



Finance and  
Economic  
Development  
Committee

Information Technology  
Sub-Committee  
Tax Supported Programs

**Draft**  
**BUDGET 2018**

**Balanced, Affordable and Progressive**

Tabled November 8, 2017





# Table of Contents

Information Technology Sub-Committee	
Briefing Note.....	1
Operating Resource Requirement.....	3
Capital Funding Summary.....	4
Supplemental Operating & Capital Information.....	5
Analysis.....	5
Explanatory Notes.....	6
Capital Budget.....	7
Project Details.....	8
Capital Forecast Summary.....	10
Capital Works-In-Progress.....	11



# Corporate Services Department

## 2018 Budget Briefing Note

### Description

The Corporate Services Department (CSD) supports the delivery of city services by: providing excellent service to the public and City departments; partnering with clients to develop innovative solutions to business needs; and ensuring compliance with all legislation, by-laws and other governance requirements.

### Programs/Services Offered

CSD provides a broad range of services to internal and external clients. The service areas play critical roles throughout the corporation, and share commonalities that will help the department to become more efficient:

#### **Information Technology (IT) Services**

IT Services provides access to information for City staff and citizens, and ensures that the technology used to deliver City services is reliable, and secure. IT Services provides core technology infrastructure services to 350 City facilities, supports more than 11,900 clients and 14,500 computers and mobile devices, and maintains several hundred business-specific software and applications in support of the range of services and programs offered across the City.

IT's core services include:

- Workplace essentials such as e-mail system management, telephones, pagers, & smart phones, service desk, walk-in service centre and additional end user support services, hardware & software purchasing, phone, network & email account set-up, printing, fax and scanning support, mobility enablement and computer training

- Advisory services such as business technology planning; enterprise architecture; industry trends & market research; security & risk assessment; and vendor & product assessment
- Application services such as enterprise and business-specific system implementation, integration, support and maintenance; business intelligence tools, reporting & analytics; business process mapping & reengineering; and software application lifecycle management
- Infrastructure services such as network management (voice, data, & remote access); data management (storage & backup); security safeguards & engineering; facility technology fit-ups; investigations and audit support; and telecommunication services

City of Ottawa  
 Corporate Services Department  
 Information Technology Services - Operating Resource Requirement  
 In Thousands (\$000)

	2016	2017		2018	\$ Change over 2017 Budget
	Actual	Forecast	Budget	Estimate	
<b>Expenditures by Program</b>					
Office of the CIO	1,207	335	335	341	6
Network Operations	11,691	12,782	12,407	13,597	1,190
Frontline Services	14,477	14,112	13,939	13,985	46
Applications Management	16,948	15,854	15,884	16,160	276
SAP Solutions	6,979	6,634	6,709	7,143	434
Technology Security	2,448	2,523	2,048	2,696	648
Technology Modernization	7,083	3,582	3,584	4,378	794
Technology Project Management	2,420	2,478	2,599	2,852	253
Technology Solutions	1,413	2,373	2,709	2,782	73
<b>Gross Expenditure</b>	<b>64,666</b>	<b>60,673</b>	<b>60,214</b>	<b>63,934</b>	<b>3,720</b>
Recoveries & Allocations	-5,931	-4,774	-4,215	-4,215	0
Revenue	0	0	0	0	0
<b>Net Requirement</b>	<b>58,735</b>	<b>55,899</b>	<b>55,999</b>	<b>59,719</b>	<b>3,720</b>
<b>Expenditures by Type</b>					
Salaries, Wages & Benefits	37,311	31,100	32,706	33,381	675
Overtime	0	309	309	309	0
Material & Services	27,254	29,203	27,139	30,184	3,045
Transfers/Grants/Financial Charges	0	0	0	0	0
Fleet Costs	0	0	0	0	0
Program Facility Costs	0	0	0	0	0
Other Internal Costs	101	61	60	60	0
<b>Gross Expenditures</b>	<b>64,666</b>	<b>60,673</b>	<b>60,214</b>	<b>63,934</b>	<b>3,720</b>
Recoveries & Allocations	-5,931	-4,774	-4,215	-4,215	0
<b>Net Expenditure</b>	<b>58,735</b>	<b>55,899</b>	<b>55,999</b>	<b>59,719</b>	<b>3,720</b>
<b>Revenues By Type</b>					
Federal	0	0	0	0	0
Provincial	0	0	0	0	0
Municipal	0	0	0	0	0
Own Funds	0	0	0	0	0
Fees and Services	0	0	0	0	0
Fines	0	0	0	0	0
Other	0	0	0	0	0
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Requirement</b>	<b>58,735</b>	<b>55,899</b>	<b>55,999</b>	<b>59,719</b>	<b>3,720</b>
<b>Full Time Equivalents</b>			<b>296.00</b>	<b>296.00</b>	<b>0.00</b>

**City Of Ottawa**  
**2018 Draft Capital Budget**  
**Information Technology Sub-Committee**  
**Capital Funding Summary**

Project Description	Revenues	Capital Reserve Fund	Gas Tax	Development Charges	Debt Funding	Grand Total
Information Technology						
Renewal of City Assets						
908655 Microsoft Upgrade	96	7,101	-	-	-	7,197
908875 Technology Infrastructure - 2018	-	4,725	-	-	-	4,725
<b>Renewal of City Assets Total</b>	<b>96</b>	<b>11,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,922</b>
<b>Information Technology Total</b>	<b>96</b>	<b>11,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,922</b>
<b>Grand Total</b>	<b>96</b>	<b>11,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,922</b>



City of Ottawa  
 Corporate Services Department  
 Information Technology Services - Operating Resource Requirement Analysis  
 In Thousands (\$000)

	2017 Baseline			2018 Adjustments					2018	\$ Change over 2017 Budget
	Forecast	Budget	Adj. to Base Budget	Maintain Services	Growth	Council Priorities	Service Initiatives / Savings	User Fees & Revenues	Estimate	
<b>Expenditures by Program</b>										
Office of the CIO	335	335	0	6	0	0	0	0	341	6
Network Operations	12,782	12,407	0	1,190	0	0	0	0	13,597	1,190
Frontline Services	14,112	13,939	0	46	0	0	0	0	13,985	46
Applications Management	15,854	15,884	0	276	0	0	0	0	16,160	276
SAP Solutions	6,634	6,709	0	434	0	0	0	0	7,143	434
Technology Security	2,523	2,048	0	648	0	0	0	0	2,696	648
Technology Modernization	3,582	3,584	0	794	0	0	0	0	4,378	794
Technology Project Management	2,478	2,599	0	253	0	0	0	0	2,852	253
Technology Solutions	2,373	2,709	0	73	0	0	0	0	2,782	73
<b>Gross Expenditure</b>	<b>60,673</b>	<b>60,214</b>	<b>0</b>	<b>3,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,934</b>	<b>3,720</b>
Recoveries & Allocations	-4,774	-4,215	0	0	0	0	0	0	-4,215	0
Revenue	0	0	0	0	0	0	0	0	0	0
<b>Net Requirement</b>	<b>55,899</b>	<b>55,999</b>	<b>0</b>	<b>3,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59,719</b>	<b>3,720</b>
<b>Expenditures by Type</b>										
Salaries, Wages & Benefits	31,100	32,706	0	675	0	0	0	0	33,381	675
Overtime	309	309	0	0	0	0	0	0	309	0
Material & Services	29,203	27,139	0	3,045	0	0	0	0	30,184	3,045
Transfers/Grants/Financial Charges	0	0	0	0	0	0	0	0	0	0
Fleet Costs	0	0	0	0	0	0	0	0	0	0
Program Facility Costs	0	0	0	0	0	0	0	0	0	0
Other Internal Costs	61	60	0	0	0	0	0	0	60	0
<b>Gross Expenditures</b>	<b>60,673</b>	<b>60,214</b>	<b>0</b>	<b>3,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,934</b>	<b>3,720</b>
Recoveries & Allocations	-4,774	-4,215	0	0	0	0	0	0	-4,215	0
<b>Net Expenditure</b>	<b>55,899</b>	<b>55,999</b>	<b>0</b>	<b>3,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59,719</b>	<b>3,720</b>
<b>Percent of 2017 Net Expenditure Budget</b>			<b>0.0%</b>	<b>6.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>6.6%</b>	
<b>Revenues By Type</b>										
Federal	0	0	0	0	0	0	0	0	0	0
Provincial	0	0	0	0	0	0	0	0	0	0
Municipal	0	0	0	0	0	0	0	0	0	0
Own Funds	0	0	0	0	0	0	0	0	0	0
Fees and Services	0	0	0	0	0	0	0	0	0	0
Fines	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Percent of 2017 Revenue Budget</b>			<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Net Requirement</b>	<b>55,899</b>	<b>55,999</b>	<b>0</b>	<b>3,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59,719</b>	<b>3,720</b>
<b>Percent of 2017 Net Requirement Budget</b>			<b>0.0%</b>	<b>6.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>6.6%</b>	
<b>Full Time Equivalents (FTE's)</b>		296.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>296.00</b>	<b>0.00</b>
<b>Percent of 2017 FTE's</b>			<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

City of Ottawa  
Information Technology Services - Operating Resource Requirement Explanatory Notes  
In Thousands (\$000)

2017 Forecast vs. Budget Variance Explanation	Surplus / (Deficit)		
	Expense	Revenue	Net
No significant variances to report.	100	0	100
<b>Total Surplus / (Deficit)</b>	<b>100</b>	<b>0</b>	<b>100</b>

  

2018 Pressure Category / Explanation	Increase / (Decrease)			FTE Impact
	Expense	Revenue	Net 2018 Changes	
<b>Maintain Services</b>				
All programs include an adjustment for potential 2018 cost of living, increments and benefit adjustments.	670	0	670	0.00
Minimum wage impact.	5	0	5	0.00
Upgrades to cooling systems and other minor retrofits to Data Centre 4 funded from the Provision for One-time and Unforeseen.	500	0	500	0.00
Maintenance contracts fees to support the installed network hardware and software (e.g. Oracle, IBM, Quest and Microsoft, JAWS, SmartGuide, CrossBrowserTest, Managed Security Service, etc.).	645	0	645	0.00
Increased security tools including end point detection and outsourced security monitoring plus additional costs for improving application performance.	1,900	0	1,900	
<b>Total Maintain Services</b>	<b>3,720</b>	<b>0</b>	<b>3,720</b>	<b>0.00</b>
<b>Total Budget Changes</b>	<b>3,720</b>	<b>0</b>	<b>3,720</b>	<b>0.00</b>

# Capital Budget

**City of Ottawa**  
**2018 Draft Capital Budget**  
**Finance & Economic Development Committee**  
**In Thousands (\$000)**

Service Area: Information Technology											
Category	2018 Capital Budget	Revenues	Tax Supported/ Dedicated Reserves	Rate Supported Reserves	Develop. Charges	Gas Tax	Debt				
							Tax/ Dedicated	Rate	Develop. Charges	Gas Tax	Total Debt
Renewal of City Assets	11,922	96	11,458	368	0	0	0	0	0	0	0
Growth	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	0	0	0	0	0	0	0	0	0
Strategic Initiatives	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>11,922</b>	<b>96</b>	<b>11,458</b>	<b>368</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**City of Ottawa**  
**2018 Draft Capital Budget**  
**Service Area: Information Technology**  
**In Thousands (\$000)**

Project Information			Financial Details								
<b>908655 Microsoft Upgrade</b>			<b>Class of Estimate: Not Applicable</b>								
Dept: Corporate Services Department	Category: Renewal of City Assets	Ward: CW	Year of Completion: 2020								
<p>This program funds the life-cycle replacement of three major Microsoft products: email, desktop operating system, and Office suite. The program is based on a 6-year life-cycle term. The Office suite has reached its end-of-life and will no longer have security patches issued for it. The upgrade program is essential to ensuring continued support from manufacturers, as well continuing to maintain our overall security posture in relation to ever evolving cyber security threats. The work plan includes complementary training programs and funds for the hiring of subject matter experts; to ensure ITS City staff are properly trained on the implementation and support of the solutions, and that best practice system designs are followed to help ensure these productivity tools are deployed and utilized effectively and appropriately.</p>			<b>2018 Request</b>		7,197		Projected Yearend Unspent Bal.		1,344		
			Revenues		96		Debt				
			Tax Supported/ Dedicated		6,733		Tax Supported/ Dedicated Debt		0		
			Rate Supported		368		Rate Supported Debt		0		
			Develop. Charges		0		Develop. Charges Debt		0		
			Gas Tax		0		Gas Tax Debt		0		
			<b>Forecast</b>		<b>2018</b>		<b>2019</b>		<b>2020</b>		<b>2021</b>
			Authority		7,197		0		0		0
			Spending Plan		8,541		0		0		0
			FTE's		0		0		0		0
Operating Impact		0		0		0		0			
<b>908875 Technology Infrastructure - 2018</b>			<b>Class of Estimate: Not Applicable</b>								
Dept: Corporate Services Department	Category: Renewal of City Assets	Ward: CW	Year of Completion: 2021								
<p>This program funds the life-cycle replacement and growth of the City's computer network and telecommunications infrastructure. Specifically in 2018, these funds will be used to life-cycle: computer/laptops, servers, network switches, storage devices, upgrading SAP and miscellaneous data center infrastructure. The funds will also be used to life-cycle various technologies that power the City's telephony network and Internet access. Annual investments must also be made to replace aging infrastructure, to ensure continuous vendor support and availability of security patches, and upgrade network capacity to accommodate increasing use of technology in City operations.</p>			<b>2018 Request</b>		4,725		Projected Yearend Unspent Bal.		0		
			Revenues		0		Debt				
			Tax Supported/ Dedicated		4,725		Tax Supported/ Dedicated Debt		0		
			Rate Supported		0		Rate Supported Debt		0		
			Develop. Charges		0		Develop. Charges Debt		0		
			Gas Tax		0		Gas Tax Debt		0		
			<b>Forecast</b>		<b>2018</b>		<b>2019</b>		<b>2020</b>		<b>2021</b>
			Authority		4,725		4,030		4,139		4,214
			Spending Plan		4,725		4,030		4,139		4,214
			FTE's		0		0		0		0
Operating Impact		0		0		0		0			

**City Of Ottawa**  
**2018 Capital Draft Budget**  
**Information Technology Sub-Committee**  
**Capital Forecast Summary**  
**In Thousands (000's)**

Projects by Service Area and Category	2018	2019	2020	2021	Total
Information Technology					
Renewal of City Assets					
908655 Microsoft Upgrade	7,197	-	-	-	7,197
908875 Technology Infrastructure - 2018	4,725	4,030	4,139	4,214	17,108
<b>Renewal of City Assets Total</b>	<b>11,922</b>	<b>4,030</b>	<b>4,139</b>	<b>4,214</b>	<b>24,305</b>
<b>Information Technology Total</b>	<b>11,922</b>	<b>4,030</b>	<b>4,139</b>	<b>4,214</b>	<b>24,305</b>
<b>Grand Total</b>	<b>11,922</b>	<b>4,030</b>	<b>4,139</b>	<b>4,214</b>	<b>24,305</b>

City of Ottawa  
Information Technology Sub-Committee  
Capital Works-In-Progress  
In Thousands (\$000's)

Project Description	Total Authority	Total Expenditures as of August 31, 2017	Unspent Cash Balance as of August 31, 2017	Total Contractual Obligation	Unspent/ Uncommitted Balance as of August 31, 2017
Information Technology					
Renewal of City Assets					
904184 IT Lifecycle Renew Bus App	1,200,000	1,043,559	156,441	896	155,546
905989 IT Business Systems:Renewal Program 2011	1,398,000	623,763	774,237	-	774,237
908035 IT Technology Infrastructure - 2016	4,875,000	3,269,543	1,605,457	-	1,605,457
908522 Technology Infrastructure - 2017	3,485,000	504,882	2,980,118	866,581	2,113,537
908655 Microsoft Upgrade	5,000,000	3,655,999	1,344,001	-	1,344,001
<b>Renewal of City Assets Total</b>	<b>15,958,000</b>	<b>9,097,746</b>	<b>6,860,254</b>	<b>867,477</b>	<b>5,992,777</b>
<b>Information Technology Total</b>	<b>15,958,000</b>	<b>9,097,746</b>	<b>6,860,254</b>	<b>867,477</b>	<b>5,992,777</b>
<b>Grand Total</b>	<b>15,958,000</b>	<b>9,097,746</b>	<b>6,860,254</b>	<b>867,477</b>	<b>5,992,777</b>