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City announces budget actions due to COVID-19 impacts

HARRISONBURG, Va. – Due to the ongoing COVID-19 pandemic and the significant financial impacts accompanying it, the City of Harrisonburg will be forced to take a number of budget actions in the coming days, including a layoff of most part-time employees, effective May 10, 2020.

City finance officials estimate that Harrisonburg will lose up to \$4 million in projected local revenues this fiscal year, which comes to an end on June 30, 2020. In light of those losses and in order to maintain the City's financial stability, it has been decided to implement actions that include:

- The reduction of most part-time staff. Additionally, those Harrisonburg Department of Public Transportation transit bus operators who traditionally do not work over the summer months will not return until their routes resume with the resumption of classes at James Madison University, as is the case every year.
- A hiring freeze of all positions, other than those that are deemed essential.
- A reduction in department operating expenses, other than those for essential services.
- A stop to capital outlay purchases, other than for essential projects or those funded by outside revenue sources.
- A delay in new capital projects, unless they are deemed essential or are funded by outside revenue sources.
- Non-essential staff travel is suspended until further notice.

The City will reassess the circumstances regularly, and make every effort to ensure affected employees are restored to their position should their position be reopened in the future. However, at this time, the City cannot guarantee that these positions will be restored.

"For the past two months, we have navigated the challenges of the COVID-19 pandemic with an important goal of maintaining core services to our residents, while protecting and supporting every employee with the City of Harrisonburg," Harrisonburg City Manager Eric D. Campbell said. "But, as the pandemic continues having an impact on our community, it is now clear that we must take action in order to continue providing core services at a time when we have seen the loss of millions of dollars of vital funds."

The decision was announced to all City staff on Monday, May 4. Representatives with the Harrisonburg Human Resources Department are available to any staff members who have been impacted by these reductions.

Though municipal buildings have been closed to the public, all core City services have continued unchanged at this time. City staff and the Harrisonburg City Council are currently considering a proposed fiscal year 2020-2021 budget, which is expected to be adopted in May.

The City of Harrisonburg is centrally located in the Shenandoah Valley of Virginia. It is home to approximately 54,000 people. More information about the City of Harrisonburg is available online at www.HarrisonburgVA.gov.