



# **COVID-19 Budget Reduction Overview**

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# COVID Financial Strategy

April 16, 2020

County  
Administrator's  
Office

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- **Data-driven to support decision making**
  - **Department Head input is an important factor informing recommendations and decisions**
  - **Reduction priorities:**
    - **Operations and capital reductions**
    - **Personnel / staffing changes based on changes to scope and scale of operations**
      - Hiring freeze in place
      - Furlough, layoff, reduction in force (RIF), reduction in salaries / wages are considerations
    - **Reserves (to replace revenue loss)**
  - **FY20 budget adjustments will be presented for Board action**
  - **Opportunities exist for innovation and improved, forward-looking changes to services and business practices**
  - **FY20 analysis and adjustments will inform FY21 budget planning**



# Operational Strategies

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- **Reduction / elimination of budgeted line items:**
  - Supplies
  - Training
  - Employee Relations
  - Dues and Subscriptions
  - Mileage
  - Utilities
  - Repairs
- **Transfers from / shifting of expenses to special revenue funds**
- **Elimination or delay of projects:**
  - Consulting
  - Capital
  - Software
- **Vacancy Savings**
- **Reduction or elimination of discretionary services**



# Personnel Actions

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- **Hiring Freeze**: Only vacancies that are in COVID-19 response-related or mission critical positions are being filled (March)
    - Approximate savings: \$2,000,000
  - **Zero-scheduling** of part time, intern, and temporary part time hours in the County Administrator appointed departments (May)
    - Approximate savings: \$100,000
  - **Voluntary furlough** offered to non-union employees (May)
  - **Voluntary reorganization** / consolidation with savings (Ongoing)

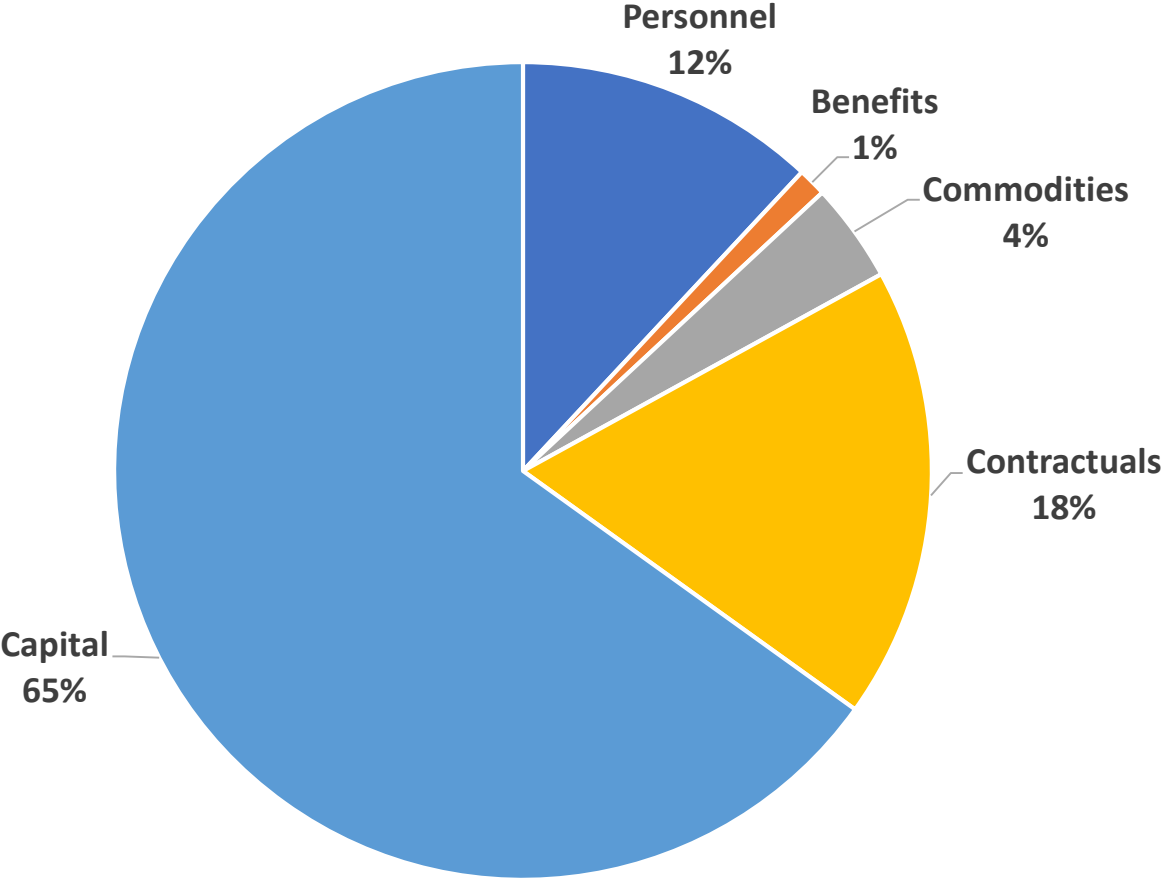


# Reduction Summary

## \$18 Million

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COVID-19 - Related Reductions



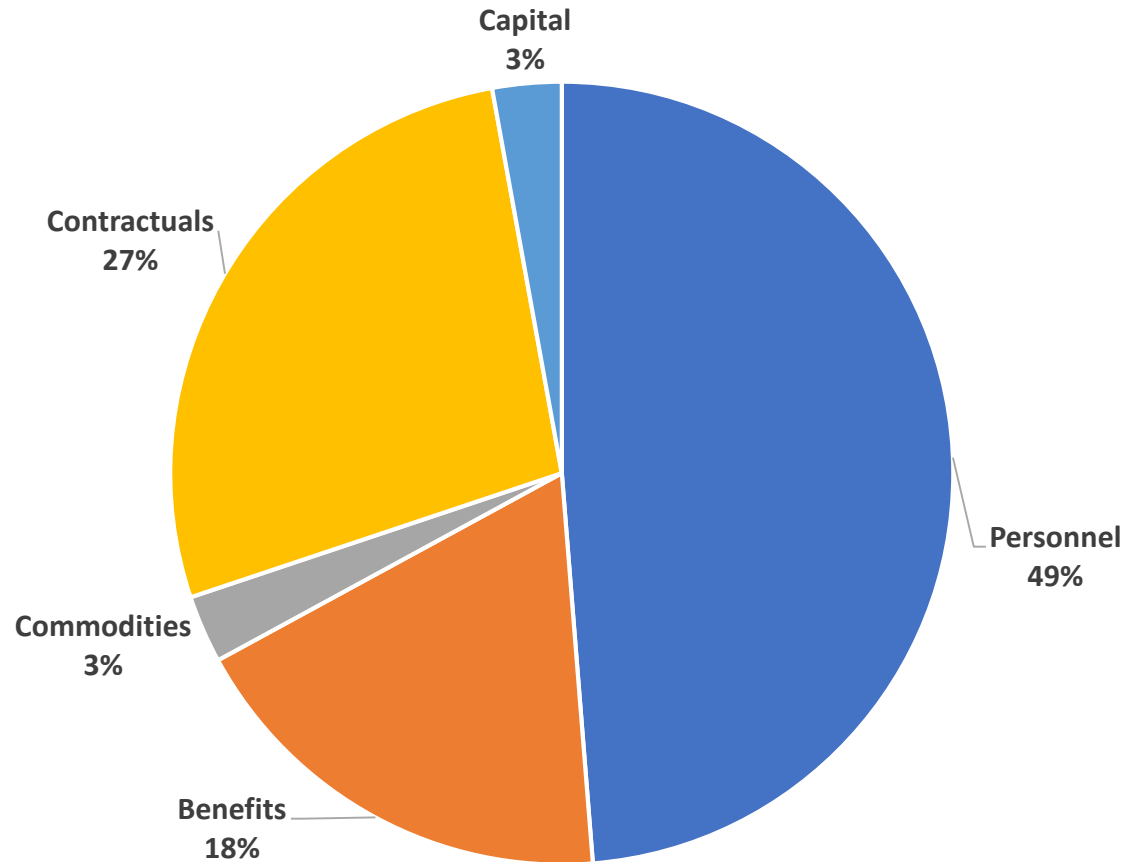


# Expense Overview

## Operating Funds

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### FY20 Adopted Budget Expenses



**67% of Budget is Personnel and Benefits**



# Budget Impact Task Force

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Office

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- **Members:** All Department Heads
  
  - **Goals:**
    - Share financial information showing status to date and projections
    - Discuss possible sources for mitigation efforts
      - Operational expenses
      - Personnel-related expenses
      - Reserves (to replace revenue loss)
    - Focused discussion on personnel actions and “fair” / consistent application across departments / agencies with widely varying structural models and dependencies



# Budget Impact Task Force

## Top Strategies

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### 1<sup>st</sup> (Tied)

- Early Retirement / Voluntary Separation (*minimal near-term savings*)
- Voluntary give back of up to 3 vacation days (*no near-term savings*)

### 3<sup>rd</sup> (Tied)

- Vacancy freeze (*in place*)
- Shared or centralized services (*in place, limited proposals*)

### 5<sup>th</sup> (Tied)

- Unpaid holidays for rest of FY20 (*proposed*)
- Elimination of part time and intern hours (*in place for appointed Dept.*)



# Questions?