



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/15/2025

ITEM NO: 10

DATE: April 10, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Accept a Report on the Status of the Town's Vacancies, Recruitments, and Retention Efforts Pursuant to Assembly Bill 2561

RECOMMENDATION:

Accept the report regarding the status of the Town's vacancies, recruitments, and retention efforts pursuant to Assembly Bill (AB) 2561.

BACKGROUND:

Effective January 1, 2025, AB 2561 added Government Code section 3502.3 to the Meyers-Milias-Brown Act – the body of law that governs collective bargaining and labor relations at the local government level.

The new law requires local government agencies to comply with the following:

- (1) Hold a public hearing before the governing body at least once per fiscal year and present the status of vacancies, recruitment and retention efforts, and identify any necessary changes to policies, procedures, and recruitment activities that may resolve obstacles in the hiring process; if the governing body will be adopting an annual budget during the fiscal year, the presentation shall be made prior to the adoption of the final budget;
- (2) Hold a public hearing and present additional information regarding vacancies, if the vacancy rate in a bargaining unit is at least 20%; and
- (3) Allow recognized employee organizations for bargaining units to make presentations at the hearing.

PREPARED BY: Cheryl Parkman
Human Resources Director

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Town Clerk

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Whenever the vacancy rate reaches or exceeds 20% of the total number of authorized full-time positions within a single bargaining group, the new law requires local government agencies to provide additional information upon request of the bargaining unit, including the total number of job vacancies within the bargaining unit; the total number of applicants for the vacant positions within the bargaining unit; the average number of days to complete the hiring process from when a position is posted; and opportunities to improve compensation and other working conditions.

This staff report contains the necessary information to comply with AB 2561.

DISCUSSION:

Status of Town's Vacancies

As of March 31, 2025, the vacancy rate for the Town of Los Gatos was 7.82%. Please note that this figure is based on the full-time equivalent positions as reported in the Fiscal Year 2024-2025 Operating Budget with the addition of the full-time Emergency Manager position added in February 2025. Below is a comparison of the current Fiscal Year's vacancy rate to the last four years, measured as of June 30th of each year unless otherwise noted. The Town's vacancy rate remained steady over the past Fiscal Year which was a result of directed recruiting efforts through online government job boards, social media, and staff networking. The Town reduced the overall vacancy rate following the recovery from the COVID-19 pandemic. At this time, there are no changes to policies, procedures, or recruitment activities that have led to obstacles in the hiring process or that are necessary to resolve obstacles.

Although there are currently seven vacancies for sworn positions in the Police Department, the vacancy rate for the Police Officers' Association is 19.44%¹, which places the vacancy rate below the threshold to provide any additional information to the Town Council.

Table 1. Historical Vacancy Rates		
Fiscal Year	Benefitted Budgeted Full Time Equivalents (FTE)	Vacancy Rate
FY 2020-2021	150	11%
FY 2021-2022	150.25	12%
FY 2022-2023	153.25	9%
FY 2023-2024	152.50	7%
FY 2024-2025	153.50	7.82%

* Data as of March 2025

¹ The Fiscal Year 2024-2025 Operating Budget includes 25 Police Officer, 4 Police Corporal and 7 Police Sergeant FTE positions. There are currently 6 Police Officer and 1 Police Sergeant vacancies.

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Recruitment and Retention Efforts

Reduced Recruitment Timeline & Improved Candidate Experience: Human Resources expanded the use of NEOGOV, a cloud-based Human Capital Management (HCM) software platform, enhancing applicant experience through improved and timely communication, streamlining the application process and reducing the overall recruitment timeline to under 60 days from start to finish versus an average of 100 days for other government sector agencies. In FY 2025-2026, pending staff resources, Human Resources will implement surveys to collect input from new hires and hiring managers about their recruitment experience and ways to improve the process.

Review of Job Classifications: Before opening a recruitment, Human Resources reviews the job classifications with the hiring manager to ensure accuracy in job duties and requirements and works with union representatives, if applicable, on proposed changes. Aligning job classifications with industry standards and the Town's immediate and long-term needs helps recruit the right talent. This strategy has contributed to increasing the number of qualified applications per recruitment.

Advertising on Job Boards and Social Media: The Town advertises career opportunities through paid and free professional and industry-specific job boards, such as the American Public Works Association, American Planning Association, Municipal Management Association of Northern California, etc. These job boards can be effective in recruiting for hard-to-fill positions. In addition, Human Resources leverages the Town's social media channels, such as LinkedIn, Facebook, and Instagram, for broader visibility.

New Hire and Employee Referral Program: In September 2022, the Town implemented a pilot employee new hire and employee referral program that proved to be successful in recruiting top talent. The New Hire Program offers \$10,000 hiring bonuses to experienced police officers (police laterals). To date, the Town has offered six bonuses.

In addition to the hiring bonuses for police laterals, the Town offers referral bonuses to Town staff. To date, the Town has hired six police officers through this program. Bonuses included:

- \$3,000 for entry-level or police trainee. These candidates have no prior law enforcement experience and are or will be attending a police academy.
- \$4,000 for pre-service. These individuals have completed a police academy but are not yet sworn in and must complete field officer training (FTO).
- \$5,000 for lateral police officers. Lateral officers are experienced, trained, and certified sworn peace officers.

Due to the original program's success, in March 2025, the Town expanded the program and increased the bonus amounts to \$6,000 for entry-level, \$8,000 for pre-service, and \$10,000 for lateral level.

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Competitive Wages and Benefits: In Fiscal Year 2024-2025, the Town negotiated successor memoranda of understandings with its three bargaining units. Each of these contracts has a term of three years which provides labor stability for the Town workforce, and each contains significant wage increases for employees to remain competitive in the market. The Town also allows departments to retain flexibility in work schedules through alternative work schedules and hybrid telework arrangements.

CONCLUSION:

Based on the information above, the Town is working to steadily decline the current vacancy rate through targeted recruitment and retention efforts. It is recommended that the Town Council accept the report.

COORDINATION:

This memo has been coordinated with the Town Attorney's Office and the Finance Director.

FISCAL IMPACT:

There is no fiscal impact associated with this staff report.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.