

Branch — Information Technology

Introduction

As the City of Edmonton grows and changes, the Information and Technology (IT) branch provides leading, innovative and cost effective technology solutions to the corporation. The diverse needs and ongoing growth of the corporation create challenges for IT to develop and manage new solutions while continuing to provide support for ongoing operational needs.

"When you look at the impact of IT on the City's overall business success, we play a strategic role in all areas."

*-Chris Moore,
Chief Information Officer*

With direction provided by the Corporate IT Strategy, IT will continue to solve problems by working in partnership with lines of business to identify needs, and assemble the operational plans to deliver solutions that meet the needs of the business. Through innovative programs like Workspace Edmonton and Open Government IT is enhancing the way that employees work and provide services to citizens.

The IT branch manages over 100 applications, many critical to the provision of services to citizens. These include Disabled Adult Transportation Services (DATS), Recreation Facility Booking Services, Emergency Response Dispatch (CAD), and many more.

IT meets the needs of business by supporting over 1,100 desktop applications, seven enterprise applications and over 130 line-of-business applications running on a complex network of servers. In addition, we service over 8,000 computer users and over 12,000 telecommunications devices with more than 250 networks.

In addition to initiatives that continue to propel the City forward, IT provides ongoing support to the corporation through Enterprise-wide Business Applications, Business Unit Specific Applications, Technology Infrastructure, Corporate IT Services, IT Consulting and Planning Services.

Information Technology branch partnerships made it possible ...

- To grow and expand the Open Government initiative by continuing to partner with business areas throughout the City and community.
- To development an Information and Technology Strategy to ensure the City's IT needs are met in a holistic and cost-effective manner.
- To launch *Workspace Edmonton*, a city-wide program that ensures City business units have sustainable office technology and productivity tools to meet their future directions and needs.
- To implement a new data center
- To start the conversion of contractors from capital to operating
- To implement a 311 Unified Call Centre Telecom Solution



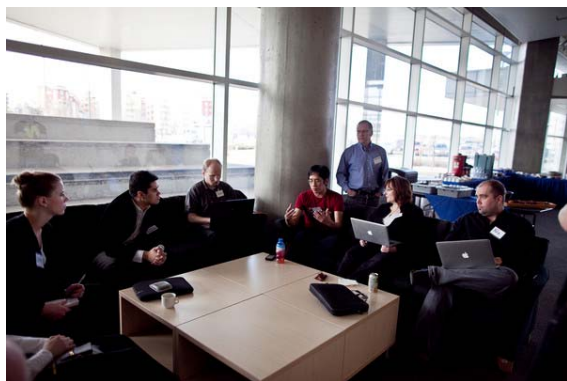
Making Information Technology work for you.

Branch — Information Technology

Opportunities and Challenges

Technology is changing at an increasing pace. In order to leverage these new opportunities, there is a need to implement the Corporate IT Strategy -- a single road map for the IT direction at the City including direction on software applications, technology systems and management of information.

Developed in collaboration with City leaders, the IT Strategy takes into account the needs of all business areas and is tested against industry standards. Implementation to commence in early 2012. The outcome of this initiative is to ensure a Sustainable IT Business model.



The IT branch serves a diverse and mobile workforce. It is important that all employees have access to information and solutions that will enable them to do their job anywhere, anytime, with any device.

Workspace Edmonton is a three-year initiative led by the Information Technology branch, to partner with the City of Edmonton's businesses to ensure they have the right office technology and productivity tools to meet their future directions and needs. The technology and tools selected will determine how the City engages with its citizens and many different stakeholders. The financial model projects cost avoidance in the order of \$1 million in the first three years, \$9 million over five years and \$36 million over ten years.

Service and Budget Review

As a part of 2012-2014 Services and Budget review, the IT branch integrated four programs into other operations resulting in a \$600 reduction in operating budget by reducing four program manager positions.

The IT branch has also identified an additional 7 positions to be eliminated. These are supervisory positions responsible for service delivery staff. This will result in a reduction of \$237 in the 2012 operating budget (with an ongoing annual savings of \$875), streamlined operations and the removal of a "layer" of management.

In 2007, the City initiated a program to begin converting our Centrex phones to Voice Over Internet Protocol (VOIP) phones. The program was self-funded, with the IT branch recovering the centrex monthly rental amounts from the departments until such time that a proper financial analysis could be performed. The conversion of Centrex phones to VOIP phones will be completed in 2011 and a complete financial analysis carried out by Information Technology and Finance and Treasury has identified \$600 in corporate savings.

In 2011, the City's contract for cellular service was changed resulting in a \$200 corporate savings. The changes include an increase in the number of free minutes as well as introducing the concept of 'pooling'. Pooling allows unused minutes of one user to be used by another user who had overused. These two changes along with others brought about with the renegotiated contract provide significant savings to the corporation.

Branch — Information Technology

Approved 2012 Budget – Branch Summary (\$000)

	2010 Actual	2011 Budget	\$ Change '11-'12	2012 Budget	% Change '11-'12
Revenue & Transfers					
User Fees, Fines, Permits, etc.	\$ 1,447	\$ 249	\$ 6	\$ 255	2.6
Grants	-	-	-	-	
Transfer from Reserves	-	-	-	-	
Total Revenue & Transfers	<u>1,447</u>	<u>249</u>	<u>6</u>	<u>255</u>	2.6
Expenditure & Transfers					
Personnel	30,490	35,499	196	35,695	0.6
Materials, Goods & Supplies	8,475	9,920	1,938	11,858	19.5
External Services	9,751	2,154	2,266	4,420	105.2
Fleet Services		-	-	-	
Intra-municipal Services	64	206	6	212	2.7
Utilities & Other Charges	2,462	3,105	(24)	3,081	(0.8)
Transfer to Reserves	432	-	-	-	
Subtotal	<u>51,674</u>	<u>50,884</u>	<u>4,382</u>	<u>55,266</u>	8.6
Intra-municipal Recoveries	<u>(14,315)</u>	<u>(13,876)</u>	<u>(2,584)</u>	<u>(16,460)</u>	-
Total Expenditure & Transfers	<u>37,359</u>	<u>37,008</u>	<u>1,798</u>	<u>38,806</u>	4.9
Net Operating Requirement	\$ 35,912	\$ 36,759	\$ 1,792	\$ 38,551	4.9
Full-time Equivalents	304.0	342.0	(8.0)	334.0	

Branch — Information Technology

Budget Changes for 2012 (\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc. \$6

The Information Technology branch revenues are primarily GEO Edmonton billings to outside agencies. The \$6 increase is inflation.

Expenditures & Transfers - Changes

Personnel \$196

Movement within the salary ranges, changes in benefits, and the last year of a 3-year 1% LAAP contribution increase account for \$676. An additional \$157 increase for Corporate Performance Management is identified in a funded service package. This is offset with a \$637 reduction in salaries identified in the Service and Budget Review for IT organizational efficiencies.

Material, Goods & Supplies \$1,938

Identified inflationary measures of 2.65% account for a \$263 increase. There is also a historical adjustment of \$515 for SAP and web equipment and an \$1,053 increase for operating impacts from capital which are primarily computer hardware and software increases. An additional \$130 of computer hardware is required to support the Corporate Performance Management service package. These increases are offset with a \$23 reduction in corporate opportunities savings for computer equipment.

External Services \$2,266

Inflationary increases and budget reallocation accounted for a \$57 increase for contract, consulting, and general services and a \$2,210 operating impact from capital, primarily for Workspace Edmonton. This is offset by \$1 reduction in printing services.

Intra-municipal Services (\$2,578)

There is a \$6 inflationary increase to intra-municipal charges for parking, printing and on-demand building maintenance costs. This is offset with a \$2,345 increase for intra-municipal services to Drainage, Waste, Current Planning and Fleet Services, and inflationary increases for service billings to capital and on-demand services of \$239.

Utilities & Other Charges (\$24)

Inflationary measures increased training, general, and utility costs by \$82. This was offset with a \$125 reduction of telephone savings through the corporate opportunity exercise. There is also a \$19 increase for training for the Corporate Performance Measures system.

Full-time Equivalents - Changes

Overall, Information Technology decreased FTEs by 8. There is a reduction of 11 FTEs for IT organizational efficiencies identified in the Service and Budget Review, an increase of 2 FTEs for Voice Over IP work, and 1 additional FTE for Corporate Performance Management system work.

Branch — Information Technology

Service Package

Operating Impacts of Capital

Funded

Description

Approximately half of these funds represent the temporary operating costs increase related to the implementation of *Workspace Edmonton* desktop productivity tools. The remaining funds are for software licensing costs related to vendor price increases for software licensing and maintenance costs; additional software licenses related to expanding the software use into other business functions; and \$500 for conceptual phase planning for IT projects.

There are two categories included: Historical Adjustments and Operating Impacts of Capital. Historical Adjustments are vendor price increases for SAP software licensing and the additional website support service and additional websites supported. Operating Impacts of Capital are for expansion of software into other business functions, increases in vendor prices for software licensing, and additional hardware required to support the software functionality expansion.

Justification

The operating costs related to *Workspace Edmonton* project are required to fund the operating activities for the *Workspace Edmonton* capital project.

It is a software contract compliance requirement to purchase the required amount of software licensing for the functions and amount that the City is using. Maintaining software maintenance agreements with vendors provide the City access to vendor support for complex issues, software patches, and software upgrades.

The increases are large in 2012 as most software vendors have now moved from a 17% charge for licensing up to a 22% charge for annual software maintenance. This has become the new industry standard. The SAP contract cost increase was negotiated to reflect the price increase over a 5 year period. The City is in the second year of a five year price increase. 2016 will see the final increase related to this change.

Service expansion for 2012 includes the following: 3 additional city websites supported, additional data analytical capability associated with spatial analysis, mobile device access for 311 functionality for plant maintenance and outside workers, and additional SAP functionality.

If funding is not provided, the City will not be able to pay software vendors and will need to decrease software functionality and decrease number of software users to be compliant with existing signed software contracts.

Links to Strategic Goals, Departmental Outcomes & Performance Measures

Strategic Goal(s)

The Way We Finance: sustainable assets and services

The Way We Work: part of a well managed city.

Impact on Other Departments

Other departments will have access to the software that they need to support business functions and deliver to citizens.

Incremental (\$000)	2012				2013				2014			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
New Budget Annualization	\$ 3,263	\$ -	\$ 3,263	-	\$ 497	\$ -	\$ 497	-	\$ 260	\$ -	\$ 260	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 3,263	\$ -	\$ 3,263	-	\$ 497	\$ -	\$ 497	-	\$ 260	\$ -	\$ 260	-

Branch — Information Technology

Service Package

Corporate Performance Management

Funded

Description

This package will provide the funding required for the support and maintenance of the Corporate Performance Measurement (CPM) reporting system. This reporting system contains the CPM Scorecard and associated toolsets which demonstrate performance against targets set by Council. Council has worked diligently with administration to define corporate goals, outcomes and measures; the resulting work from their efforts is contained within the CPM reporting system. The annual maintenance cost for 100 Cognos user licenses will cost \$130 per annum, personnel costs \$157 and \$19 for annual training costs.

Justification

This project very specifically manages risk to the organization. It will report deviations from targets set for the achievement of corporate outcomes which will realize Council's vision for the City. It will also allow Council and Corporate Leadership Team to see the impacts of making adjustments to strategies, and will identify the potential impacts of competing strategies. Monitoring and reporting of alignment of city services to the strategic goals and outcomes will help to ensure that services achieve established outcomes that will in turn impact achievement of the strategic goals and by extension Council's vision. Not funding this will impact the organizations ability to report on corporate and departmental performance measures and affects the ability of administration to identify areas of risk and opportunity in achieving Council vision.

Links to Strategic Goals, Departmental Outcomes & Performance Measures

Strategic Goal(s) - Transforming Edmonton through organizational excellence

Departmental Outcome(s) - A strategic organization with a culture that is responsive, innovative and adaptive, advancing corporate-wide programs to achieve the City vision

Performance Measure(s) - % department performance measures meeting or exceeding established targets (Corporate)

Impact on Other Departments

This service package will allow administration to continue to support and develop the Corporate Performance Measurement reporting system. Resources have been identified within Financial Services and IT to administer the system. The system will report on the performance of the departments using performance statistics approved by the departments. It will assist departments by collecting performance information from multiple sources and present it within the new CPM framework. The only anticipated impact is that departments will be required to submit and approve information for reporting in reporting cycles determined by Council and the City Manager.

incremental (\$000)	2012				2013				2014			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
New Budget	\$ 306	\$ -	\$ 306	1.0		\$ -	\$ -	-		\$ -	\$ -	-
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 306	\$ -	\$ 306	1.0	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-