



BLUE RIBBON COMMISSION ON ADDRESSING PRINCE GEORGE'S COUNTY'S STRUCTURAL DEFICIT

APRIL 15, 2016
MINUTES

The following Blue Ribbon Commission members were present at 10:24 a.m.

Blue Ribbon Commission Members:

Earl Adams, Jr.
Amber Hendricks
Turkessa Green
Ron Watson
James R. Estepp
Gino Renne

Jamal Miller
John Rogard Tabori
David Van Dyke
Thomas Himler

Council Members and Staff:

Howard W. Stone
Colette R. Gresham
Maurice Simpson, Jr.
Pleshette Monroe

Other Attendees:

Dwayne Mingo

OPENING REMARKS/REVIEW OF MINUTES:

Chair Earl Adams, Jr., called the meeting to order at 10:24 a.m. The Commission reviewed and approved the minutes from the March meeting. The Chair welcomed everyone and welcomed Dent Advisors back to finish their presentation from the March 24th meeting.

BEST PRACTICES IN ADDRESSING STRUCTURAL DEFICITS PRESENTATION:

Derek Alpert and Tony Saunders of Dent Advisors gave a presentation on the best practices in addressing structural deficits. Mr. Saunders discussed the drivers of structural imbalance which includes flawed/inadequate budget forecasting, pension calculations, bonus "13th" checks in Collective Bargaining Agreements (CBA), restrictive CBAs, mandatory staffing, and long-term liabilities. The County needs to look at retiree health care costs and pension funding. Mr. Saunders stated that there were three options to discuss moving forward to address the structural deficit: 1) modification to retiree health care; 2) modification to CBAs; and 3) service elimination. During the next five years, the County

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needs more revenue or massive reductions on the liability side. Another option to pursue is in the area of procurement, which is the next biggest expense outside of human capital. Mr. Saunders discussed the overall observations as it pertains to procurement, which includes 1) spend is fragmented, departmental and year-to-year; 2) contracts management is decentralized; 3) accounts payable processes are manual, highly labor intensive; 4) systems are fragmented, cumbersome in some cases no longer supported by system vendor; 5) purchasing is an administrative function not a value-add function for the County; 6) requisitioning is full-time for some, part-time for others; and 7) budgeting process is disconnected and managed at too granular a level to be efficient or effective. The major recommendations are to 1) initiate sourcing projects, while de-coupling it from buying transactions and rationalize the process; 2) centralize and enable contracts management and focus departments on supplier and program management; 3) e-Enable accounts payable; 4) launch a new transactional order process system; and 5) process recommendations. A proposed governance structure for the transformation included a Steering Committee to provide executive leadership, review and govern process and allocate resources.

The Chair announced that the Blue Ribbon Commission's next meeting and public hearing is scheduled for Thursday, April 28th at the Park and Planning Hearing Room, 6600 Kenilworth Avenue, Riverdale, Maryland. The meeting will begin at 5 p.m. and the public hearing will follow at 7 p.m. The next meeting will focus on land use policies and the Commission will discuss the framework for the Final Report. A copy of the Procurement Task Force Report was also requested and will be provided by staff.

Meeting adjourned - 12:33 p.m.

Next Meeting – Thursday, April 28th at 5 p.m. at the Park and Planning Hearing Room, 6600 Kenilworth Avenue, Riverdale, MD