

## **Session**

### **From Fiscal First Aid to Fiscal Resiliency**

## **Moderator**

### **Stanley A. Early**

Deputy City Manager  
City of Dayton, Dayton, OH

## **Speakers**

### **Vivian McGettigan**

Finance Director  
County of Hanover, Hanover, VA

### **Ann Shawver**

Director of Finance  
City of Roanoke, Roanoke, VA

### **Linda B. Cramer**

Finance Director  
County of Chatham, Savannah, GA

### **Shayne Kavanagh**

Senior Manager - Research  
GFOA, Chicago, IL

## **Fiscal Resiliency in Hanover County**

- I. Description of County – for point of reference to their governments
  - A. Hanover smallest triple AAA County in US
  - B. Brief demographics
- II. 20 Year History of Long-Term Focus – Fiscal Resiliency
  - A. Five year operating plans
  - B. Focuses Board on long-term impact of decisions reducing fluctuations in tax rates
  - C. Positive factor for Rating Agencies – demonstrates ability to balance multiple years rather than focusing on the current year
  - D. Assumes two years of recession at all times before recover so that year of recovery is bonus as opposed to needing to react in the next year
- III. Current Recession
  - A. Slides on specific revenue trends
  - B. Board Fiscal Reality Initiative (revenue forecasting teams)
  - C. Development of new charts tracking and forecasting revenues during recession
  - D. State-wide Revenue Meetings to share ideas: (local Virginia GFOA, General Assembly Revenue Committee)
  - E. Hanover's Examples of Solutions (numerous slides and pictures exist from various presentations – need to narrow down)
  - F. Global Redeployment to preserve jobs while maintaining core services
  - G. Perfect time to purchase property – Purchase of all buildings to permanently remove rental costs for all buildings currently rented. (the cost of debt service in the first year was less than rent in all cases)
  - H. Cost Recovery for Services
    - I. Larger Classroom sizes
    - J. Planned deferral of Capital Projections
    - K. Focus on Core duties – Determine if squeaky wheels from the past have created unnecessary reports and requirements
    - L. Increased 37.5 hour employees to 40 creating capacity for case work
    - M. Reduction in hours (libraries, convenience centers, cannery)

## **Fiscal First Aid and Fiscal Resiliency in Roanoke, Virginia**

- I. Roanoke, Virginia – the “Star City of the South”
  - A. Demographics

- B. Fiscal and budgetary snapshot
- C. Organization of our government
- II. Fiscal First Aid
  - A. The regular stuff
    - i. Benefits reductions
    - ii. Capital spending freeze/reductions
    - iii. Reductions in funding of outside agencies
    - iv. Budget contingencies that save the day
    - v. Departmental reductions
    - vi. Re-examination of contracts
  - B. Roanoke unique
    - vii. Roanoke Pension Plan contribution strategy
    - viii. Budgeting for debt service in advance of issuance
    - ix. Two cents meals tax for two years dedicated to education
- III. Fiscal Resiliency
  - A. Conservative revenue practices, adequate contingencies, cash funded capital
  - B. Roanoke Department of Management and Budget - Command Central
  - C. Line item added – Contribution to budget stabilization reserve
  - D. Comprehensive policy review with financial advisors, updates planned for fall
  - E. Employee Health Services
  - F. There's something to be said about having the credit card maxed out!
  - G. The "New Normal" – tough decisions - core government services
    - i. School redistricting and school closings
    - ii. Each of two community pools open three days per week
    - iii. Closing residential crisis intervention center
  - H. CCAP – Community College Access Program
- IV. The next chapter - budgeting for outcomes – FY12

### **Lessons from Chatham County**

- I. Quick view – Chatham County
- II. Developing financial resiliency by applying GFOA best practices
  - A. Financial Policies
    - i. Fund balance
  - B. Capital Plans
  - C. Financial Forecasts and Plans
- III. Analyzing the budget shortfall
  - D. Types
  - E. Approaches
  - F. What Chatham County's approach is
- IV. Cost restructuring example
  - G. Pilot Wellness Program
  - H. Expansion

### **GFOA Research**

- I. Model of Recovery and Resiliency