



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #: BC 17-167 **Name:** ITD EOY Budget Report
Type: Budget Committee **Status:** Agenda Ready
File created: 11/13/2017 **In control:** Budget Committee
On agenda: 11/27/2017 **Final action:**
Title: Receive and accept the fourth quarter financial report for the Information Technology Department (ITD) for FY 2016-17.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Exhibit A

Date	Ver.	Action By	Action	Result
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Receive and accept the fourth quarter financial report for the Information Technology Department (ITD) for FY 2016-17.

RECOMMENDATION:

It is recommended that the Budget Committee:

Receive and accept the fourth quarter financial report for the Information Technology Department (ITD) for FY 2016-17.

SUMMARY:

This report is ITD's bi-annual report as of the fourth quarter of FY 2016-17.

DISCUSSION:

The attached report (Exhibit A) is an overview of the FY 2016-17 Information Technology Department's (ITDs) final budget, actual year to date totals, and the variance between.

Actual expenditures of \$22,987,101 against a budget of \$24,584,919 reflect an overall expenditure savings of \$1,597,818. Actual cost plan allocation of \$168,871 against a budgeted credit allocation resulted in an overrun of \$996,853 and actual contra income totaling \$22,420,871 against a budget of \$23,022,873, resulted in a shortfall of \$602,002. The combined cost plan and contra shortfall totaled \$1,598,855 which offset the overall expenditure savings by \$1. External revenue earned of \$1,233,864 exceeded the budget of \$770,342 by \$463,522. Net General Fund contribution reflects a surplus of \$462,486.

ITD expenditures are comprised of both operational and Capital Improvement Project (CIP) costs. Operational expenditures of \$19,151,424 against the budget of \$20,738,388 reflect an overall savings of \$1,586,964. This savings was mainly due to the salary and benefit savings from unplanned staff vacancies totaling \$1,749,061 offset by over expenditure of service and supplies of \$161,059. The Department underspent its CIP budget by \$10,854. Total expenditures reflect an overall savings of \$1,597,818.

Beginning in FY 2016-17, the County cost plan allocation was reflected as part of the budget. The initial budgeted plan called for ITD to receive a credit, but the published County Wide Cost Allocation ended up being a charge, resulting in an added expenditure to ITD in the amount of \$996,853.

The Department offsets its expenditures with income generated from charges for services and/or goods supplied to both County and external customers. Actual County customer income of \$22,420,870 fell below the budgeted amount of \$23,022,873 by \$602,002. This was in direct correlation to the salary savings as vacant positions impacted the ability to provide and charge for service. Revenue earned from services supplied to outside County customers resulted in a surplus of revenue in the amount of \$463,522.

The overall net reflects a surplus of \$462,486.

OTHER AGENCY INVOLVEMENT:

No other agency involvement.

FINANCING:

ITD is ending Fiscal Year 2016-17 with a surplus of \$462,486.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The above request has no impact on Board of Supervisors Strategic Initiatives.

☐ Economic Development
☐ Administration
☐ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by:

Date: _____
Kathy Wells, Finance Manager II, 796-1490

Approved by:

Date: _____
Eric A. Chatham, Director of Information Technology, 759-6920

Attachments: Exhibit A - ITD FY 2016-17 Overview