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Budget, Finance and Innovation Committee
Office of the City Clerk
Room 395 City Hall
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INFORMATION TECHNOLOGY AGENCY - 2024-25 MAYOR'S PROPOSED BUDGET

In the recent State of the City, Mayor Karen Bass expressed that the city "is stronger today because we have made change and disrupted the status quo." In an era of both growing digital expectations from our residents and growing financial challenges for the City of Los Angeles, technology must continue to be invested in as a cost effective change agent and positive disruptor. Whether delivering outstanding resident services or equitable public safety, Angelenos require digital tools that are innovative, easy-to-use, highly accessible, and full-featured. Fortunately, the Information Technology Agency (ITA) has built a proven track record in user-friendly, engaging digital services for City departments and the public. In the last year, investments in ITA have resulted in automated data pipelines for homelessness and housing data, an enhanced region-wide RAMP LA contract marketplace, lower 3-1-1 Call Center hold times, bolstered cybersecurity defenses, timely LACityView media coverage, legacy applications migrated to the Cloud, and the effective mass use of ITA digital resources to assist residents during City emergencies ranging from Hurricane Hilary to the I-10 Freeway Closure. However, to continue digital transformation and positive disruption, the City of Los Angeles must continue to invest in our precious IT human resources and infrastructure.

As described in ITA's *L.A. IT Workforce Plan* (https://ita.lacity.gov/news/ita-publishes- los-angeles-it-workforce-plan), "I.T. employees are the vanguard for identifying and implementing technologies that transform how City departments operate." With much media attention on emerging technologies, such as artificial intelligence, advanced data analysis, and the Cloud, it is easy to lose sight of the importance of the human I.T. employees who are fundamental to understanding, purchasing, implementing, securing, and maintaining these technologies for the City of Los Angeles. Unfortunately, the Information Technology Agency, which was once staffed with 730 I.T. employees in 2008, continues a ten-year decline in I.T. employees with now only 382 I.T. positions remaining in the FY2024-25 Proposed Budget. In addition, City of Los Angeles operations require continued investments in the unseen, yet ever present, aging technology infrastructure. Over the last year, the City has experienced several large I.T. infrastructure outages in the data network and phone systems which have impacted City operations due to the failure of end-of-life equipment not funded to be replaced. This is increasingly important in light of the growing public safety and City data network, radio, communications, software application, and website requirements needed to effectively manage the 2026 World Cup, 2027 Super Bowl, 2028 Summer Olympics & Paralympics, etc. In light of the budget constraints communicated by the Office of the CAO, the ITA appreciates the importance of "keeping the lights on" during this

upcoming fiscal year and any assistance in these critical areas of I.T. staffing and infrastructure would have a multiplicative benefit for City operations.

Mayor's Proposed Budget Items for the Information Technology Agency (ITA)

We thank you for the opportunity to provide input into the Mayor's 2024-25 Proposed Budget. The Proposed Budget for the ITA of $100.6 million represents a 9.36% decrease from the 2023-24 Budget, which is mainly attributable to reductions in our Communications Services Account ($2.86 million), various expense accounts ($483,766), and the deletion of 69 position authorities. The greatest impacts to Citywide services are the reductions to our Communication Services Account used for the purchase of I.T. infrastructure equipment and the deletion of ITA position authorities.

The ITA's Communication Services Account is used for Citywide telephone and internet equipment, contracts, maintenance and repair of public safety radio towers, upkeep of the fiber and data network, and other communications-related services. Utilities, including citywide and facility Internet, voice, and cable TV, make up the largest share of expenses on this account. These services are contractual obligations dependent on the number of users and in some cases the amount of usage. Rate increases for these types of services are a given whenever contracts are renewed or new types of technology services are required. For the most part, unless services are to be disconnected, the cost of these services are fixed and non-negotiable. A reduction of $2.8M in this account will result in our inability to meet our contractual obligations for telephone, internet, and other services, which will result in cutbacks or potential disconnection of Citywide services. Other ramifications to cuts to this account would be the effect on public safety. This account is used to fund the upkeep and maintenance of the radio towers used by City departments, including the Los Angeles Fire Department (LAFD) and Los Angeles Police Department (LAPD), to communicate with City staff in the field. Without maintenance, the likelihood of system disruption or failure becomes much higher, risking the ability of those in the field to communicate.

The Proposed Budget also includes the deletion of 69 position authorities, reducing the number or authorized positions from 451 to 382. Of the 69 positions, only four (4) positions are non-technical classifications. This reduction will greatly impact the services that our department provides Citywide, as this is a 15.3% reduction to our skilled workforce. This reduction of staff will impact ITA's ability to complete Customer Service Requests (CSRs), which are the daily requests for service that come from City departments, elected offices, and the public. The ITA is responsible for providing information technology (IT) services to departments, including data network, alarm, camera, and phone services. We will not have the capacity to respond to requests with this reduction. We will be required to put a moratorium on Citywide CSRs as we work to complete outstanding requests. Requests will be limited to regular maintenance items and new services including additions, changes, and moves, will be deferred until such time that we have the capacity to work on them. In addition, delays in the completion of CSR projects are inevitable due to staffing shortages.

ITA serves a wide range of internal and external customers including 18 elected offices, 48,000 employees, four (4) million residents, 97,000 businesses, and 45 million tourists, and we are committed to continuing to provide effective information and communications technology as best we can with the resources provided.

2024-25 Five Anticipated Achievements

The ITA has identified the following five items that the Department will be able to achieve with the resources provided in the Mayor's Proposed Budget:

1. Support for the New Workday HRP System - Providing support for the seamless continuity of payroll operations in the year following Phase 2 Go-Live on the new Workday payroll system ($2,990,000).
2. Continuation of the New MyLA311 Modernization Project - Providing licenses for the MyLA311 modernization project, which will cover approximately 1,300 City users who will utilize the system ($1,880,000).
3. Maintaining Contracts for Key Citywide Services - Sustaining various City services that have had significant price increases, including Google Workspace ($517,000), Citywide Voice over Internet Protocol ($1,400,000), and Public Safety Communication Maintenance ($112,000).
4. Replacement of Some Key Network Equipment - Continuing the Citywide obsolete equipment network replacement program, specifically targeting sites experiencing network outages, through the Network Outage Prevention line item. ($1,000,000).
5. Investments in Critical Adaptive Cybersecurity Tools - Shoring up security vulnerabilities and breaches through the Zero Trust Proactive Cybersecurity System ($500,000) and Cybersecurity Subscription Adjustment ($320,000).

Proposed Changes

As ITA has reviewed specific staffing shortages against next year's workload and in light of the budget constraints described by the Office of the CAO, we respectfully request that this Committee consider the following three (3) items as the Proposed Budget is finalized to aid us in meeting operational needs:

1) 12 Communications Electrician (CE) Positions - $1,253,172

The ITA has 76 authorized CE positions in the current year. There are 21, or 27.6%, CEs proposed for deletion in the Proposed Budget. Twelve of these 21 are new positions just approved in the 2023-24 Budget to perform critical projects and maintenance of our Public Safety Communication Services. This reduction will negatively impact these open projects and how ITA supports critical City services including required 24/7 operations in Public Safety Communications, Citywide Data Communications and Network Engineering, and Council Audio. These positions provide skilled work in the construction, installation, repair, maintenance, and modification of video, avionics, and communications systems. Due to ongoing delays in the hiring process, these positions have been difficult to fill since the start of the current fiscal year. Due to delays in the City hiring process, the lack of an eligible list to hire from, and frequent transfer opportunities for higher pay provided by the Department of Water and Power, the ITA has been unable to fill these critical positions since the start of the fiscal year. Without these critical positions, it will be difficult to operate and maintain the City's data and wireless communications systems. In addition, staff morale has been decreasing due to the lack of support and increased workload. The ITA has been utilizing Hiring Hall staff to mitigate staff fatigue and project delays. In order to maintain critical base operations, we are requesting to add back 12 CE positions. The Department spent an average of $1.27 million in overtime the last two fiscal years for various CSRs and unplanned work due to unforeseen issues such as weather-related outages or other unplanned events. Should all 21 CE positions be deleted in the budget, this will further exacerbate

additional overtime expenditures. There will likely be delays in providing Field and Shop support to our Public Safety Systems, impacting LAPD and LAFD services. We will also be required to put a moratorium on Citywide CSRs as we work to complete outstanding 2023-24 requests due to the lack of staffing throughout the year. CSRs will be limited to regular maintenance items as we will need to defer new services in communications including additions, changes, and moves. Additionally, the completion time for CSRs will increase due to capacity issues.

2) *Add One (1) Assistant General Manager (AGM) in the Applications Bureau - $213,481*
   Delete One (1) Chief Management Analyst (CMA) in the Applications Bureau - ($208,895)

Technology has transformed City operations, the efficiency of our employees, and even how we engage our residents. Technology has been invaluable during the City's response to the COVID-19 pandemic and continues to be critical in Los Angeles' post-pandemic operations. Having strong leadership and direction was a key factor in the City's success in keeping vital services operating through the last four years. ITA's Applications Bureau played a big role in navigating the City's workforce through the pandemic and continues to play a very large role in the implementation of the new Workday HRP system, MyLA311 Modernization Project, Elected Official Constituent Management System, L.A. Artificial Intelligence Roadmap, etc.

This AGM is critical to work very closely with senior and executive members of other City departments, the City Council, and the Office of the Mayor. The main responsibilities of this position are to manage on a 24/7 basis the implementation, development, maintenance, and enhancements of more than 150 enterprise and business applications, which consist of both Citywide and department-specific enterprise, public safety applications, websites, and mobile applications. These include the City's 3-1-1 customer relationship management system (MyLA311), tax and permit system (LATAX), contract procurement system (the Regional Alliance Marketplace for Procurement or RAMP), Financial Management System (FMS), payroll system (PaySR), Human Resources and Payroll (HRP) system, and multiple Police and Fire applications. This AGM must plan, organize, coordinate, and direct the activities of the Bureau and apply sound management principles and techniques in building and maintaining an effective workforce. Additionally, the AGM assists the General Manager in formulating and implementing policies, programs, procedures, and standards for the activities of the ITA, as well as setting and aligning IT vision and strategy with the Department's overall objectives and resources.

Furthermore, this AGM oversees two major projects currently in progress – the HRP Project and the MyLA311 Replacement Project. With the reduction of technical staff and an increase in the reliance of technology, it is imperative that we continue to have strong leadership to take the helm, ensure the success of major technological projects, and prevent multi-million dollar cost overruns.

In April 2023, the previous AGM retired from this position (in the middle of HRP implementation and the start of the MyLA311 Modernization Project) and the ITA immediately submitted the paperwork for replacement. Since we could not afford to have this position vacant, we activated an acting position in order to continue the important role of leadership in the Applications Bureau. This position has technically never been vacant. We are proposing to delete one CMA in the Applications Bureau in-lieu of the critical AGM position. The salary of the CMA is $208,895. We will absorb any variance in the compensation for this requested add/delete.

3) *Add One (1) Payroll Supervisor - $90,792*
    Delete Ongoing Funding in our Office and Administrative Account - ($91,000)

This position is responsible for preparation, reconciliation, verification, and maintenance of payroll activities, as well as supervising staff engaged in payroll duties. In addition, this position is critical to the HRP project for the transition of payroll services to the new Workday system. Currently only one (1) Accounting Clerk is dedicated to supporting the entire Department's payroll services. The Department is striving to provide support for this one (1) position by cross-training and doubling up assignments with other staff, but this is causing issues by overworking our staff. In addition, coverage has been challenging when staff request time off as payroll is an ongoing function that must be completed by a specific deadline every two (2) weeks. The consequence of missing payroll deadlines is the Department's inability to pay employees on time. Due to the critical need of this position, we are requesting an ongoing reduction of $91,000 in our Office and Administrative Account to offset the cost of this position. This savings represents the reduced spending in office supplies due to a hybrid work schedule (i.e. toners, paper, etc.).

Restructuring or Repurposing Existing Positions

The critical positions that we need to fill are technical in nature, often requiring special skills in order to work effectively and efficiently. For instance, Communication Electricians (CEs) perform skilled work in the installation, construction, repair, maintenance, and modification of communication systems including but not limited to radio, telephone, fiber optic, and local/wide area networks (LAN/WAN). These systems alone require months of training for each particular communications technology. Unfortunately, the ITA cannot easily move one CE who specializes in radio into a LAN/WAN project due to the technical skills required to do the work. Repurposing existing staff would result in the reduction or elimination of services in the program which the employee was reassigned from.

Equity in Budget Requests

As ITA's primary mission is the support of other City departments, most of its budget requests further equity in the technical support, telecommunications and internet services, enterprise software, and cybersecurity required by other departments in order to pursue equity-related measures. In addition, two budget requests, for an increase in operational funding for Channel 35 and in the base budget for the MyLA311 system, directly promote equity by improving access for citizens to City resources and information.

The Emmy-award-winning Channel 35 levels the playing field by bringing City government to the people through live broadcasts of Council and Board meetings, press conferences, such as the State of the City, and information on elections, in addition to other programming. These broadcasts are closed captioned and available through cable television, the channel's website, YouTube, and other social media, allowing people with disabilities or other barriers to observe their government at work. The continuance of Council phone, which was introduced during the COVID pandemic, allows people who are unable to physically be in Council chambers to directly interact with their representatives. Increased operational funding will enable Channel 35 to continue to maintain its level of excellence of allowing more equitable access to local government despite the rising costs brought on by inflation.

While Channel 35 gives all residents a window into their government, MyLA311 allows them greater access to City services, by making them available on a variety of platforms, including a call center, the internet, and smartphone apps. Each platform offers language translation, so that residents can order services in the language they are most comfortable with. MyLA311 is in the process of getting a badly needed update to modernize the system and increase the number of services it provides. The budget request to fund licenses for the new software will allow ITA to implement the new system and increase the number of participating departments. Through improved access to more City services, disadvantaged citizens will find it easier than ever to connect to the resources they need.

Closing

This upcoming fiscal year 2024-25 promises to be a year of continued homeless service initiatives support, critical software system replacements (HRP Payroll system, MyLA311, etc), resolving cybersecurity weaknesses, and as much needed I.T. infrastructure modernization as possible with allocated resources (public safety, data network, avionics, etc). ITA's technologies and leadership are increasingly used by City departments and elected officials to navigate our post-pandemic "new normal" and manage our large and complex city. Continued technology investments and I.T. staffing is essential. We deeply appreciate the confidence that the Mayor's Office and City Council demonstrate in ITA and our ability to deliver key digital services at this critical junction in Los Angeles history. We thank you for your support and close consideration of our key funding needs and areas of concern listed above.

Respectfully submitted,

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