

Testimony To
THE INTERIM INFORMATION TECHNOLOGY COMMITTEE
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Terry Traynor
North Dakota Association of Counties

REGARDING TECHNOLOGY SERVICE COORDINATION

Chairman Weisz and members of the Information Technology Committee; thank you for the request to talk about the average annual technology costs of small, medium and large counties.

As the Committee is likely aware, our Association's subsidiary, NDACo Resources Group (NRG), was created to provide technology support to county government. The daily involvement of NRG staff with the counties provides them a thorough understanding of their technology needs, issues, and their costs.

By looking at a number of counties of various sizes in detail, we were able to establish cost ranges – determining that the annual costs had a much greater correlation to county staff size than to county population. The detailed data was then extrapolated by staff size to all counties of the state, yielding the table below.

Estimate of Annual County Information Technology Costs

	Avg. Population	Avg. Staff	Avg. IT Cost	Total IT Cost
4 Largest Counties (Pop. >60,000)	90,000	272 FTE	\$ 1,850,000	\$ 7,400,000
9 Medium Counties (Pop. 10,000 to 30,000)	17,700	108 FTE	\$ 270,000	\$ 2,430,000
40 Smaller Counties Pop. <10,000)	3,850	48 FTE	\$ 121,000	\$ 4,840,000
Total Estimated County IT Costs Statewide				\$ 14,670,000

It should be noted, that this analysis estimates the technology costs that are actually paid through county budgets. There are some costs, particularly wide area network costs, where the state agencies handle the payments for the county. An example would be the Secretary of State. A portion of each Uniform Commercial Code filing fee charged by a county is retained by the Secretary of State to pay for a portion of the StageNet connection to each courthouse necessary for the statewide UCC filing system. Similarly, the Department of Human Services pays for a portion of the StageNet connection, withholding county federal reimbursements for some of it.

In addition to network costs, considerable county expenditures are made for enterprise systems that manage financial and property tax administration, and many counties have seen significant new expenditures in the area of GIS, as they work to meet the "ag assessment by soil classification" deadline.

I hope this addresses the Committee's interests, but I would gladly answer any questions that I can.