Table 2 below.

Other Separations

Other separations occurred in the fiscal year through a combination of natural attrition, retirements, and other employment separations from the City, totaling 67 vacancies. The total number of other separations is shown in Table 2 below.

Important to note that vacancy numbers, including vacancy rates change as both hires and separations are updated. This number is continuously moving.

Table 2

FY 2025 - 2026 (July 1, 2025 - January 30, 2026)	# of Count
# of Layoffs	14
# of VSIP	12
# of Other Separations (Retirement, Voluntary Separation, etc.)	67

General Fund Vacancies

As of January 30, 2026, of the 135 vacancies shown in Table 1, a total of 94 vacancies are funded either in part or in whole through the General Fund. Table 3 below shows the General Fund vacancies by employee group.

Table 3

Employee Group	Vacant Position Count
Hayward Association of Management Employee	11
Hayward Police Officers' Association	24
IAFF Local 1909	8
IFPTE Local 21	12
SEIU 1021 Clerical	31
SEIU 1021 Maintenance	1
Unpresented Employees (Exempt)	6
Unpresented Employees (Executives)	1

STRATEGIC ROADMAP

This agenda item is a routine operational item and supports the City Council's Strategic Roadmap initiative of Strengthening Organizational Health by reviewing and presenting the status of vacancies, recruitment, and retention efforts.

NEXT STEPS

Receive the informational report in the City of Hayward's vacancies, and recruitment and retention Efforts Pursuant to Government Code Section 3502.3.

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