



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Ian Appleyard
HRM Director

SUBJECT: Vacancy Rate Report

DATE: February 7, 2022

City Administrator Approval 

Date: Jan 27, 2022

RECOMMENDATION

Staff Recommends That The City Council Receive An Informational Report From The City Administrator Regarding:

- 1) The Vacancy Rate, Salary Schedule, And Total Number Of Budgeted And Vacant Positions For Each Classification In The Departments Of Transportation, Planning And Building, And Public Works By Department; And**
- 2) The Classification Level Vacancy Rates Of Similar Departments Of Local Public Entities And Special Districts; And**
- 3) For Classifications In Oakland With A Vacancy Rate Of More Than 20%, Salary Schedules For Similar Classifications Of Local Public Entities And Special Districts; And**
- 4) Which Vacancies Have The Greatest Impact On Each Department.**

EXECUTIVE SUMMARY

The City Administrator received a request from City Council to research information related to vacancies in the departments of Transportation, Planning and Building, and Public Works. This report contains data that is responsive to that request.

BACKGROUND/LEGISLATIVE HISTORY

At the July 7, 2021 Rules and Legislation meeting, the Committee scheduled a report to the Public Works Committee for November 2021. This report was titled, "Receive An Informational Report From The City Administrator Regarding The Vacancy Rates Of The Departments Of Transportation, Planning And Building, And Public Works And The Vacancy Rates Of Similar Departments Of Local Public Entities." At the October 7, 2021 Rules and Legislation meeting, the Committee changed the title and scheduled the matter to the Finance and Management Committee for February 7, 2022.

This informational report was requested as a separate item from the Semi-Annual Staffing Report, which is presented to the Finance and Management Committee every May and November. The most recent report was provided to the Committee on November 8, 2021.

The current request includes:

- 1) The vacancy rate, salary schedule, and total number of budgeted and vacant positions for each classification in the Departments of Transportation, Planning and Building, and Public Works by department.
- 2) The Classification level vacancy rates of similar departments of local public entities and special districts.
- 3) For Classifications in Oakland with a vacancy rate of more than 20%, salary schedules for similar classifications of local public entities and special districts.
- 4) Which vacancies have the greatest impact on each department.

At the October 7, 2021 Rules and Legislation Committee meeting, staff raised the following concerns about the data that was being sought, including:

- Total Compensation: in comparison to salary data, total compensation is the most accurate data point for market comparisons
- Labor market:
 - 3.8% Bay Area unemployment rate in November 2021
 - 3.9% National unemployment rate in December 2021
 - High demand for technical public sector talent (i.e., engineers, planners, surveyors, building inspectors, accountants, analysts, etc.)
- Vacancy rates:
 - Normally tracked by Departments and not by classification
 - Local public entities and Special Districts do not track vacancy rates by classification or department. These data will be difficult to obtain.

To contextualize the discussion, it is important to understand the definition of a classification, according to the Personnel Manual of the Civil Service Board: “Class or Class of Positions - a position or group of position for which a common descriptive job title may be used, as defined by similar education, experience, knowledge, duties, qualifications and compensation schedule.”

The City of Oakland’s classification plan consists of approximately 800 distinct classifications. These classifications can be single incumbent, department-specific, or citywide. Therefore, when performing the below analysis, especially with an individual department focus, the applicable classifications can be expansive.

The source of the information for this report includes the monthly Position Control Report, the Salary Schedule, data from previous Staffing Reports, a survey of regional jurisdictions and a departmental survey. The Position Control Report includes authorized positions that reflect the current approved budget, which consists of 4,704.43 Full-Time Equivalent (FTE) positions. Currently, 168.16 FTEs are frozen.

Additionally, as stated in the Semi-Annual Staffing Report presented on November 8, 2021, the “budgeted vacancy factor,” which is distinct from the “vacancy rate,” is a fixed budget ratio applied to the total personnel allocation for a given department. Historically, the budgeted vacancy factor has been 4%. In the Mayor’s 2021-23 Proposed Budget, the vacancy factor was set at 8% for the General Purpose Fund. In September and December 2021, the City Council approved an additional \$1.3 million and \$1.4 million, respectively, from vacancies to increase the budgeted vacancy factor to 8.8% for the General Purpose Fund.

ANALYSIS/POLICY ALTERNATIVES

The analysis below examines four areas that were detailed in the October 7, 2021 Rules Committee title change.

- 1) ***The vacancy rate, salary schedule, and total number of budgeted and vacant positions for each classification in the Departments of Transportation, Planning and Building, and Public Works by department***

Table 1 shows budgeted FTEs over a three-year period for the Departments of Planning and Building, Transportation, and Public Works. The number of positions in all three departments have increased over that time. The source of this information is the Semi-Annual Staffing Report.

Table 1: 3-Year FTE per Department								
Staffing Report Date	Nov 2018	April 2019	Oct 2019	May 2020	Nov 2020	May 2021	Nov 2021	3-year increase
Planning and Building	172.50	172.50	205.50	203.50	204.50	203.50	201.50	16.81%
Transportation	317.04	317.04	324.04	325.04	353.08	353.08	365.08	15.15%
Public Works	631.57	634.57	636.17	642.17	681.83	680.83	690.23	9.29%

Table 2 shows the vacancy rates for the departments of Planning and Building, Transportation and Public Works over the last three years. The fluctuation is largely due to positions being added at the beginning of the fiscal year. Typically, the percentages are higher in the Fall report and lower in the Spring report. The “November 2021” date is data from September 22, 2021. At that moment, the vacancy rate was below the three-year average for the departments of Planning and Building and Public Works. While the vacancy rate for the Department of Transportation was higher than the three-year average.

Table 2: 3-Year Vacancy Rate Average								
Staffing Report Date	Nov 2018	April 2019	Oct 2019	May 2020	Nov 2020	May 2021	Nov 2021	3-year avg
Planning and Building	23.77%	17.97%	28.47%	28.26%	22.49%	24.08%	21.34%	23.77%
Transportation	23.42%	17.97%	19.83%	17.14%	13.59%	8.94%	17.68%	16.94%
Public Works	17.66%	18.60%	19.68%	19.26%	23.41%	16.20%	17.82%	18.95%

Attachment A is the City of Oakland's Salary Ordinance, which lists all classifications and the affiliated salary range in the form of a step or range. **Attachment B** are links to the salary schedules for local public entities and special districts.

In terms of vacancies in specific classifications, these data are more challenging to obtain. Since classifications can be single incumbent, department-specific, or citywide, the Departments of Planning and Building, Transportation, and Public Works contain all the different iterations. **Attachment C** is the January 2022 Position Control Report with all budgeted positions and if they are filled, vacant, multiple (temporary part-time positions) or frozen.

2) The Classification level vacancy rates of similar departments of local public entities and special districts

The City of Oakland uses a defined survey universe to determine its place in the external market. These jurisdictions are local governments that have similar revenue base, service model, and governmental structure. Special Districts typically have a broader geographic tax base, fee structure, and different service models.

Local public entities that are considered the City of Oakland comparators: Berkeley, Concord, Contra Costa County, Fremont, Hayward, Richmond, San Francisco (City and County), San Jose, and Vallejo.

The above request also identified special districts. For the purpose of this survey, East Bay Municipal Utility District (EBMUD) and East Bay Regional Park District (EBRPD) were surveyed although they do not have Planning and Building and Transportation Departments.

The survey was sent to the above local public entities in early January 2022. At this point, one response was received from the City of San Jose. The Human Resources Management (HRM) will continue to seek this information for a supplemental report or informational memo.

Table 3 shows the City of San Jose is experiencing similar vacancy rates to the City of Oakland. San Jose's Public Works Department has a seven percent higher vacancy rate and Planning and Building has a six percent lower rate.

	San Jose	Oakland
Planning and Building	15.48%	21.34%
Transportation	17.47%	17.68%
Public Works	25.40%	17.82%

3) For Classifications in Oakland with a vacancy rate of more than 20%, salary schedules for similar classifications of local public entities and special districts

Attachment D shows all classifications with a minimum of five positions that exceed the 20 percent vacancy threshold. Of the approximately 800 classifications, only 180 have five positions or more. Of the 180, 87 have a vacancy rate of 20% or more.

Attachment E shows the total number of budgeted and vacant positions for each classification in the Department of Transportation. **Attachment F** shows the total number of budgeted and vacant positions for each classification in Public Works. **Attachment G** shows the total number of budgeted and vacant positions for each classification in the Planning and Building Department.

Attachment H shows all frozen positions by department and position.

4) Which vacancies have the greatest impact on each department

Staff surveyed the City of Oakland Departments regarding the vacancies that have the greatest impact. Please see the results below in **Table 4**:

Table 4: Departmental Survey				
Department	Vacancies with Greatest Impact			
Animal Services	Animal Control Supervisor	Animal Care Attendant Supervisor	Veterinarian	
Library	Senior Librarian	Librarian I	Library Assistant	
Department of Race and Equity	Equity Certified Program Analyst III			
City Administrator's Office	Neighborhood Services Coordinators	Program Analysts IIIs (NSC Supervisors)	Deputy City Administrators	
Police	Police Officer Trainees	Communication Dispatchers	Criminalist	
Fire	Firefighter/Paramedic	Firefighter	Captain	
Planning and Building	Planner III	Planner I/II	Specialty Combo Inspectors	
Economic & Workforce Development	Accountant II	Program Analysts III (Cultural Affairs)	Urban Economic Analyst IV	
Community Police Review Agency	Complaint Investigator II	Administrative Assistant II		
Finance	Accountant	Sen HR Operations	Accountant	
Parks, Recreation & Youth Development	Recreation Leader II, PPT	Facilities Manager	Management Assistant	Summer hires
City Clerk	Assistant City Clerk	Management Assistant	Executive Assistant	
Transportation	Engineer, Assistant II	Public Works Maintenance Worker	Heavy Equipment Operator	Concrete Finisher
Violence Prevention	Public Information Officer III	Human Services Manager	Case Manager	
Public Works	Heavy and Auto Equipment Mechanic	Asst and Civil Engineer	Tree Service Workers	
Information Technology	Project Management III	Information Systems Specialist		
Human Resources	Senior HR Analyst	HR Analyst		
Housing & Community Development	Deputy Directors	Project Manager	Accountant III	

Recruitment Considerations

When considering vacancies in a complex Civil Service system, it is important to note that most positions are subject to a valid, merit-based examination, which is a longer process than the private sector. In the current, competitive market, time is of the essence when hiring qualified individuals. HRM has worked diligently to streamline that process, working closely with City Departments. However, to obtain more efficiencies, broader reform will need to occur.

Certification Rule

For instance, once an eligible list is created, there is a back-and-forth with departments as ranks are certified based on the number of vacancies. This is called the Certification Rule. **Table 5** shows the certification rule of regional public entities. The City of Oakland's is one of the most restrictive and it adds time to successfully fill a vacancy:

Local Public Entity	Certification Rule
<i>Oakland</i>	4, plus 2 for additional vacancy
<i>Alameda County</i>	5, plus 1 for additional vacancy
<i>Berkeley</i>	Rule of the List
<i>Concord</i>	Rule of the List
<i>Contra Costa County</i>	10, plus 1 for additional vacancy
<i>Fremont</i>	No rules
<i>Hayward</i>	Rule of the List
<i>Richmond</i>	Rule of the List
<i>San Francisco</i>	3 plus 1. Rule of list for managers
<i>San Jose</i>	Rule of the List
<i>Vallejo</i>	Rule of the List

The “rule of the list” means departments receive the full list of eligible candidates once the list is established and hiring interviews can commence. Hiring interviews require departments to schedule interviews, assemble a panel, and perform background checks. This takes between 3-5 weeks. If the department needs additional ranks certified, it can cause an additional 3-5 week delay. An increased number of certified ranks for hiring can save considerable time.

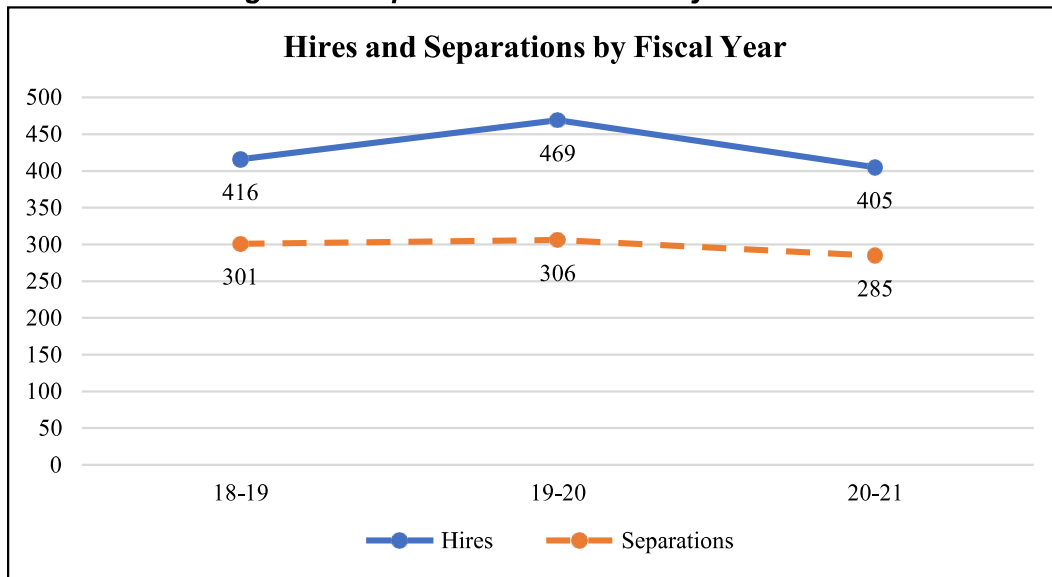
Internal Hiring Preference

Oakland personnel rules and labor agreements provide preference to existing employees, which has positively contributed to the City's ability to “grow its own,” filling approximately 55% of vacancies with internal candidates. One labor agreement requires the City to advertise, recruit, test, create a list, and certify a list before an external recruitment can occur and the process is repeated. The challenge is the time it takes to fill all vacancies and the cascade effect. When one vacancy is filled another is created, and a new civil service recruitment is needed.

Workforce Analysis

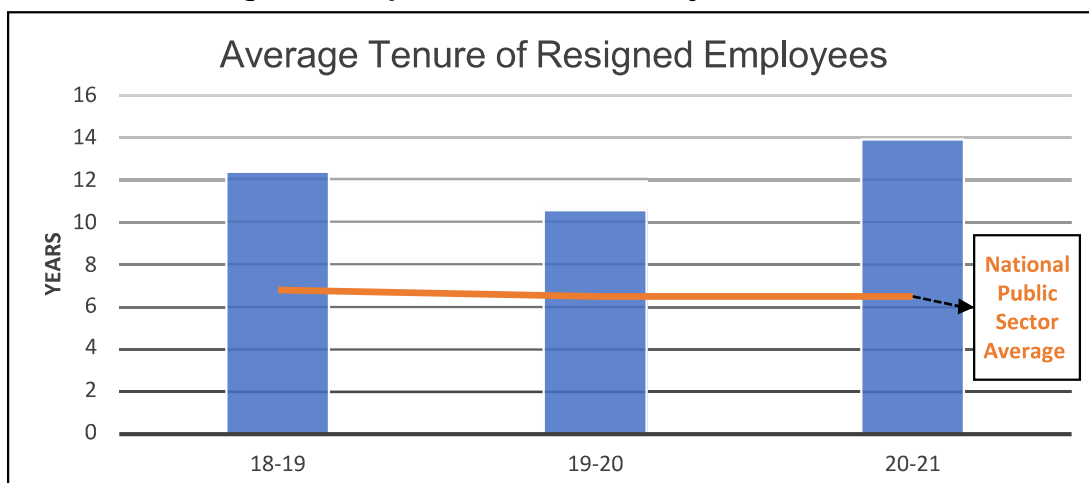
1. **Separations and Hires:** To reduce the overall vacancy rate, city hiring needs to outpace separations. As demonstrated in **Figure A** below, over the last three years, the number of hires has exceeded the number of separations. This trend is projected to continue in the current fiscal year.

Figure A: Separations and Hires by Fiscal Year



2. **Tenure of Separations:** According to the Bureau of Labor Statistics, the national rate of tenure with a public-sector employer is 6.5 years (private sector is 3.7 years), which includes all separations. Over the last three years, all separated full-time City of Oakland employees average 12.28 years of service, far surpassing the national average. See **Figure B** below:

Figure B: Separations and Hires by Fiscal Year



3. **Separations by Department:** While the tenure of separating employees is above the national average and overall hires exceed the number of separations, rates of separation vary by department. **Table 6** below shows the number of separations, including

retirements and resignations, in six of the largest city departments. Of note, among sworn Police personnel, there were 65 resignations in FY2019-20 and 66 in FY2020-21. Also, the FY 2020-21 separation rates were similar to prior year rates.

Table 6: Largest Department Separations, Retirements, and Resignations				
Department	Total Department FTE FY 2021-22	FY 2020-21		
		Total Separations	Retirements	Resignations
Police	1,269.50	100 (7.9%)	32 (2.5%)	50 (3.9%)
Public Works	690.23	27 (3.9%)	14 (2%)	10 (1.4%)
Fire	656.08	31 (4.7%)	18 (2.7%)	10 (1.5%)
Transportation	365.08	21 (5.8%)	13 (3.6%)	7 (1.9%)
Library	264.35	9 (3.4%)	6 (2.3%)	3 (1.1%)
Human Services	238.68	14 (5.9%)	7 (2.9%)	7 (2.9%)
Planning & Building	201.50	15 (7.4%)	5 (2.5%)	9 (4.5%)

FISCAL IMPACT

This item is for informational purposes only and does not have a direct fiscal impact or cost.

COORDINATION

Human Resources Management Department staff coordinated the collection and verification of data provided in this report with staff in each of the City’s departments and the Finance Department.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic impacts associated with this informational report.

Environmental: There are no environmental impacts associated with this informational report.

Race & Equity: There are no race & equity impacts associated with this informational report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive An Informational Report From The City Administrator Regarding:

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- 3) For Classifications In Oakland With A Vacancy Rate Of More Than 20%, Salary Schedules For Similar Classifications Of Local Public Entities And Special Districts; And
- 4) Which Vacancies Have The Greatest Impact On Each Department.

For questions regarding this report please contact Ian Appleyard, Director of Human Resources, at (510) 238-3112.

Respectfully submitted,



IAN APPLEYARD
Director of Human Resources

Attachments (8):

- A. City of Oakland Salary Ordinance
- B. Links to Salary Schedules for Local Public Entities and Special Districts
- C. January 2022 Position Control Report all Departments
- D. List of Classifications with over 20% Vacancies for all Departments
- E. Total Number of Budgeted and Vacant Positions for each Classification in the Department of Transportation
- F. Total Number of Budgeted and Vacant Positions for each Classification in the Public Works Department
- G. Total number of Budgeted and Vacant Positions for each Classification in the Planning and Building Department
- H. City-wide Frozen Positions by Department and Position

