



Memorandum

To: City Council
From: Ben Cowan
Date: 8/24/2015
Re: Information Technology Budget Creation

2015 represents the first year for an in-house Information Technology Department. The 2015 budget included a department called "General Services" with a budget for \$77,005. Most of the costs in that budget were technology related except for an expense for \$5,300 for the Mountain States Employer Council (MSEC - employment law) membership. We are recommending switching this cost center from "General Services" to "Information Technology" according to the attached worksheet. The \$5,300 for MSEC will move out of the cost center to the City Attorney budget since it is a cost for outside legal counsel. Additionally, \$30,000 for computer replacement and \$15,000 for an IT audit in the capital outlay sections of the General Fund will be moved in to support Information Technology costs.

Original Budget in 01-4007:	77,005
Less: MSEC transferred to City Attorney budget	(5,300)
Add: Computer Replacement	30,000
Add: Computer Study	15,000
Less: Budgeted Cost Allocation to Other Funds	<u>(38,503)</u>
Total IT Budget:	\$78,202

Action Requested: A motion to preliminarily approve a budget transfer as presented in the attached spreadsheet to create an Information Technology Department.

**CITY OF GUNNISON
IT DEPARTMENT BUDGET CREATION**

	ORIGINAL BUDGET	Adjustment	AMENDED BUDGET
<u>GENERAL SERVICES ----> INFORMATION TECHNOLOGY</u>			
01 4007 4101 "Wages"		46,644	46,644
01 4007 4103 "FICA"		2,892	2,892
01 4007 4103 "Medicare"		676	676
01 4007 4106 "Hlth Ins/WC/Othr Benefits"		3,279	3,279
01 4007 4108 "Retirement"		2,332	2,332
01 4007 4350 "Other Purch Svcs"			
GL Computer service contract	10,560	1,558	12,118
IT services	50,000	(50,000)	-
Western internet connection	4,920		4,920
Domain name registration	125		125
Mountain States Employer Council	5,300	(5,300)	-
Firewall licenses on servers	4,600		4,600
City App license/support contract	1,500		1,500
	<u>77,005</u>	<u>(53,742)</u>	<u>23,263</u>
01 4007 4201 "Operating Supplies"		794	794
01 4007 4201 "Small Tools"		200	200
01 4007 4304 "Subscrptn/Lit/Films"		50	50
01 4007 4330 "Professional Services"		6,500	6,500
01 4007 4370 "Trvl/Mileage/Meals/Lodg"		75	75
01 4007 XXXX "Software Under \$5,000"			
01 4007 XXXX "Equipment Under \$5,000"			
01 4007 XXXX "Software Over \$5,000"			
01 4007 XXXX "Equipment Over \$5,000"		30,000	30,000
01 4007 5000 "Contra-Indirect"	(38,503)	-	(38,503)
* 50% of this department's costs are allocated to the utility departments			
<u>CAPITAL IMPROVEMENTS</u>			
01 4039 9202 "Computer Replace/Purchase"	30,000	(30,000)	-
01 4039 9204 "Computer Study"	15,000	(15,000)	-
<u>CITY ATTORNEY</u>			
01 4003 4330 "Professional Svcs"		5,300	5,300
	<u>83,502</u>	<u>0</u>	<u>83,502</u>