

# EXPENDITURE REDUCTIONS & ACCOUNTABILITY

In 2007 in anticipation of the slowing economy, the County began several proactive and aggressive measures to reduce costs. While these efforts have been successful in reducing the County's expenditures, much of this progress has been offset by increased costs for obligations such as the revenue sharing agreement with the City of Charlottesville and Tax Relief for the Elderly and Disabled. Furthermore, the County's financial picture is challenged by unfunded mandates and reduced funding from the state of Virginia. The following summarizes how the County's cost reduction efforts and long-term planning have resulted in changes for the FY 09/10 budget.

## Responding in FY 09/10

**Hiring freeze:** In FY 07/08, the County Executive instituted a hiring freeze that to date has resulted in the "freezing" of 35 vacant positions. During FY 09/10, an additional 20 vacancies are planned to be frozen, for a total of 55 frozen positions, or approximately 9% of the general government workforce. As the hiring freeze expands, the County will assess organizational priorities and redirect staff as necessary in order to maintain critical services and minimize other service impacts to citizens, recognizing that the expansion of existing programs or implementation of new initiatives will be delayed and certain service levels will decrease. For a complete list of frozen positions, please see the list at the end of this chapter.

**Operating reductions:** County departments have continued to significantly reduce the non-personnel operating components of their budgets, now totaling a \$1.4 million or 10% decrease since FY 07/08. Additionally, the County Executive's recommended budget includes no new initiatives for FY 09/10.

**Energy Management:** As part of the County's environmental and fiscal stewardship, the Board of Supervisors adopted a goal in 2007 to reduce the County's energy consumption by 30% by 2012. In calendar year 2008, the County reduced its electric and natural gas consumption by 4,578,950 kBtu (kilo British thermal units), or 20% compared to 2007 for its three office buildings.

**Community Agency Request Process:** With the exception of a small number of community agencies, all agencies received level or decreased funding. Any agency increases were due to agreements that required funding increases or reflected the reorganization of existing services between multiple agencies. No new agencies requesting funding were funded.

**Capital Improvement Program (CIP):** The CIP budget is reduced by \$100 million, or 42% over the next five years resulting in significant delays to a variety of public facilities including the Pantops and Ivy fire stations, the Crozet and Northside libraries, parks in western and northern Albemarle County, and planned recycling centers among other projects.

## Continued Long-term Planning

**Program and Service Review:** As part of the Five-Year Financial Plan, the Program and Service Review seeks to identify and evaluate potential cost saving opportunities. The FY 09/10 budget continues to include approximately \$490,000 in reductions implemented in the FY08/09 adopted budget. With the expansion of the County's hiring freeze during FY08/09, much of the savings originally intended to be reviewed in the current fiscal year was realized. As an example, the County identified an opportunity to examine the impacts of rescheduling custodial staff in order to reduce utility usage and costs; however, in FY 08/09 the County froze 2 custodial vacancies, resulting in savings through a reduced level of service. Though challenged by staffing limitations, in FY 09/10 the County will continue to identify and evaluate additional items for review and incorporate them into the annual budget as appropriate, including examining such areas as the County's Copy Center services and organization-wide records management. Through the expansion of its hiring freeze, the County will also continue to assess how any staffing reorganizations can translate into long-term process improvements for the County's day-to-day operations.

### **External Process Reviews:**

**Budget Process Review Committee** – In an effort to improve the County's overall accountability for expenditures, the County Executive established a Budget Process Review Committee to assist him in evaluating the short and long range processes that lead to the development of the annual budget. The committee was selected to be a group

outside of the day to day operations of the County with experience in other public and private sector organizations that could review and evaluate the County’s current processes and suggest areas for improvement. The Committee’s report was delivered to the Board of Supervisors in August of 2008 and the County Executive’s Office has begun implementing many of the report’s recommendations in FY 08/09, including ensuring alignment between the financial impacts of the Strategic Plan with the Five-Year Financial Plan during the Board’s fall retreat; developing additional materials to educate citizens on the budget; and redesigning the budget website to provide easier access to relevant data and materials.

**Resource Management Review** – Also in 2008, the County contracted with the Commonwealth Educational Policy Institute (CEPI) at Virginia Commonwealth University to conduct a resource management review of general government operations. This report was delivered to the Board of Supervisors on February 11, 2009. Many of the report’s recommendations focus on long-term organizational change and require more extensive evaluations; however, staff will work in the coming months to assess the recommendations that can be quickly implemented.

**Frozen Positions**

Department	Position
Community Development	Civil Engineer (Inspections)
	Civil Engineer (Zoning and Current Development)
	Engineering Inspector (position filled, cost offset by new Board-approved fees during FY 08/09)
	Historic Resources Planner
	Intake Support Specialist (0.5 FTE)
	Natural Resources Planner
	Planner
	Rural Areas Support Planner
	Senior Engineering Inspector
Senior Planner (position filled, cost offset by new Board-approved fees during FY 08/09)	
County Executive's Office	Office Associate (0.5 FTE)
Finance	Business Auditor
	Director of Management and Budget (eliminated in FY 07/08)
	Office Associate
	Real Estate Supervisor
	Senior Budget Analyst
	Senior Tax Clerk (2.0 FTE)
Fire Rescue	Recruitment and Retention Captain
General Services	Custodian (2.0 FTE)
Housing	Housing Program Coordinator (eliminated in FY 07/08)
Human Resources	Organizational Development Specialist
Information Technology	Office Associate
	Programmer Analyst
Office of Facilities Development	Capital Project Manager
Parks and Recreation	Parks Foreman
Police	Civilian Patrol Assistant (0.5 FTE)
	Corporal
	Police Officer
Social Services	Assistant Director
	Mental Health and Substance Abuse Worker (eliminated in FY 07/08)
	Office Associate (2.0 FTE)
	Senior Employment Services Worker (eliminated in FY 07/08)