



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 12-1148, **Version:** 1

Receive and accept the County of Monterey Cost Savings Committee report.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

It is recommended that the Board of Supervisors receive and accept the County of Monterey Cost Savings Committee.

SUMMAR/DISCUSSION:

This presentation complies with item # 2 on the June 9, 2010 Budget Hearing referral list requesting that the Cost Savings Committee make quarterly reports on cost savings ideas and plans for the implementation of those ideas to the Board of Supervisors.

The purpose of the Cost Savings Committee is to explore any and all potential cost saving measures - other than those brought about through salary reductions. The committee first met on September 22, 2003 and has met periodically ever since. The committee is composed of Department Heads, the County Contracts Purchasing Officer and a representative from SEIU.

The Cost Savings Committee was created to discover cost savings through exploring alternative and more efficient ways of doing business.

The Cost Savings Committee is currently focused on 3 main areas.

- Reduction of County fleet - The Resource Management Agency/Department of Public Works distributed a memorandum on July 9, 2012 to encourage County Departments to turn in vehicles to Fleet that were not needed. This memorandum included incentives to encourage voluntary participation. Unfortunately, no vehicles were turned in as a result. In order to optimize the usage of County vehicles, the Public Works Department has begun a review of its own vehicles as a pilot project. The goal of this review is to detail vehicle usage based on miles driven and then identify those vehicles which are not being used or are being used on a minimal basis. For those vehicles which show little to no usage, a justification for continued vehicle retention will have to be provided. Based on the lessons learned from this pilot project, Public Works will continue to work with other County Departments to help optimize their fleets and save costs.
- Implementation of Flexible Medical Spending Account - A Request for Proposal was issued for the administration of the FMSA and closed on October 4, 2012. The initial scoring of the proposals is complete and the top 5 finalists have been identified. Final interviews will likely take place in late January of 2013. Once a selection is made, the Board will be educated on the costs/benefits of providing an FSA to Monterey County employees. If the Board decides to move forward with offering an FSA, then negotiators will begin negotiating with all employee organizations/unions.
- Assessment of Printing Practices in hopes of finding cost savings and efficiencies. On July 6, 2012 the County entered into an Enterprise Print Assessment agreement with the Xerox Corporation to perform a complimentary

comprehensive operational and financial enterprise print analysis for the County. The analysis took place over a period of two months (September/October), and focused on establishing the Baseline Total Cost of Ownership, total Device inventories, Impression Volumes associated with each Output Environment, areas of potential cost reductions and potential areas for process improvements. The process also included the submittal of an online survey that was sent out to an estimated 400 +/- County employees and targeted a wide variety of issues ranging from equipment satisfaction to customer satisfaction. The overall objective of the analysis is to identify and quantify the operational and financial impacts in implementing a new and transformational and scalable print service delivery model, targeted at improving document management by leveraging a defined Enterprise Print Services foundation. The County Department Heads will be receiving a presentation of findings by Xerox Corporation on January 16, 2013.

The Cost Savings Committee has also been actively trying to encourage County employees to opt out of receiving a printed pay stub (advice). As of 3/28/2012 the Auditor Controller's Office printed 3,306 advices and as of 9/25/2012 they printed 2,873 advices a reduction of 13%. The CSC will continue to encourage employees to Opt Out of receiving pay stubs.

The Cost Savings Committee in conjunction with the Information Technology Department has created an online suggestion box that is located on the County's intranet homepage. Dozens of suggestions have been submitted by employees online and are reviewed periodically by the Cost Savings Committee.

OTHER AGENCY INVOLVEMENT:

The Cost Savings Committee is comprised of representatives from Child Support Services, RMA, Department of Public Works, Information Technology and the Assessor County Clerk-Recorder's Office. The report has been discussed with staff of the Alternative Energy and Environment Committee and the Budget staff of the Administrative Office.

FINANCING:

There are no costs associated with these recommendations.

Prepare and Approved by: Stephen L. Vagnini, Chair Cost Savings Committee, ext. 5803