

Chesterfield County Cost Reduction/Continuous Improvement Program

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Representing: Chesterfield Citizens for Responsible Government (CCRG)

Origin and Purpose

Spanning a period of two years, CCRG has been involved in analyzing Chesterfield County spending data that has been obtained using Freedom of Information Act (FOIA) requests, published Chesterfield County documents and other public sources of information.

Line-item spending details have been developed for each county department for actual Fiscal Year (FY) spending from 2017 thru 2024. Adopted budget data has been developed for FY 2025 and FY 2026.

In most cases, county spending levels in many Chesterfield County government departments have increased by more than the CPI inflation rate, more than population growth, and more than taxpayer income growth. County government spending has accelerated at a pace that creates a real financial burden for most taxpayers, while not delivering any, or many tangible benefits.

Note: The fiscal year (FY) for Chesterfield County runs from July 1 thru June 30 of the next year i.e., the FY 2025 runs from July 1, 2024 thru June 30, 2025. The FY 2026 runs from July 1, 2025 thru June 30, 2026. Chesterfield County is now in the process of developing the FY 2027 budget which will run from July 1, 2026 thru June 30, 2027.

Starting on July 2, 2024, CCRG conducted its first meeting with a Board of Supervisor representative (Mark Miller, the elected representative from the Midlothian district) and county management (Matt Harris – Deputy County Administrator) to review the CCRG-developed data that had been compiled as of that date, which indicated excessive spending by the county. During that meeting, CCRG requested that county management, with strong support from the Board of Supervisors, implement an effective Cost Reduction/Continuous Improvement Program to reduce/control spending in support of county taxpayers, who have been financially hit hard with dramatic increases in tax burdens over the past few years, brought on by the excessive county spending that has been occurring.

Note: The CCRG request to implement this Cost Reduction/Continuous Improvement Program does not involve the Chesterfield County Education Department. That would require a separate discussion with the Department of Education.

CCRG has made over 25 different attempts since then to engage county management and/or the BOS in discussions about excessive spending. The latest was on Feb. 12, 2026. CCRG has even offered to assist the county in the implementation of this program, at no cost to the

county. To date, the county has refused to make any effort to control, much less reduce, county spending levels!

Note: Copies of the spending data assembled by CCRG has been provided to all members of the Board of Supervisors and county management.

Some examples of what we consider to be excessive spending include:

- Economic Development – For years the county has been spending hundreds of millions of dollars of tax payer money on Economic Development projects that have little to no return on investment for taxpayers. The clear evidence this is occurring is the fact that for the past 20 years, roughly 80% of the real estate tax base is paid by residential tax payers with only 20% being paid by Commercial property tax payers. If the spending on Economic Development was so successful, we should have seen more of the tax burden being shifted to Commercial taxpayers.
- A few examples of specific areas of county spending increases that were dramatically higher than the USA CPI inflation rate are as follows (increases from 2019 thru 2024 actual and FY 2025 & FY2026 adopted budget).

Note: The CPI inflation rate from 2020 thru calendar year 2026 projected average is 3.8% per year:

Ref. #	Department	FY 2026 Adopted Budget Spending (\$ Millions)	2020 - 2024 Actual and FY2025 & FY 2026 Cumulative % Spending Increase	Average Annual % Spending Increase
1	Information Systems & Technology	29.6	76.2%	10.9%
2	Human Resources	3.8	81.0%	11.6%
3	Parks & Recreation	26.9	69.1%	9.9%
4	Accounting	6.7	67.5%	9.6%
5	Commonwealth Attorney	7.9	64.6%	9.2%
6	Treasurer	6.3	61.5%	8.8%
7	Planning	6.3	57.5%	8.2%
8	Social Service & Mental Health	89.3	49.3%	7.0%

If you look at the data CCRG has compiled for each county department, you would see the same pattern (spending increases much higher than the CPI inflation rate) repeating for most county departments, to one degree or another.

The aim of CCRG's requested Cost Reduction/Continuous Improvement Program is not mass layoffs or reduction of county services. What CCRG is suggesting is a critical review of spending by each individual department to identify waste, duplication, and inefficiency. How can we do this better? Can we spend less money while we deliver the same, or improved, value for residents? We have also asked if the county is using Artificial Intelligence to improve government efficiency and service with projected spending reductions to help taxpayers?

The Cost Reduction/Continuous Improvement Program concept, which is used throughout private industry companies, as proposed by CCRG, would involve the following steps:

1. Assign an individual(s) within county management to be responsible for developing Cost Reduction/Continuous Improvement actions/projects for implementation. This assigned individual(s) would also be responsible for tracking the implementation and completion of these actions/projects.
2. The assigned individual(s) would meet with each department head to emphasize the need to operate in as efficient a manner as possible in support of taxpayers. Ask each department head to review all aspects of the spending in their department and develop actions/projects that can be taken/implemented to make their operation more efficient. Document these specific actions/projects that can be taken/implemented including; estimated savings and the estimated implementation date. Assign someone responsibility for implementing each individual action/project within each department and track it to completion.
3. Summarize all of these actions/projects and provide a brief monthly status report to county management and the BOS. Project a critical path of projected savings by quarter at each of the monthly BOS meetings.
4. Report this information to taxpayers on a monthly basis on the county web site.

The position of CCRG is that county spending should be reduced "in total." Any annual departmental spending increases should be publicly justified by data-driven decisions, and limited to not more than the CPI inflation rate, unless additional spending is justified.

What we find very disturbing are comments made by Mark Miller, Chairman of the BOS. Toward the end of the 2:00 PM Board of Supervisors meeting on January 28, 2026, he stated the following: "At our last Board meeting someone spoke to the Board and suggested that the county reduce spending in every single department by 3% to 5%... Saying there should be a cut across the board is just irresponsible. It's not something we would do."

You can watch the recorded video of Mark Miller saying this here:

<https://youtube.com/clip/UgkxtSJYDX9AqAEgcy-McqgB1KIMasiJn9c4?si=pn9rwzIbcBIJaXk5>

It is important to note that no member of CCRG has ever recommended an “across-the-board” spending cut for each county department. Our recommended approach was documented in the September 12, 2024, report sent to the BOS and county management. Identified spending reductions would be developed on an individual department basis.

It has now been 19 months (over 1 ½ years) since CCRG’s initial request for the county to implement a Cost Reduction/Continuous Improvement Program in support of county taxpayers. Obviously, county management and the BOS have no interest in making any effort to control, much less reduce, spending in support of taxpayers! Mark Miller, as of January 1, 2026; is now the Chairman of the Board of Supervisors and he sets the agenda. He is now on-record that he is not in favor of any attempts to control/reduce county spending.

The average increase from 2025 to 2026 of the residential assessed property values in Chesterfield County is 4.65%. Note: Some Chesterfield County neighborhoods have seen double digit percentage increases in their assessed property values in 2026 versus 2025.

In March, 2026, the BOS will make a decision regarding the tax rate to be applied to the assessed real estate property values to calculate the amount of real estate property tax to be paid by each residential home owner of Chesterfield County. These tax payments are to be made in June, 2026 and December, 2026. The current real estate property tax rate is \$0.89 per \$100 of assessed value. The BOS in January, 2026, set this as the maximum tax rate to be applied in 2026. This tax rate can go lower, but cannot go any higher.

Chesterfield County citizens need to contact the BOS representatives to let them know they need to reduce the real estate property tax rate to collect revenue increases in 2026 of no more than the CPI inflation rate (currently projected to average 2.5% in 2026). This can easily be accomplished if the BOS will make a serious effort to control cost and reduce spending.