

# Proposed Budget Plan Information Services Department



Board of Supervisors  
March 30, 2010



## Mission Statement

The Information Services Department works with all County Departments to leverage Information Technology to best serve the residents of San Mateo County.



## Information Services Divisions

- Information Management Services
- Information Management Services-Health
- Infrastructure Services
- Support Services
- Administrative Services

3



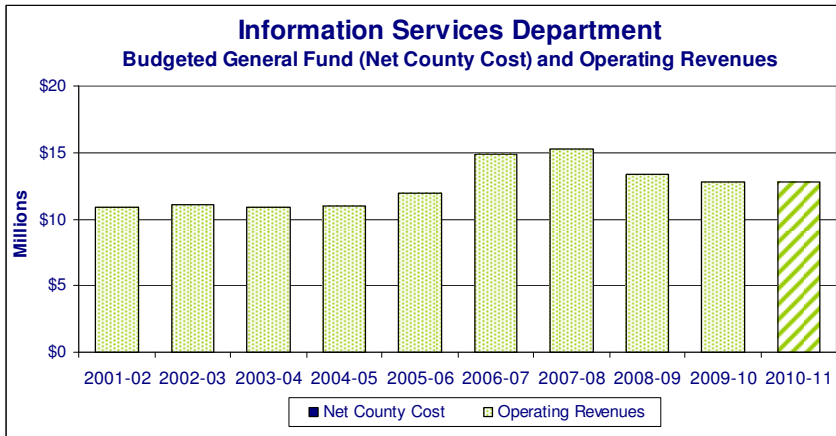
## FY 2009-10 Adopted Budget

<b>Total Positions</b>		<b>163</b>
<b>Total Sources</b>		<b>\$21,149,421</b>
Operating Revenues	\$12,802,982	
General Fund (Net County Cost)	\$0	
Fund Balance (one-time)	\$8,346,439	
<b>Total Uses</b>		<b>\$21,149,421</b>
Operating Expenditures	\$17,438,915	
Reserves (one-time)	\$3,710,506	

7



## Ten-Year Funding Trend Operating Revenues and General Fund FY 2002 to Estimated FY 2011



8



## FY 2010-11 Budget Target General Fund Contribution (Net County Cost)

<b>Base: FY 2009-10 Net County Cost</b>		<b>\$0</b>
Retirement Increase	\$1,315,708	
Other Salary and Benefits	\$174,520	
Revenue Offsets	(\$1,490,228)	
Reduction Target (0%)	\$0	<b>\$0</b>
<b>FY 2010-11 Net County Cost</b>		<b>\$0</b>

9



## Reductions Already Made FY 2008 through FY 2010 Adopted Budget

- County mainframe elimination
- Extended the useful life of County IT
- Renegotiated contracts
- Secured grant funding
- Broader application of virtualization technologies
- Leveraging video conferencing

7



## Planning and Priority-Setting Process

- **Who Was Involved?**
  - All ISD staff
- **Budget Scenario Planning Process**
  - Created a starter list of savings opportunities
  - Based on criteria below, savings opportunities were incorporated into 10/20/30 scenarios
  - Reviewed scenarios with ISD staff and CMO analyst
- **Criteria used to develop budget reductions**
  - Total projected savings
  - Impact on staff
  - Feasibility (can we do it)
  - Current and future client demand for a service
  - Impact on service levels

8



## Mandated Services

### Information Services Department MUST Provide:

- Routine and preventative maintenance
- IT security
- IT projects driven by regulatory compliance
- Public safety IT support
- Payroll/Personnel IT support
- Patient care IT support
- Leveraging and coordinating Countywide IT opportunities



## Discretionary Services

- New IT projects without a clear return on investment
- 24x7x365 on call support for all IT
- Current levels of administration and fiscal support for IT
- Application upgrades suggested by the vendor but not required to ensure vendor support



## FY 2009-10 Mid-Year Budget Reductions as of February 9, 2010

### Number of Positions Reduced = 2 (vacant)

- Savings = \$180,000
- Impact
  - Clerical support and Project Accounting functions have been reduced.
  - Administrative Services re-organized to better allocate remaining workload to existing staff.



## Proposed Reductions

**Goal:** Hold ISD rates flat and address ISD's structural budget imbalance by employing a multi-part strategy to include:



## Proposed Reductions **SUBTOTAL = \$318,000**

- Adjust rates for high-level Relationship Manager services from \$101 to \$125 per hour

**Annual savings to general labor pool = \$318,000**



## Proposed Reductions **SUBTOTAL = \$698,000**

- Re-organize Administrative Services
  - Eliminated two vacant positions (mid-year 09-10)
  - Eliminate Administrative Services Manager position (July 1, 2010)
- Eliminate overlap of Supervisory and Lead positions at County Switchboard
  - Replace one Lead Switchboard Operator position with Switchboard Operator position (July 1, 2010)

**Annual salary savings = \$380,000**



## Proposed Reductions

**SUBTOTAL = \$1,993,000**

- Eliminate “low client demand” positions
  - One filled Senior Systems Engineer (July 1, 2010)
  - Two filled Production Tech positions (July 1, 2010)
  - One vacant Production Tech position (July 1, 2010)
- Eliminate one vacant management position, one vacant supervisory position and four vacant analyst / engineer positions

**Annual salary savings = \$1,295,000**

15



## Proposed Reductions

**SUBTOTAL = \$2,612,000**

- Retirements
  - Four positions; once vacant, three to be eliminated, one to be replaced with a lower classification

**Annual salary savings = \$619,000**

16





## Proposed Reductions **TOTAL = \$4,512,000**

- One-time use of Reserves
  - Use Reserves as a one-time bridging strategy while additional cost saving initiatives are identified and Countywide IT options are considered

**Reserves one-time use = \$1.9 million**

17



## Summary of Proposed Position Reductions

- Eliminate 9 Vacant Positions = \$1,086,000 Savings
- Eliminate 4 Filled Positions = \$571K Savings
- Replace Lead position with Staff position at Switchboard = \$18K Savings
- Four Retirements = \$619K Savings

**Total Salary Savings: 2,612,000**

18



## Impact of Position Reductions

- Able to keep rates flat
- Addresses structural budget imbalance within ISD associated with County mainframe elimination and decrease for IT support
- Will increase IT project life-cycle time



## Looking Ahead FY 2011-2012 and FY 2012-2013

- **Major IT initiatives to continue to meet performance goals–Countywide**
  - Implement an improved Electronic Document Management System (EDMS)
  - Develop Cloud Computing strategy
  - Increase PC to tech ratio resulting in decreased cost per PC without reducing service levels
  - Support Countywide IT consolidation recommendations and efforts
  - Network Convergence – Voice over IP (VoIP)
  - Platform Convergence – Advantages of a shared services model



## DISCUSSION



THANK YOU

