



MEMORANDUM

TO: Mayor and Council Members

FROM: Sara L. Hensley, CPRP, Director Austin Parks and Recreation Department
Ed Van Eenoo, Deputy Chief Financial Officer *EV*

DATE: July 13, 2016

SUBJECT: Parks and Recreation Living Wage and Lifeguard Recruitment Update

On May 19, 2016 Council passed resolution 20160519-011 amending the FY 2015-16 operating budget by transferring \$418,000 from the Budget Stabilization Reserve Fund to the Parks and Recreation Department (PARD). This action provided the necessary funding to extend the City's living wage standard to temporary and seasonal Aquatics division staff in support of the hiring process that was underway for the 2016 summer swim season. In estimating the cost of applying the living wage to these positions, PARD staff looked at the number of lifeguards currently not making the living wage and the total number of lifeguards needed for all municipal pools to be fully operational. The entire \$418,000 may not be spent during the fiscal year as the actual cost will depend on unknowns related to weather, infrastructure, and the number of lifeguards that are hired for the season.

At the time the transfer was approved by Council, aggregate General Fund reserves were projected to end FY 2015-16 below the 12% threshold that is in accord with the City's approved financial policies. Some council members expressed concerns about this and asked City staff to identify savings sufficient to offset the reduction. As part of developing the FY 2016-17 budget proposal, departments were asked to seek savings opportunities in the current fiscal year and to update their year-end expenditure estimates accordingly. While the Austin Fire Department continues to project it will exceed its budget allocation by more than \$2 million due to rising overtime costs, other General Fund departments are projecting savings sufficient to more than cover this overage and to offset the \$418,000 budget allocation to PARD. At this time, staff is projecting that General Fund departments will end FY 2015-16 with aggregate savings of approximately \$1.5 million.

As a result of this effort, General Fund reserve levels have been revised and are now projected to end the year in excess of the 12% policy threshold set by Council.

In regards to the progress being made in hiring lifeguards to staff the City's municipal pools, since the hourly wage rate was increased, PARD has hired approximately 300 additional lifeguards to total approximately 550 seasonal temporary employees. In order to ensure adequate staffing for the entire summer season, the Aquatics Division continues to host lifeguarding classes and has additional registrants for the 46 hour training course beginning July 18th. Although the Aquatics division still faces staffing shortages, it has not reduced its certification standards, which serve as a best practice in ensuring that lifeguards are appropriately trained and prepared in the event of an emergency.

Going forward, the Aquatics division will continue to develop and enhance partnerships with the Austin Independent School District and local club swim teams, and continue efforts to attend neighborhood association meetings, conduct recruitment trips to local high schools and career fairs, and market opportunities online to recruit lifeguard applicants. An additional strategy being pursued includes mapping where current candidates reside in relationship to the swimming pools and creating recruitment campaigns/strategies in target areas where there appears to be few or no candidates. Finally, PARD is collaborating with the Office of Performance Management to conduct a process improvement analysis that will provide recommendations to improve the current system in anticipation of next year's recruitment and hiring.

If you have any questions on this information, please contact Ed Van Eenoo at extension 42638 or Sara Hensley at extension 46717.

xc: City Manager
 Assistant City Managers
 Chief of Staff
 Chief Financial Officer
 Parks and Recreation Department Assistant Directors