

Data Processing Cost Analysis

Fiscal Responsibility Task Force

June 27, 2011



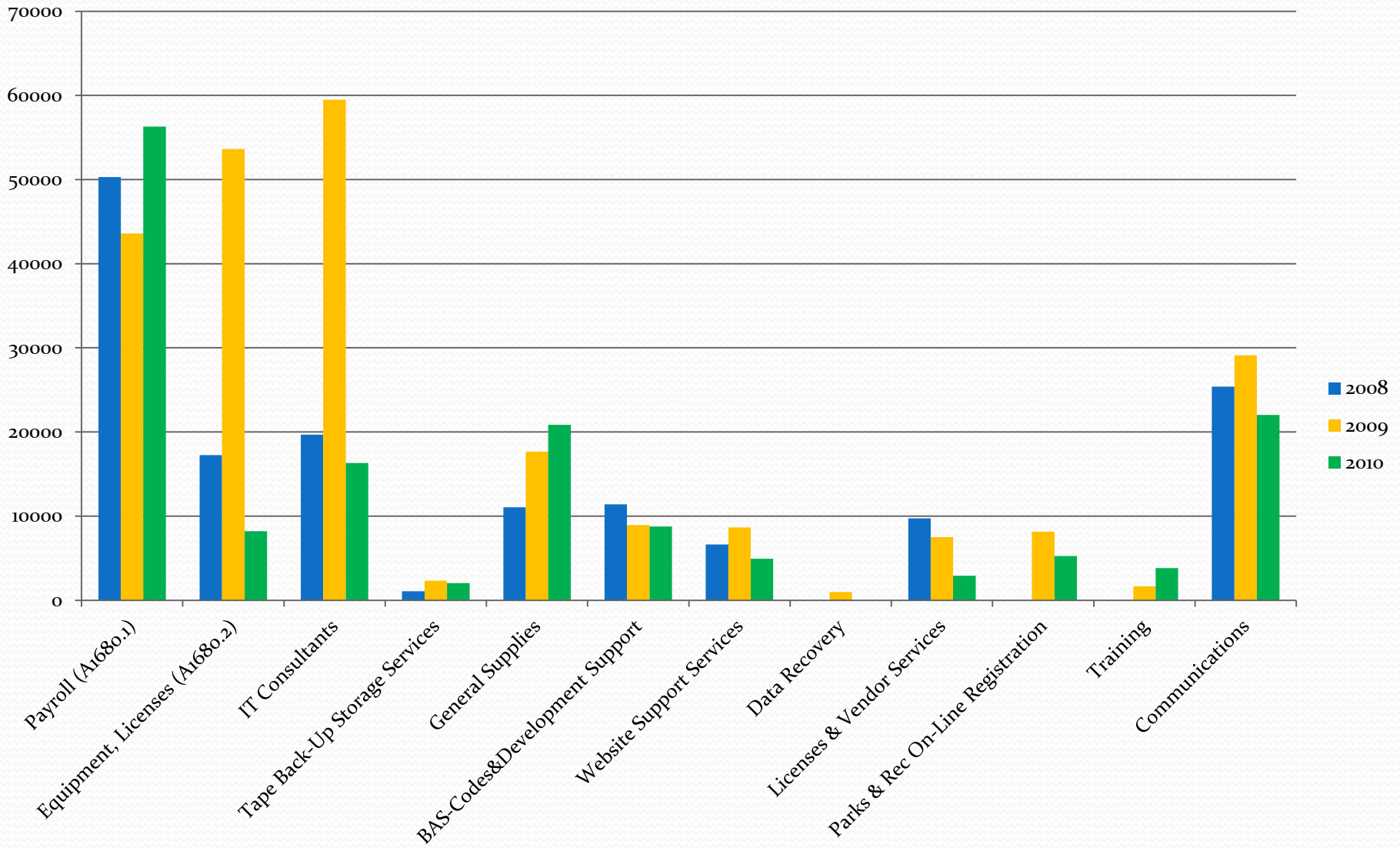
Background

- Victor data processing per capita costs in 2009 were much higher than comparable towns

Data Processing Costs Per Capita		
Town	Costs	
Victor	\$20.81	
Saratoga	\$2.16	
Clarkson	\$2.02	
Ontario	\$1.38	

- Actual total costs for A1680 in 2008 were \$161,588.33
- Actual total costs for A1680 in 2009 were \$182,784.13
- Actual total costs for A1680 in 2010 were \$148,006.71

IT Costs – 2009 vs. 2010



Why were costs so high in 2009?

- Employee retired, part-time employee added, outside IT consultant used for all Town computer needs from March-August, full-time IT person added in August.
- Town Hall move and equipment - \$53,641.02
- BAS – (Codes & Development) -\$8,948
- Parks & Rec on-line registration system \$8,170
- Town and Court IT Assessment - \$6,000
- IT Consultant - \$59,000

2010 High-Cost Items

- Back-Up System - \$8,500
- Office Furniture - \$2,293
- RFP Process for IT Consultant - \$7,500 up front payment for 100 hours of service over a 2-year period
- BAS (Codes & Development)- \$8,781
- Parks & Rec on-line registration work - \$5,249
- Employee training - \$3,821

Data Processing Facts

- Calendar Year 2009 was a year of transition for the Victor Information Technology (IT) Department
- The Victor IT Department is Much Larger Than the Benchmarked Towns.

Town Comparisons

Town	2011 Budget	# of Computers	Staff or Contractual	Website – who does it?	Social Media
Victor	\$189,551	63		Yes - IT	Yes
Mendon	0	12	Neither	Yes – varies	No
Ogden	\$25,700	50	Contractual only + Finance Director	Yes – Departments update	No
Canandaigua - Town	\$30,000	20	Contractual only	Yes – staff inputs data	No
Pittsford	\$225,413	92 Town + 78 Library computers + 8 servers	2 FT (software and hardware) and contractual	Yes - staff	Yes - Facebook
Ontario	\$30,000	49	1 staff (PT) and contractual	Yes – IT	No

Data Processing Facts

- In calendar years 2008 and 2010, costs were much lower due to less capital improvements and decreased utilization of contracted services
 - 2008 Per Capita Costs- \$13.38
 - 2009 Per Capita Costs - \$15.14
 - 2010 Per Capita Costs- \$12.26

****** Using a population estimate of 12,072 residents for all 3 years for a comparative basis.***

What have we done so far to improve costs?

- RFP for IT Support
- Quotes for printer cartridges
- Website maintenance person in-house; still need new website to lower costs even further
- Study conducted on phone services identified \$22,159.64 in charges not belonging to the Town.
- RFP for phone services, including fiber optic network.

Conclusions

- Calendar Year 2009 was a year of unusual one time costs for the IT department
- Benchmarked communities have much smaller IT infrastructure and are not comparable
- IT costs are reasonable given the size of Victor and the recent IT initiatives

Recommendations

- Utilize IT investments to reduce town costs e.g. electronically distribute town publications instead of paper mailings
- Evaluate use of contracted services – how much is needed?
- Evaluate alternative systems for Codes & Development



Questions?