

19. Approve the Proposed 2025-26 Budget for the Information Services Department, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Information Services Dept.

Subject: Proposed 2025-26 Budget for Information Services

Meeting Date: June 3, 2025

Formal Title: Approve the Proposed 2025-26 Budget for the Information Services Department, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer

Recommended Action

Approve the Proposed 2025-26 Budget for the Information Services Department, including any supplemental materials, as provided in the referenced budget documents:

- [Proposed Budget](#)
- [Continuing Agreements List](#)
- [Unified Fee Schedule](#)
- Presentation

Executive Summary

The Proposed 2025-26 Budget for the Information Services Department supports eight (8) divisions: Network Access, Telecommunications, Radio Services, Programming, Desktop Support, GIS Services, Duplicating, and Administration, with funded staffing of 64.00 funded full-time equivalent (FTE) positions.

Discussion

The mission of the Information Services Department (ISD) is to partner with departments, providing the best technology services and solutions to empower and strengthen our community, enhancing opportunities for all with the vision to build an enduring legacy of accessible, efficient, and secure government services to support all County residents with innovative technology solutions. Department and division operational objectives are shown in the 2025-26 Proposed Budget document and 2025-27 Operational Plan. Both are available online at: www.SCCVision.us

The ISD Proposed Budget includes negotiated salary and benefit increase as well as a change in facility charges to properly reflect the cost of facility services and utilities.

Anticipated reductions in state or federal funding include the loss of Department of Homeland Security (DHS)-provided cybersecurity services, such as cyber hygiene reports, penetration testing, and election security reviews. This reduction poses a significant challenge, particularly to election security, by increasing the County's exposure to cyber threats and decreasing access to critical threat intelligence. The resulting vulnerability may require the County to procure third-party cybersecurity services, with estimated annual costs ranging from \$25,000 to \$500,000, in addition to unknown expenses related to maintaining election security. Staff are evaluating alternative service providers and identifying potential funding sources to mitigate these impacts.

Additionally, uncertainty in federal funding for broadband expansion under the Infrastructure Investment and Jobs Act (IIJA) and the Broadband Equity, Access, and

Deployment (BEAD) Program may delay broadband deployment to unserved communities. This funding instability risks limiting high-speed internet access in rural areas, which could negatively impact economic growth and hinder progress toward digital equity. Staff are monitoring federal updates and exploring alternative funding sources to support continued broadband infrastructure development.

The budget reflects important service changes, including an accounting adjustment and increases in key technology costs. An increase of \$4,237,014 reflects an accounting change to more accurately capture Internal Service Fund (ISF) expenses for departmental acquisition of new hardware and systems. In addition, expenditures have increased by \$838,286 to support the ongoing subscription and maintenance of the County's Human Capital Management (HCM) system, and by \$468,124 due to rising Microsoft licensing costs.

Staffing of 64.00 FTE positions is status quo for 2025-26.

Budgeted funding will continue to support ongoing staff work, including application development, operations, and maintenance of all County enterprise information technology systems, along with providing direct technical support to County departments.

Over the next fiscal year, the department will be focused primarily on supporting the new and ongoing IT systems and infrastructure, such as the new South County Government Center and Children's Mental Health facility; supporting major projects like the new HCM system, Broadband Master Plan, and Generative Artificial Intelligence adoption; leading multi-agency aerial imagery update project; and managing the Next Generation Radio upgrade project.

Financial Impact

The ISD Proposed Budget includes \$26,076,209 in expenditures offset by \$26,583,572 in revenues, and no General Fund contribution. This reflects a total expenditure increase of \$5,362,605 or 25.9% from the Fiscal Year 2024-25 Adopted Budget.

Strategic Initiatives

Equity Framework - County Facilities & Infrastructure

Operational Plan - Dynamic Economy, Operational Excellence

Submitted By:

Tammie Weigl, Director of Information Services

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

OpenAI ChatGPT 4o, an Artificial Intelligence (AI) large language model tool, significantly contributed to the development of this agenda item, including Staff Report, in compliance with the County of Santa Cruz AI Appropriate Use Policy.



Information Services

2025-26

Proposed Budget

Tammie Weigel,
Director

June 03, 2025



Presentation Overview



Our Mission



How We are Organized



Budget Overview



Fiscal & Staffing Details



Federal/State risks & Emerging Issues



Request & Questions



Our Mission

Partnering with departments, providing the best technology services and solutions to empower and strengthen our community, enhancing opportunities for all.

Our Vision is to..

build an enduring legacy of accessible, efficient, and secure government services to support all County residents with innovative technology solutions.

State & Federal Funding Risks



- Loss of DHS cybersecurity services increases cyber threats and election vulnerability, with potential costs of \$25K-\$500K annually.
- Federal funding instability under the IIJA may delay broadband expansion, limiting rural internet access and impacting economic growth and digital equity.

Divisions & Services



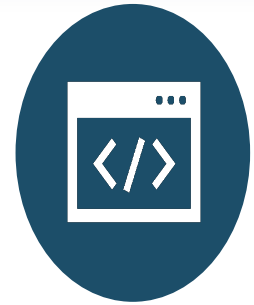
NETWORK ACCESS



TELE-
COMMUNICATIONS



RADIO SERVICES



PROGRAMMING



DESKTOP
SUPPORT



GIS SERVICES



DUPLICATING



ADMINISTRATION



Information Services

Summary of Proposed Budget




	2024-25 Adopted	2025-26 Proposed	Amount of Change	Percent Change
Revenues	\$20,718,106	\$26,583,572	\$5,865,466	28.3%
Expenses	\$20,713,604	\$26,076,209	\$5,362,605	25.9%
General Fund Contribution	\$0	\$0	\$0	0%
Funded Staffing	63.00	64.00	1.00*	1.6%

*The addition of 1.00 FTEs was approved by BOS on June 25, 2024

Major Budget Changes from Adopted Revenues

Amount		Title of change in revenue
	\$ 4,237,014	Accounting change to reflect ISF revenue for departmental acquisition of new hardware and systems
	\$ 924,578	Cost recovery of new Human Capital Management (HCM) system

Major Budget Changes from Adopted Expenses

Amount		Title of change in revenue
	\$ 4,237,014	Accounting change to reflect ISF expense for departmental acquisition of new hardware and systems
	\$ 838,286	HCM system subscription & support
	\$468,124	Increased Microsoft licensing costs

Emerging Issues

- Loss of DHS Cybersecurity Support
- Uncertainty in BEAD Program Funding
- Impact of Increased Tariffs on County Operations
- AI Adoption and Governance Challenges
- Challenges in Implementing the P25 Countywide Radio System

Information Services

Approve the Proposed Budget for the Information Services Department, including any Supplemental Materials, which includes

- Revenues of \$26.6mm
- Expenses of \$26.1mm
- General Fund Contribution of \$
- Staffing of 64.00 funded FTEs

