



# Monterey County

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## Board Report

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**Introduced:** 1/18/2019

**Version:** 1

**Current Status:** Agenda Ready

**Matter Type:** Budget Committee

Receive and accept the semi-annual financial report for the Information Technology Department (ITD) for FY 2018-19.

### RECOMMENDATION:

It is recommended that the Budget Committee:

Receive and accept the semi-annual financial report for the Information Technology Department (ITD) for FY 2018-19.

### SUMMARY:

This report is ITD's semi-annual report of FY 2018-19. It is estimated that ITD will end the year within budgeted appropriations.

### DISCUSSION:

The attached report (Exhibit A) is an overview of ITD's FY 2018-19 approved budget, estimated year end totals, and the variance between.

Mid-Year report and year-end estimates are based upon system reports as of December 31, 2018. Year-to-date expenditures total \$13.1 million, which reflects 52% of the budgeted figure of \$25.4 million, while year to date income totals \$4 million or 36% usage of the budgeted \$11.4 million. Year-to-date income is reflecting lower as internal County Department reimbursements shown on Exhibit A represent billing through October only. Actual Cost Plan Allocation charges matched the budgeted amount of \$2.5 million.

End-of-year expenditures are estimated at \$24.9 million against the budgeted \$25.4 million, resulting in a savings of \$448,444 or 98% usage of budget. This is due to savings in salary and benefits costs due to unanticipated vacancies. As posted billing catches up, income is anticipated to come in at \$10.9 million against a plan of \$11.4 million, resulting in a shortfall of \$446,573. The vacancies behind the salary and benefit savings also have an impact on the ability to provide service, thereby decreasing income.

The estimated expenditure savings combined with the anticipated income shortfall will result in an overall savings of General Fund Contribution (GFC) of \$1,871.

Capital Improvement Project (CIP) expenditures are included in the above with a budgeted amount of \$1,477,234 which is anticipated to be fully utilized. Recovery of these expenditures were also included in ITD's overall budget. Partial reimbursement comes from County departments that are direct billed,

with the balance funded by GFC.

OTHER AGENCY INVOLVEMENT:

No other agency involvement.

FINANCING:

ITD estimates ending fiscal year 2018-19 with an underrun of \$1,871.

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Approved by:

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Attachments: Exhibit A: ITD FY 2018-19 Overview