ROSEVILLE

REQUEST FOR COUNCIL ACTION

Date: 10/14/13
Item No.: 14.b

Department Approval

City Manager Approval

Item Description: Overview of the City's Information Technology Function

BACKGROUND

The City's information technology (IT) function began in earnest with the centralization of technology-based solutions and support systems in the mid-to-late 1990's. Up until that time, hardware and software solutions were implemented based on individual department's needs, with a heavy reliance on outside consultants to support individual networks.

The centralization of IT resources initially began in the Finance Department using existing Staff. By 2000, the City had segregated the function into a separate operating division within the Department and had hired its first 2 IT employees. These employees were dedicated solely for the purposes of meeting the City's enterprise-wide IT needs.

With the hiring of these 2 IT employees, the City soon realized that it was now positioned to take advantage of regional collaborative efforts which had the potential to save costs and enhance functionality. This award-winning collaboration has since blossomed to include 29 other regional governments, and has been recognized both locally and nationally. It is widely known as the Metropolitan Institutional Network or Metro I-Net.

The attachment included with this Staff Report provides a brief overview of Roseville's IT function, but is primarily focused on highlighting the Metro I-Net collaborative effort and how it benefits Roseville.

POLICY OBJECTIVE

Joint cooperative ventures are consistent with past practices as well as the goals and strategies outlined in Imagine Roseville 2025.

FINANCIAL IMPACTS

Not applicable.

STAFF RECOMMENDATION

Not applicable.

REQUESTED COUNCIL ACTION

For information purposes only. No formal Council action is required.

Prepared by: Chris Miller, Finance Director
Attachments: A: PowerPoint presentation on the City's Information Technology function/Metro I-Net

City of Roseville

October 14, 2013

Overview of the IT Function & Metro-INET Group

Discussion Topics:

- Overview of Roseville's Information Technology (IT) Function
- History of Metro-INET
- Benefits of Metro-INET to Participating Organizations
- Metro-INET Business Model
- Roseville vs. Roseville + Metro-INET
- General Financial Overview
- Roseville IT Staffing Plan; Current and Future

Overview of Roseville's IT Function

- First computing technology was limited to a financial application using mainframe data processing services through LOGIS
- First microcomputers and file servers deployed in 1984
- City network consisted of six (6) separate systems for Public Works, Police, Golf Course, Ice Arena, Finance/Administration/Community Development and Recreation. Three applications; FundBalance (Finance), word processing, and spreadsheet
- Computer support involved using existing Finance Department Staff and contractors until 2000 when a separate IT operating division was created
- 1996 – First city website

Overview of Roseville's IT Function

- City network began in earnest in 1997 with centralized decision-making on enterprise-wide applications
- December 30, 1997 – Email application provided to all full-time city employees (excluding patrol officers)
- JPA signed with Mounds View in 1999 to share use of Exchange Email server. Ramsey County Municipal Network (RCMNET) is created
- Services extended to Lauderdale, Arden Hills and White Bear Township in 2000

Overview of Roseville's IT Function

- In 2000 Roseville's IT Division is created, transferring 2 employees from Finance and License Center to support computers, applications and network for 5 organizations.
- IP Telephony deployed in 2003 for City and Cable Access Corporation. Systems engineer hired to install and support network.
- 2003-2005: Oakdale, Little Canada, Falcon Heights, Saint Anthony and North St. Paul are added – Network name changed to Metro-INET to reflect multi-county membership.
- Roseville's IT Staff now includes 12.5 FTE's, supporting 1,260 networked computers and over 1,300 users in addition to servers, printers, switches and routers and over 100 business applications.

History of Metro-INET

- Metropolitan Institutional Network . . . a consortium of metro area governmental agencies led by the City of Roseville
- Governmental agencies have partnered to share IT applications, network resources and the support of these systems
- Began in 1999 with the provision of part-time IT support to the City of Mounds View (RCMNET)
- Today, Metro-INET is comprised of 29 member organizations

Benefits of Metro-INET

- Regional Collaboration Emphasis
  1) Research and development is consolidated – the wheel is invented only once
  2) More rapid innovation – ability to emulate success of other agencies
  3) Higher functionality than a stand-alone approach
- Economies of Scale
  1) Sharing assets and fixed costs over a larger service area
  2) Taxpayer savings
- Standardized Platforms
  1) All participating agencies agree to use similar network equipment, network applications, computers, etc.
  2) Creates fluency and efficiency in the IT support function

Benefits of Metro-INET

- Example #1: Roseville's Laserfiche document management system
  1) A single Laserfiche application can support 1 user or thousands
  2) $60,000 for the application + $15,000 for annual software support
  3) Over 5 years; Roseville's cost for a stand-alone system is $135,000
  4) Over 5 years; Roseville's cost for a shared system (20 entities) is $26,000
  5) Collective savings for all entities = $2.5 million over 5 years
- Example #2: Roseville's Cisco IP Telephony system
  1) Like Laserfiche, a single telephony system can support 1 user or thousands
  2) $120,000 for the system + $3,000 for annual support
  3) Over 5 years; Roseville's cost for a stand-alone system is $135,000
  4) Over 5 years; Roseville's cost for a shared system (22 entities) is $32,000
  5) Collective savings for all entities = $2.9 million over 5 years
- Over $1 million in annual savings to the region – just from these 2 applications!!

Metro-INET Business Model

- Inspired by the concept of regional collaboration where everyone benefits
- Financial participation is based on cost-sharing . . . not profit
- Direct recovery of overhead costs (billing rate multiplier) typically isn't justified because:
  1) Many IT support services are performed at the agency's location
  2) Agencies provide workspace, equipment, power, etc.
  3) We don't bill by the hour because we're not project-based
  4) We bill based on service provided and 'stand-by' capacity over an extended period of time . . . similar to a retainer
- Need to consider whether <u>indirect</u> recovery of overhead and other intangibles are realized

Roseville vs. Roseville + Metro-INET

Roseville: Stand Alone

- Access to 2.0 FTE's
- Moderate technical capabilities
- Significant reliance on IT Consultants
- M-F, 8:00-4:30pm support coverage
- $952,000 annual operating costs

Roseville + Metro-INET

- Access to 12.5 FTE's
- Broad & extensive technical capabilities
- Minimal reliance on IT Consultants
- 24x7x365 support coverage
- $663,350 annual operating costs

Metro-INET Financial Overview

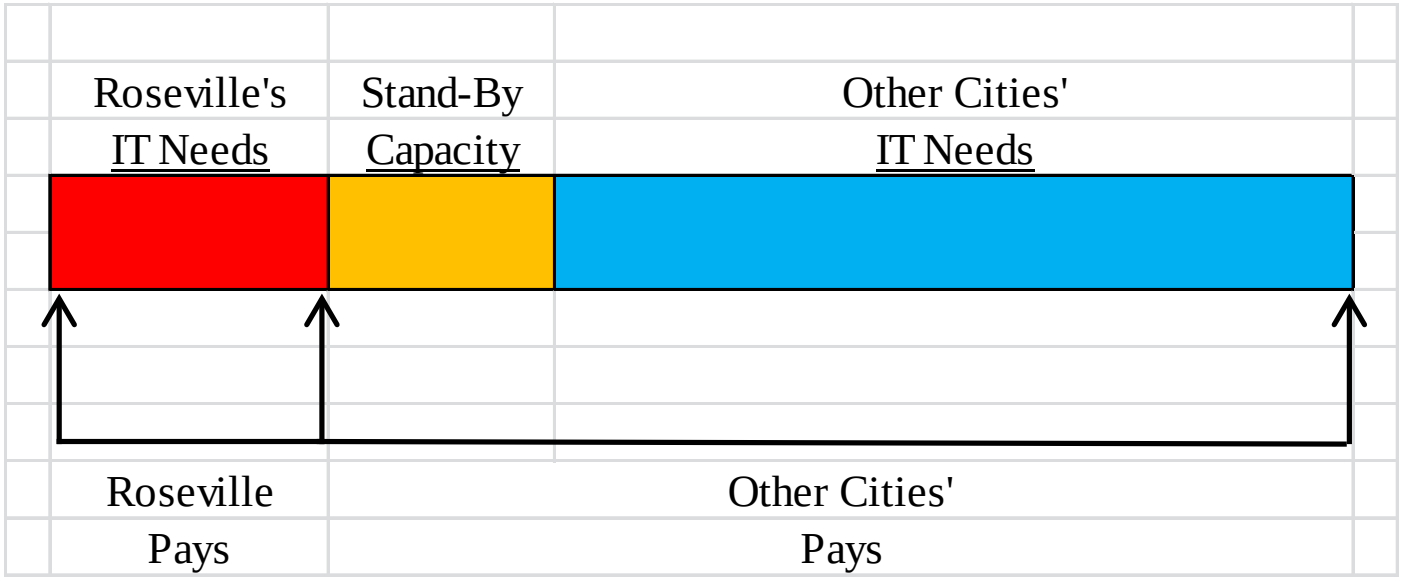
	City of Roseville	Other Agencies	Total
Funding Sources			
Tax Levy	$ 200,000	$ -	$ 200,000
JPA's with Partner Cities	-	1,030,810	1,030,810
Tower Rentals	391,000	-	391,000
Transfer from Water Fund	25,000	-	25,000
Surplus from License Center	50,000	-	50,000
Interest Earnings	1,000	-	1,000
	$ 667,000	$ 1,030,810	$ 1,697,810
Funding Uses			
Personnel	$ 196,350	$ 956,650	$ 1,153,000
Supplies & Materials	55,500	-	55,500
Other Services & Charges	211,500	74,160	285,660
Capital Outlay (amortized)	200,000	-	200,000
	$ 663,350	$ 1,030,810	$ 1,694,160
Net from Operations	$ 3,650	$ -	$ 3,650

Metro-INET Financial Overview

Roseville Stand-Alone Model

		Current	Essential
Personnel Costs		Funding	Needs
	IT Manager	$ 120,000	$ 120,000
	Network Engineer	-	110,000
	Systems/Server Analyst	-	95,000
	Desktop Support Specialist	-	80,000
	Desktop Support Specialist	80,000	80,000
		$ 200,000	$ 485,000
	Available Funding	$ 196,350	$ 196,350
	Deficit	$ (3,650)	$ (288,650)

Metro-INET Financial Overview



** In exchange for administering Metro-INET, any unused capacity is retained by Roseville

Roseville's IT Staffing

2001	2013
❖ 98 end users	❖ 283 end users
❖ 122 computers	❖ 200 computers
❖ 10 software applications	❖ 20+ software applications
❖ 2.0 FTE's funded locally	❖ 2.0 FTE's funded locally
❖ Staffing ratio: 1 per 49	❖ Staffing ratio: 1 per 141

- ❖ Support needs have more than doubled, but staffing has not
- ❖ Exempt staff routinely work 60+ hours per week; including holidays and vacations

Roseville Staffing Plan

(per Strategic Plan)

Proposal to Meet IT Function Needs

- Add 2 locally-funded, System Engineers to reduce exempt staff workload to 45 hours per week + emergencies
- Add 2 non locally-funded positions to reduce service ticket backlog and service response times

Questions?