OFFICE OF INNOVATION AND TECHNOLOGY
FISCAL YEAR 2025 BUDGET TESTIMONY
APRIL 2, 2024

INTRODUCTION

Good Morning, President Johnson and Members of City Council. I am Melissa Scott, Chief Information Officer. Joining me today are Amy Pearlman, Interim Chief Operating Officer, Steve Robertson, Chief of Staff, and Chris Donato, Chief Financial Officer. I am pleased to provide testimony on the Office of Innovation and Technology's Fiscal Year 2025 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission:

The Office of Innovation and Technology (OIT) provides technology that allows City of Philadelphia employees to work more efficiently and deliver effective and easy-to-use digital services to the public in pursuit of the Mayor's vision to make Philadelphia the safest, cleanest, and greenest big city in the nation with economic opportunity for everyone. OIT delivers services to automate and simplify business processes, provides governance on information technology (IT) architecture, and offers multi-media user experience, content design, GIS, data/analytics, innovation consulting, and software development services. OIT is responsible for citywide information technology and cyber security and leads Philadelphia's Smart City and digital equity efforts. The office also oversees major technology project implementations and supports the bulk of the City's technology assets.

Plans for Fiscal Year 2025:

Continue Implementation of City's Digital Equity Plan: In coordination with Philadelphia Parks and Recreation and the Office of Children and Families, OIT will pursue all pertinent grants enabled by the federal Bipartisan Infrastructure Law for increased broadband connectivity and other digital equity programs. Additionally, OIT will continue to manage two additional programs in support of the City's Digital Equity Plan: 1) a program launched last year to provide free and low-cost computing devices to residents in need, and 2) the PHLConnectED program which supports internet connectivity for our K-12 families and provides digital navigation services to Philadelphia's residents.

Fire Department IT Modernizations: OIT collaborated with the Fire Department to identify and implement a new Records Management System, which went live in Q4 of CY23. Planning and configuration for a new scheduling and rostering application is in progress. Implementation of a Personnel Accountability Solution is underway with an initial pilot starting Q2 CY24. OIT will continue its mission by replacing and upgrading legacy systems and conducting infrastructure upgrades at all Fire stations.

Optimize Procurement and Accounting Logistics (OPAL): In collaboration with the Procurement Department, the Office of the Director of Finance Department, and the Chief Administrator's Office, the OPAL project will provide a cloud-based solution to replace legacy financial and

procurement systems. OIT, along with our citywide and vendor partners, will complete the Business Process Alignment phase of systems implementation. The OPAL team will additionally begin the Architect and Build phase for this effort.

Unified CAD (Computer Aided Dispatch) System: OIT will continue to collaborate with the Police and Fire Departments to fully implement a new and consolidated CAD platform for the Departments' 911 center operations. Implementation and configuration are in progress with go-live slated for FY25.

New IT Service Management software tool: OIT is on target to replace the current enterprise IT helpdesk ticketing tool to stand up a more efficient management tool for support inquires resulting in improved centralized tracking, streamlined communication and status notification, prioritization and resolution, and overall workflow including dashboard reporting for IT teams citywide.

800 MHz Radio System Upgrade: OIT will initiate implementation of a complete software and hardware upgrade of the city's 800 MHz Radio system. This upgrade will include all 10-tower sites, dispatch locations, and improvements to radio coverage in the Chestnut Hill area of the city. Scoping of the effort has begun with procurements to begin in FY25.

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PROPOSED BUDGET OVERVIEW

General Fund Financial Summary by Class						
	FY23 Original Appropriations	FY23 Actual Obligations	FY24 Original Appropriations	FY24 Estimated Obligations	FY25 Proposed Appropriations	Difference: FY25-FY24
Class 100 - Employee Compensation	$32,794,019	$28,225,382	$33,474,871	$33,474,871	$33,783,852	$308,981
Class 200 - Purchase of Services	$77,419,186	$72,980,203	$82,262,633	$82,562,633	$79,994,872	($2,567,761)
Class 300/400 - Materials, Supplies & Equipment	$11,051,009	$5,817,972	$12,533,822	$13,633,822	$17,843,522	$4,209,700
Class 500 - Contributions		$72,500				$0
Total	**$121,264,214**	**$107,096,057**	**$128,271,326**	**$129,671,326**	**$131,622,246**	**$1,950,920**

Proposed Funding Request:

The proposed Fiscal Year 2025 General Fund budget totals $131,622,246, an increase of $1,950,920 over Fiscal Year 2024 estimated obligation levels. This net increase is in large part due to refreshing public safety 800 MHz radios and providing K-12 internet service through PHLConnectED, combined with other increases related to Class 100 positions and other operational services. FY25 decreases include a one-time increase for PC Refresh in FY24 that is not reoccurring in FY25, along with decreases in various operational costs, as well as reduced 911 general fund appropriations for the Computer-Aided Dispatch project, which is expected to be completed in FY25.

The proposed budget includes:

- $33,783,852 in Class 100, a $308,981 increase from FY24. This funding supports OIT's employees who are performing various tasks which promote OIT's major objectives which are to: implement, manage and service information technology infrastructure that enables efficient and cost-effective application solutions for City departments, along with improving efficiency and value of City information technology initiatives by providing best practices through ongoing oversight, support activities, project management control, and strategic planning.
- $79,994,872 in Class 200, a $2,567,761 decrease from FY24. This funding will support ongoing enterprise-wide IT operations: infrastructure, network, security, digital productivity platforms, mobile devices and telecommunications, software engineering, software licensing, databases and geodata platforms, Channel 64/GovTVPHL, and compliance and auditing of IT controls. These funds also provide the necessary operational support for capital funded business applications and infrastructure projects. This funding will also maintain the City's Emergency 911 operations, facilitating an upgrade to the 800MHz public safety radio system, and developing text translation software to support public safety units. Funding also supports the PHLConnectED digital equity initiative.

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- $17,843,522 in Class 300/400, a $4,209,700 increase from FY24. This funding will provide various telecommunications equipment and networking fiber, PC/Laptop refresh, Mobile Data Computers, along with CAD and other E-911 related hardware including the upgrade of 800MHz radios in support of public safety field operations.

STAFFING LEVELS

The department is requesting 421 General Fund budgeted positions for FY25, an increase of 23 positions from FY24.

The increase is attributed to expansion of the city's Video Surveillance System, and filling positions in Public Safety, Innovation, the IT Support Center, OPAL, and Departmental Services supporting CAO and Revenue.

Employment Levels (as of December 2023) - GENERAL FUND ONLY		
	FY25 Budgeted	Filled as of December 2023
Number of Full-Time Positions	476	580
Number of Exempt Positions	352	295
Number of Executive Positions (deputy level and above)	9	9
Average Salary of All Full-Time Positions	$88,887	$87,376
Median Salary of All Full-Time Positions	$87,843	$85,091

Employment Levels (as of December 2023) - ALL FUNDS		
	FY25 Budgeted	Filled as of December 2023
Number of Full-Time Positions	580	472
Number of Exempt Positions	478	380
Number of Executive Positions (deputy level and above)	9	9
Average Salary of All Full-Time Positions	$87,063	$87,739
Median Salary of All Full-Time Positions	$86,029	$85,285

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NEW HIRES

New Hires (from 7/1/2023 to December 2023)						
	Total Number of New Hires	Spanish	Hindi	French	Russian	Portuguese
Black or African American	13	1		1		
Asian	9		5			
Hispanic or Latino	4	3				
White	18	2			1	1
Other	1					
Total	**45**	**6**	**5**	**1**	**1**	**1**

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PROGRAM BASED BUDGETING:

Program Name: Enterprise Services and Digital Solutions

Program Number: 0411

FY25 Proposed General Fund: $32,785,347

Program Description: This program oversees the City's IT infrastructure in a 24-hour data center and guides the administration of human resources, financial resources, professional development, and performance management; and the technical Support Center (by email or phone) for various end-user needs, incidents and requests related to account management, desktop management, desktop software, and end-user device management. This program also includes all infrastructure, platforms, and Software Engineering.

FY25 Strategic Goals:

- **Tech Debt Reduction and Technology Resilience.** The removal of 1,000 Windows 2008 and 2012 servers, plus terabytes of data, and Windows 7 hardware, significantly reducing the City's' technical debt posture. Operations will continue identifying opportunities to reduce the unsupported and out of warranty equipment contributing to an adverse impact to budget, security and staff resources. During the height of the pandemic, over 6,100 devices (enterprise and public safety) were replaced through PC Refresh programs, and OIT will begin replacing those PCs as they fall out of warranty at the start of FY26.
- **Security and Data Protection.** Network Security, as well as OIT's ability to ensure secure and efficient data integration, continues to require an ever-expanding focus as the City works to modernize business platforms. OIT will enhance methods for enterprise data governance and integration with the implementation of the Integration Platform as a Service (iPaaS). OIT also will expand outreach and education efforts around security and data privacy through multiple communication vehicles and security specific workshops.
- **Improved Resident Digital Services.** OIT will develop and implement a service roadmap to enhance delivery of resident-facing applications and digital services on Phila.gov, with a focus on improving and streamlining processes. OIT also will develop a secure and standardized approach for residents to engage through implementing a single sign-on solution.

FY25 Performance Measures:

Measure	FY23 Actual	FY4 Target	FY25 Target
Network availability percentage	99.97%	99.99%	99.99%

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PROGRAM BASED BUDGETING:

Program Name: Unified Communications

Program Number: 0412

FY25 Proposed General Fund: $31,116,276

Program Description: This program manages and maintains the City's communications services, which include telephone, voicemail, mobile devices, videography, video surveillance, audio, cable and television connectivity services, and equipment citywide, including all network services and operations.

FY25 Strategic Goals:

- Continue to maintain and manage the Philadelphia Video Surveillance System Program for the city's Safe Play Zone Initiative and Police Video Surveillance System.
- Continue migrating City remote locations from legacy copper voice communications infrastructure onto the fiber VoIP network, with the goal of completing the project in FY26.

FY25 Performance Measures:

Measure	FY23 Actual	FY4 Target	FY25 Target
Uptime for video camera (VSS) coverage/network	98.18%	95.00%	95.00%
VoIP-enabled uptime -- focus on the five (5) major Center City buildings	99.99%	99.99%	99.99%
Time to resolve telecom incident tickets/issues within service level agreement (SLA)	72.83%	93.00%	93.00%

PROGRAM BASED BUDGETING:

Program Name: Departmental Services and Solutions

Program Number: 0413

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FY25 Proposed General Fund: $39,880,609

Program Description: This program oversees a portfolio of over 200 applications, including email and desktop office suites, that automate and simplify business processes and workflows, server storage, and computer operations. Staff also provide City departments and offices with self-service platforms for business productivity, collaboration, analysis, and geographic information systems (GIS), as well as data analytics and transformation platforms.

FY25 Strategic Goals:

- **City of Philadelphia Department of Prisons (PDP) Jail Management Solution (JMS):** PDP's new JMS solution will go live in early FY25, concluding a two-year implementation effort by OIT Public Safety and PDP to deliver a best-in-class solution to drive operational productivity and improve the safety of City personnel and inmates.
- **Fire Department IT Modernization:** OIT will complete implementation of the Fire Department's new Personnel Accountability solution, providing enhanced visibility and accountability of Fire personnel on incident scene; and will continue the multi-year infrastructure upgrades at all Fire stations.
- **Police Pedestrian/Vehicle Investigation (75-48A) Replacement:** OIT will collaborate with the Philadelphia Police Department to evaluate, select, and contract for a solution supporting a strategic approach for replacement of the existing Pedestrian/Vehicle Investigation application.

FY25 Performance Measures:

Measure	FY23 Actual	FY4 Target	FY25 Target
Percentage of all application-related tickets/issues resolved within service level agreement (SLA)	87.91%	85.00%	85.00%

PROGRAM BASED BUDGETING:

Program Name: E-911 Administration

Program Number: 0414

FY25 Proposed General Fund: $27,840,014

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Program Description: This program oversees a portfolio of over 200 applications, including email and desktop office suites, that automate and simplify business processes and workflows, server storage, and computer operations. Staff also provide City departments and offices with self-service platforms for business productivity, collaboration, analysis, and geographic information systems (GIS), as well as data analytics and transformation platforms.

FY25 Strategic Goals:

- **Cut-Over of the Unified CAD System:** OIT will collaborate with Police and Fire on targeted dates for production go-live of their new consolidated CAD system.

FY25 Performance Measures:

Measure	FY23 Actual	FY4 Target	FY25 Target
Computer-Aided Dispatch (CAD) uptime availability	99.76%	99.99%	99.99%
Percentage of time radio system is not busy. System busies prevent calls from going through to the dispatch center.	100.00%	99.99%	99.99%

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OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

The City receives funds annually from the Pennsylvania Emergency Management Agency (PEMA). PEMA funds are apportioned to all counties based on a set funding formula that includes a population basis and an average of the last five years of a Public Safety Answering Point's 911 expenses (PSAP, Philadelphia is a single PSAP). The City receives over $30 million per year and these funds are used solely to support E-911 technology and telecommunication operations for Fire and Police. PA Act 12 requires that the PEMA funding formula be reviewed every two years. Should the funding formula change, and potentially reduce the annual funding to Philadelphia, operations, and planned expenditures to support E-911 operations for both Police and Fire departments would be negatively impacted, including maintenance and planned upgrades of and enhancements to supportive systems and digital solutions.