

## Computer Operations

### DESCRIPTION OF MAJOR SERVICES

The Computer Operations Division (Division) provides enterprise data center services and a portion of the County's communications services to County departments on a 24/7 basis. The Division is comprised of three sections: Finance and Administration, Technology Operations and Core Solutions and Security. This budget unit is an internal service fund, which allows for unrestricted net position available at fiscal year-end to be carried over to the next fiscal year to be used as working capital or for replacement of fixed assets and capital improvement projects.

| Budget at a Glance                      |              |
|---|--------------|
| Total Requirements (Excl. Reimb.)       | \$43,312,855 |
| Total Sources (Incl. Reimb.)            | \$37,159,942 |
| Use of / (Contribution To) Net Position | \$6,152,913  |
| Total Staff                             | 132          |

Finance and Administration provides support to the entire Information Services Department (ISD) for processes related to budget, contract administration, rate/fee development, accounts payable and accounts receivable.

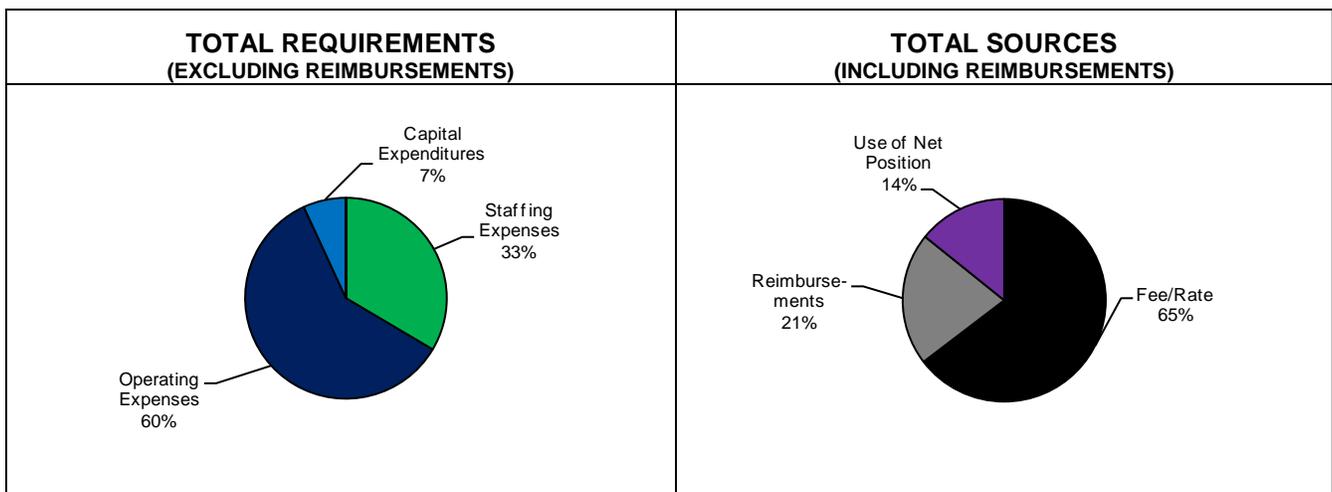
Technology Operations provides for the design, operation, maintenance and administration of the County's Enterprise Data Center which supports the County's enterprise server and includes server management for physical and virtual servers, integrated document imaging infrastructure for digitizing paper records, and print operations for bulk printing functions required by the County.

Core Solutions and Security provides the County with global email, security direction and technology policies and procedures, handles service requests and technical services that support desktop communications and functions across the County and assists departments in ensuring that their technology and business objectives are achieved.

Major Countywide projects for the Division for 2016-17 are:

- Update video conferencing system to improve video quality and interoperability with other systems.
- Upgrade internet filtering to accommodate bandwidth increases and improve security.
- Pilot and implement enterprise software license tracking software to improve auditing and reconciliation of County owned software licensing.

### 2016-17 RECOMMENDED BUDGET



**ANALYSIS OF 2016-17 RECOMMENDED BUDGET**

GROUP: Administration  
 DEPARTMENT: Information Services  
 FUND: Computer Operations

BUDGET UNIT: IAJ ALL  
 FUNCTION: General  
 ACTIVITY: Other General

|  | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | (A)<br><u>2015-16</u> | <u>2015-16</u> | (B)<br><u>2016-17</u> | (B-A)                                  |
|--|----------------|----------------|----------------|-----------------------|----------------|-----------------------|--|
|  | Actual         | Actual         | Actual         | Modified Budget       | Estimate       | Recommended Budget    | Change From Prior Year Modified Budget |
| <b>Requirements</b>                    |                |                |                |                       |                |                       |  |
| Staffing Expenses                      | 12,575,414     | 13,131,887     | 12,329,898     | 13,150,991            | 12,405,112     | 14,521,078            | 1,370,087                              |
| Operating Expenses                     | 15,754,173     | 15,093,589     | 16,085,353     | 24,011,133            | 22,527,086     | 25,817,082            | 1,805,949                              |
| Capital Expenditures                   | 1,992,759      | 2,280,292      | 2,062,798      | 2,544,000             | 2,273,305      | 2,974,695             | 430,695                                |
| Total Exp Authority                    | 30,322,346     | 30,505,768     | 30,478,049     | 39,706,124            | 37,205,503     | 43,312,855            | 3,606,731                              |
| Reimbursements                         | (9,906,552)    | (7,885,881)    | (9,179,635)    | (9,129,165)           | (9,766,291)    | (9,172,185)           | (43,020)                               |
| Total Appropriation                    | 20,415,794     | 22,619,887     | 21,298,414     | 30,576,959            | 27,439,212     | 34,140,670            | 3,563,711                              |
| Operating Transfers Out                | 584,079        | (214,539)      | 0              | 0                     | 0              | 0                     | 0                                      |
| Total Requirements                     | 20,999,873     | 22,405,348     | 21,298,414     | 30,576,959            | 27,439,212     | 34,140,670            | 3,563,711                              |
| <b>Sources</b>                         |                |                |                |                       |                |                       |  |
| Taxes                                  | 0              | 0              | 0              | 0                     | 0              | 0                     | 0                                      |
| Realignment                            | 0              | 0              | 0              | 0                     | 0              | 0                     | 0                                      |
| State/Fed/Other Government             | 0              | 0              | 0              | 0                     | 0              | 0                     | 0                                      |
| Fee/Rate                               | 19,077,053     | 21,401,742     | 22,525,344     | 25,814,858            | 26,169,946     | 27,987,757            | 2,172,899                              |
| Other Revenue                          | 82,711         | 30,753         | 204,405        | 0                     | 3,515          | 0                     | 0                                      |
| Total Revenue                          | 19,159,764     | 21,432,495     | 22,729,749     | 25,814,858            | 26,173,461     | 27,987,757            | 2,172,899                              |
| Operating Transfers In                 | 133,300        | 0              | 0              | 0                     | 0              | 0                     | 0                                      |
| Total Financing Sources                | 19,293,064     | 21,432,495     | 22,729,749     | 25,814,858            | 26,173,461     | 27,987,757            | 2,172,899                              |
| <b>Net Position</b>                    |                |                |                |                       |                |                       |  |
| Use of/ (Contribution to) Net Position | 1,706,809      | 972,853        | (1,431,335)    | 4,762,101             | 1,265,751      | 6,152,913             | 1,390,812                              |
| Est. Net Position Available            |                |                |                |                       |                | 408,420               |  |
| Total Est. Unrestricted Net Position   |                |                |                |                       |                | 6,561,333             |  |
| Budgeted Staffing*                     | 122            | 117            | 120            | 123                   | 123            | 132                   | 9                                      |

\*Data represents modified budgeted staffing

Note: Unlike governmental funds, the 2015-16 Modified Budget and Estimate columns do not include information on Estimated Net Position Available or Total Estimated Unrestricted Net Position because GAAP requires that internal service and enterprise funds include line items such as depreciation, which are not budgeted, in the Net Position calculation.

**MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET**

Major expenditures include Staffing Expenses and Operating Expenses. Staffing Expenses of \$14.5 million are necessary to provide support for the County's mainframe and other servers, data storage and replication, and technical services that support the wireless device infrastructure. Operating Expenses of \$25.8 million include \$12.2 million in services and supplies for computer software licenses and equipment support and maintenance; \$2.6 million for application development support and maintenance; \$400,000 for facilities maintenance; and \$10.6 million to fund capital improvement projects and internal cost allocation.

Sources of \$28.0 million are comprised of revenue from Board of Supervisors' approved Fees/Rates for central computer services and other information technology services paid by County departments, Board-Governed Special Districts, and County Service Areas.



## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$3.6 million primarily due to an increase in Operating Expenses for COWCAP charges, equipment maintenance, facilities charges, internal cost allocations and capital improvement projects and an increase in Staffing Expenses due to the addition of nine positions to support an increase in workload related to server management and fiscal/administrative functions.

Sources are increasing by \$2.2 million in Fee/Rate revenue due to service rate increases.

## ANALYSIS OF NET POSITION

The use of \$6.2 million of Net Position funds one-time capital improvement projects such as the data center power project and facility improvement projects including a parking lot enhancement and sewer line replacement at ISD's main facility. This also includes the purchase of additional fixed asset equipment for data storage to meet customer demand. Additional costs will be included in future rates to reduce dependence on net position.

## 2016-17 POSITION SUMMARY\*

| Division                    | 2015-16           |           |           |          | 2016-17     |          | Limited    | Regular |
|-----------------------------|-------------------|-----------|-----------|----------|-------------|----------|------------|---------|
|                             | Modified Staffing | Adds      | Deletes   | Re-Orgs  | Recommended |          |            |         |
| Enterprise Processing (1)   | 25                | 0         | 0         | 1        | 26          | 0        | 26         |         |
| Central Imaging (2)         | 8                 | 0         | 0         | 0        | 8           | 0        | 8          |         |
| Finance and Administration  | 15                | 4         | -1        | 3        | 21          | 0        | 21         |         |
| EMACS Support (2)           | 1                 | 0         | 0         | 0        | 1           | 0        | 1          |         |
| Enterprise Printing (1)     | 5                 | 0         | 0         | 0        | 5           | 0        | 5          |         |
| Server Management (2)       | 22                | 4         | 0         | -1       | 25          | 0        | 25         |         |
| Core Solutions and Security | 47                | 2         | 0         | -3       | 46          | 0        | 46         |         |
| <b>Total</b>                | <b>123</b>        | <b>10</b> | <b>-1</b> | <b>0</b> | <b>132</b>  | <b>0</b> | <b>132</b> |         |

\*Detailed classification listing available in Appendix D.

Note: (1) Technology Operations

(2) Enterprise/Infrastructure Management

## STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing Expenses of \$14.5 million fund 132 budgeted regular positions. Changes in budgeted staffing include the addition of nine regular positions to address an increased workload related to server management, system support and fiscal/administrative functions.

- 3 System Support Analyst III
- 1 Business Systems Analyst III
- 1 IT technical Assistant II
- 3 Staff Analyst II
- 1 Systems Development Division Chief

In addition to the staffing increases above, the following position is deleted as a result of an assessment of the Division's workload and functions:

- 1 Information Systems Manager

Lastly, one Staff Analyst II position will be transferred to this budget unit from the Telecommunication Services budget unit.

