Information Technology Fund

Current Year Department Budgeted Expense Total:

Information Technology**:** $ 4,018,615

Central Telephone: $ 472,130

Change from Prior Year:

Information Technology**:** $ (61,646)

Central Telephone: $ (7,836)

Overall Budget Justification:

The Information Technology Department is focused on bringing people and technology together to meet the needs of the organization and the citizens of Billings. In pursuit of its goal, ITD provides technology-related strategic planning, project management, integration, technology procurement, E-mail, networking, communications, application development, GIS, mapping, overall hardware and software support, vendor relations, and training services.

The Information Technology Budget is $4,018,615 which is $61,646 less than last year's budget. In FY26, Personal Services decreased over FY25 by $81,424 overall primarily due to the retirement of two long-term employees, a position reclassification, and a position held vacant for FY26. These decreases were offset by the addition of a new Systems Analyst position budgeted at an expense of $113,000. This position was recommended by the SL Serco Audit and will be dedicated to meeting the application support needs of Public Works. Additionally, IT had standard payroll steps & cost of living increases of $ 73,225. Operating expenses have increased by $61,778, which includes Technology Replacement Plan approved replacements, additional expense related to the new PW Systems Analyst, aerial imagery services, and increased expenses related to expanded office space required to meet our current and growing needs in the new City Hall. There are no requested Capital expenses for FY26.

Information Technology is an internal support function with revenues of $4,008,684 generated primarily by charges for service. The ITD charges for each department/division are based on the previous calendar year's usage of PC and Network resources/support time, application resources/staff support time, virtual server services, data storage management, and GIS resources/support time. The number of PC's, the amount of disk space allocated, the number of virtual servers, and the number of E-mail accounts are all examples of resources used to calculate annual charges. FY26 total revenues are $ 26,010 above total expenses due to projected salary savings and the on-going effort to keep increases in IT charges to departments at a minimum.

Under the direction of the Information Technology Director, the Telecommunications Manager and the IT Support Specialist provide telephone, voice mail, call accounting, communications related procurement, cell phone, infrastructure support, and related

financial accounting services for 10 remote sites, 508 landline phones, 32 Centrex phone lines, 45 outside analog lines, and 421 Smartphones/cell phones.

The Central Telephone Service (Fund 606) is an internal support function with revenues of $ 484,790 derived predominately from phone related services, including management of cellular services, and interest income. Expenses for FY26 are $ 472,130 which represents a decrease of $ 7,836(-1.63%) below FY25. Decreases in wages are the result of the retirement of a long-term employee.

Budgeted Revenues:

INFORMATION TECHNOLOGY
DEPARTMENT REVENUE

REVENUE BY FUND	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
INFORMATION RESOURCES	$ 3,547,604	$ 3,668,509	$ 4,044,263	$ 3,963,541	$ 4,044,625
TELEPHONE	466,983	485,438	479,999	480,344	484,790
TOTAL REVENUE	**$ 4,014,587**	**$ 4,153,947**	**$ 4,524,262**	**$ 4,443,885**	**$ 4,529,415**

INFORMATION TECHNOLOGY
DEPARTMENT ALL FUNDS

REVENUE BY CLASSIFICATION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
CHARGE FOR SERVICE	$ 3,913,190	$ 3,954,378	$ 4,490,562	$ 4,329,096	$ 4,479,718
OTHER	69,283	121,074	500	81,289	-
INVESTMENT EARNINGS	32,114	78,495	33,200	33,500	49,697
TOTAL REVENUE	**$ 4,014,587**	**$ 4,153,947**	**$ 4,524,262**	**$ 4,443,885**	**$ 4,529,415**

Budgeted Expenditures:

INFORMATION TECHNOLOGY
DEPARTMENT EXPENSE

EXPENSE BY FUND	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
INFORMATION RESOURCES	$ 3,356,216	$ 3,555,596	$ 4,080,261	$ 4,020,546	$ 4,018,615
TELEPHONE	446,964	419,569	479,966	436,916	472,130
TOTAL EXPENDITURES	**$ 3,803,180**	**$ 3,975,165**	**$ 4,560,227**	**$ 4,457,462**	**$ 4,490,745**

DEPARTMENT ALL FUNDS

EXPENSE BY CLASSIFICATION	ACTUAL FY 23	ACTUAL FY 24	BUDGET FY 25	ESTIMATE FY 25	PROPOSED FY 26
PERSONAL SERVICES	$ 2,520,149	$ 2,613,437	$ 2,747,193	$ 2,476,044	$ 2,658,550
OPERATIONS AND MAINTENANCE	1,131,712	1,294,640	1,771,034	1,970,219	1,832,195
CAPITAL	151,319	67,088	42,000	11,200	-
TOTAL EXPENDITURES	**$ 3,803,180**	**$ 3,975,165**	**$ 4,560,227**	**$ 4,457,462**	**$ 4,490,745**

Staffing:

	STAFFING AUTHORIZATION			
POSITION	ACTUAL FY23	ACTUAL FY24	BUDGET FY 25	PROPOSED FY 26
INFORMATION TECHNOLOGY DIRECTOR	0.9	0.9	0.9	0.9
SYSTEMS ANALYST	3.0	3.0	3.0	4.0
SYSTEM/DATABASE ADMINISTRATOR	-	-	-	1.0
APPLICATION MANAGER	-	-	-	1.0
OPERATION SUPPORT SPECIALIST	1.0	1.0	1.0	-
GIS SPECIALIST	1.0	1.0	1.0	1.0
GIS MANAGER	1.0	1.0	1.0	1.0
LAND MANAGEMENT COORDINATOR	1.0	1.0	1.0	-
SENIOR APPLICATION DEVELOPER	1.0	1.0	1.0	-
IT MANAGER	1.0	1.0	1.0	1.0
PUBLIC SAFETY TECH SUPPORT	2.0	2.0	2.0	2.0
P. C. SUPPORT SPECIALIST	2.0	2.0	2.0	2.0
NETWORK ADMINISTRATOR	1.0	1.0	1.0	1.0
ASST. NETWORK ADMINISTRATOR	1.0	1.0	1.0	1.0
IT SUPPORT SPECIALIST	0.8	0.8	0.8	0.8
IT SECURITY ENGINEER	0.9	0.9	0.9	0.9
GIS TECHNICIAN	3.0	3.0	3.0	4.0
GIS ASSET ANALYST	1.0	1.0	1.0	1.0
TOTAL	**21.5**	**21.5**	**21.5**	**22.5**

5 Year Outlook:

Staffing Outlook:

Over the next five years, we expect that the IT Department will add an additional 4 FTE to meet the growing technological needs of our organization. The current FY26 budget includes a request for a new Systems Analyst position to mee the application support needs of the Public Works Department. This position was recommended by the SL Serco Audit and will be funded 100% by Public Works. The positions projected in future years include a Public Safety Training Coordinator (FY27) which will be funded through IT Charges to the Police Dept, a GIS Tech (FY28) funded by departments based on their growing requests for GIS services, and a Cybersecurity Analyst (FY29) funded through IT charges to departments based on Network/PC cost allocation metrics. Note: The Cybersecurity Analyst position may be requested sooner if the Cybersecurity Risk Assessment supports the addition of this position and funding is available.

Information Technology (6200)

	FY26 Requested Budget	*FY27 Additions*	*FY28 Additions*	*FY29 Additions*	*FY30 Additions*
Additional FTE	*1.0*	*1.0*	*1.0*	*1.0*	
Personal Services	*$110,000*	*$100,000*	*$85,000*	*$100,000*	
Operation & Maintenance	*$ 3,000*	*$10,000*	*$10,000*	*$10,000*	
Capital Outlay					

Project Outlook: 1 to 3 Years

- Implementation of Cybersecurity Roadmap High Priority Recommendations
- City Website: Redesign in FY26 to meet City's needs
- New Phone System in FY27. Our current system no longer receives design updates and hardware won't be supported past 2028. This replacement will be funded through the Central Telephone Budget (Fund 6060).
- New VMWare HOST Servers in FY27. The five (5) VM Host Servers represent a large capital outlay every 5 years (estimated at $180-$200K total). To eliminate the impact of this large cyclical replacement, we are exploring a 3 or 4 year leasing model that would ensure our most critical server hardware is reliable, supported, and right sized to meet our changing needs. Ultimately moving this expense from Capx to Opx.
- Managing IT growth with increasing cybersecurity, software, and systems needs while minimizing the financial impact to the departments we serve.
- SharePoint – Transition to a proactive role and embrace the benefits of SharePoint, collaboration, file sharing, etc.
- Document Imaging: Evaluate current Questys solution to determine if our needs are being met or if we need to seek an alternative solution moving forward.

Project Outlook: 3 to 5 Years

- Leverage AI for Operational Efficiency & Cybersecurity- Explore AI-driven solutions to enhance cybersecurity, automate workflows, and improve decision-making.
- Develop and formalize an IT governance framework to improve project prioritization, technology investments, and resource allocation across city departments.
- IT Change Management Processes- Work with stakeholders to implement structured workflows for infrastructure, architecture, and software changes to minimize downtime and operational risks.
- GIS Modernization & Integration- Enhance GIS infrastructure and workflows by migrating to modern platforms, improving interoperability, and expanding analytical capabilities to support data-driven decision-making across city departments.

Department Goals:

Goal: Support and assist customer departments to accomplish their goals when needed.

Action(s): Support Software Assessment & Future Planning

- Work with departments to audit and assess software usage to ensure optimal utilization and identify redundancies.
- Develop a standardized process for evaluating new software platforms, including criteria for determining the need for third-party project management.
- Create a structured vendor engagement strategy to guide departments through large-scale software assessments and implementations.

Outcome(s):

- Improved decision-making for technology investments through better evaluation and alignment with department needs.
- Enhanced coordination between IT and stakeholders, ensuring software solutions meet organizational goals.
- Increased efficiency and cost-effectiveness in purchasing and maintaining software solutions.
- Clear guidelines on external project management needs, ensuring IT resources are used effectively and appropriately.

Action(s): Partner with the Police & Fire Departments in addressing the technological needs identified in the CPSM Operations and Data Analysis Reports

Outcome(s):

- Public Safety is critical to our organization and our community. Supporting Police & Fire and their technology goals will have a positive impact on their ability to deliver services to our community. Continue to be a liaison between our vendors and Public Safety to find viable solutions to help create efficiencies. Seek opportunities to bring data to command staff and the public.

Action(s): Provide a leadership role in implementation, training, and support, for the migration to the new CityView Community Development System.

Outcome(s):

- Through the combined efforts of the Information Technology staff and the wealth of experience found in each department, we will work together to successfully navigate through the various stages of migrating to this new solution.
- Easier for staff to create, manage, and track applications for permits, business licenses, and code enforcement actions.
- Providing a more robust system for tracking and managing cases.
- User-friendly online forms that simplify the application and tracking process for permits and business licensing.

Action(s): Continue to provide leadership role in the implementation, training, support, and upgrading our CitySuite, LERMS (Public Safety), Taxwise, Asset Works/Fleet Mgmt, Vertex One, Questys (Document Imaging), NeoGov (Employment Application Management), Tadera (Airport Lease Management), CityWorks (GIS Centric Asset Mgmt System), and other centralized software systems.

Outcome(s):

- Through the combined efforts of the Information Technology staff and the wealth of experience found in each department, we will work together to utilize our software systems

to their full potential, work with vendors on new interfaces, manage enhancement requests, and support on-going production.

Action(s): Move Streetlight Inventory and Land Management Data Off the AS400

- Work with Public Works and Parks Departments to roll out CityWorks Storeroom, replacing the Streetlight and CitySuite inventory systems.
- Review and migrate land management data from the AS400 to GIS using the County's address and parcels.
- Ensure County land management GIS layers are fully integrated into CityView.
- Provide staff training on managing land management data in GIS instead of legacy systems.
- Ensure all necessary data is archived before shutting down the AS400 system.

Outcome(s):

- Utilize powerful GIS tools for managing land data efficiently.
- Public Works and Parks Departments will have modern, unified asset management systems.
- Eliminate reliance on the IBM AS400 and HTE, improving efficiency and reducing maintenance costs.

Action(s): Categorize and document existing software applications.

Outcome(s):

- With a top-down look at all software applications city-wide, document endpoints, servers, contact information for support, credentials necessary to access, contract information and SOW agreements for each.

Action(s): Expand Information Technology's Role in Providing Real-Time Data Access By:

- Conduct meetings with departments and external users to understand their needs for dynamic, real-time data access.
- Working with stakeholders to build applications or enhance existing software for an intuitive way to query and consume real-time data.

Outcome(s):

- Ensuring departments and the public receive the most up-to-date information.
- Faster access to precise data to support efficiency in city operations.
- Enabling staff, appointed and elected officials to answer public inquiries more quickly and accurately.

Action(s): Expand GIS Utilization and Accessibility

- Provide more employees with access to desktop GIS tools to leverage advanced analysis capabilities.
- Develop and roll out more web maps, dashboards, story maps, hubs, and insights to support decision-making.
- Create interactive tools for the City Council, staff, and the public to answer questions with real-time data rather than relying on manual reports.

Outcome(s):

- Enabling departments to use in-house GIS technology rather than outsourcing work to IT or vendors.
- More informed decision-making at all levels (Council, public, and staff) through accessible, interactive data.
- Increased transparency by providing open access to GIS-based insights.

Goal: **Increase city service efficiency and effectiveness by planning for and investing in technology.**

Action(s): Provide support to end-users as we transition production computers from Windows 10 to Windows 11.

Outcome(s):

- Windows 10 will be "End of Support" in October of 2025. Migrating as many computers as possible to Windows 11 through replacement and upgrades during this fiscal year will prepare us for the fall of 2025.

Action(s): Provide support to end-users as they work to eliminate computers more than 6 years old from production.

Outcome(s):

- Cybersecurity "Best Practices" recommend elimination of computers once they are 5 – 6 years old. Outdated systems are susceptible to new and emerging threats and vulnerabilities. They lack security updates and patches. They are also not compatible with new security technologies. By keeping our infrastructure up to date, we heighten the security of the entire enterprise.

Action(s): Complete our Cybersecurity Risk Assessment & Development of a Roadmap

Outcome(s):

- Our engagement with FRSecure to complete a Cybersecurity Risk Assessment will help us establish a baseline on which to move forward in the protection of our network and critical data.

- The development of a Cybersecurity Roadmap will guide us as we address the threats identified in the risk assessment. The roadmap will identify how we can improve our environment through policy, staffing, software, network hardware, and overall operational changes. In addition to defining how to address our risks, we expect the Roadmap to prioritize the recommendations so we can most effectively manage our staff, maintain or enhance existing cybersecurity resources, and support any requests for additional investments needed to meet our current and future cybersecurity goals.

Action(s): Continually improve the network/system security to protect sensitive data, ensure system integrity, minimize cyber risks, comply with State & Federal Regulations, and cultivate cyber awareness

Outcome(s):

- Compliance with Montana Department of Justice regulations both strengthens our security and ensures our organization can continue to access the Criminal Justice Information Network (CJIN) which is critical for all City of Billings and Yellowstone County Public Safety Agencies.
- Adherence to industry standards in system security will prevent unwanted attacks such as viruses, malware, ransomware, unauthorized access, denial of service, and so on.

Action(s): Upgrade networking infrastructure to keep up with growing demands on resources.

Outcome(s):

- By keeping the networking hardware and software up to date with the latest technology, departments receive faster and more efficient service. We reduce security vulnerabilities, and we increase the stability of the network and the applications running on it.

Goal: **Navigating Organizational Change & Building Resilience**

Action(s):

- Develop a transition framework to ensure continuity as we transition to new IT Leadership, including knowledge transfer and mentoring opportunities.
- Establish regular check-ins, peer learning sessions, and team-building activities to reinforce cohesion.
- Provide support and best practices for employees adjusting from private offices to open workspaces, ensuring productivity and engagement.
- Document processes, workflows, and critical historical knowledge to maintain operational stability despite leadership and staff changes.

Outcome(s):

- Minimized disruption during leadership transitions and organizational shifts.
- Enhanced collaboration and mutual support among staff adapting to new roles.
- Employees successfully adapt to new work environments and maintain efficiency.
- Preserved Institutional Knowledge – Ensured continuity of IT operations through proper documentation and structured knowledge sharing.

Action(s): Encourage IT Knowledge-Sharing & Staff Cross-Training By:

- Assessing IT systems, applications, and infrastructure to pinpoint areas where knowledge is siloed.
- Implementing training to ensure multiple staff members understand critical IT operations, reducing dependency on single individuals.
- Scheduling collaborative learning sessions.

Outcome(s):

- Enhanced staff coverage to perform IT functions and resolve issues without delays.
- Increased ability to solve complex IT challenges with multiple viewpoints.
- Reduce single points of failure and improve long-term sustainability of IT operations.
- Provide career growth and job satisfaction for IT staff.

Action(s): Formalized Data Classification

- Develop a clear framework for categorizing sensitive information based on regulatory, operational, and security requirements.
- Align security investments and response strategies with the classification framework to focus on high-risk areas.
- Establish predefined response actions based on data classification in the event of a breach, ransomware attack, or unauthorized access. Define specific steps for notifying affected parties, containing the breach, recovering data, and mitigating risk based on the sensitivity of compromised information.
- Regularly evaluate data security policies to ensure they evolve with emerging threats and compliance requirements.

Outcome(s):

- Ensuring sensitive information is protected according to classification levels.
- Meeting state and federal data security standards.
- Ensuring only authorized personnel can access critical information.
- Strengthening the organization’s ability to detect, respond to, and recover from cyber threats.
- Establishing a structured approach for managing security incidents based on data classification, reducing downtime and legal exposure.