

289 - INFORMATION & TECHNOLOGY INTERNAL SERVICE FUND

Operational Summary

Description:

The mission of the Information Technology Internal Service Fund (ISF) is to provide telephone, network, desktop, data, and application services to County Agencies and Departments and manage the Enterprise Data Center. The Information Technology ISF also supports policy and strategic functions countywide as directed by the County Chief Information Officer, as well as providing support for new information systems projects. The Information Technology ISF is funded by service charges to customers.

At a Glance:

Total FY 2004-2005 Projected Expend + Encumb:	46,504,201
Total Recommended FY 2005-2006	54,439,822
Percent of County General Fund:	N/A
Total Employees:	60.00

Strategic Goals:

- The goals for Information Technology ISF for FY 2005-2006 are to: 1) Continue to review Countywide IT services and implement recommended changes to provide efficiencies and cost savings to County Agencies and Departments; 2) Provide oversight and manage the County data and telecommunications ACS extended staff contract; 3) Implement customer service focused improvements; 4) Support a Countywide IT Strategic Plan and implementation of IT standards; 5) Complete installation of a new IBM processor; 6) Broaden the imaging program to include microfiche imaging; and 7) Continue to strengthen network security.

Key Outcome Indicators:

Performance Measure	2004 Business Plan	2005 Business Plan	How are we doing?
	Results	Target	
COUNTY AGENCIES AND DEPARTMENTS EVALUATE THE IT SERVICE PROVIDER IN A CUSTOMER SATISFACTION SURVEY. What: The Customer Satisfaction Survey is completed by County agencies and departments every six months. Why: CEO/IT is evaluated to determine whether or not they have performed satisfactorily.	The performance objectives as measured by the customer satisfaction survey were exceeded.	CEO/IT will again be evaluated using the Customer Satisfaction Survey.	CEO/IT has met or exceeded all performance objectives.

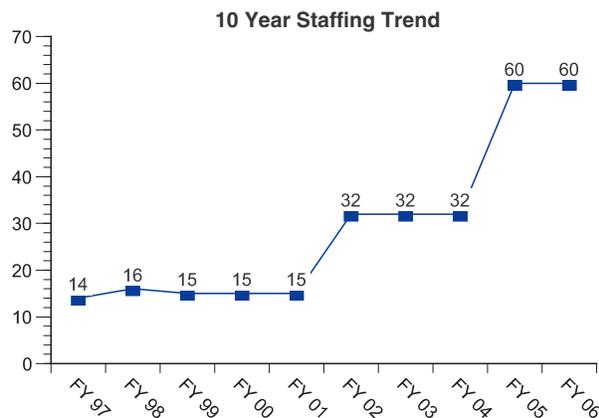
FY 2004-05 Key Project Accomplishments:

- 1) Implemented .NET programming; 2) Successfully completed implementation of document imaging program; 3) Began implementation of IBM processor replacement; 4) Implemented increased network security; 5) Began implementation of ATM and Telephone switch upgrades; 6) Standardized content of County WEB pages; and 7) Continued assessments of departmental information technology operations.



Telephone ISF - The Information Technology ISF supports a wide range of data and telecommunications activities. The ISF operates the County Enterprise Data Center and the County Telephone System (OCTNET). Telephone services provided include voice mail, cabling, and repair and maintenance of telephone systems. Data services include main-frame processing, applications programming, laser printing, imaging, internet/intranet/extranet connectivity, WEB services, Help Desk services, and Telecommunications services. Day to day operations are contracted out to Affiliated Computer Services (ACS) and their subcontractor SBC.

Ten Year Staffing Trend:



Proposed Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005		Change from FY 2004-2005	
	Actual	Budget As of 3/31/05	Projected ⁽¹⁾ At 6/30/05	FY 2005-2006 Recommended	Projected Amount	Percent
Total Positions	-	60	60	60	0	0.00
Total Revenues	46,051,732	53,665,775	50,437,684	54,439,822	4,002,138	7.93
Total Requirements	44,893,408	53,127,342	47,364,674	54,439,822	7,075,148	14.94
Balance	1,158,324	538,433	3,073,010	0	(3,073,010)	-100.00

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2004-05 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Information & Technology Internal Service Fund in the Appendix on page 674

Highlights of Key Trends:

- The Information Technology ISF supports key trends such as the implementation of ebusiness for government, WEB based applications, and self service delivery.

Ten Year Staffing Trend Highlights:

- In Fiscal Year 2004-2005, there were 62 employees in the Information Technology ISF. Two limited term office assistant positions were deleted in the Third Quarter Budget Report. The Information Technology ISF will have 60 positions during Fiscal Year 2005-2006.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Information Technology ISF is supporting the development, enhancement and improvement of County enterprise systems such as the County Accounting and Personnel System, ebusiness systems, County Internet Web sites, Onbase ERMI (document imaging), the County of Orange Intranet site and the County Wide Area Network. The IT ISF is in the process of planning for the replacement of the IBM processor. CEO/IT is working to improve the customer billing process. CEO/IT is continuing an audit of all data and telephone lines to eliminate redundancies and identify cost savings.

289 - Information Technology Internal Service Fund

Operation of Internal Service Fund Operational Statement for the Fiscal Year 2005-2006

Operating Detail		FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2005-2006
		Actual	Estimate	Proposed Budget	Final Budget
(1)		(2)	(3)	(4)	(5)
OPERATING INCOME					
6620	Rents and Concessions	1,500,000	2,000,000	2,000,000	2,000,000
7330	Communication Services	11,748	6,524	0	0
7590	Other Charges for Services	40,110,019	43,286,707	49,241,811	49,241,811
Total Operating Income		41,621,767	45,293,231	51,241,811	51,241,811
OPERATING EXPENSES					
Salaries & Benefits					
0100	Salaries and Wages	205,196	0	0	0
0101	Regular Salaries	2,825,232	3,543,063	3,787,899	3,787,899
0102	Extra Help	38,179	50,000	290,000	290,000
0103	Overtime	8,694	50,000	25,000	25,000
0104	Annual Leave Payoffs	24,015	20,409	40,000	40,000
0105	Vacation Payoff	0	104,591	0	0
0106	Sick Leave Payoff	0	24,523	0	0
0110	Performance Incentive Pay	24,273	5,136	26,780	26,780
0111	Other Pay	5,025	1,541	2,400	2,400
0200	Retirement	330,523	492,020	628,364	628,364
0202	Early Retirement	3,941	3,941	3,941	3,941
0301	Unemployment Insurance	4,499	5,267	5,693	5,693
0305	Salary Continuance Insurance	6,349	6,308	7,038	7,038
0306	Health Insurance	313,102	462,840	395,476	395,476
0308	Dental Insurance	11,015	11,856	12,768	12,768
0309	Life Insurance	2,119	2,064	2,688	2,688
0310	Accidental Death and Dismemberment Insurance	355	336	600	600
0319	Other Insurance	19,601	29,328	28,704	28,704
0352	Workers Compensation - General	83,544	100,254	130,147	130,147
0401	Medicare	37,694	46,644	49,801	49,801
Total Salaries & Benefits		3,943,356	4,960,121	5,437,299	5,437,299
Services & Supplies					
0700	Communications	49,086	34,738	0	0
0701	Telephone/Telegraph - Interfund Transfer	820,040	2,631,517	1,808,410	1,808,410
0702	Telephone and Telegraph - Other	5,791,448	5,011,542	6,371,000	6,371,000
1000	Household Expense	104,133	102,152	100,000	100,000

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Operating Detail (1)		FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2005-2006
		Actual (2)	Estimate (3)	Proposed Budget (4)	Final Budget (5)
1001	Household Expense - Trash	19,778	10,133	0	0
1100	Insurance	31,280	36,525	42,434	42,434
1300	Maintenance - Equipment	584,668	860,154	1,031,604	1,031,604
1400	Maintenance - Buildings and Improvements	438,928	672,628	357,506	357,506
1402	Minor Alterations and Improvements	88,195	122,498	150,000	150,000
1600	Memberships	328	18,315	18,109	18,109
1800	Office Expense	1,112,514	895,437	744,726	744,726
1801	Duplicating Services (RDMD/ Reprographics)	2,055	5,156	5,000	5,000
1802	Periodicals and Journals	656	3,178	6,000	6,000
1803	Postage	0	427	1,800	1,800
1805	Purchasing Stores Office Supplies	36,376	0	0	0
1806	Printing Costs - Outside Vendors	0	43,519	135,200	135,200
1809	Minor Office Equipment to be Controlled	10,467	64,060	75,000	75,000
1900	Professional and Specialized Services	20,947,648	24,095,218	25,452,892	25,452,892
1901	Data Processing Services	0	11,414,556	14,000,000	14,000,000
1908	Temporary Help	0	119,424	120,000	120,000
1911	CWCAP Charges	571,906	923,608	994,736	994,736
2000	Publications and Legal Notices	1,401	0	5,000	5,000
2100	Rents and Leases - Equipment	3,691,314	3,740,848	4,054,547	4,054,547
2200	Rents and Leases - Buildings and Improvements	386,897	407,266	432,000	432,000
2300	Small Tools and Instruments	664	3,967	2,500	2,500
2400	Special Departmental Expense	14,777	19,464	90,421	90,421
2405	Optional Benefit Plan	39,667	33,280	44,500	44,500
2600	Transportation and Travel - General	4,298	0	0	0
2601	Private Auto Mileage	2,928	7,150	11,015	11,015
2602	Garage Expense	7,334	2,410	0	0
2700	Transportation and Travel - Meetings/ Conferences	12,047	24,552	68,945	68,945
2800	Utilities	27,934	35,279	596,712	596,712
2801	Utilities - Purchased Electricity	522,893	547,594	0	0
2802	Utilities - Purchased Gas	21	22	0	0
2803	Utilities - Purchased Water	25,434	27,541	0	0
2890	Intra-Agency Services & Supplies Billing Offsets	(241,623)	(13,072,533)	(15,808,410)	(15,808,410)
Total Services & Supplies		35,105,493	38,841,625	40,911,647	40,911,647
Fixed Assets					
4000	Equipment	0	0	2,591,000	2,591,000

Operation of Internal Service Fund Operational Statement for the Fiscal Year 2005-2006

Operating Detail (1)		FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2005-2006
		Actual (2)	Estimate (3)	Proposed Budget (4)	Final Budget (5)
Total Fixed Assets		0	0	2,591,000	2,591,000
Miscellaneous					
5300	Depreciation	3,790,542	2,991,542	2,909,924	2,909,924
Total Miscellaneous		3,790,542	2,991,542	2,909,924	2,909,924
Total Operating Expenses		42,839,391	46,793,288	51,849,870	51,849,870
Net Operating Income (Loss)*		(1,217,624)	(1,500,057)	(608,059)	(608,059)
NON-OPERATING REVENUE					
6610	Interest	106,107	179,561	125,000	125,000
6840	State - Health Administration	10,895	13,319	0	0
6970	State - Other	27,595	23,816	0	0
7662	Other Sales - Non-Taxable - Resale	2,108	0	0	0
7670	Miscellaneous Revenue	19,526	38,557	0	0
7852	Fixed Asset Sales - Non-Taxable - Resale	0	1,574	0	0
Total Non-Operating Revenue		166,231	256,827	125,000	125,000
NON-OPERATING EXPENSES					
1912	Investment Administrative Fees	9,056	10,824	0	0
3251	Lease Purchase Principal Payment	(1,310,000)	0	1,470,000	1,470,000
3351	Lease Purchase Interest Payment	761,781	560,562	895,400	895,400
5400	Loss or Gain on Disposition of Assets	1,993	0	0	0
Total Non-Operating Expenses		(537,170)	571,386	2,365,400	2,365,400
Net Non-Operating Income (Loss)		703,401	(314,559)	(2,240,400)	(2,240,400)
Income (Loss) Before Contributions & Transfers**		(514,223)	(1,814,616)	(2,848,459)	(2,848,459)
FIXED ASSET EXPENDITURES					
4000	Equipment Replacement	786,930	1,384,849	2,591,000	2,591,000
4200	Buildings and Improvements				
	P605 Data Center Expansion	5,103	0	0	0
Total Fixed Asset Expenditures		791,493	1,384,849	2,591,000	2,591,000
STATEMENT OF CHANGES IN NET ASSETS - UNRESTRICTED					
Income (Loss) Before Contributions & Transfers		(514,223)	(1,814,616)	(2,848,459)	(2,848,459)
7805	Capital Contributions	28,819	0	0	0
Changes to Reserves - Encumbrance - (Inc)/Dec.		(388,297)	2,952,896	0	0
Changes to Reserves - Net Assets - Reserved (Inc)/Dec.		(2,591,189)	0	0	0

Operation of Internal Service Fund Operational Statement for the Fiscal Year 2005-2006

Operating Detail (1)	FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2005-2006
	Actual (2)	Estimate (3)	Proposed Budget (4)	Final Budget (5)
Changes to Reserves - Net Assets, Invested in Capital Assets, Net of Related Debt (Inc)/Dec.	730,404	776,407	(224,552)	(224,552)
Increase (Decrease) in Net Assets - Unrestricted	(2,734,486)	1,914,687	(3,073,011)	(3,073,011)
Net Assets - Unrestricted - Beginning of Year	3,892,810	1,158,324	3,073,011	3,073,011
Net Assets - Unrestricted - End of Year	1,158,324	3,073,011	0	0

*Note - Net Operating Loss is overstated in the 2005-06 Proposed and Approved Budget columns due to budgeted fixed asset expenditures that will be capitalized at year-end.

**Note - Loss Before Contributions is overstated in the 2005-06 Proposed and Approved Budget columns due to budgeted fixed asset expenditures that will be capitalized at year-end.

Note - Replacement equipment is financed by funds generated through depreciation expense.