



MEMO

City of Helena  
Lewis & Clark County

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**To:** IT Board Members

**CC:** file

**From:** Art Pembroke

**Date:** 1/19/2012

**Re:** Fiscal Year 2013 Base Budget and Capital Improvement Plan

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Presented for your review is the proposed budget for fiscal year 2013 and supporting documentation. Included with this cover letter are the following documents.

- 1- Fiscal year 2013 IT&S Detail Budget – This budget does not have personnel costs included at this time. Other fixed costs were included using a 3% increase factor.
- 2- Fiscal year 2013 updated CIP detail
- 3- Fiscal year 2013 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% rate increase.

The proposed base budget is \$16,871 lower this year as compared to FY12. The reasons for the reduction are varied but operational savings have been our focus for the past few years and I believe we are starting to see the benefits as follows:

- Consolidation of like functional equipment
- Reductions in Software Licensing costs
- Elimination of line-printer warranty (due to pending replacement)

The CIP budget amount for FY12 is \$81,550. The CIP items for FY13 are:

- Enterprise Printer Replacements (\$11,270)
- Enterprise SQL Server Database Software Upgrade (\$10,510)
- Enterprise Anti-Virus Software (3 year contract - \$8,960)
- Network Router Replacements (\$11,360)
- Network Switch Replacements (\$2,160)
- Enterprise Server Replacements (\$37,290)

We will be doing enterprise computer replacements again in FY13 per the approved replacement plan (4 year replacement program). Please note that we will actually be one year behind for the next 3 years due to the freeze in FY11.

Please be prepared to discuss and take action on the budget at our January 26, 2012 meeting. If you have any questions or concerns please feel free to contact me directly.