



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Elizabeth Gibbs, City Manager

PREPARED BY: Lisa Rossi, Human Resources Director
Lisa Rossi, Human Resources Director

MEETING DATE: August 25, 2026

SUBJECT: Compliance with Assembly Bill 2561/Government Code Section 3502.3 regarding vacancies, recruitment and retention efforts

STAFF RECOMMENDATION:

Conduct a public hearing on workforce vacancies, recruitment, and retention efforts in accordance with Assembly Bill 2561

BACKGROUND:

This report is provided in compliance with California State Assembly Bill (AB) 2561, approved on September 22, 2024, which added §3502.3 to the Government Code. This law requires public agencies to present the status of their vacancies in a public hearing before their governing body at least once per fiscal year. The presentation must be made before the adoption of a final budget for the fiscal year. Additional obligations may apply if the vacancy rate in a bargaining unit meets or exceeds 20%.

JUSTIFICATION:

This report is provided in accordance with Government Code §3502.3. As stated previously, if job vacancies within a single bargaining unit reach or exceed 20% of the authorized full-time positions, the City must, at the request of recognized employee organizations, present certain information at a public hearing, including: (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).)

Workforce Overview:

As of June 30, 2026, the City has 230 full-time equivalent (FTE) budgeted positions and 7 are elected or appointed officials. Of the remaining 223 FTE's 90% are represented by bargaining groups. The City's overall vacancy rate was 15%. Vacancy rates are calculated as follows: $\text{Vacancy Rate (\%)} = (\text{Number of Vacant Positions in an employee group} / \text{Total Number of Authorized Positions}) \times 100$. The following table summarizes the City's vacancy rate by employee group as of June 30, 2026.

<u>Represented</u> <u>Employee</u> <u>Groups</u>	<u>FTE's</u> <u>Budgeted</u>	<u>Vacancies</u> <u>as of</u> <u>June 30,</u> <u>2026</u>	<u>Vacancy</u> <u>Rate</u>
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IBEW General Unit	78	13	17%
IBEW Utility Unit	51	2	3.9%
Banning Police Officers Association (BPOA)	35	6	17%
Banning Police Management Association (BPMA)	5	2	40%
Teamsters Local 1932	35	2	5.7%
<u>Unrepresented Employee Groups</u>			
Executive Contracts	7	1	14%
Confidential/Non-rep	12	2	17%
<u>TOTAL:</u>	223	27	12%
<u>(Note- Seasonal and Part-time (non-represented were not included))</u>			

Vacancies within the City arise from a range of factors including retirement, internal promotions, resignations, and terminations.

Recruitment and Retention

The City of Banning employs a competitive, merit-based recruitment process that balances thoroughness with efficiency. This process involves strategic job postings across multiple channels, including the City's website, GovernmentJobs.com, LinkedIn, and free professional job boards such as those offered by the Municipal Management Association of Southern California (MMASC). For more targeted or hard-to-fill positions, Human Resources collaborates with department hiring managers to allocate funding for postings on specialized or additional job websites. The recruitment process involves several key steps:

- A two-tier application screening process to verify minimum qualifications and identify top candidates.
- Structured panel interviews with subject matter experts, using standardized evaluation criteria.
- Final interviews with hiring managers to assess departmental fit and compatibility with the City's work culture.
- Comprehensive background and reference checks before extending offers.
- A 6 to 12-month probationary period for new hires.

Employees transition from at-will to regular status after completing probation and then receive appropriate due process protections.

The City recognizes that competitive compensation is a crucial tool for attracting and retaining high-quality employees. Consistent with common municipal compensation practices, the City's approach to employee compensation is guided by principles including:

- Public Accountability

- Affordability
- Flexibility
- Legality
- Competitiveness
- Internal Relationships
- Ability to Pay
- Compensation Studies

However, these principles must currently be applied within the context of the City's declared fiscal emergency. The City's Ability to Pay and Affordability have been fundamentally constrained by the budgetary shortfall, requiring the City Council to consider the proposed workforce reduction as a necessary measure to restore fiscal sustainability. Difficult decisions regarding staffing levels are unavoidable given the severity of the City's financial position, and the City must prioritize its long-term solvency alongside its obligations to its workforce.

Even amid these constraints, the City continues to face challenges filling certain vacant positions, particularly specialized utility, engineering, and public safety classifications, due to competition from neighboring jurisdictions and utilities, a limited regional applicant pool, and the technical nature of several classifications. These recruitment and retention challenges are shared by public and private employers throughout the Inland Empire and are not unique to Banning; however, the current fiscal emergency has heightened their impact, as reduced staffing capacity places greater pressure on remaining employees to maintain core service levels. Staff recognizes that remaining as competitive as fiscally responsible is important with respect to compensation, working conditions, and workplace culture, and will continue to balance these considerations against the City's immediate need for financial stability.

The Human Resources Department will continue to monitor the City's fiscal recovery and evaluate opportunities to responsibly support and, where feasible, rebuild the City's workforce as conditions allow, while ensuring that any workforce actions taken are consistent with the requirements of AB 2561 and the City's obligations to its employees and the community it serves.

FISCAL IMPACT:

There is no fiscal impact associated with this update.

ATTACHMENTS:

1. [column_affidavit_g4uiYdW8U80VtEUgSrRG.pdf](#)