



Final Report of the Engage Gwinnett Excellence Through Innovation Taskforce

Presented to the Board of Commissioners
May 17, 2011



A PARTNERSHIP OF GWINNETT COUNTY AND THE
GWINNETT CHAMBER OF COMMERCE



INTRODUCTION

It has been our honor to lead the Engage Gwinnett Excellence Through Innovation Taskforce. This task force was created – with the support of the Gwinnett Chamber of Commerce – to further the work conducted by the Engage Gwinnett Citizen’s Committee. The Engage Gwinnett final report, which leads the community in a review of County services and made recommendations to this Board of Commissioners, cited many recommendations focused on how technology could be utilized to help create additional efficiencies, increase productivity and/or create cost savings.

It was to goal of this taskforce to utilize business and technology leaders from both the private and public sector to identify and recommend approaches that will create additional government operational efficiencies gained by business process changes and the utilization of technology to provide long-term improvements. Additionally, we called on task members to utilize their organizations and networks to enlist subject matters experts, as needed, to ensure we leverage as many best practices and lessons learned possible throughout this process.

We realize that government leaders and managers are confronting a host of challenges that affect how they accomplish their mission. The challenge of improving organizational performance while adapting to dramatic changes in the workforce, responding to increasing customer expectations, and integrating new technologies, requires leaders and managers to apply new management approaches and processes that include utilization of technology to improve efficiency. Further, declining budgets and the requirement to “do more with less” drives the need for technology utilization, but often does not allow managers the time to explore technology efficiencies and/or new technology.

Our 15-member taskforce met bi-monthly over a seven month period to accomplish this task. We believe that our work and recommendations set forth by this committee will assist the county in moving to the next level through technology to achieve a level of excellence that we know is within our reach. With this, we offer two immediate action items to further the recommendations, which include quarterly reporting as part of the Engage Gwinnett report process, as well as creation of a standing technology committee. Thank you for your consideration of these recommendations.

Bill McCargo
Chair

Sean Murphy
Co-Chair

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EXECUTIVE SUMMARY

The Engage Gwinnett Excellence Through Innovation Taskforce began its efforts in October 2010 to further the work conducted by the Engage Gwinnett Citizens' Committee, specifically technology recommendations. The goal of this taskforce was to utilize business and technology leaders from both the private and public sector to identify and recommend approaches to create additional government operational efficiencies gained by business process changes and the utilization of technology to provide long-term improvements. The taskforce began by reviewing the Engage Gwinnett recommendations pertaining to technology, including:

- Reviewing the County's use of technology and facilitating greater integration/inter-office coordination across departments.
- Continuation of technology improvements that have been delayed, since these improvements would allow some Internal Services areas to accomplish more with their existing staffs. This would be particularly helpful for Finance and HR.
- Addition of a technology surcharge to criminal fines for supporting technological improvements (ticketing system).
- Expediting implementation of Criminal Justice Information System (CJIS).
- Expediting a paperless system for courts, tickets, licenses and permits, police reports.
- Providing online access or self-service kiosk for service delivery.
- Implementing a case management electronic court filing system.
- Exploring a public-private partnership for self-service or paperless delivery of services.
- Consolidating technical personnel and address integration, and standardization of IT systems, networks, hardware, applications, and other technology components.
- Establishing or modifying service level agreements to ensure that the requirements of the currently decentralized agencies are addressed.

Next, the taskforce reviewed the county-wide IT strategic plan, along with supplemental presentations on key initiatives, and determined the taskforce would divide into two committees: (1) New Technologies & Opportunities, and (2) Budget and Process Efficiencies.

(1) The New Technologies and Opportunities Committee reviewed the current technology landscape, evaluated best practices and lessons learned from the public and private sector, and made recommendations for new technology and how to better leverage existing technologies for the benefit of the enterprise. Recommendations by this committee fall into three major categories:

- **The first category** focuses on efficiency, specifically cost savings or revenue enhancements. This category includes recommendations on the e-Citation and Recorder Court Management System, cost savings suggestions for mobile devices, exploring a single payment processing system, expansion of the uncollected citation revenue initiative, the addition of a radio and wireless data communications fee, and the creation of a technology policy advisory committee.
- **The second category** focuses on governance and accountability, specifically improved oversight and controls. This category includes recommendations for an analysis of mobile resource management, implementation of a capital project management system and expansion of the fiscal budget accountability and dashboarding system.
- **The third category** looks at accessibility and making Gwinnett County services more available to its citizens. These recommendations include recommendations for increasing the use of e-Government/m-Government services and technology, creating a comprehensive social media strategy focused on delivering government services to its customers, and exploration of self-service kiosks for bill pay services.

(2) The Budget and Efficiency Committee reviewed the county technology plan, project inventory, and capital and operating budget. The committee found a technology organization that appeared well-managed and accountable for results. There exist opportunities to align and organize more efficiently, improve the process that initiates, selects and manages projects, and select, manage, and constantly review the technology resources to realize the most benefit. Recommendations by this committee fall in three major categories:

- **The first category** centers on the organizational impact of technology in the county and recommends organizational efficiencies.
- **The second category** addresses IT Governance which ensures that technology is aligned with the business, delivers value, properly allocates resources and measures results. These recommendations require project sponsors, project management processes, return on investment, and overall service frameworks.
- **The third category** addresses resource procurement and management efficiencies including staff, hardware, software, and services. This category considers outsourcing, cloud services, sharing datacenters, improving service contracts, and developing metrics to quantify the value of resource decisions.

ABOUT THE EXCELLENCE THROUGH INNOVATION TASK FORCE

MEMBERS (BIOS AVAILABLE IN ADDENDUM A)

Business Community Partners	
Bill McCargo (Co-Chair)	Atlanta Education Fund
Sean Murphy (Co-Chair)	Canvas Systems
Rick Allen	Gwinnett Medical Center
Scott Futrell	Gwinnett County Public Schools
Marian Lucia	Retired CIO (Federal Home Loan Bank of Atlanta)
Doug Meyer	Sage Software
Cindy Price	AT&T
Greg Talsky	Cisco
Phil Ventimiglia	NCR
Elected Office Stakeholder Representatives	
Sylvia Black	Gwinnett County Sheriff
Phil Boudewyns	Gwinnett County – Administrative Office of Courts
Richard Steele	Gwinnett County Tax Commissioner's Office
Task Force Support Staff	
Aaron Bovos	Gwinnett County – County Administrator's Office
John Matelski	Gwinnett County – Information Technology Services
Barry Puckett	Gwinnett County – Information Technology Services
Jann Moore (Taskforce Manager)	Gwinnett Chamber of Commerce
Melissa Solomon (Taskforce Manager)	Atlanta Education Fund

PROCESS

The first two meetings focused on the overall objectives of the taskforce, and a presentation of the County-wide IT Strategic Plan that was conveyed by the Plante & Moran consultants. After understanding the background and the current environment, the taskforce reviewed the Engage Gwinnett recommendations which referenced technology and came to consensus on additional recommendations to be considered.

At this point, the taskforce was divided into two committees to evaluate different aspects of the technology recommendations. Bill McCargo led the New Technologies & Opportunities Committee, which was charged with reviewing and making recommendations for new technology that will result in cost savings and/or revenue generating. Sean Murphy led the Budget and Process Efficiencies Committee which was charged with reviewing and making recommendations for budget and process efficiencies for current technology infrastructure.

Meetings would include a presentation of interest to the entire taskforce, breaking out into committees to further the recommendations and then reporting out to the entire committee for discussion and acceptance of recommendations. In addition to technology presentations, the taskforce reviewed the County’s financial position and the implications of the budgeting process on the recommendations made by this taskforce. A summary of the County’s finances is available in Addendum B.

Date	Location	Meeting Objective
October 21st	Gwinnett Chamber 6500 Sugarloaf Pkwy, Duluth	<ul style="list-style-type: none"> • Review of County IT Strategic Plan
November 4th	Gwinnett Chamber, Cisco Room	<ul style="list-style-type: none"> • Review of County’s progress on IT Strategic Plan
December 2nd	Corus 360, 130 Technology Parkway Norcross, GA	<ul style="list-style-type: none"> • Committee Formation • Consensus of committee goals and objectives • County budget presentation
January 6th	Sage North America, Board Room 1715 North Brown Road Lawrenceville, GA 30043	<ul style="list-style-type: none"> • Committee Break-Out Kick-Off • Group Report-Out
January 20th	Cisco, Sugarloaf Parkway	<ul style="list-style-type: none"> • Fairfax County Discussion/Cisco
February 10th	NCR, 2651 Satellite Blvd., Duluth	<ul style="list-style-type: none"> • CJIS Presentation • Committee Meetings • Group Report-Out

February 24th	Gwinnett County Police Headquarters Annex	<ul style="list-style-type: none">• Mobile Resource Deployment presentation• Committee Meetings• Group Report-Out
March 10th	Cisco Sugarloaf Parkway	<ul style="list-style-type: none">• Committee Meetings• Group Report-Out
March 24th	Gwinnett County Justice and Administration Center	<ul style="list-style-type: none">• County Library IT presentation• Prioritization of consolidated recommendations
April 14th	Gwinnett Chamber of Commerce	<ul style="list-style-type: none">• Final recommendations report-out and approval

ENGAGE GWINNETT EXCELLENCE THROUGH INNOVATION TASKFORCE BY THE NUMBERS

- 15** Members from the public and private sectors with professional expertise in technology and innovation development, utilization, and increased productivity and or cost savings.

- 727** Hours of volunteer work by the members and additional subject matter experts in **10** meetings and meeting preparation.

- 284** Cumulative number of taskforce member years of professional technology and business experience.

- 5** Major presentations were made by “outside” resources.

- 480** Relative documents were reviewed.

- 0** The public cost of the development, implementation and recommendation report of the ETI Taskforce.

WORK GROUP REPORTS

OBSERVATIONS / CURRENT STATE

Based on noted findings and an assessment that was conducted by an outside firm (Plante & Moran) with Information Technology and Public Sector/Government industry experience, a current state assessment of information technology (IT) at the County was developed and quantified using a maturity rating for each topical area in 2009. This maturity rating is used to identify gaps and areas of opportunity for each of the identified topical areas. The following represents the scale used for the maturity rating:

Maturity Description	Level
Best Practice in the Industry	★★★★★
Mature or Fully Implemented	★★★★☆
As Expected	★★★☆☆
Improvements Identified	★★☆☆☆
Needs Significant Improvement	★☆☆☆☆

This committee has done a current state review and summarized findings in the table below, which evaluates the IT Department in three areas: organization, administration and technology.

Organization Assessment	Maturity Rating
Governance	★★★☆☆
Coordination	★★★★★
IT Staffing	★★★★☆
Administration Assessment	Maturity Rating
End-User Services	★★★★☆
IT Operations	★★★★☆
IT Management Processes	★★★★☆
Technology Assessment	Maturity Rating
Infrastructure	★★★★☆
Data Center Management	★★★★★
Enterprise Applications – FileNet	★★★☆☆
Enterprise Applications – SAP	★★★☆☆
Enterprise Applications – GIS	★★★★★
Web Applications – Internet/Intranet	★★★☆☆

As the table suggests, the Department of Information Technology Services (DoITS) is a well-run organization that provides a high level of service and has a sound technology infrastructure in place to meet the needs of the departments and offices that they serve, as well as the citizens and constituents of the County. In fact, the chart depicts a number of areas – those with 5 stars - where Gwinnett County is considered “best of breed” and is used as a measuring stick by which other agencies compare themselves. That being said, the work of this taskforce was to look at taking our county government to a higher level of excellence even in this time of economic challenge.

CHALLENGES AND CONSIDERATIONS

The U.S. economy continued to shrink in 2010 and the impact on local governments such as ours will be felt for some time as overall budgets are impacted by a declining tax revenue base, among other factors. In the face of this continued economic downturn, further IT spending will continue to be scrutinized. Local governments will need to do more with less, have less discretionary funds available, and will need to make the case for how IT can save money.

IT within local governments will continue to look for IT professionals with business skills versus technical certifications to deal with the new economic environment. Perhaps this trend will result in better IT performance without commensurate increases in cost. Some studies show that IT spending in many organizations may continue to decrease, despite the need to rely more heavily on IT to automate solutions that would return value, save money, create efficiencies, and enable the continued maintenance and/or enhanced delivery of services. Based on this fact, outsourcing becomes a more viable support model for services that are considered to be commodity items. Outsourcing service providers have been known to achieve better margins and lower costs in many scenarios with minimal decrease, if any, in service levels. What this trend demonstrates is that County IT may be able to achieve similar cost savings without negatively impacting service levels. In fact, they may not have a choice, as we believe that are already operating at a level where the organization has been streamlined so that any further cuts would require a reduction in service levels in whatever areas additional cuts were mandated.

IT is often viewed as a cost center, and a result of this perspective is sustained focus on total cost of ownership (TCO). While this is an important and necessary approach to IT management, used in isolation it does nothing to demonstrate the value IT provides to the organization. When an IT department is viewed solely as a cost center, budgets are squeezed year over year as budgets are cut. As a result it is difficult for IT organizations to keep up with the demands of the enterprise.

The Engage Gwinnett report cited that they believed that the Internal Services departments may have been cut to the point to which their ability to support the rest of the County government may be in jeopardy. Our review of the Information Technology Services Department leads us to concur

with that finding. As the County departments/offices continue to increase their reliance on technology and innovation, we believe that further cuts to this department would have a detrimental impact to the entire County government. Based on 2010 data, Gwinnett County's IT "spend per constituent" is \$33. This is 10.8 percent below the peer average which is \$37. Based on this statistic and more importantly based on our review of the ITS department, we believe that they are providing excellent value for the amount of funding that has been allocated.

RECOMMENDATIONS

NEW TECHNOLOGIES & OPPORTUNITIES COMMITTEE

The New Technologies and Opportunities Committee reviewed the current technology landscape, evaluated best practices and lessons learned from the public and private sector, and made recommendations for new technology and how to better leverage existing technologies for the benefit of the enterprise. The recommendations by this committee fall in three major categories:

- **The first category** focuses on efficiency, specifically cost savings or revenue enhancements. This category includes recommendations on the e-Citation and Recorder Court Management System, cost savings suggestions for mobile devices, exploring a single payment processing system, expansion of the uncollected citation revenue initiative, the addition of a radio and wireless data communications fee, and the creation of a technology policy advisory committee.
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Efficiency - e-Citation and Recorder Court Records Management System

Gwinnett County agencies, including the Recorders Court, Police Department, Sheriff Office and DoITS, are currently evaluating the implementation of an e-Citation and Recorders Court Records Management system, as it will create end to end efficiencies in a process which is currently extremely paper intensive. Categorical efficiencies for each component of this initiative are noted below:

e-Citation System:

- Elimination of errors caused by manually transposing information from the driver's license to the handwritten citations
- Enhanced accuracy provided by consistent violation descriptions
- Decreased time required to issue citations
- Improved officer productivity and availability

Recorders Court Records Management System:

- Efficiently process citations and reduce reliance on manual processes
- Enhanced service delivery that provides citizens with more efficient and cost effective service
- Superior accuracy by integrating e-Citation System with Records Management System
- Increased revenue recovery through timely processing of citations

In order to leverage efficiencies for each of these projects, the committee recommends the following:

- Aggressive implementation of an e-Citation and records management system led by the DoITS, in conjunction with the Recorders Court, Police Department and Sheriff's Office.
- Recognize cost savings derived through these process improvement and streamlined operation efficiencies by department budget reductions to ensure that tax payers receive the benefits of the savings that have been created.

In addition to the efficiencies and cost savings that will be recognized, when this system is fully implemented, each of these agencies will be able to deliver enhanced levels of service to citizens and constituents.

Efficiency - Mobile Devices

Mobile communications tools have become an integral and essential part of doing business for public and private sector agencies. It is also recognized that the costs associated with these tools needs to continually be controlled and managed. Over the last three years, the County has done a good job of lowering the overall spend on mobile devices from \$868,570 to \$761,676 (12.3%). The County recently updated their technology use policy that addresses mobile devices, and also establishes parameters by which Directors and Office Heads evaluate the need for mobile device use, as well as establishing a mandate for monthly reviews of mobile device bills. This increased accountability at the Department/Office Head level is laudable. Despite these efforts, all County Departments/Offices must continue to focus on cost containment, while ensuring that they leverage these technologies to create efficiencies, reduce costs, and provide higher levels of service.

- We recommend that each County Department/Office review, for every situation where it is determined that mobile communicating equipment is required for the conduct of a job, whether the employee can be given the choice to use a county owned device or a privately owned one, which could be reimbursed in a fashion that is in compliance with IRS rules and regulations as well as Georgia Open Records laws.

Many governments have implemented this successfully with the results being, lower costs associated with the purchase of hardware as well as lower monthly recurring service costs. In addition, this methodology helps relieve property management responsibility, and repair/replacement tracking.

- In order to ensure that the costs of administering this type of a system are minimized, we recommend that the DoITS investigate ways to automate the process of bill and usage

compliance reviews, and deploy a cost effective system that will help facilitate administrative efficiencies.

This task force has also reviewed the mobile device deployment strategy that the DoITS is supporting, and had the opportunity to compare it with other best of class agencies in both the public and private sector. The County had been standardized on the Blackberry platform, but has recently expanded their standards, after appropriate testing, to include Android and iOS devices. This strategy is in line with what other peer agencies are doing, and is an appropriate strategy to pursue. Government and business users are beginning to demand greater business functionality than the RIM/Blackberry platform is able to provide, and are requiring that their technology support agencies embrace other ActiveSync based smartphone devices and operating systems which are proving to create greater efficiencies (Android and iOS-iPhone devices). In fact, the most recent Nielsen Media Research reports support this trend, as their latest numbers published in January show that Android devices are now the most popular smartphone platform in the US, with a market share of 31.2%. This is a 7.7 percentage point jump from just three months earlier, in October, when it had just 23.5% of the market. Meanwhile, Blackberry continued its decline, down 10 percentage points to 29% compared to the same time last year. Industry analysts attribute this to the fact that although Blackberry devices are exceptional corporate email devices, Android and iOS smartphones are creating operational efficiencies and improved customer service because the platform allows for tighter integration with enterprise systems, as well as a much more robust capability to leverage web based applications.

Numerous innovative government agencies have already built and launched enterprise custom applications to support their business goals using ActiveSync based smartphone devices. These same agencies are also expanding the functionality of these applications by making them available on tablet based devices such as the iPad. Smart governments and businesses are seeing increased return on investment (ROI), reduced total cost of ownership (TCO) and are increasing the level of productivity of their employees by utilizing these devices.

Rather than just being a managed expense, smartphones enable critical business goals such as collaboration, sharing, enhanced field operations and the ability to build custom applications that create business efficiencies. It is also important to note, that the cost of ownership for ActiveSync devices is proving to be lower than Blackberries as governments and companies avoid the "Blackberry Tax" imposed by Blackberry Enterprise Server (BES) requirements. The ease of use of ActiveSync devices is also resulting in users becoming self-sufficient which lowers support costs.

- We recommend that the County's DoITS continue to pursue the innovative use and deployment of cost effective mobile devices, and evaluate the use of mobile enabled applications that will create efficiencies.
- We also recommend that the County continue to have the mobile device carriers support the hardware and carrier network, while County staff only supports the County applications that are delivered to these devices.

Efficiency - Single Payment Processing

The County's Department of Water Resources has recently embarked on automating water bills which allow customers to sign up for electronic payment notifications, eliminating the requirement to mail out paper bills. The anticipated completion of this project is May, 2011. Additionally, phase II of this project will allow electronic bills to be delivered to customer's banks for on-line bill pay. The estimated cost savings to the County for the upcoming years is: 2011 (\$10,000), 2012 (\$50,000), 2013 (\$100,000), and 2014 (\$200,000).

- This task force recommends that the County's Chief Financial Officer (CFO), Chief Information Officer (CIO) and Department of Financial Services (DoFS) Director lead the charge to leverage the best practices and lessons learned from the automation of water bills to expand to other County bill systems. Further, we recommend that they also collaborate with departments and offices as needed, to explore a single payment processing system which would consolidate all County payments systems into one transaction processing solution. A single payment processing system would increase efficiency, lower cost and help manage risks associated with Payment Card Industry (PCI) compliance standards.

Efficiency - Uncollected Citation Revenues

The County is currently working with Sentinel, a probation company, to collect debt on past due warrants. In a six month pilot, working with a small set of data, Sentinel collected approximately \$20,000. Plans are in place to increase the data set which should result in increased collection revenue.

- This committee recommends that the County continue to expand the scope of the uncollected citation to include all bench warrants which has a revenue potential of \$12m (with 32,632 citations on file).
- Further, we recommend that a regular collection system be implemented which will condense the collection time and provide a steady revenue source.

Efficiency - Radio and Wireless Data Communications Fee

Gwinnett County provides mission-critical, public-safety 800 MHZ radio and wireless data communications across the county and holds licenses from the Federal Communications Commission. The 800 MHz Radio System is utilized by many county departments, and also serves federal, state, and other local area government agencies, while providing interoperable voice communications between all agencies using the system. This radio system also continues to support interoperable communications with surrounding counties. In order to utilize the system to its fullest potential and preserve its availability for emergency use, Gwinnett County Government must continue to efficiently manage and control access to the system.

Currently, all Gwinnett County Government departments that use the system pay for their radios, and also provide a proportionate contribution to cover the ongoing annual maintenance and

operations costs of maintaining the system which is primarily funded through the County's general fund. Other participating agencies pay for their radios, but are not contributing to the annual maintenance and operations costs.

In 2010, the maintenance and operations costs that can specifically be allocated on a per user basis (of which there are 4498) totaled \$1,539,689. This equates to a cost of \$342 per radio on the system. These costs typically increase 3% annually. It is this committee's firm belief that Gwinnett County needs to assess each participating agency a user fee that is fair and proportionate to share the burden of the ongoing maintenance and operations costs, and ensure that agreements are in place that facilitate every agency paying their fair share of attributable costs, which would include any annual increases that are imposed.

- We recommend that all expenses related to the use of this system should be equitably shared by all users, to include the expenses associated with maintenance and operations.

Efficiency - Technology Policy Advisory Committee

Gwinnett County's DoITS has done a good job reaching out to other agencies, collaborating with them, and looking for strategic and innovative ways to enhance operations and support in a cost effective manner.

- We recommend that the DoITS continues to conduct these types of meeting, but to also expand to have regularly scheduled meetings at which all government offices and agencies in Gwinnett County can participate. By having meetings that focus on how agencies are leveraging innovation in their organization, the entire community of government agencies can reap the benefits of many of these discussions.
- We further recommend that the County engage in regularly scheduled meetings with technology leadership from the Board of Education, Board of Health, Public Library System and any other governmental agency that would add value to share best practices, lessons learned and discuss how joint collaborations might create synergies.
- Due to the fact that information technology is such an integral part of the inner workings of County government, we recommend that the County explore the value of creating a technology advisory committee which, could provide citizen and corporate input to ensure that the County government keeps pace with appropriate emerging trends in information technology to:
 1. Support county goals and priorities;
 2. Provide citizens, businesses, and employees with open government and access to services and information;
 3. Promote government innovation and improve government effectiveness and efficiency.

This committee could provide the Board of Commissioners and/or appropriate County staff with expert citizen advice on information technology trends and strategies. This advisory committee

could help evaluate opportunities, benefits, and challenges of technological innovation and provide insight into ways that technology can facilitate enhanced services that benefit the County Government and its citizens. Committee members would need to stay current on developments and innovation in the field of information technology and advise the Board of Commissioners, and the CIO on emerging information technology trends and on the application of technology that promotes enhanced government services, policies, and procedures.

Governance - Mobile Resource Management

Gwinnett County's Department of Support Services (DoSS), Fleet Division manages over 2000 vehicles and apparatus for all County Departments/Offices including, but not limited to, Public Safety (Police, Fire, Sheriff, Corrections) Public Utilities (Department of Water Resources), Community Services and other types of general use vehicles. Mobile Resource Management technology has the ability to enhance the ability to manage individual use of vehicles, assets and service. Using technology to manage all types of assets provides the county an opportunity to increase productivity, improve public image, reduce expenses and increase safety.

One example familiar to the task force is a vehicle tracking system such as a Global Positioning System (GPS) which could provide a precise location of all vehicles. Such a system could be used to route support staff much more efficiently, and as a result, vehicles would accumulate fewer miles every month resulting in improved productivity and fuel efficiency. This technology could improve safety by providing the ability to monitor the speed and conditions of vehicles on the road and provide an exact location in case an employee needs assistance. This could result in a reduction of fleet operating costs, enhanced performance and a reduction in inefficient trips.

- The task force recommends that the DoITS coordinate with the DoSS Fleet Division to analyze fleet management and automation technologies, and determine which ones could be enhanced and/or evaluated for future implementation.

Governance - Capital Project Management System

As local governments transition to focus more on performance and accountability, government leaders are directing increased attention to careful planning and evaluation of both operating and capital expenses to position the organization to provide required services. Finance officers have an opportunity to contribute valuable insight to all stages of capital plans and help insure capital project investments align with long-term service goals, objectives, and strategies.

Gwinnett County has a large number of capital projects that are managed primarily by the following departments - Support Services, Water Resources, Transportation, Community Services, Fire, Police and Information Technology Services. Other Departments/Offices may also manage projects, but to a lesser degree. A review of the current processes and technology tools that are used to manage projects across the county reveals that there is not a centralized methodology or tool currently being leveraged. We understand that there have been multiple initiatives over the last few years to try and consolidate processes and systems, but that these efforts have not yet resulted in a methodology that provides the level of centralization or visibility into projects from an enterprise standpoint.

Equally important to managing capital projects, is the ongoing requirement to track and maintain the resulting infrastructure assets, from complex underground networks (e.g. water distribution,

sewers) to buildings, roadway systems, parks, transit systems, and others. These built assets are subject to deterioration due to ageing, climate, geological conditions, or changes in use. Asset and property managers are faced with many challenges regarding when and how to inspect, maintain, repair, renew, and replace a diverse set of existing facilities in a cost-effective manner.

- The task force recommends that the County Administrator's office put together a working team to evaluate the disparate business processes and technology tools that are being used to manage capital projects today, and task this team to come up with a proposal that would facilitate a capital project management system methodology and platform to deliver project accountability, transparency and reporting across the lifecycle of all projects.
- The solution should provide comprehensive funding management tools combined with a best-in-class capital project and program management solution, which would provide managers with the tools to execute projects efficiently and also provide county executives with program level visibility and automated reporting.
- The Capital Project System solution must also allow for County staff to better track asset condition, plan maintenance, and manage and forecast the related costs.
- The system should enable cash flow forecasts that could allow the CFO and DoFS to maximize investment strategies for capital funds.
- The solution must be deployed with required integrations into the county's current SAP enterprise resource planning system (ERP), but also be a standards based solution that would allow for integrations into other current or future systems as well.

Governance - Fiscal Budget Accountability & Dashboarding

Gwinnett County is one of a select few government entities that has embraced an innovative mechanism of participatory budgeting which aims to involve citizens in the decision-making process of public budgeting. By creating a channel for citizens to give voice to their priorities, and promoting public access to revenue and expenditure information, they have effectively increased transparency in fiscal policy and public expenditure management. The DoFS is responsible for preparing, monitoring, analyzing, and providing a financial plan (budget) to the Board of Commissioners for generating revenues and disbursing money to operate County government. In addition, the Budget section details the planned methods of expenditures for operating departments and the Capital Improvement Program, and identifies the financial method for providing programs and service to the citizens of Gwinnett.

- Though the DoFS has done a great job facilitating this process, reductions in force, operations streamlining and other factors require that they investigate opportunities, in collaboration with the DoITS and other stakeholders, to implement a county-wide budgeting solution.
- This solution should allow for innovative business practices that will enhance the efficiency and effectiveness of the County's budgeting processes by integrating financial information, increasing resource efficiencies by eliminating labor intensive manual processes and stand-

alone shadow applications, supporting performance measurement and strategic planning, and providing greater organizational accountability.

- The integration of the budget preparation applications into a single platform would provide for a single access point to conduct real time analysis, and provide the reporting and decision making tools necessary to reduce the patchwork of existing system interfaces and manual (spreadsheet) processes. Recognizing that the County has a significant investment in its current ERP solution (SAP), we recommend that the budget solution provide for:
 - Full ERP integration
 - Better process performance
 - Increased resource efficiencies
 - Support performance management and strategic business planning
 - Flexible reporting features and dashboarding capabilities
 - Strong foundation for future functionality
 - Enhanced cash forecasting
 - Improved financial planning through data integration
 - Linkages between the financial planning process and budget execution

Accessibility - e-Government/m-Government

Governments around the world have engaged in the process of developing a wide range of electronic government (e-government) services by using information technologies, particularly, web-based internet applications. As governments increase the use of information and communications technologies, demands by the public for more effective services increase. In response, governments are aiming to meet the rising expectations of citizens for better, more comprehensive services using innovative information technologies and various service delivery channels in addition to the World Wide Web.

Mobile internet and related technology have led to a new era of mobile government (m-Government) services and business models. It is no longer a matter of whether or not e-government professionals, practitioners, and researchers should acquire necessary skills to prepare for the new move towards m-Government, it is a matter of how fast they can acquire the skills essential to meet the growing services demands of multiple stakeholders (e.g., the public, private and public companies, and intra-organizational agencies).

In our view, three interrelated initiatives are the seedbed for the development of what we call m-Government. These initiatives are: (1) advancements in mobile and wireless technology, (2) the wider acceptance of these technologies by the public, government and business communities, and (3) the development of government applications and services.

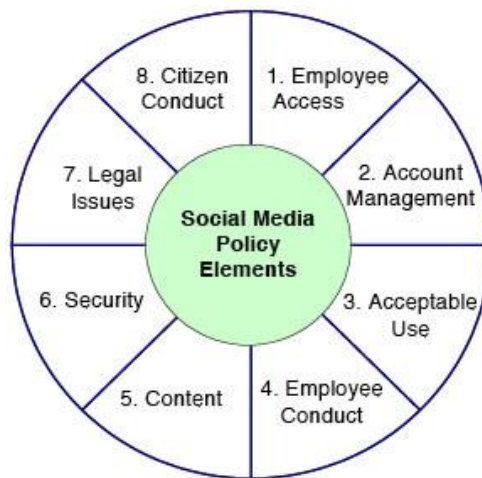
- We recommend that the County, spearheaded by the Communications Division and DoITS, expand its e-government strategy to address the increasing mobile government demands of citizens and constituents. Failure to remain focused on developing and enhancing m-

Government advances will result in Gwinnett County being less able to take advantage of mobile technologies that make the workforce and business community more efficient.

Accessibility - Social Media Strategy

Gwinnett County's Communications Division and Department of Information Technology Services has collaborated to draft a social media policy, but it has not been implemented.

- County staff should finalize this policy, and aggressively pursue the use of social media tools to provide ways to build community and officially and rapidly communicate directly with stakeholders, partners, the general public and the media as part of online communications. The policy needs to address policy elements as shown in the diagram below.



These tools are simply another way to deliver public information, customer service and E-government to County residents. To address the fast-changing landscape of the Internet and the way residents communicate and obtain information online, county agencies should coordinate with the Communications Division and consider using social media formats to reach a broader audience.

- Though we understand that there may be challenges associated with leveraging certain third-party tools like Twitter and Facebook for two-way communications due to the fact that the County does not control the retention and storage of the content, the County's Communications Division, Law Department, County Clerk and DoITS should evaluate the viability of developing some of its own processes and tools that can be managed in compliance with Georgia Open Records Laws to conduct electronic town hall meetings and other two-way communications via the Internet.
- We further recommend that the County engage a social media consultant, who has both private and public sector experience, and leverage best practices and lessons learned that they can provide through their experiences to help increase the likelihood of expedited success.
- We would also encourage the county to collaborate with the Gwinnett School of

Mathematics, Science, and Technology. This educational institution provides broad, rigorous exposure to global and cultural issues as they enhance student achievement in engineering, biosciences, and emerging technologies. By developing a partnership with them, we can leverage some of the County's brightest young citizens, who represent the up and coming generation of social media users.

- This Task Force also believes that Gwinnett County Government should collaborate with the Gwinnett County Chamber of Commerce, to begin marketing some of the technology capabilities that make this county a great place to live, work and play.
- We believe that the Chamber of Commerce should host an annual "Technology Day" event, where Gwinnett County businesses and government agencies can get together and promote some of the technologies which are creating a better quality of life for citizens and/or are helping promote economic development in the region. By leveraging and touting the innovative technology that exists throughout Gwinnett County, we can enhance our positioning as we strive to become the "silicon valley" of the southeast.

Accessibility - Self-service Kiosks

We recommend that the county explore the implementation of self-service kiosks for bill pay services. These kiosks have been proven to reduce the wait time for customers and increase customer satisfaction. Exploring the use of kiosks to process payments for utilities might also create a revenue opportunity by implementing fees, per transaction. Self-service technology and kiosks can be used to deliver county services in a more efficient and consumer friendly fashion. Self-service kiosks use should be evaluated in the following areas:

- Bill Payment –Kiosks can be used to accept payment for any type of county fees or bills. Kiosks provide a simple experience for citizen as they can accept multiple payment types including cash, check, credit, and debit card in a safe and secure environment.
- Appointment Scheduling – Citizens can schedule appointments online or at a kiosk and then check-in via a kiosk.
- Submit Applications – Kiosks can be used to fill out and submit digital applications for Marriage licenses, Driver's Licenses, Birth Certificates and other permits and documentation.
- Employee Time Keeping – Managing employee time keeping can be automated by using Kiosks to have employees swipe their badges to clock in and out.
- Digital Signage – Digital Signs can be used to communicate important real time information, such as road or school closures. They can also be used to provide informative or entertaining distractions which reduce perceived wait times. Finally, digital signage can be used as an advertising and promotions vehicle if appropriate.

The committee therefore recommends discussing this possibility with companies who have expertise in this area.

BUDGET AND EFFICIENCY COMMITTEE RECOMMENDATIONS

The Budget and Efficiency Committee reviewed the county technology plan, the project inventory, and the capital and operating budget. The committee found a technology organization that appeared well managed and accountable for results. There exist opportunities to align and organize more efficiently, improve the process that initiates, selects and manages projects, and select, manage and constantly review the technology resources to realize the most benefit.

The recommendations by this committee fall in three major categories.

- **The first category** centers on the organizational impact of technology in the county and recommends organizational efficiencies.
- **The second category** addresses IT Governance which ensures that technology is aligned with the business, delivers value, properly allocates resources and measures results. These recommendations require project sponsors, project management processes, return on investment (ROI) and overall service frameworks.
- **The third category** of recommendations addresses resource procurement and management efficiencies including staff, hardware, software, and services. This category considers outsourcing, cloud services, sharing datacenters, improving service contracts, and developing metrics to quantify the value of resource decisions.

Organization Efficiency The IT department is a vital resource to the county and provides tremendous value through efficient management of the county's technology resources. There are examples where capital has been returned through strict governance and where innovation has provided tangible benefits. Opportunities to communicate the value of IT by publishing service levels and project benefits would help create a culture that rewards good stewardship and innovation. Recognition of technology successes would also reward individuals. The county competes with private industry for IT talent, and cannot often offer competitive salaries and benefits. Believing that your efforts are appreciated and that you are contributing to the success of the organization are key factors that contribute to employee retention.

IT support staff still exist outside of the IT organization which eliminates some of the benefits that can be realized by having these resources managed centrally. Besides the advantages of having a larger pool of resources to drive efficiency, the County would have greater assurance that resource usage is aligned with the overall county priorities, and helps ensure that benefits promised by the implementation of technology are in fact realized. Organizations that establish their own IT organizations outside of the centralized group are known as "Shadow IT" entities. These often crop up inside larger organizations during times when it is believed that the centralized IT organization is not meeting the needs of an individual agency. Shadow IT adds hidden and/or unnecessary costs to organizations, consisting largely of non-IT workers who are reassigned to perform technology support functions. Technology professionals may also be added to complement these services.

In addition to the unnecessary costs that Shadow IT inserts into the equation, typically over time inconsistencies in support will arise from the accumulation of small differences from one version

to another and from one group to another. Many errors that occur from lack of adherence to standards and procedures frequently go undetected due to a lack of coordination, rigorous testing and version control. Another challenge that shadow IT creates is wasted investment. Shadow IT organizations often procure technology solutions that prevent ROI from investments in systems that are designed to perform the functions now replaced by Shadow IT. These projects are typically initiated with good intentions, but without the strategic direction of the enterprise in mind. Shadow IT introduces inefficiencies, and can be a barrier to innovation by blocking the establishment of more efficient work processes and utilization of enterprise solutions.

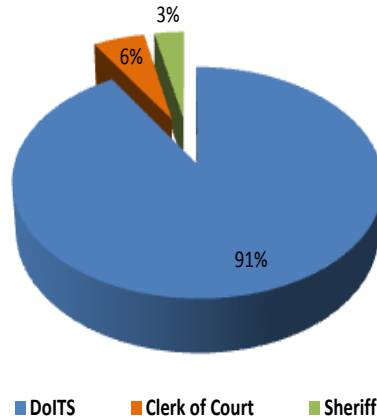
The review conducted by this task force indicates that remaining Shadow IT is costing the county at least a million dollars annually until addressed.

Strong IT governance with service commitments, project process, and cooperative accountability will mitigate concerns by elected officials that they will not have their technology needs met. Centralization will enable agencies to focus on their core business competencies, and be assured that their IT needs are managed by IT professionals. Combining IT resources would also ensure a greater opportunity for staff to have consistent career development opportunities and could enhance employee satisfaction and retention.

This committee recommends the following:

- We understand that Technology support has already been consolidated across all Board of Commissioner Departments, including Police, Fire and Corrections with great success. These consolidation efforts should extend to any remaining agencies who still have their own IT organization, and address the coordinated consolidation of personnel as well as the integration, and standardization of IT systems, networks, hardware, applications, and other technology components. Service Level Agreements (SLA) should be modified and/or added to ensure that the requirements of the currently decentralized agencies are addressed.

Technology Support Staffing Level



- The DoITS in coordination with the DoFS should evaluate and redefine as needed, a new funding model that will reward cost-effective IT spending and discourage non-strategic IT spending. This model should also remove disincentives and institutional barriers to acceptance of shared services and infrastructure.
- In conjunction with the redefinition of the funding model noted above, the DoITS and DoFS should evaluate and adopt a plan by which a portion of the cost savings associated with technology innovation projects is reinvested back into the DoITS budget to underwrite the research, development and implementation costs associated with out-year innovative technology investments.

On all future projects, staff and budgets should be evaluated and appropriate reductions implemented, to ensure that cost savings specific to technology innovation are actualized.

- The value of IT should be marketed/communicated throughout the county.

IT Governance Overview

IT Governance is the process that drives accountability for the successful use of technology throughout an entire organization. It also ensures the best use of resources by aligning project priorities using ROI, tracking the progress towards delivering well defined business requirements, and continuing to support the technology once deployed using specific service level agreements and operational frameworks. The committee's recommendations around IT Governance are addressed in the categories of Program Management Efficiencies, Return on Investment, and service delivery frameworks.

Governance - Program Management

The committee recommends that the DoITS reestablish a Program Management Office (PMO) with

Business Analysis (BA) and Business Process Re-engineering skills to drive project accountability for both project costs and financial benefits. In all cases the ROI commitments for a project need to be tracked to hold agencies accountable for savings and benefits. By creating a culture of county-wide project prioritization, strong project management, with joint accountability and recognition, the county will realize the best possible financial outcome for project investments.

- A project management process should be developed and implemented to ensure every project has a project owner and project governance structure.
- Every project should have a defined ROI that considers the life of the assets and the recurring annual operating expenses.
- Project sponsors should be accountable for results including savings and benefits.
- Every project should include a post implementation audit to ensure that requirements were met and benefits were delivered especially staff and expense reductions and revenue enhancements.
- A thorough review of IT implementations should occur to make sure the project process would address issues, and to require that financial benefits have been realized. Budget and staffing levels should be adjusted to reflect implemented efficiencies.
- All existing project requests should be reprioritized using the project process and timelines should be modified to accelerate financial benefits.

Governance - Return on Investment / Process Improvement

Because the County is relying on technology solutions more than ever to help reduce cost and improve organizational efficiency, it is becoming increasingly important to establish a process and criteria to evaluate each technology project/initiative.

A performance measure used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments is Return on Investment (ROI). It is important to note, that the calculation for return on investment and, therefore the definition, can be modified to suit the situation – so it all depends on what are identified as returns and costs. The definition of the term in the broadest sense just attempts to measure the profitability of an investment and, as such, calculations may vary. For example, a technology professional may compare two different solutions by dividing the gross savings that each solution has generated by its respective cost of implementation. A financial analyst, however, may compare the same two products using an entirely different ROI calculation, perhaps by dividing the net cost of an investment by the total value of all resources that have been employed to implement a solution. This flexibility has a downside, as ROI calculations can be easily manipulated to suit the user's purposes, and the result can be expressed in many different ways. When using this metric, it is important to agree on what inputs are being used.

- The DoITS, in collaboration with the DoFS and other stakeholders should implement an ROI evaluation that also includes a post implementation audit of each initiative to ensure that the actual results of the project delivered as expected.
- In order to ensure that technology investments are deployed wisely, it is imperative that

cost savings are offset by cost reductions in the areas that reap the benefit of automation.

The ROI should be documented and become part of the annual department business plan. Projects and systems that are implemented to address legal or other mandates that are imposed upon the county may be exempted from this process.

Governance - Service Delivery Frameworks

It is important for the County to be able to measure the consistency with which service is delivered. Service frameworks such as the Information Technology Infrastructure Library (ITIL) and Microsoft Operations Framework (MOF) are examples of industry standard service frameworks that facilitate this. Other frameworks exist and have varying levels of complexity and adoption. ITIL and MOF are the most widely used frameworks for organizations similar to DoITS. These frameworks provide a mechanism to deliver services not only consistently, but also in a more efficient and effective manner. Additionally, these frameworks promote the utilization of standard processes which also provide a basis to further evaluate each service to ensure that it is being delivered efficiently and without extra steps in the process. During the past 3-years DoITS has implemented a Service Improvement Program (SIP) that has improved upon the delivery of most key services. The most notable result of this program is the development of a Service Catalog and SLAs.

- It is our recommendation that the DoITS consider adoption and implementation of a service delivery framework which will facilitate higher levels of efficiency and potential cost savings.

Management Efficiency Overview

Management efficiency addresses things that an organization can evaluate to ensure that they are being done in the best way possible, taking into account the changing landscape of technology and business processes in light of best practices and lessons learned. The committee's recommendations around management efficiency are addressed in the categories of resource management, outsourcing opportunities, public and private cloud based services, service management, client computing, data center utilization, and sourcing opportunities.

Management Efficiency - Resource Management

The committee recommends maximizing the benefits of all resources including people, software, hardware, and services. Organizations can realize significant financial benefits from appropriately outsourcing services, using outside services such as cloud computing, and ensuring that contract agreements are frequently reevaluated. Opportunities to leverage space in datacenters, disaster recovery facilities, and contract terms may exist with other organizations. The committee also recommends establishing and publishing service levels to drive continuous improvement, providing appropriate client devices for each user, and extending asset life to reduce costs.

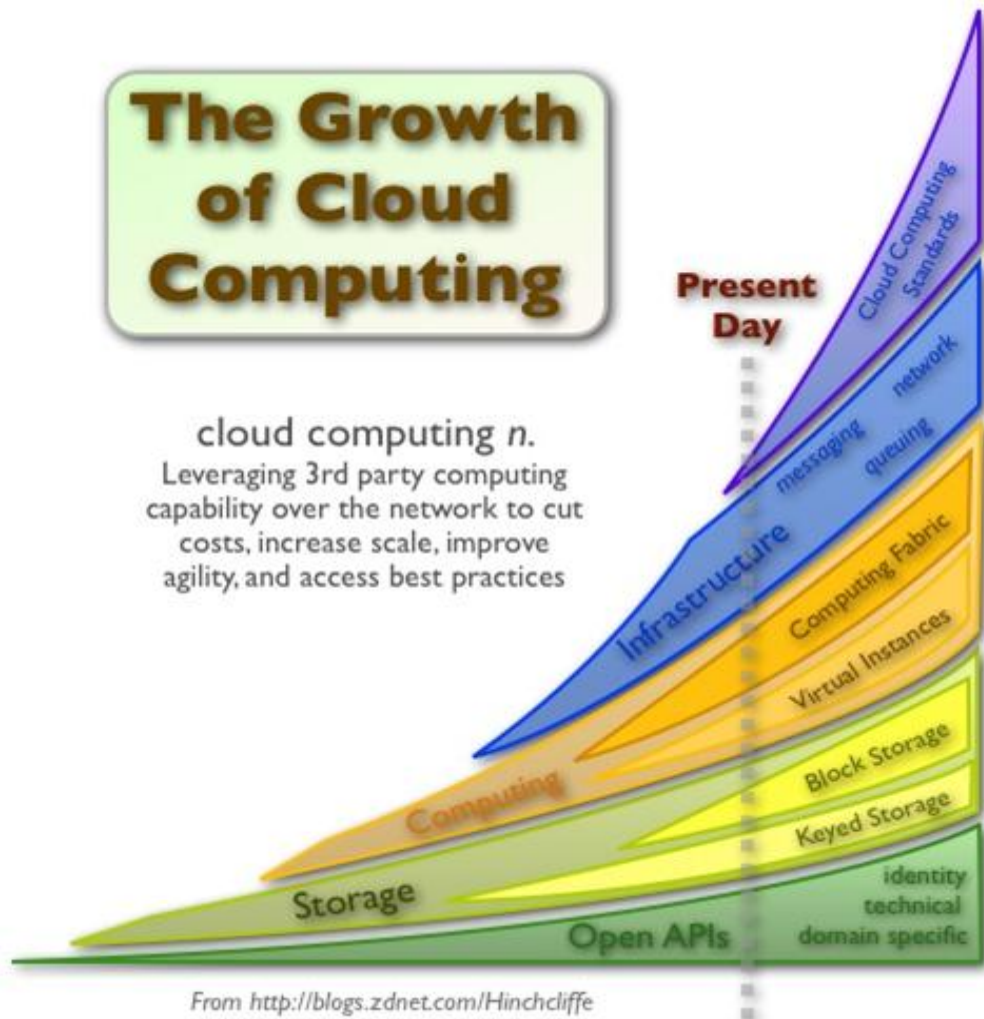
Management Efficiency - Outsourcing Opportunities

The County should consider evaluating outsourcing opportunities that may reduce cost and enhance service levels. Services such as help desk, computer support and maintenance are primary areas that should be considered. These types of commodity services can be provided by businesses that have significant expertise in supplying services to medium to large organizations. These services can potentially be supplied at lower cost and provide the county with access to a larger pool of support staff when needed for large deployments such as operating system and office productivity suite upgrades. Other commodity services such as print management should also be considered during this evaluation.

- The DoITS should carefully consider the following areas for potential outsourcing:
 - Help desk operations
 - Computer support and maintenance
 - Printer management including support and maintenance

Management Efficiency - Public and Private Cloud Based Services

Public and private cloud based services and solutions are a new way to provide access to basic services such as office productivity tools, email, and enterprise systems such as ERP and Customer Relationship Management (CRM). Public cloud based services tend to be more cost effective, because they eliminate the need for on-site hardware, storage, back-ups, and data center operations requirements. As an alternative to public cloud based services, many organizations are evaluating private cloud based services. Private cloud services are similar in delivery however the hardware infrastructure is privately owned and operated.



This approach reduces the cost savings opportunities because the county would still need to purchase most of the infrastructure and hardware required to operate the systems.

- The DoITS should evaluate the move of basic commodity systems and services such as email to a public cloud based service provider. These types of services are being deployed in medium and large government organizations such as the cities of Los Angeles, New York, and Orlando. The cost of moving to this kind of environment, which may include email and office productivity applications, ranges from \$13 - \$50 per user annually. This evaluation will require a review of the existing Microsoft Enterprise License Agreement to ensure that the County avoids paying for duplicate capabilities that may be bundled as part of our overall office productivity software which includes email
- Private cloud based services should also be evaluated for system administration and security sensitive related functions. The use of a private cloud based service may be more appropriate for enterprise systems such as SAP or FileNet due to the nature of the data that

this system maintains. Leveraging private cloud technologies for a system like this is intended to help minimize the fluctuations in cost based on increases in data storage or processing capacity.

- Evaluations of complete/partial and public/private cloud service opportunities should be conducted with appropriate ROI analysis.

Management Efficiency - Service Management

One of the most important aspects of a service organization is the efficient use and management of SLAs. SLAs are used in the public and private sector to help manage expectations between the customer and service provider. When service providers fail to supply the product or service as stipulated in the SLA, monetary penalties are usually the result. Because DoITS does not use a charge back system, monetary penalties do not exist when SLAs are not achieved. However, when SLAs are not met, business partners/customer end users may become frustrated, begin to lose confidence in their ability to deliver, and look for alternative ways of obtaining the services that they require.

- This committee recommends the establishment of standardized service processes and service delivery expectations for the DoITS in order to be able to achieve these SLAs. Use of standard processes enables an organization to evaluate and manage service delivery based on benchmarks and improve on efficiency.
- SLAs must also be required for all contracts with service providers, with monetary penalties for failure to meet the agreed levels. In addition, service providers should conform to the standard service framework adopted and implemented within the County.

Management Efficiency - Client Computing

Gwinnett County provides a desktop or notebook computer to employees that require one in order to conduct county business. Some employees have been issued a notebook and desktop computer which is a practice that seems to be a waste of resources, and should be evaluated. As notebook computers have become more powerful and capable of running almost any business application software, there does not seem to be any reasonable business requirement that would support the need for any staff member to have both.

The County should consider adopting a policy that eliminates the issuance of both desktop and notebook computers to staff. If it is determined that a notebook computer is required in order for a staff member to perform their duties, then the County should purchase a docking station setup that may include a monitor, keyboard, and mouse for efficient office use.

Another opportunity that should be evaluated further is the use of Virtual Desktops as well as Windows or Linux terminals at facilities such as fire stations, police precincts, parks, and other remote locations to provide access to shared enterprise resources and improve on service delivery. This type of terminal is typically more cost effective because functionality in shared resource areas typically does not require a full featured desktop computer. Access to business applications on these devices would typically be provided via Internet and Intranet technologies

that are provided from a central server, which reduces the need for onsite support. The only purpose for the software installed on the terminal is to access the network and provide access to the business applications. Because the terminals would be centrally managed and controlled, the potential for viruses or other malicious attacks is greatly reduced, and support can be limited to addressing physical hardware problems.

- The DoITS in conjunction with the County Administrators Office should consider the following as ways to reduce the cost and complexity associated with managing the client computing environment:
 - Establish and adopt a policy that eliminates the issuance of both a desktop and notebook computer.
 - Perform an ROI study of the use of Windows or Linux terminals at remote locations such as fire stations, police precincts, and parks.

Management Efficiency - Data Center Utilization

Gwinnett County has two state of the art data centers that are used for county business systems including redundancy for a number of key systems. The two data centers are interconnected with high capacity fully redundant network paths. Currently, both data centers have excess floor space that could potentially be made available for external organizations such as cities, other governmental agencies, hospital systems and perhaps utility companies. Noting that the centers have excess capacity, the county should evaluate the potential of leasing out floor space as a revenue generating opportunity, ensuring that they reserve all of the space that might be required over the expected life of the facility.

The County has done an excellent job establishing redundant data centers as a key part of their disaster recovery (DR) and continuity of operations (COOP) planning. The County's current plans include a combination of Recovery Time Objectives (RTO) for key business systems, as well as a high level technical architecture plan that includes servers, network, data storage, and system back-ups.

The use of RTO as a benchmark for building and installing the technical infrastructure is an industry best practice and should be continued. The RTO should also identify the cost associated with various time considerations. For example, the difference between an RTO of 2-hours versus 8-hours could cost hundreds of thousands of dollars to support additional infrastructure requirements. With this in mind, we recommend the county update the current DR plan to include RTOs that balance availability and associated cost. The DR plan should continue to be maintained and reviewed at least semi-annually with key stakeholders. The DR plan should also be tested at least annually, and smaller "subset" systems should be tested on a quarterly basis if appropriate.

The County has already embraced other data center related technology and has recognized efficiencies through the use of database and server virtualization. The County should continue the practice of new system deployments, server refreshes and server replacements in a virtual environment, unless the application and/or database that is to be used is not supported by the vendor in this type of a setting. Virtualization is a proven technology that is widely used and

represents an excellent way to reduce hardware and operating cost.

One of the major ongoing costs of operating a data center is the electrical power used for the technology infrastructure and the cooling requirements for a large facility. The county should continue to implement energy efficient technology that reduces the power consumption along with investing in technologies that minimize cooling requirements. This type of initiative typically includes extensive investments in virtualization and minimizing the amount of hardware infrastructure required to meet the processing needs of the county.

The following initiatives should be explored further to help minimize cost and maximize utilization of the existing data center facilities and infrastructure:

- Conduct a feasibility study of leasing excess data center capacity to municipalities, Gwinnett County BOE, Gwinnett County Public Library System, and the Gwinnett Medical Center.
- Revise the existing disaster recovery plan to incorporate a variety of RTO scenarios.
- Conduct disaster recovery testing on an established schedule sufficient to ensure key business systems can be recovered as expected.
- Conduct ROI studies that include the use of virtualization and energy efficient technologies to enhance performance, reduce power consumption, and minimize operating cost.

Management Efficiency - Sourcing Opportunities

Government purchasing is a tightly regulated process that includes many steps and procedures designed to ensure transparency while promoting competition. The establishment of a transparent and competitive purchasing environment helps ensure the county obtains the lowest cost for the goods and services procured. Gwinnett County has a well-written purchasing ordinance and defined processes that help ensure fair and equitable purchases of goods and services. One of the most fundamental ways to reduce cost is to take advantage of large volume purchases of commodity items such as computers, printers, technical infrastructure components, and general use software. The County is a relatively large local government, however other organizations such as the State of Georgia, and the BOE have a much larger user base and are better positioned to take advantage of quantity discounts for commodity technology purchases. We recommend the County develop a formal process of evaluating all commodity technology purchase bids and proposals and compare the pricing results to existing State of Georgia and BOE contract vehicles. Annual hardware and software maintenance plans are another way to potentially reduce expenses. Most annual maintenance plans have pre-defined annual price increases that can be negotiated and represent an opportunity to reduce expenses. The annual maintenance agreements typically include support, which depending on utilization represents an additional way to reduce expenses associated with annual cost. The county should continue the practice of renegotiating all annual hardware and software maintenance agreements at the time of renewal. The maintenance agreements should accurately reflect the actual level of usage to avoid paying for coverage that is not required.

Another option that needs to be reviewed is to increase the use of time and materials (T&M) support for non-enterprise level hardware and software. The use of T&M for hardware and software maintenance should be limited to systems with a relatively small install base to minimize the impact of an extended system outage. Third party maintenance providers may also offer plans that can reduce the annual expenses. The primary disadvantage of third party maintenance plans is the lack of software upgrade protection and the potential of being charged by the software provider for prior year's maintenance cost. As an additional opportunity to reduce expenses, the county should consider requesting that vendors provide resources to conduct cost savings studies. The results of these studies could be used to further streamline the cost and utilization of maintenance activities. The County has leveraged this option a number of times in the last three years, but should expand the use of this option wherever possible.

The county should also consider providing negotiation training for senior DoITS and DoFS staff members that focuses on technology related contracts and agreements. This training would help when negotiating initial purchases and annual maintenance contracts. We recommend the county provide this training along with establishing a requirement that all annual maintenance contracts be negotiated for cost savings prior to processing for payment.

We recommend that the county establish and adopt formal processes and procedures concerning sourcing that accomplish the following:

- Compare all bids and proposals for commodity items to existing contracts such as those sponsored by:
 - The State of Georgia
 - Gwinnett County BOE
 - Western States Contracting Alliance (WSCA)
- Expand the use of T&M support for non-enterprise level hardware and software
- Provide contract negotiation training for all senior DoITS and DoFS staff members that focuses on technology related contracts and agreements.

PRESENTATIONS MADE TO TASK FORCE

October 21, 2010

Gwinnett County Information Technology Strategic Plan

Presenter: Plante & Moran

November 4, 2010

County Update on Information Technology Strategic Plan Progress

Presenter: John Matelski, Gwinnett County Information Technology Services

December 2, 2010

Gwinnett County Budget

Presenter: Aaron Bovos, Gwinnett County Financial Services

January 20, 2011

Cisco Smart+Connected Communities Tele-presence

Presenters: Rick Jones and Anne Barrett, Cisco

Fairfax County Tele-presence

Presenter: Fairfax County

February 10, 2011

Criminal Justice Information System

Presenter: Cathy Morris, Gwinnett County

February 24, 2011

Mobile Resource Deployment Technology

Presenter: AT&T

March 24, 2011

Gwinnett County Libraries IT

Presenter: Nancy Stanbery-Kellam, Gwinnett Public Libraries

ADDENDUM A

TASKFORCE MEMBER BIOS

BILL MCCARGO

Bill McCargo is currently the President of the Atlanta Education Fund (AEF), where he leads the Fund's initiatives in support of the reform efforts of Atlanta Public Schools. Prior to joining the AEF he was the Director of Community Relations for Cisco's major sites. In this position he directed the Community Relations efforts of the company worldwide, which included setting the site strategies and coordinating efforts across the company on national initiatives. He also served as the Vice President of the Scientific-Atlanta Foundation, where he was employed for 30 years.

Bill's has served on numerous local boards, including the Board of Directors of the Metro Atlanta Chamber of Commerce, the Board of Advisors of the Metro Atlanta Chamber of Commerce, Board of Directors of Georgia Partnership for Excellence in Education, Board of Directors of the Gwinnett Chamber of Commerce, and Board of Directors for Gwinnett Technical College. As a strong proponent of community capacity building through leadership training organizations, he was a participant of Leadership Gwinnett, serves on the board of Student as Leaders, is a graduate of the Regional Leadership Institute and co-chaired the Engage Gwinnett: Citizens Committee for the Future of Gwinnett Count. Bill is a frequent presenter on the local, regional, and national level, where he speaks on a variety of subjects, including community service, volunteerism, fundraising, education, economic development, and Human Resource issues.

He and his wife Kathy have two children and one grandchild.

SEAN MURPHY

Sean Murphy is a Partner and Vice President of Canvas Systems. A 1988 graduate of Emory University, Sean utilized his strong business acumen and degree in Economics to achieve a high level of success with his first employer, and was promoted to VP of International Sales within just 10 years. Upon the launch of Canvas, Sean parlayed that experience into creating a dynamic sales team that has a strong track record of annual growth, with business contacts in over 70 countries.

Sean takes a very active role in the community, serving not only as a member of the Executive Board of the Gwinnett Chamber of Commerce, but also as a member of Gwinnett Foundation College Board, Gwinnett Clean and Beautiful, the Emory University Board of Visitors, and the Gwinnett County Public School Foundation Board of Trustees. He was featured as one of the Atlanta Business Chronicle's 40 Under 40 in 2006, and was Gwinnett County's Small Business Man of the Year in 2007. Sean has been a keynote speaker at Emory University's MBA Orientation and Co-founded the Gwinnett Technology Forum. Sean and his wife Cindy have four children who all attend Gwinnett County Public schools.

RICK ALLEN

Rick Allen is an IT Executive with over 25 years progressive management experience. He is currently the Assistant VP of Information Services for Gwinnett Medical Center. His responsibilities include developing

the technology architecture for both Patient and Information Technologies, strategic planning, project and program management, and fiscal management. Under his leadership the Gwinnett Medical IT department has been recognized 3 times by InformationWeek magazine as one of their Top 500 Innovative IT departments, by ComputerWorld magazine in the ComputerWorld Honors program for Innovation, and also by Hewlett Packard with their Outstanding Achievement in Business Alignment award. Prior to joining Gwinnett Medical Rick held various Management positions in Promina Health System, Wellstar Health System, McKesson, Keyeon, and SunTrust Banks. Rick holds a Bachelor's Degree in Business Administration from Georgia State University.

SYLVIA BLACK

Sylvia began her career with the Sheriff's Department in 1988 as the Jail Commander's administrative assistant. She advanced to Inmate Records Coordinator in 1990 and Technical Specialist in 2001. She is a native of Gwinnett County and a graduate from Central Gwinnett High School. Her education also includes major course work in computer technology. She and her husband have been married since 1970 and have three sons.

PHIL BOUDEWYNS

Phil was appointed Court Administrator for the Gwinnett Judicial Circuit (Superior, State and Magistrate Courts) September, 2003. Prior to this Phil held the positions of Deputy Clerk with the US District Court, Southern Iowa, Asst. District Court Administrator of the 3rd District of Iowa, and Court Administrator of the 53rd Judicial District in Pennsylvania. Phil currently serves on the Georgia Council for Court Administrators as the president-elect.

Being the son of a Naval JAG officer and himself being a veteran of the US Air Force during the first Gulf War, Phil has lived in 16 States. Raised primarily in New England; Rhode Island is where he considers home. He attended the University of North Dakota, graduating in 1996 with a Bachelor of Criminal Justice degree. He obtained a Master of Business Degree in 1999 from Upper Iowa University and Ph.D. (abd) in Organizational Leadership through Capella University.

AARON J. BOVOS

Aaron J. Bovos was appointed Deputy County Administrator and Chief Financial Officer for Gwinnett County in December 2010. Bovos had previously served as financial services director and chief financial officer for Gwinnett County since April 2009. He has served the majority of his 15-year government career with various municipalities, including the City of Roswell, the City of Norman, Oklahoma, the City of Alpharetta, the City of Sandy Springs, and the City of Milton. Bovos is a Certified Government Finance Manager and Certified Treasury Professional. He holds a bachelor's degree in accounting.

SCOTT FUTRELL

Scott Futrell has served as the Gwinnett County Public Schools Chief Information Officer since 2002 leading the school system's Information Management Division. During the course of his 30-year career in the information technology field, Mr. Futrell has served one of the largest school systems in the country, as well as major corporations. An experienced information technology executive and technologist, he comes to Gwinnett from Duval County Public Schools in Jacksonville, Florida. Since 1998, he has served as that system's Chief Information Officer, managing all aspects of technology for the 16th largest public school

system in the nation, with more than 150 schools. Mr. Futrell has led the planning, design, and implementation of state-of-the-art, large-and small-scale IT systems. Prior to joining Duval County schools, he worked in the technology field for a number of businesses including Crown Books, Inc.; Best Products Inc.; and Walt Disney World Co. In addition, he has taught more than 14 years as an adjunct professor in the Virginia and Florida state community college systems, teaching a variety of data processing courses. Mr. Futrell is also a retired U.S. Army Officer with 20 years total service.

MARIAN LUCIA

Marian is a retired executive with over 30 years experience in information technology management. She has led several organizations through successful technology and business transformations. She retired as Executive Vice President and Chief Information Officer from the Federal Home Loan Bank of Atlanta and previously served in executive roles in technology at Prudential Financial, Bear Stearns and Merrill Lynch. Marian currently serves on the boards of Women in Technology, Gwinnett Technical College and Lenbrook Atlanta, is a member of the Gwinnett Technology Council, and is a graduate of Leadership Gwinnett. Lucia is a past board member of the Gwinnett Chamber of Commerce, was named Georgia CIO of the Year in 2005, was named to the YWCA Academy of Women Achievers in 2007, and was recognized as one of the 25 Power Women by Atlanta Woman Magazine in 2007. Lucia earned a B.S. in Computer Science from the Pennsylvania State University and a M.S. in Business Administration from Robert Morris University.

JOHN MATELSKI

John Matelski is an Information Technology & Security executive with over twenty-five years of progressively responsible experience. He is currently the Chief Information Officer and Director of IT Services for Gwinnett County, Georgia. In his current position, John's duties include executive management of all information technology resources and systems that support County operations. John has vast technical and executive experience across all aspects of information systems, information technology strategies, security, management best practices, voice and data communications, systems development methodologies, and IT governance. John has been published in several industry trade journals including Computerworld, JD Edwards Quest magazine, Government Technology magazine, State Tech, and Profit to name a few. He has also been honored to conduct key notes, workshops and presentations at industry conferences across the globe.

John graduated from Arizona State University with a B.S. in Computer Science and a M.B.A. with an emphasis in Computer Information Systems. Matelski has a proven track record of leadership in the public and private sectors utilizing innovation and resourcefulness with a proven ability to build a compelling vision, and move an organization toward it. He also consults with numerous commercial and government entities across the globe to establish strategies to proactively deal with IT and security issues.

DOUG MEYER

Doug Meyer spent nearly 20 years as an executive at Sage Software, the world's leading provider of business management solutions for small and mid-sized businesses. As a Division President at Sage, Doug was responsible for leading technology brands including Peachtree Accounting, Simply Accounting, ACT!, Timberline, ABRA and MIP Fund Accounting. Most recently, Doug was Sage's Chief Customer Officer

responsible for creating a unified, customer driven culture and for simplifying customer facing business processes such as pricing and maintenance & support offers.

CINDY PRICE

Cindy Price is a 23 year resident of Gwinnett County with 25 years of experience in the technology industry. She has worked with AT&T for 20 years and her experience includes technologies ranging from high speed fiber networks to wireless applications. She was presented with AT&T's highest achievement award in 2007. This award is presented to the top 10% of the company. Her current responsibilities include presenting technology solutions to government customers that provide efficiencies and increase constituent satisfaction. She currently leads a team who is primarily focused on Gwinnett County, and Gwinnett County Public Schools. She is married with 4 adult children and 2 grandchildren.

BARRY PUCKETT

Barry Puckett is an Information Technology executive with over 20-years of progressively responsible experience. He is currently Deputy Chief Information Officer of IT Services for Gwinnett County, Georgia. In his current position, Barry's duties include fiscal management along with strategy and program management. Barry's technical and management experience is focused across all aspects of Geographic Information Systems (GIS), hardware and software implementations, IT and GIS strategies, and both large and small program management. During his tenure as GIS Manager the county was awarded the Special Achievement in GIS Award presented by ESRI 2 times. In addition to this award the GIS program has been featured in magazines and specialty publications due to the County's advanced GIS technology usage in the areas of transportation and public safety. Barry has also worked in a variety of capacities within Information Technology Services including successfully managing our SAP hardware implementation. Barry graduated from Georgia State University with a B.A. in Computer Information Systems and a M.B.A. from Shorter College of Business.

RICHARD STEELE

Richard Steele was appointed to the position of Chief Deputy Tax Commissioner in October 2010. Prior to that, he served the Tax Commissioner's Office in the positions of Property Tax Director and Department of Motor Vehicles Branch Manager.

Before joining the Tax Commissioner's office in 2005, Richard worked as Operations Manager for the University of Georgia Campus Transit System and as a Budget Analyst for the Centers for Disease Control in Atlanta. Richard received a Bachelor of Science degree from UGA in 1996 and is a member of the Rotary Club of Lawrenceville, Georgia.

GREG TALSKY

Greg has been with Cisco for 6 years and responsibilities include working with K-12 school districts, local government as well as MARTA and the Hartsfield-Jackson Atlanta International Airport. Greg has rapidly developed a passion for education with 2 children enrolled in Cobb County elementary and pre-k programs. Greg currently serves on the local board for Computers for Youth. Other activities include serving as an Advisory Board Member for the Gwinnett School of Math, Science and Technology 2008-2010; Board Member Eastside Elementary Foundation 2009-2011; Principal for a Day Program participant

for Gwinnett County and Atlanta Public Schools 2007-2010 as well as Fulton County Schools 2010. Greg holds a Bachelor of Science in Multi-national Business from Florida State University.

PHIL VENTIMIGLIA

Phil Ventimiglia joined NCR in 2008 and leads the ISG Development & Realizations Services team, responsible for driving innovation in the areas of technology, process and people. The D&R team is responsible for improving customer-centricity and efficiency through development and execution of an ISG governance model, business process reengineering of ISG's product line management and development processes, driving NCR's innovation process, and effective organizational design. In addition, Phil leads the NCR Labs team, which is tasked with understanding the future of self-service 3-5 years out. Combining emerging technologies, consumer trends and business needs, NCR Labs develops and combines technologies to explore new ways in which self-service can help transform our customers' business

Phil holds a Master's of Public and Private Management from the Yale School of Management and a Bachelor of Science in Electrical Engineering from the University of Connecticut.

ADDENDUM B

GWINNETT COUNTY'S FINANCES

A HISTORICAL LOOK AT THE COUNTY'S FISCAL POSITION

This document is intended to provide a history and overview of the County's financial position. In addition, information on pro-active initiatives that the County has undertaken over the last three years to improve its financial plan is included. The County is committed to continuing the efforts associated with balancing the level of services with the cost of government.

For approximately 20 years leading up to 2009, the County was able to withstand the pressures of tremendous population growth and service expansions without increasing tax rates or depleting reserves. This was made possible through careful fiscal management. In fact, the millage rate remained the same or was reduced every year between 1991 and 2009.

Between 1996 and 2008, the reduction of millage rates resulted in foregoing \$839,248,605 in revenue. Providing property tax relief has been an important initiative of this County.

Since 2000, forecasts have projected slower revenue growth and increasing costs. Starting in 2006, the County focused efforts on economic development, launching a series of internal efficiency studies and keeping even tighter controls over budget growth.

Since 1997, the County has maintained a triple-AAA credit rating from each of the three major ratings agencies (Standard and Poors, Moodys, and Fitch). The rating agencies have cited the County's low debt levels, strong pay-as-you go capital program, and strong reserves as continuing reasons for the high credit rating.

In 2008, the County continued to outperform the budget; however, that included the use of just over \$38 million of reserve funds to finance expenditures. Pressure on the General Fund had been building for many years. While the use of fund balance was planned for 2008, its use led to a bigger philosophical need to do things differently to improve the County's financial plan.

In the fall of 2008, two initiatives to improve the County's financial plan were underway. The first initiative was the Service Value and Responsibility (SVR) project. Starting in September 2008, more than 70 employees on nine evaluation teams led by senior management and facilitated by a consultant reviewed departmental budgets and operations. The teams made recommendations by late November on ways to cut costs and improve efficiency.

Examples of costs examined included: non-core services, administrative functions, rates and fees, productivity, facility operations and maintenance, equipment, inventories, supplies, and personnel costs including overtime and benefits. More than 150 cost-saving alternatives were identified totaling approximately \$79 million.

Approximately 100 of these cost saving options were incorporated into the 2009 Budget resulting in approximately \$40 million in savings, of which nearly \$33 million were expense reductions and almost \$7 million in revenue increases. Total savings for the General Fund as a result of SVR initiatives was approximately \$28.4 million, with the remaining initiatives incorporated into other operating funds.

A second initiative towards improving the County's financial condition is the Business Planning Process (BPP). The concept was piloted for the 2009 budget with four departments (Water Resources, Fire, Information Technology and Judiciary). Each department examined the services they provide and determined if they are: aligned with the strategic direction of the County, as defined in Gwinnett's 2030 Unified Plan; are considered "core" to the mission of government; and achieve outcomes relative to the resources allocated.

The Business Planning Process connects strategy and core services to the budget and decision making process. In the past, the County budgeted independently of the planning process. This initiative closely aligns the planning process with the budgeting process. The budgets now formulated for the County incorporate the Business Planning Process for all organizational and business units of the County.

In the fall of 2008 during the SVR initiative, reductions in force and retirement incentive offers were occurring within our Planning & Development Department (79 positions) and Department of Water Resources (14 positions). Both of these business units completed an evaluation of their operations and found that the need to reduce the size of their workforce. Planning and Development reductions were the result of the slowdown in the construction and development community; and Water Resources reductions were the result of obsolete wastewater facilities closing and automation through the use of technology. These Departments were the first to evaluate their operations in relation to our changing environment and recognize the need to do things differently. Within the Business Planning Process, all departments are annually evaluating the need to reduce or refocus services for operational efficiency as it relates to core services.

To continue with the timeline, in January 2009, the Board of Commissioners adopted an interim budget as the County wanted to have an understanding of the impact of the actions of the General Assembly prior to adopting the County's financial plan. In March 2009, the Board of Commissioners adopted the annual budget that was built upon a substantial millage rate increase. The additional revenue from the increase was used to formulate the 2009 budget and was

intended to fund improvements to services across the organization as part of the five-year financial plan.

Additionally, in March 2009, the County adopted a multi-year rate structure for water and sewer through 2015. Traditionally, the County adopts water and sewer rate increases which match the term of the Capital Improvement Program. Now that the County is using pay-as-you go financing as the primary means of funding the capital program, the next water and sewer rate resolution is not anticipated to appear before the Board of Commissioners until 2013 or 2014.

ADDITIONAL EXPENSE REDUCTIONS NECESSARY TO CLOSE THE BUDGET GAP

During late spring and early summer of 2009 the Board of Commissioners reconsidered their approach to the millage increase. Ultimately, it was denied in a vote on June 2, 2009. Staff was directed to look at further budget reductions. In June 2009, the County was facing a budget deficit of \$8 million in the current fiscal year, \$60 million in FY 2010, \$45 million in FY 2011, and \$44 million in 2012.

After the June 2, 2009, Commission decision, staff researched ways to close the budget gap – first for the current fiscal year and then for future budgets in the 2010 – 2014 financial plan. The only way to narrow the deficit was to make severe cuts that equated to substantial changes in service levels. The goal at that time, and the philosophy that continues today, was to preserve core services the County provides to residents whenever possible.

On June 16, 2009, the Board approved an agenda item that eliminated more than 100 vacant positions, all program enhancements that had not yet been implemented, and delayed capital construction projects. Fire Station construction, EMS Unit acquisition, and the elimination of a Police Staffing Plan were cut as a result of this action. Additionally, elected and constitutional officers' budgets were reduced by nine percent. In short, the June 16th agenda item resulted in reductions of \$82 million in Operating funds and \$123 million in Capital funds.

Approximately one month later, on July 21, 2009, a second agenda approved a goal of 9% across the board reductions for all departments, staffing plan changes (reorganizations and a retirement incentive offer), eliminated pay raises and increased employee contributions to the defined benefit pension plan, as well as set the direction for the 2010 Budget. The July 21st agenda item resulted in \$41.2 million being reduced in 2010; for a total of \$217 million being reduced from operating funds over the 5-year financial plan. Other actions as a result of the July 21st agenda item included the closing of the Gwinnett Justice Administration Center in the evenings and on the weekends, and called for the closing of the County's Corrections facility.

Citizens responded to the service level reductions. There were concerns about the change in the quality of life within the County. Citizens also felt that they had not had an opportunity for involvement in the County's financial planning processes. This led to a citizen committee, Engage

Gwinnett, being formed in the fall of 2009. With declining revenue streams and public opposition to both millage rate increases as well as cuts to popular services, Engage Gwinnett was designed to bring the community together and intentionally and strategically involve stakeholder groups in making informed recommendations to the Board of Commissioners on desired county programs, services, revenues, and spending for the next five years.

MILLAGE RATE INCREASE RECONSIDERED

Due to citizen response and concern about the service level reductions, the Board of Commissioners reconsidered their position about a millage rate increase. On December 1, 2009, the Board of Commissioners adopted a millage rate that restored cuts that had been made to Elected and Constitutional Officials as well as the restoration of reductions in the area of Public Safety. The millage rate increase also restored other key services that had been cut earlier in the year such as libraries, parks, transportation, and kept the Corrections facility open. The millage rate increase restored approximately \$31.2 million to the General Fund from previous reductions. The new millage rate of 13.25 mills was an increase of 2.28 mills over the 2008 property tax rate. Three funds were impacted by the increase: the General Fund (+2.06 mills), the Recreation Fund (+0.21 mills), and the General Obligation Bond fund (+0.01 mills). While the 2009 millage rate represented a 20.8% increase over 2008, the 2009 millage rate was still **11.4% lower** than the rate in 1996. In 1996, the millage rate for the County was 14.95.

Despite the increase, not all service cuts across the organization were restored. Budget reductions to administrative and support departments were not reconsidered; BOC Goals/Initiatives were not restored; Compensation Plans – including pay raises were not placed back into the financial plan; Future Planned Service Enhancements are not reprogrammed; and all of the services attributable to the 2030 Unified Plan were not restored.

A retirement incentive offer was administered and concluded with more than 225 eligible employees accepting the incentive to retire. The County lost a combined total of 4,400 years of service and accumulated knowledge, wisdom, and experience through these retirements. The rationale for encouraging retirements for those who are eligible was to reduce the impact on younger employees early in their careers whose positions might otherwise be eliminated. The program cost the County nearly \$5 million in retirement incentives, but will potentially save an estimated \$55 million over the next three years.

In January 2010, the County adopted a budget which did not call for a millage rate increase and included the one-time billing for the 2009 property tax increase. Because the County is committed to building structurally balanced budgets, the one-time revenue was allocated towards one-time expenses (such as accrued liabilities and debt reduction).

In April 2010, after six months of study and debate, the citizen committee, Engage Gwinnett, delivered two sets of recommendations to the Board of Commissioners. The first sets of 73

recommendations were labeled, “status quo,” covering the possibility that economic conditions would remain much the same in the next few years. The recommendations indicate ways of improving service delivery while reducing costs. The second set of 40 recommendations is referred to as a “declining digest” scenario. The “declining digest” scenario is based on the possibility that the County’s tax digest might decline dramatically for the next few years. The report stressed that this scenario is not a prediction; it is a possibility. The committee recommended a set of aggressive steps to respond to this possibility.

Currently, the County has implemented many of the Engage Gwinnett expenditure reduction recommendations. Other recommendations are still being considered by the County as part of the 2011 and 2012 budget processes. The County’s progress in reviewing, studying, and implementing these recommendations can be found at www.engagegwinnett.com.

During the 2010 legislative session, the County sought to modify the Local Option Sales Tax law. Rather than provide property tax relief (a millage rate rollback) for the entire amount of the sales tax, property owners would be given partial relief and the County would keep the rest of the revenue. This legislation did not move forward. Other legislation that the County pursued did move forward and will result in additional revenue for the County. HB 1055 provides for an increase in fees charged by state agencies and by counties for the provision of some state services.

In the summer of 2010, the County adopted its millage rate at the same level as the 2009 millage rate and also adopted its reconciliation budget. The reconciled budget included a \$24 million reduction to General Fund expenditures based on the revised digest forecast.

Similar to other areas of the country, the real estate market has slowed in Gwinnett County. New property tax law effective for 2011 will require adjusting the tax appraisal values to the maximum of the 2010 purchase price for many of the properties which changed ownership in 2010. Staff projections are indicating a loss in taxable value around 8%. With the reduction in assessed value, this will allow us to increase the millage rate to remain revenue neutral.

While property tax values have declined within the County, the economic development program, initiated in 2006, is a response to the declining commercial digest. Partnership Gwinnett is a five-year, \$10 million community and economic development initiative to develop a consensus and vision for Gwinnett's future growth, with an action plan to achieve it. It represents a bold call-to-arms for Gwinnett's public, private, economic, and community development leaders unmatched in our community's history. It is projected to result in a net increase of more than 65,400 new jobs and \$5.8 billion in net new wages.

Early successes with the program include the relocation of Hewlett Packard (2006) and recent successes include two Fortune 500 companies (NCR and Asbury Automotive) locating within the County in a single year (2009). No other County in the country accomplished this in a single year. The County has received recognition from both state and national economic development

associations, Georgia Economic Developers Association and International Economic Development Council, respectively, for the quality of its young program.

Regionalism is an important concept related to Gwinnett's economic development program. Gwinnett is a large county with many small cities. It does not have a single city which serves as the "economic engine" of the County. Gwinnett's economy is connected to the Atlanta economy; Atlanta's economy is linked to the region; large southern metropolitan areas are connected to each other to create a powerful mega region.

Recognizing that the County is becoming more diverse, Partnership Gwinnett is reaching out into Asia and fostering relationships with foreign businesses. We have an official sister-city relationship with Gang-Nam South Korea, and have opened a Partnership Gwinnett office in China.

Realizing that the County is maturing, and to support the 2030 Unified Plan, County Economic Development staff is working to foster redevelopment by management of the Tax Allocation Districts, serving as the liaison for the Community Improvement Districts, and overseeing the County's one opportunity zone. They serve as the functional staff for the Gwinnett Development Authority and participate in the Bio-Science Joint Development Authority along the 316-corridor, which directly supports a key implementation strategy of the Unified Plan.

Additionally, in response to the housing market decline, back in 2008, the Neighborhood Stabilization Program (NSP) was awarded to Gwinnett County to help slow the decline of neighborhoods where housing values and conditions are deteriorating due to the presence of foreclosed homes. The County has received approximately \$14 million from the United States Department of Housing and Urban Development (HUD) and the Department of Community Affairs (DCA) for this program. These funds have been used to purchase vacant foreclosed homes in targeted areas, make necessary repairs on the homes, and resell the houses to new homebuyers. Since that time, we have successfully acquired 77 homes in the targeted areas. Of the 77 homes purchased, we have sold 45 with 14 additional homes to be sold in the next 60 days. Further, the County has provided approximately \$884K in down payment assistance funds to eligible homebuyers.

Simultaneously in 2010, the County pursued a revenue discovery project for business occupation taxes. The intent of the project is to ensure that the County receives all of the occupational taxes to which it is entitled. This project involves audits and the identification of unlicensed businesses. To date, more than \$1 million has been collected.

Beginning in 2011, the County will be implementing HB 1093. This legislation provides for the County to work with the state by providing the sales and use tax number from each business making application for an occupation tax and cross reference with the state's business sales tax data base. As a result, both the County and the state benefit from identifying those businesses that may not be paying occupational taxes and may not be paying sales tax.

In the fall of 2010, the County entered the 2011 budget process. The Citizens Budget Review

Committee included members from Engage Gwinnett. Several themes echoed through the budget presentations: 1) living within our means – reducing expenses; 2) identifying revenues; 3) incorporating the Engage Gwinnett recommendations; 4) identifying process improvements; and 5) integrating the 2030 Unified Plan and performance measures as part of the budget process.

Beginning with a \$45 million General Fund deficit, the 2011 budget process yielded a total County budget of \$1.3 million. The budget was adopted on January 4, 2011 by the Board of Commissioners. When adopted, it contained an \$18 million deficit. Since adoption, the Board of Commissioners has approved several actions to eliminate the deficit including: increasing EMS Transport Fees, implementing Furlough Days, mandating 90 day vacancy rates, and reviewing and increasing revenue forecasts.

During the 2011 legislative session, there are several pieces of legislation that the County is pursuing related to revenue enhancements. The proposed legislation relate to the use of special purpose local option sales tax for operating expenses, the implementation of a technology fee, and modifications to the expenses which can be charged against the E911 fund.

COST SAVINGS INITIATIVES CONTINUE

While the County has demonstrated financial flexibility through its ability to make both cuts and raise revenues, the County is at a point where we must do things differently. For example, we are evaluating processes to determine if it is more appropriate to use technology differently and also identifying continuous improvement initiatives which can be implemented to result in greater efficiencies. For example, since 2009, the County has implemented a LEAN training program with 30 graduates to-date.

We continually evaluate the level of services that we provide and contemplate whether we should be performing the function at all. Where we believe the private sector can provide a service more efficiently, we are evaluating and considering implementing outsourcing. Through the SVR initiative, the County began working towards consolidating functions which are similar, such as the warehouse functions between the Police and Fire Departments. In short, the County is at a point of transition, where we are focusing on continuous improvement and re-evaluating the delivery of core services to citizens.