

Legislative Budget Analysis
Proposed FY 2025 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
HEARING DATE: May 15, 2024



Office of Information Technology

Director: Christopher Martin

Budget Office Analyst: John O'Neill

Legislative Analyst: Zachary Ament

Questions to Department Sent	Wednesday May 1
Responses Received	Tuesday May 7
Analysis considers all agency responses.	

BALTIMORE COUNTY
FISCAL YEAR 2025 RECOMMENDED BUDGET
OFFICE OF INFORMATION TECHNOLOGY (069)

BUDGET SUMMARY

\$ in Thousands

	GENERAL	SPECIAL	CAPITAL	TOTAL	% Change Prior Year
PROPOSED CHANGE					
FY 2024 - 2025 Change	\$ 3,382.6	\$ (1,684.6)	\$ (3,434.6)	\$ (1,736.6)	
BUDGET TRENDS					
FY 2023 Actual	39,609.3	-	10,231.0	49,840.3	
FY 2024 Approp.	43,365.1	2,784.6	12,434.6	58,584.3	17.5%
FY 2025 Request	46,747.7	1,100.0	9,000.0	56,847.7	-3.0%

PERSONNEL

	GENERAL		SPECIAL	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
PROPOSED CHANGE				
FY 2024 - 2025 Change	(2)	4	0	0
BUDGET TRENDS				
FY 2023 Actual	56	181	0	0
FY 2024 Approp.	52	187	0	0
FY 2025 Request	50	191 ^(A)	0	0

(A) Reduced by 1 position error included in the Executive's budget documents

VACANCY DATA

Positions Vacant*	4	10
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*Provided by the Office of Budget and Finance as of March 31, 2024

For further information contact: Office of the County Auditor

Phone: (410) 887-3193

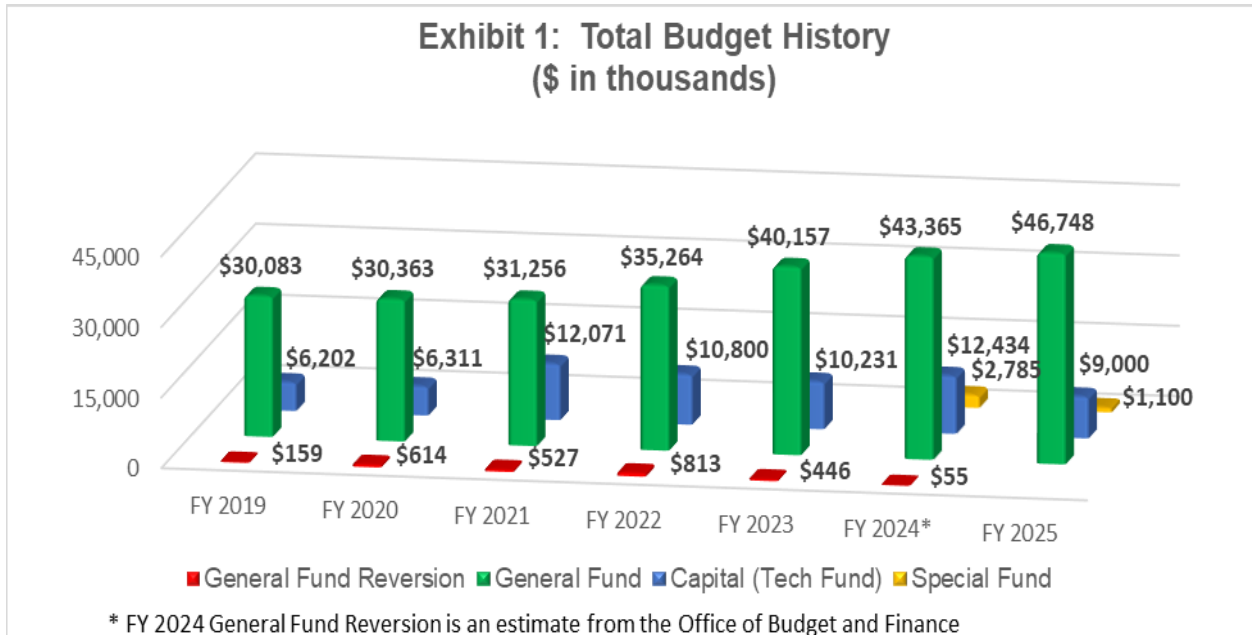
Office of Information Technology (069)

BUDGET SUMMARY:

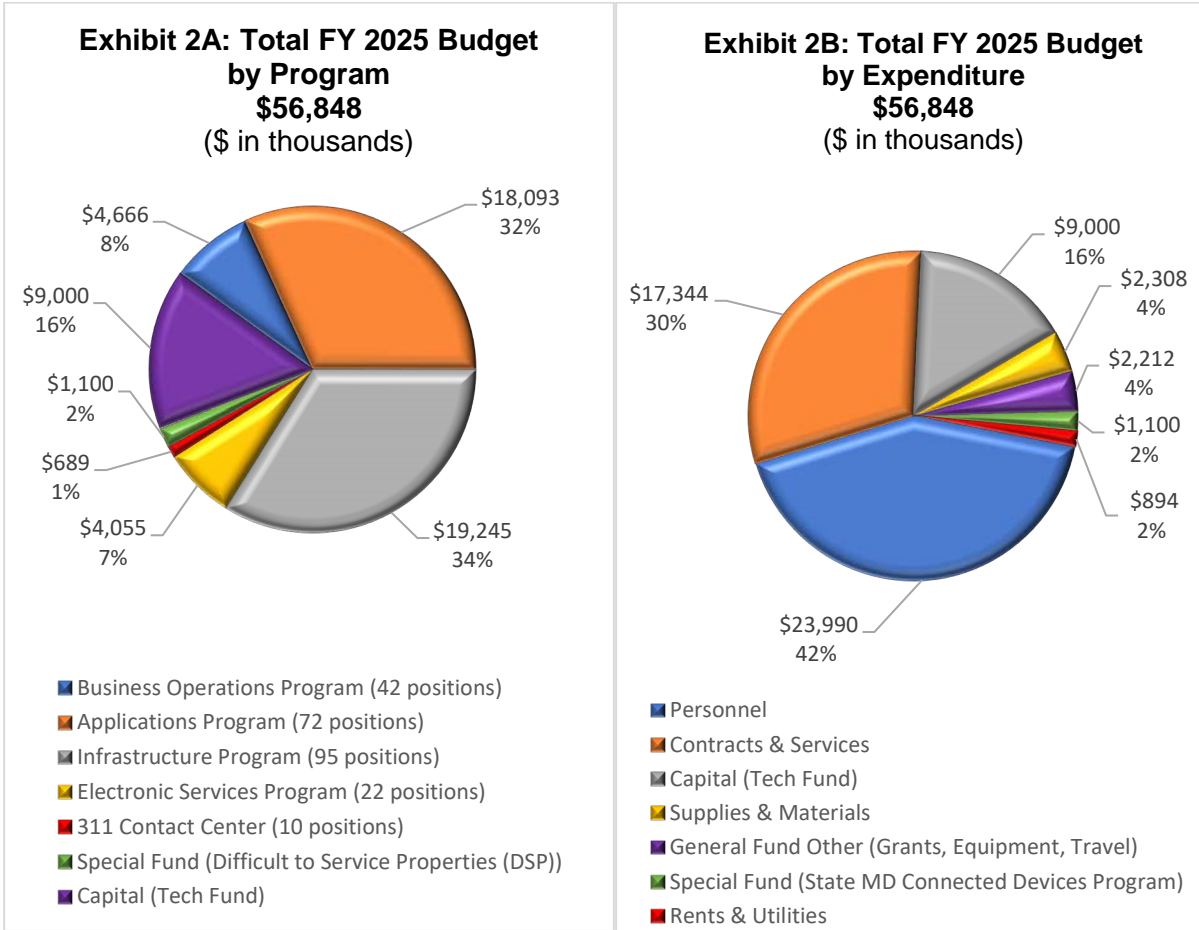
The proposed FY 2025 budget for the Office of Information Technology totals \$56.8 million, a decrease of \$1.7 million, or 3.0%, over the FY 2024 budget: the General Fund budget increases by \$3.4 million, or 7.8%; the Special Fund budget decreases by \$1.7 million, or 60.5%; and the Capital Fund budget for the Enhanced Productivity Thru Technology project (i.e., Tech Fund – funded via General Fund PAYGO Contributions in the “General Government Buildings” classification) decreases by \$3.4 million, or 27.6%. See details beginning on page 4.

	General Fund	Special Fund (\$ in thousands)	Capital Fund	Total
2025 Request	\$ 46,748	\$ 1,100	\$ 9,000	\$ 56,848
2024 Appropriation	43,365	2,785	12,434	58,584
\$ Increase/(Decrease)	\$ 3,383	\$ (1,685)	\$ (3,434)	\$ (1,736)
% Increase/(Decrease)	7.8%	-60.5%	-27.6%	-3.0%

See Exhibit 1 for a history of the Office’s budget and Exhibits 2A and 2B for the distribution of expenses across the Office’s programs and expenditures, respectively, as proposed for FY 2025.



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Budget Flexibility:

The Office’s General Fund budget consists mainly of personnel (51.3%) and software services (34.8%), which account for 86.1% of all costs. According to the Office of Budget and Finance, as of March 31, 2024, of the Office’s 239 authorized General Fund positions, there were 14 vacancies, including one FY 2024 mid-year add of an IT Management II position (budgeted salary of \$145 thousand, see issue #1) and one vacant (since January 27, 2023) Facility Operator position (budgeted salary of \$44 thousand), up from 13 vacancies in April 2023; budgeted General Fund salaries for the 14 vacant positions total \$1.1 million, paired with \$1.8 million (7.0%) in turnover savings budgeted for FY 2025. In other words, the vacant positions alone, if carried into FY 2025, are insufficient to provide the level of turnover that is budgeted. However, the

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Department's access to non-lapsing funds within its Tech Fund account – discussed below – provides it with flexibility to be able to hire consultants and procure other contracted services as needed to accomplish its workload.

As noted, the Office administers the significant, non-lapsing Tech Fund account within the "General Government Buildings" Capital Budget classification. For FY 2025, additional General Fund PAYGO Contributions total \$9.0 million to this project. The Office advised that, as of April 1, 2024, the (non-lapsing) authorization in the Tech Fund not yet allocated to any specific project totaled \$17.1 million (all PAYGO funding). This unallocated funding is in addition to \$21.2 million that has been allocated to projects but remains unexpended and unencumbered, and additional amounts that have been encumbered for specific planned uses. The Office, or the Office of Budget and Finance, should be able to explain why it is necessary to appropriate the proposed additional \$9.0 million in General Fund PAYGO to this project, in light of the more than \$38.3 million in yet-unexpended Tech Fund spending authority noted above. If the additional \$9.0 million contribution is indeed required for FY 2025 as requested for the Tech Fund, the following information is noteworthy to this discussion: projects totaling \$2.6 million are being requested to fund new initiatives, \$1.4 million for contingency, and \$761 thousand to continue funding PAI's Land Use Regulatory Automation (LURA) (see issue #6), which includes the Cityworks application, which the Director of PAI advised in the Department's FY 2025 budget hearing is not meeting its needs and should be replaced.

OPERATING BUDGET HIGHLIGHTS:

General Fund

Of the \$3.4 million (7.8%) General Fund increase, \$1.3 million is attributable to personnel expenses and \$2.1 million to operating expenses as detailed in #1 and #2, respectively.

1. Personnel Expenses total \$24.0 million (51.3% of the budget), an increase of \$1.3 million, or 5.9%, primarily for the following.

- **\$660 thousand - Salary Enhancements**
 - \$374 thousand – 3% COLA effective January 1, 2025

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- \$239 thousand – FY 2025 Effect of FY 2024 COLA
 - The FY 2024 budget, adopted in May 2023, included a 2% employee COLA, effective in January 2024; thus, the FY 2024 budget absorbed a portion of the annual cost of this salary enhancement; the remaining portion of the annual cost is realized in FY 2025.
- \$47 thousand – Increments and longevities for merit employees
- **\$275 thousand – 2 FY 2024 Mid-Year Additions**
 - \$145 thousand - IT Management II position in the Infrastructure Program
 - \$130 thousand - IT Management I position in the Business Operations Program
- **(\$100 thousand) – Increased Turnover Savings - Remains level at 7.0%** - the Office advised that the anticipated increase in savings is due to year-over-year salary increases
- **\$494 thousand – Other Salary Adjustments** – the Office advised that this increase is primarily for salary increases for non-merit employees

Recruitment Challenges

According to the Office of Budget and Finance, as of March 31, 2024, of the Office's 239 authorized General Fund positions (primarily part-time non-merit), there were 14 vacancies. In this regard, the Office advised that its recruitment approach is tailored based on need. Specifically, Office personnel attend job and career fairs to help establish relationships for future recruiting efforts; the Technology Partnership Lead position (added in FY 2024) establishes relationships with schools, colleges, and private businesses; and a Growth and Resilience workgroup was established to form pathways for internal promotion opportunities.

The Office should be prepared to discuss the proposed funding for its personnel expenses, including the impact of salary enhancements on its ability to attract and retain staff, its competitiveness with the private sector, and the results of the workgroup.

2. **Non-Personnel Operating Expenses total \$22.8 million** (48.7% of the budget), an increase of approximately \$2.1 million, or 9.9%, primarily for the following:
 - **\$2.4 million – Software Services** increases, primarily for:

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- **\$715 thousand** for existing applications, primarily:
 - Accela Automation (\$297 thousand) – new Software-as-a-Service (SaaS) agreement as the application was moved to the Cloud
 - Workday (\$257 thousand) – next contractual period
 - Microsoft (\$102 thousand) - next contractual period
 - NeoGov (\$59 thousand) – new fee schedule
- **\$506 thousand** for 3 completed Tech Fund projects with ongoing/recurring costs:
 - QRadar (\$325 thousand)
 - Forum One (\$95 thousand)
 - CivicRec (\$86 thousand)
- **\$270 thousand** for 3 previously ARPA funded applications (see issue #5):
 - Adobe (\$164 thousand) – new enterprise agreement
 - Deep Freeze (\$60 thousand) – increased demand/licensing needs
 - Webex (\$46 thousand) – increased licensing needs
- **\$245 thousand** for various new applications, including:
 - PowerDMS (\$100 thousand)
 - CISCO Security Umbrella (\$82 thousand)
 - Isubpoena (\$63 thousand)
- **(\$606 thousand)** – decreases due to sunsetting 4 mainframe-related applications by June 30, 2024.

The Office should be prepared to discuss:

- ***Anticipated cost increases for software services over the next several years; and***
- ***Whether the County has a formalized process for evaluating new projects – prior to initiating them in the non-lapsing Tech Fund – for ongoing, General Fund cost implications.***

Special Fund

The Office's proposed FY 2025 Special Fund budget is decreasing by \$1.7 million, or 60.5%, primarily due to the end of the Maryland Connected Devices Program (FY 2024 appropriation of

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\$2.8 million), partially offset by the new Home Stretch Difficult to Service Properties (DSP) Program (FY 2025 budget of \$1.1 million) (see Appendix A for details).

3. Special Fund Grant Programs

Home Stretch Difficult to Service Properties (DSP)

The Office advised that the new Home Stretch Difficult to Service Properties (DSP) Program supports the build-out costs for properties with extreme private property concerns (e.g., long driveways) and that the Office anticipates being able to connect approximately 100 properties with broadband service.

Maryland Connected Devices Program

During FY 2024, the Office was awarded a grant for the County (i.e., the Office, BCPL, CCBC, Departments of Aging, Health & Human Services, Housing & Community Development, Corrections, and Economic & Workforce Development) to distribute 13,600 Chromebooks to households that qualified under one or more of the following eligibility criteria (one Chromebook per household):

- Shows proof of income of less than or equal to 200% of the federal poverty level;
- Is enrolled in the Federal Affordable Connectivity Program (ACP); or
- Participates in certain government assistance programs including SNAP, Medicaid, WIC, Supplemental Security Income, Federal Public Housing Assistance, Veterans Pension and Survivors Benefit, Free and Reduced-Price School Lunch or Breakfast Program, or received a Federal Pell Grant in the current year.

To date, the Office advised that the County as a whole has distributed almost 11,000 units and will continue its efforts to distribute the remaining 2,600 units. In this regard, the Office advised that when these units are distributed, Digital Navigators are available at each event to help customers log on to their new Chromebook, learn about the Affordable Connectivity Program (ACP), and receive resources on tech basics to get started.

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The Office should be prepared to discuss:

- *The criteria that will be utilized to select properties for the DSP Program as well as the benchmarks that will be used to judge the effectiveness and impact; and*
- *Timing for when the remaining 2,600 Chromebooks will be distributed.*

ADDITIONAL TOPICS FOR DISCUSSION

4. 311 Operations

The proposed FY 2025 budget for the 311 Call Center totals \$689 thousand, an increase of \$24 thousand (3.6% increase) over FY 2024. The Office advised that during FY 2024, the 311 staff handled 78,734 calls, an 11% increase over the prior year, while the staff size of 8 agents, 1 supervisor, and 1 manager has remained unchanged since the group was formed in FY 2020. The Office further advised that this team continues to handle all or a subset of calls and emails for various County agencies (e.g., Taxpayer Services, Code Enforcement, Highways, Solid Waste) and that no major new initiatives are planned for the upcoming fiscal year.

The Office's performance metrics from CY 2021 through CY 2024 (year-to-date through April) are as follows:

Calls	CY 2021	CY 2022	CY 2023	CY 2024 thru April
Queued	57,982	77,520	83,576	27,194
Handled	53,997	71,006	79,734	26,125
Abandoned	3,985	6,514	3,842	1,069

The Office should be prepared to discuss the strategies and processes utilized by the 311 Call Center to manage the increased call volume with the same staffing level.

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5. American Rescue Plan Act (ARPA) Projects

The Office of Budget and Finance advised that the County has \$1.4 million in ARPA funds remaining for 3 Office of Information Technology projects that are expected to be completed in FY 2025 including:

- **Broadband** - \$1.3 million (estimated completion December 31, 2024);
- **Civic Rec** (Data Processing Equipment for the Department of Recreation and Parks' online permit registration system) - \$68 thousand (estimated completion September 1, 2024); and
- **Online Appointment Scheduling** - \$37 thousand (estimated completion December 31, 2025).

The Office advised that the FY 2025 General Fund budget contains \$270 thousand for additional software licenses previously funded by ARPA as follows (see issue #2):

- **\$164 thousand** – Adobe E-signature for various County agencies;
- **\$60 thousand** – Deep Freeze for Baltimore County Public Library and the Department of Recreation and Parks; and
- **\$46 thousand** - WebEx for various County agencies.

See Appendices A and B for program-level expenditure/appropriation and authorized staffing levels, respectively, for FY 2023 (actual), FY 2024 (appropriated), and FY 2025 (proposed).

CAPITAL BUDGET HIGHLIGHTS:

6. Technology Initiatives:

The County's enterprise-wide proposed FY 2025 budget for technology initiatives totals \$9.2 million from multiple funding sources, including the Tech Fund (\$9.0 million in General Fund PAYGO), the Metropolitan District Fund (\$138 thousand), and Agency Funding (\$100 thousand) for the following continued and new projects:

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Continued Projects (\$5.1 million) (\$5.0 Tech Fund, \$100 Metro)

- **Cyber Security - \$1.0 million** (\$940 thousand Tech Fund and \$60 thousand Metro) - to continue to implement, upgrade, or replace cyber security systems and hardware, as well as perform 3rd party assessments and audits (1st Quarter FY 2025 start date).
- **Connect Maryland (FY 2023 Network Infrastructure) - \$938 thousand** (Tech Fund) - to continue to fully expand internet coverage in all unserved areas in the northern area of the County with Comcast and the State of Maryland. The funding request represents the County's match for this project. The overall project will include virtually all of the remaining 500+ homes in need of service with Comcast proposing to construct an additional 95 miles of fiber and coaxial cable (2nd Quarter FY 2025 start date).
- **PAI - Land Use Regulatory Automation (LURA)- \$761 thousand** (Tech Fund) - to continue to implement a comprehensive Land Use Regulatory Automation system for the Department of Permits, Approvals and Inspections, which began in FY 2020. (1st Quarter FY 2025 start date).
- **Broadband Fiber Project FY 25 - \$750 thousand** (Tech Fund) – to continue to engineer and construct fiber at additional County locations to include: Garrison Fire Station, Chase Fire Station, and Kingsville Elementary School (1st Quarter FY 2025 start date).
- **Workday Implementation Phase III - \$600 thousand** (\$564 thousand Tech Fund and \$36 thousand Metro) – to continue expanding Workday to enable more functionality in human capital management and financial functionality, including integration with other County applications (e.g., Socrata, Paradigm, and future Help Desk Ticketing System). (1st Quarter FY 2025 start date).
- **Overdose to Action (OD2A) – Health Initiatives - \$500 thousand** (Tech Fund) – to continue to support the extraction, loading, and transformation of health data from the Behavioral Health works system, which contains behavioral health screening, triage, and prevention services data into a Just-In-Time database. Support ongoing analytical reporting needs surrounding OD2A and the development of a self-service Business Intelligence portal providing timely data profiles for epidemiologists and Health professionals (Start date TBD).

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- **Public Safety Projects (Public Safety Sustaining Engineering FY25) - \$500 thousand** (Tech Fund) – to continue to upgrade or replace various Public Safety related systems and hardware. Implement data analytic systems and modules within the P1 platform for Police, Fire, and other first responders (2nd Quarter FY 2025 start date).
- **E-Gov - \$50 thousand** (Tech Fund) – to continue connecting constituents to government through technology (e.g., Civic Plus, Granicus expansion) (3rd Quarter FY 2025 start date).

New Projects (\$2.8 million) (\$2.6 million Tech Fund, \$100 thousand Agency-funded, \$42 thousand Metro)

- **Capital Portfolio and Project Management - \$700 thousand** (\$658 thousand Tech Fund and \$42 thousand Metro) – to implement a capital project portfolio and project management suite to plan, track, implement, report, and collaborate – across agencies and with vendors - on the County's capital construction portfolio, from ideation through warranty and turnover to maintenance (1st Quarter FY 2025 start date).
- **Service Asset Mgmt. System (Cherwell) Replacement - \$460 thousand** (Tech Fund) - to replace OIT's Service Asset Management system, Cherwell, which is used to track IT assets, service tickets, system changes, and more. Cherwell is being sunset 12/31/2026. Gather system requirements, negotiate a contract, and then plan for the implementation of a new system (2nd Quarter FY 2025 start date).
- **Customer Relationship System - \$400 thousand** (Tech Fund) - to implement a workflow system to help track communication with constituents and County employees regarding different agency issues/needs (2nd Quarter FY 2025 start date).
- **Digital Record Conversion - \$350 thousand** (Tech Fund) – to obtain vendor services to perform large volume scanning into Baltimore County's Laserfiche system. These digital records can be easily accessed by staff and constituents and associated by record type, commonality, and/or case-specific. Implement a workflow system to help track communication with constituents and County employees regarding different agency issues/needs (3rd Quarter FY 2025 start date).
- **Public Safety – Video Streaming - \$250 thousand** (Tech Fund) – to provide network equipment, licensing, and consulting services needed to configure over 2,500 existing

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County CCTV and 5,000 BCPS CCTV sources to be available for Police to access (2nd Quarter FY 2025 start date).

- **Sheriff Case Management - \$250 thousand** (Tech Fund) – to implement a solution that includes case management, incident management, Judicial sales, tracking of process (legal papers), and the tracking of warrants (2nd Quarter FY 2025 start date).
- **Upgrade Web Mapping Application – My Neighborhood - \$110 thousand** (Tech Fund) – to upgrade the web mapping application, My Neighborhood, to the latest technology; the vendor is phasing out the technology used in the current version. Engage with agencies and constituents to update/modernize application based on their feedback (2nd Quarter FY 2025 start date).
- **Constituent Relationship Management System - \$100 thousand** (Agency Fund) - for Council to track (by district) constituent-related matters, etc. (3rd Quarter FY 2025 start date).
- **Location Intelligence Data and Analytics Platform - \$90 thousand** (Tech Fund) – to identify and acquire location intelligence data and analytics capabilities to help build a demographic profile of the users of County parks, recreation centers, other facilities and events. The capabilities include identifying total visitors to a specific facility, their home neighborhoods, and related demographic information (1st Quarter FY 2025 start date).
- **Board of Appeals E-filing Program - \$50 thousand** (Tech Fund) – to implement an e-filing program to move all of the paper submissions and documentation required for cases, which involves the Administrative Law Judge, Planning Board, Animal Hearing Board, and Traffic Engineering (3rd Quarter FY 2025 start date).

Contingency FY 2025 - \$1.4 million (Tech Fund) – decrease of \$42 thousand from FY 2024.

The Office advised of the \$1.4 million FY 2024 contingency, \$965 thousand has been expended on the following (with a balance of \$456 thousand remaining):

- Enterprise Site Executive Replacement (\$375 thousand)
- Baltimore County UMAX Implementation (\$250 thousand)
- Executive Energy Management Tracking System (\$150 thousand)
- Kronos Dimensions Implementation for Public Safety (\$118 thousand)

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- PAI Short-Term Rental Compliance (\$55 thousand)
- Mainframe Support Initiatives (\$17 thousand)

The Office should be prepared to discuss:

- ***Plans and timelines for commencing and completing the projects included in the FY 2025 Tech Fund Budget, as well as plans for the remaining FY 2024 Contingency balance; and***
- ***Which Tech Fund costs represent ongoing essential services as opposed to non-recurring, project development investments.***

BALTIMORE COUNTY
FISCAL YEAR 2025 RECOMMENDED BUDGET

OFFICE OF INFORMATION TECHNOLOGY (069)

APPROPRIATION DETAIL					
	FY 2023 ACTUAL	FY 2024 APPROP	FY 2025 REQUEST	NET CHANGE	
				AMOUNT	%
<u>General Fund</u>					
Business Operations	\$ 3,804,559	\$ 4,287,006	\$ 4,666,247	\$ 379,241	8.8%
Applications	14,802,311	16,271,416	18,092,731	1,821,315	11.2%
Infrastructure	16,818,988	18,178,566	19,245,066	1,066,500	5.9%
Electronic Services	3,468,053	3,963,161	4,054,697	91,536	2.3%
311 Contact Center	<u>715,371</u>	<u>664,983</u>	<u>688,968</u>	<u>23,985</u>	<u>3.6%</u>
General Fund Total	<u>39,609,282</u>	<u>43,365,132</u>	<u>46,747,709</u>	<u>3,382,577</u>	<u>7.8%</u>
<u>Special Fund</u>					
GR-2017 State Maryland Connected Devices Program	-	2,784,600	-	(2,784,600)	-100.0%
GR-2118 Home Stretch Difficult to Service Properties (DSP) Grant Program	<u>-</u>	<u>-</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>100.0%</u>
Special Fund Total	<u>-</u>	<u>2,784,600</u>	<u>1,100,000</u>	<u>(1,684,600)</u>	<u>-60.5%</u>
Grand Total	<u>\$ 39,609,282</u>	<u>\$ 46,149,732</u>	<u>\$ 47,847,709</u>	<u>\$ 1,697,977</u>	<u>3.7%</u>

BALTIMORE COUNTY
FISCAL YEAR 2025 RECOMMENDED BUDGET

OFFICE OF INFORMATION TECHNOLOGY (069)

PERSONNEL DETAIL									
		FY 2023 ACTUAL		FY 2024 APPROP		FY 2025 REQUEST		NET CHANGE	
		FULL	PART	FULL	PART	FULL	PART	FULL	PART
<u>General Fund</u>									
	Business Operations	12	24	10	30	10	32 (A)	0	2
	Applications	8	64	8	64	8	64	0	0
	Infrastructure	16	79	14	80	13	82	(1)	2
	Electronic Services	20	4	20	3	19	3	(1)	0
	311 Contact Center	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>0</u>
	General Fund Total ^(B)	<u>56</u>	<u>181</u>	<u>52</u>	<u>187</u>	<u>50</u>	<u>191</u>	<u>(2)</u>	<u>4</u>
<u>Special Fund</u>									
GR-2017	State Maryland Connected Devices Program	0	0	0	0	0	0	0	0
GR-2118	Home Stretch Difficult to Service Properties (DSP) Grant Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Special Fund Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Grand Total	<u>56</u>	<u>181</u>	<u>52</u>	<u>187</u>	<u>50</u>	<u>191</u>	<u>(2)</u>	<u>4</u>

(A) Reduced by 1 position error included in the Executive's budget documents

(B) Excludes positions from Central Printing Services Program, which operates as an Internal Service Fund.