



**To:** IT Board Members  
**CC:** file  
**From:** Art Pembroke  
**Date:** 1/18/2013  
**Re:** Fiscal Year 2014 Budget Information

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Presented for your review is the proposed budget for fiscal year 2014 and supporting documentation. This cover letter and the following documents comprise the budget packet for you this year:

- 1- Fiscal year 2014 IT&S detail budget report – This budget does not have personnel costs included at this time. Other fixed costs were included using a 2% increase factor.
- 2- Fiscal year 2014 updated CIP detail report
- 3- Fiscal year 2014 Cash Flow Analysis provided by the County Finance Officer. Personnel Services, Rent, and Insurance have been included in the cash flow analysis using a 3.5% rate increase.

The proposed base budget is approximately \$46,000 higher this year as compared to FY13. The reasons for the increase are varied but mainly come from increases in our licensing and maintenance categories.

The CIP budget amount for FY14 is \$190,840. The CIP items for FY14 are:

- Enterprise Network Testing Equipment (\$7,580)
- Enterprise Software (Desktop/Internet Anti-Virus and Network Management Software (\$36,490)
- Network Router Replacements (\$1,560)
- Network Switch Replacements (\$53,890)
- Wide Area Network Radio Equipment (\$5,620)
- Enterprise Server Replacements (\$74,840 which includes carryover from FY13)
- Enterprise Printer Replacements (\$10,860)

### **Fiscal Year 2014 Budget Overview**

#### **Fiscal Year 2014 Base Budget:**

The FY2014 base budget once again is similar to prior years. It is basically your paper, pencils and paper clips oriented budget. Those items included in our base budget are such things as personnel, insurance, rent and software licensing for our enterprise software. The one notable addition to our base budget this year is the inclusion of a network services contract in the amount of \$7,500. This will be an ongoing service agreement that we use to provide upgrades and maintenance to our wide area wireless sites. With the loss of staff last year we no longer have a certified tower climber. We have determined it would be cheaper over the long haul to contract out those tasks that require those skills. This also reduces our insurance liability as we were reporting tower days worked previously under a higher risk rating for coverage purposes.

### **Fiscal Year 2014 Capital Improvement Plan:**

The FY2014 capital improvement plan remains basically the same as it has for the past several years. We will continue to manage our infrastructure through this tool and insure our customers have quality service at all times. Items covered under this year's capital plan include enterprise software licensing for our internet and email products, network servers, switches, monitoring equipment and routers.

One notable change in this year's CIP is we will be moving servers from a 3-year to 5-year replacement cycle and implementing virtualized servers to reduce the amount of physical servers throughout the enterprise. This virtualization effort will reduce our long term equipment costs and lower our energy consumption on a daily basis.

### **Fiscal year 2014 New Projects:**

This year's budget as recommended by the IT Steering Committee includes three new requests.

#### **Request FY14-1: Quality of Service Implementation**

This request will allow us to finish the implementation of the Quality of Service (QoS) features within our wide area network. Essentially what this allows us to do is prioritize traffic over our network as it relates to voice (phones). Over the past few years we have had intermittent problems with our customers experiencing poor connections or dropped calls. In analyzing the causes we have typically found that it is when we are having extremely high bandwidth requirements on a segment of our network. What QoS will allow us to do is prioritize phone traffic when congestion becomes a problem. Our other data traffic may be impacted (slowed down) but it will not cause any failure to send that information. The bottom line is that phone traffic is much more sensitive to loss or degradation of network services. Projected Costs: \$20,500

#### **Request FY14-2: Computer Imaging Software**

This request will allow us to purchase an upgraded software product that will help us save time and reduce errors when imaging (creating) new machines. This product will allow us to consolidate our machine images and ensure that when we roll out a new machine it has the latest versions of software and patched on it. Costs \$6700.00

#### **Request FY14-3: Desktop Virtualization Project**

This request will allow us to begin researching, analyzing and potentially implementing virtual desktop technology. The potential impacts on our organization can be substantial in terms of long term cost savings and immediate returns on staff and customer efficiencies. Our intent is to conduct a 60-90 day pilot project with vendors to determine a best fit for our environment. This will also allow us to gather metrics for a complete return on investment document. Once we have the data collected we will then return to the IT Board and present it. Based on the results and the Boards direction we will either continue with the first phase of virtual desktops or we will put the concept on hold until better information and systems become available.

Please be prepared to discuss and take action on the budget at our January 24, 2013 meeting. If you have any questions or concerns please feel free to contact me directly.