Houston Information Technology Services
FY2019 Proposed Budget Presentation

May 14, 2018

Org Chart

Lisa Kent
Chief Information Officer

Somayya Scott
Chief of Staff
Deputy AD - Resource Management

Troy Williams
Assistant Director - Health

Reenie Askew
Deputy CIO - Applications

Chris Mitchell
Chief Information Security Officer

Mark Norton
Deputy CIO - Project Management Office

Vacant
(Acting: Roswell Dixon)
Deputy CIO - Infrastructure

Vacant
(Acting: Taunya Harris)
Deputy CIO - Public Safety

Revenues By Funds
($ in thousands)

Fund	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed	Variance FY19 Prop/FY18 Est.	% Change
General Fund	$2,185	$1,868	$ 1,877	$1,885	$ 8	0.4%
Revolving Fund	$41,169	$ 53,164	$52,905	$55,252	$2,347	4.4%
Total	**$43,354**	**$55,032**	**$54,782**	**$57,137**	**$2,355**	**4.3%**

FY2019 - Revenues Highlights

- ## General Fund

  - No significant changes from FY18 – 19

- ## Revolving Fund revenue increase of $2.3M

  - Revenues to match expenditure budget
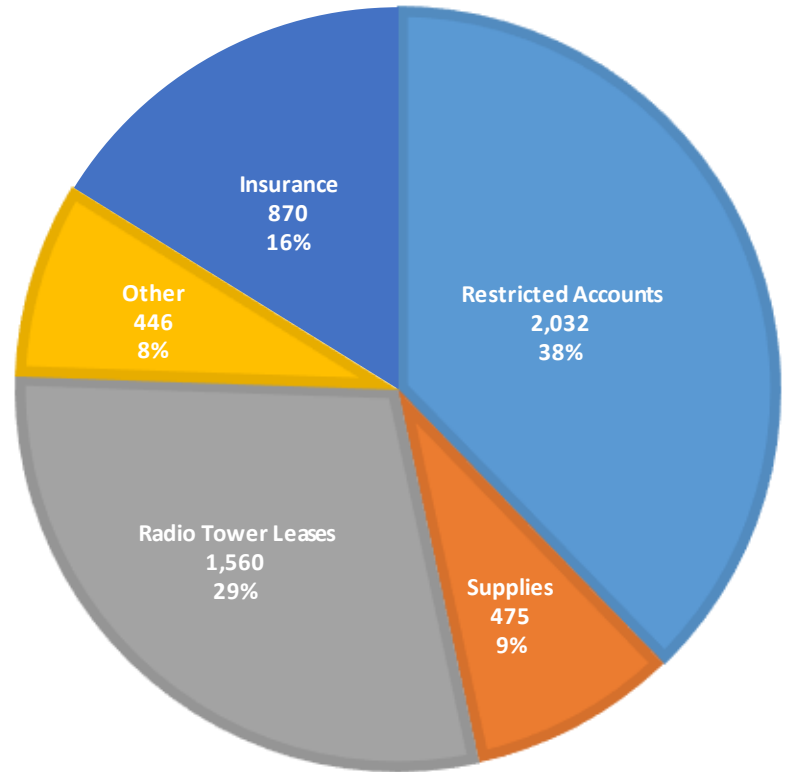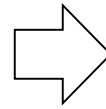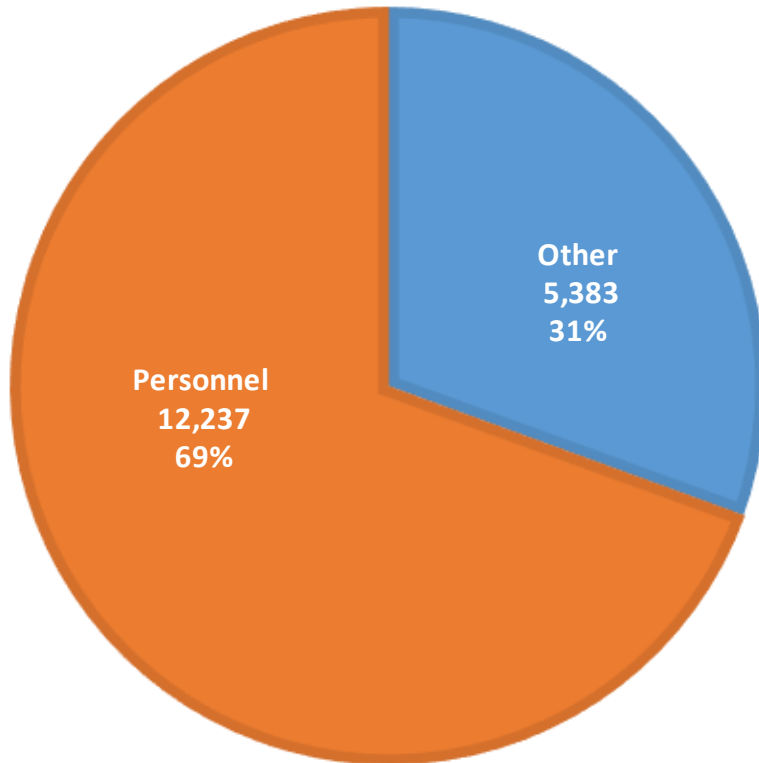
Expenditures By Funds
($ in thousands)

Fund	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed	Variance FY19 Prop/FY18 Budget	% Change
General Fund	$21,391	$ 17,230	$ 17,230	$17,620	$390	2.3%
Revolving Fund	$ 41,169	$ 53,164	$52,905	$55,252	$2,088	3.9%
Total	**$62,560**	**$70,394**	**$70,135**	**$ 72,872**	**$2,478**	**3.5%**

FY19 Personnel vs Non Personnel General Fund (1000)
($ in thousands)

PROPOSED BUDGET
$17,620

Other 5,383 31%

Personnel 12,237 69%

Insurance 870 16%

Other 446 8%

Restricted Accounts 2,032 38%

Radio Tower Leases 1,560 29%
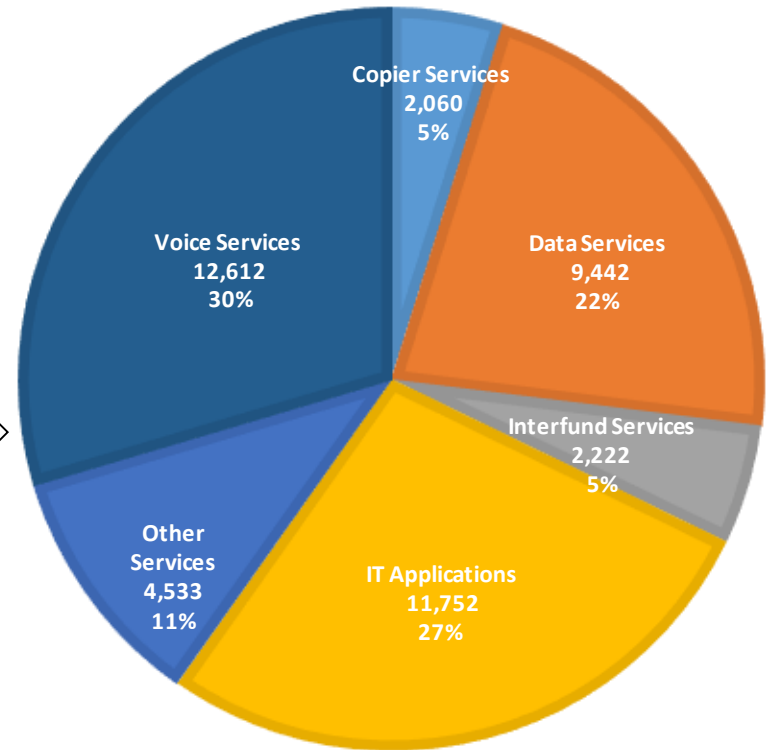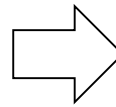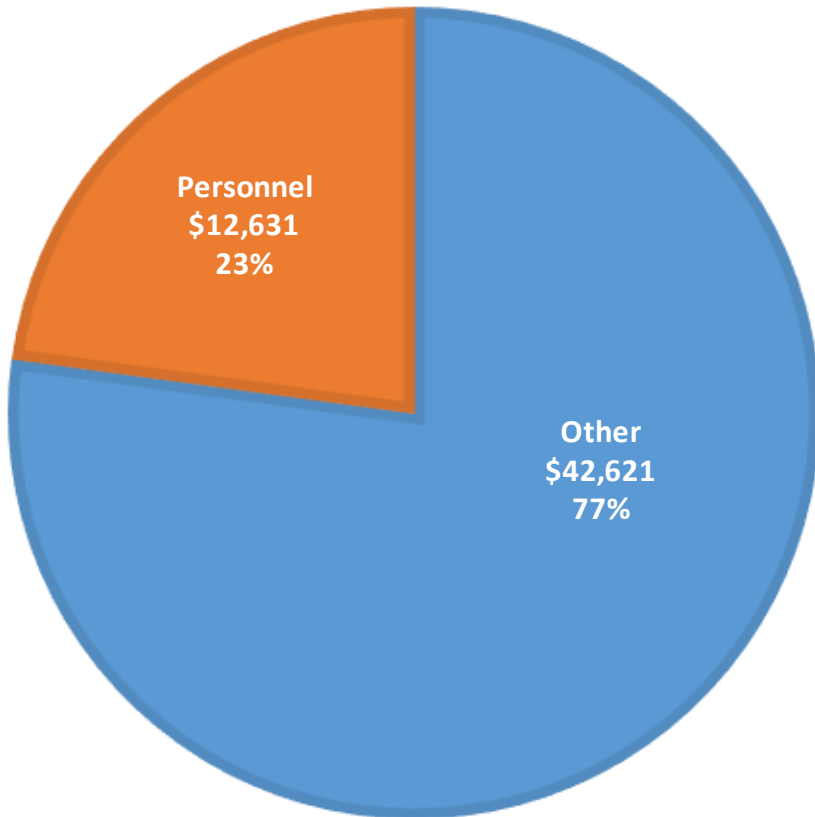
Supplies 475 9%

FY19 Personnel vs Non Personnel Revolving Fund (1002)
($in thousands)

PROPOSED BUDGET
$55,252

Department Budget Reductions (in thousands)

Fund	FY17	FY18	FY19	3 - Year Total
General Fund	(703)	(6,704)	0	(7,407)
Revolving Fund	(5,504)	6,704	(681)	519
Total	**(6,207)**	**0**	**(681)**	**(6,888)**

General Fund FY2017 Reductions:
- CFO Savings Initiative ($380)
- Reduction Scenario ($323)
  - 2 positions eliminated

Revolving Fund FY2017 Reductions:
- CFO Savings Initiative ($1,446)
- Reduction Scenario ($4,058)
  - 7 positions eliminated

General Fund FY2018 Reductions:
- Reduction Scenario
  - Moved to Revolving Fund provided ($2,155) savings to General Fund

Revolving Fund FY2019 Reductions:
- Infrastructure Services ($66)
- Telephony Services ($140)
- Vacancy Factor ($475)

FY2019 Budget Expenditures Net Change (in thousands)

FY2019 General Fund Budget Expenditures Net Change to FY2018 Current Budget			
FY2018 Current Budget			***Notes***
Operating Budget	$	15,148	
Restricted Budget	$	2,082	*1*
FY2018 Current Budget	**$**	**17,230**	
Explanation of FY2018 Incremental Increase/(Decrease)			
Operating Budget Adjustments			
Budget reduction initiatives		-	
Subtotal Operating Budget Adjustments	**$**	**-**	
% Change from FY18 Operating Budget		0.0%	
Contractual or Mandated Adjustments:			
Health Benefits Active Civilian	$	72	
Health Benefits Active Classified (if applicable)		-	
Municipal Pension		32	
Classified Pension (if applicable)		-	
Restricted Accounts		(50)	
Program Adjustment	$	336	
Subtotal Contractual/Mandated Increases	**$**	**390**	
FY2019 Proposed Budget			
Operating and Contractual Adjustments	$	390	
FY2019 Proposed Budget	**$**	**17,620**	
% Change from FY18 Current Budget		2.3%	

Notes:

1. Restricted Budget includes service chargeback accounts for items such fuel, electicity, IT accounts, etc

Program Adjustments:

– Contract escalation related to radio tower leases & Harris County (Greens Road) shared-use radio shop of $95K

– Motorola Nice Log Software of $50K
  (Recording radio transmission for HPD, HFD & HPW)

– Funding to provide 24x7 monitoring and annual maintenance for Public Safety Radio Communications Network Operation Center of $191K

FY2019 – Revolving Fund Expenditures Highlights

FY2018 Adopted	**$ 53,164**

Budget Reductions		
Infrastructure Services_ScanMail	($66)	
Telephony Services	($140)	
Vacancy Factor	($475)	**($681)**

FY2019 Major Contractual Increases		
Verizon Wireless	$585	
Planning Dept EGIS-transfer to HITS	$565	
Phonoscope	$525	
Infor	$320	
Northrop Grumman Systems Corp.	$222	
PCI Audit	$212	
eSignature	$172	
Citywide Copier Services (Ricoh Contract)	$168	**$2,769**

Proposed FY2019 Budget	**$55,252**

Functional Org Chart
(in thousands)

Fund	Division Name	FY2019 FTE's	FY2019 Budget
General Fund	HITS – Director's Office Group	14.5	1,661
	HITS - Applications	11.6	3,855
	HITS – Infrastructure	52.2	6,287
	HITS – Public Safety	30.3	5,817
General Fund Total		108.6	17,620
Revolving Fund	HITS – Director's Office Group	8.7	6,296
	HITS – Applications	35.5	12,768
	HITS – Infrastructure Group	5.8	27,769
	HITS – Public Safety	19.9	4,461
	HITS – Client Solutions	11.5	1,828
	HITS – Project Group	15.4	2,130
Revolving Fund Total		96.8	55,252
Grand Total		205.4	72,872

Questions

Appendix

- Contents, to include:

  - Department demographic breakdown (gender & ethnicity)

  - Optional - Relevant operating information, examples:

    - Customer satisfaction surveys

    - Productivity or throughput trends impacted by recent initiatives

Demographics
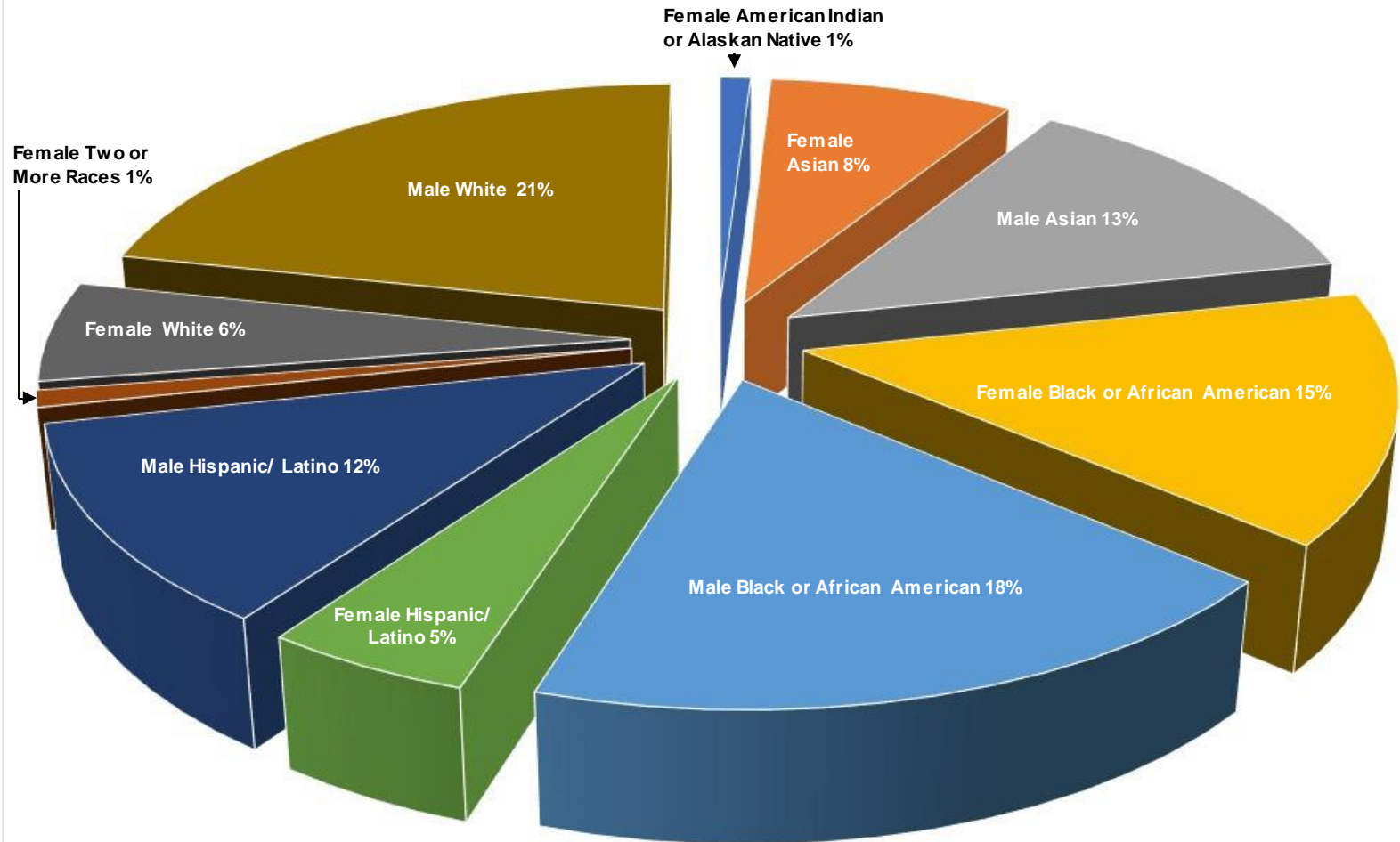
FY2018 Planned Initiatives & Status / Accomplishments

HITS Goals & FY18 Initiative Highlights	Mayor's Priorities		Plan Houston Strategy
Enhance Citizen Engagement **Protect City Information & Data** ● HFD Infor Migration for inspections and permit fee collection; ✓ CJIS-mandated network equipment refresh; ● Data warehouse, analytics, and data classification initiatives ✓ Cyber Security 4-year Master Plan initiatives; ● Network Security Tools; NexGen Firewall Replacement	Public Safety	Provide responsive & efficient public safety services	Partners with others, public and private.
		Improve public safety through effective crime prevention & enforcement	
		prepare for, mitigate, and effectively respond to emergencies & special events	
		Reduce the murder rate to the lowest in a generation by 2020.	
Enhance Citizen Engagement **Transform IT Workforce for the Future** ● IT Classification transition and benchmarking; ✗ Succession Planning; Learning & Development Plans	Complete Communities	Ensure equal access to opportunity & prosperity	Protect and conserve our resources. Partner with others, public and private.
		Support economic growth & jobs	
		Ensure quality affordable housing options throughout the City	
		Provide vibrant and enjoyable activity and recreation centers	
		Promote healthy, safe, livable and connected neighborhoods	
		Develop and skilled and talented workforce	
		Champion learning	
Create a Resilient, Scalable, and Agile IT Infrastructure **Improve the Overall Management of IT Services** ◆ ARA license & permit migration to INFOR; ● Server/Storage/Network & PC asset refresh; ◆ ● Microsoft Azure and Sharepoint Online initiatives; ● 311 / PWE UCS / MCD Contact Center upgrades	Services & Infrastructure	Improve drainage and flood mitigation	Sustain quality infrastructure. Protect and conserve our resources.
		Reduce traffic through improved streets and access to transit and mobility options	
		Ensure that infrastructure accommodates growth and meets community needs	
		Improve the City's service delivery structure	
Align IT to Support the Business Priorities & Goals ◆ Update 3-year IT Strategic Plan; Software License Compliance; ● IT Expense & Chargeback dashboards; ✗ Budget Software selection and design; ✓ eSignature contract & policy changes	Sound Financial Management	Achieve lasting pension reform	Spend money wisely. Partner with others, public and private. Grow responsibly.
		Put long-range financial plan into action	
		Deliver world class city services in an effective and efficient manner	

✓ Completed   ● In progress   ◆ Deferred to FY19   ✗ Not started

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Disaster Recovery – Hurricane Harvey

- **RADIO:** Hurricane Harvey damaged equipment at one radio tower site, but radio service throughout the event was no less than **99.9999%** availability due to Herculean efforts by the HITS Public Safety Division. Our team worked 24/7 for several weeks to ensure that the system was operational and first responder radios were serviced and/or replaced as needed.

- **311 CALL CENTER**:   311 services remained fully operational throughout the event with agents working from home. This was possible because HITS Infrastructure Division had previously deployed *soft-phone capabilities* on agent laptops near the end of FY17.

- **NETWORK & REMOTE ACCESS:** During the height of the downtown flooding, numerous modifications were made to migrate mission-critical citywide network and server components from flooded locations like Lubbock and Riesner to safer data center locations. This was done rapidly "over the wire" prior to flood waters inundating the emergency generators that were keeping the legacy equipment online. These actions enabled the City to *continue to process payroll on time for 22,000 employees*, and for *311 agents, emergency responders and recovery teams to continue accessing the data network remotely* throughout the event.

- **EMAIL**: Email capabilities remained 100% online throughout the event due to HITS' successful migration to Office 365 near the end of FY17.

- **CYBER INCIDENT INCREASE**: During Harvey, we noted a significant increase in cyber incidents. Our cyber-security team actively mitigated multiple campaigns designed to harvest COH login credentials.

- **Over 70 HITS employees** worked during Harvey and throughout the essential-employee-only recovery period.

- **DAMAGE ASSESSMENT & RELOCATION**: For several months following the storm, HITS inventoried, assessed and restored / replaced damaged equipment. We relocated departments that were flooded out of their office locations and made interim service accommodations in new locations.

Additional Accomplishments – SECURITY

- Developed and implemented several core departmental **policies** (5), **procedures** (1) and **guidelines** (4)
- Implemented **DNS and IP layer security** solution; this is our first line of defense against Internet-based threats
- Implemented **vulnerability management** solution
- Implemented **Advanced Threat Protection (ATP)** email gateway solution
- Implemented **email encryption** solution to **auto-encrypt** sensitive outbound information
- Implemented **Security Information and Event Management (SIEM)** solution; this solution allows the COH Cyber Division to collect and correlate data from many COH internal sources to generate cyber event alerts requiring investigation

- Implemented **anti-malware, anti-exploit** endpoint solution
- Upgraded and **saturated environment with basic anti-virus capability**
- Implemented **intrusion detection** capability at an additional Internet egress point
- Implemented a **patch management** and **vulnerability management** approach
- Implemented **cyber incident response** capability
- **Incident response** to a multitude of domestic and international threat events, and threat actors
- Sponsor and participant in planning phase of **major cross-industry cyber exercise** scheduled for July 2018

Additional Accomplishments – INFRASTRUCTURE & APPLICATIONS

- Replaced end-of-life and non-supported *network & server infrastructure*. HPD Phase 1 (access layer switches) in progress and scheduled to be completed by July 2018. End of Life domain controllers in progress and forecasted completion by end of June 2018.

- Substantially improved **backup processes** for SAP and ~300+ other servers.

- Amended data center contract to include *more stringent Service Level Agreement* (SLA) at no additional cost to the City. The new SLA mandates Tier 3 redundant power and includes financial penalties for data center loss of power.

- Completed *Joint Processing Center integration and testing with CSMART*. Go-live forecasted to occur in the next few weeks.

- Enhanced 311 legacy application performance and reduced 311 agent average speed of answer by 50%.

- Completed *Department of Neighborhoods Phase 2 Infor upgrade* for inspections. Migrated more DON business process to Infor and eliminated legacy FORMS application.

- Completed department intranet *Sharepoint sites upgrades* to standard templates.

- Completed *Public website re-branding* and enhancements.

- Designed and tested *capital plan report by council district*. Scheduled go-live May 2018.

- Completed *data classification policy* to lay the foundation for properly handling and protecting data according to its sensitivity.

- Stabilized *eBid* legacy application.

Additional Accomplishments – PUBLIC SAFETY

- Completed the **7.17 Radio System Upgrade** of the hardware, software and services of the radio system equipping public safety personnel and partners with the most advanced radio communications technology.

- Completed the **Geo Prime Site Redundancy Project** that provided redundancy of the radio system improving overall public safety.

- Successfully planned and managed i**nteroperable communications (voice & data) for all Special Events** coordinating with local, state and federal agencies. Our staff have worked over 30 special events to include Bush Funeral, MS15O Bike Ride, Off Shore Technology Conference, Chevron Marathon, Thanksgiving Parade, Texans Football, NBA Finals, Freedom Over Texas, Rodeo, 2017 World Series, Wings Over Houston, Pride Parade, and various NRG concerts.

FY19 Revolving Fund (1002) Non-Personnel (Other) Components

Other Services- 11%
- Enterprise GIS Maintenance and Support
- HEC Dispatching System Support and Maintenance
- Management Consulting Services

Voice Services- 30%
- Wireless Communication Services
- Wireline Telephone Services
- Telecom Labor and Equipment

IT Application Svcs- 27%
- Infor Software Management Systems
- Microsoft Enterprise Licenses
- SAP Enterprise Support Suite
- Kronos Software
- CSMART Support
- EGIS-Planning Department Support

Data Services- 22%
- Ethernet Data & Internet Circuits
- Smartnet Maintenance Renewal
- Data Center /Lease/Connectivity Costs
- ProofPoint Suite / eDiscovery

Copier Services- 5%
- Citywide Copier Services

Interfund Services- 5%
- Finance Department Support
- EGIS-Planning Department Support

FY 2019 Performance Measures

Customer Measures	Priorities	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed
311 Citizen Service Center Availability during operational hours	Public Safety	N/A	100%	99.8%	100%
Citywide Radio System Availability Management	Public Safety	99.9%	99.9%	99.9%	99.9%

Business Process Measures	Priorities	FY17 Actual	FY18 Budget	FY18 Estimates	FY19 Proposed
Expenditures Adopted Budget vs Actual Utilization	Sound Fiscal Management	92%	98%	101%	98%
Revenues Adopted Budget vs Actual Utilization	Sound Fiscal Management	130%	100%	100%	100%