

# Toronto 2018 BUDGET



## OPERATING BUDGET NOTE



## Information & Technology

### 2018 OPERATING BUDGET OVERVIEW

Information & Technology (I&T) provides city-wide leadership in modernizing City services through the strategic investment, development and management of the City's Information Technology (IT) systems including:

- Critical Business Systems delivery and support for City Programs and service delivery to residents, businesses and visitors.
- IT foundation infrastructure capacity that is adaptable to sustain and meet growing demand for City Program business needs.
- Employee Productivity Solutions that drive service excellence.

### 2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$130.365 million gross and \$76.423 million net as shown below:

(in \$000's)	2017 Budget	2018 Preliminary Budget	Change	
			\$	%
Gross Expenditures	128,435.2	130,364.8	1,929.6	1.5%
Revenues	53,125.7	53,941.5	815.8	1.5%
<b>Net Expenditures</b>	<b>75,309.5</b>	<b>76,423.3</b>	<b>1,113.8</b>	<b>1.5%</b>

For 2018, base pressures of \$1.930 million are mainly due to operating impacts from capital projects, and annual hardware/software maintenance costs to support city-wide technology application systems and infrastructure. Some pressures were partially offset by reductions and further reductions would significantly impact service levels.

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**FAST FACTS**

- Provided IT support on 1.4 million general inquiries and service requests made to 311 Toronto.
- Implemented an end-to-end digital process, in support of Municipal Licensing & Standards' (MLS) digital transformation and innovation, for over 60,000 Vehicle for Hire licenses since 2016 supporting the ride sharing economy, providing modernized service delivery and operational efficiencies.
- Expanded Open Data for the City to 246 datasets and 1,100+ data files published, providing greater accessibility and transparency to citizens
- Enhanced the Online Citizen experience for City Services with 16+ million visits annually including new online services such as MyWaterToronto and RentSafeTO.
- Responded to 186,000 IT service desk calls annually
- Resolved 37,000+ application requests and 1,300+ changes for over 850 City applications

**TRENDS**

- Growth in IT Services demand continues in support of City business service needs and opportunities to realize efficiencies
- Technology infrastructure availability is expected to remain at 99.50% through optimization and effective management
- IT Customer satisfaction rating is 90% in 2017, maintaining the overall satisfaction rate from 2016.
- A need to ensure IT strategy is supporting residents' growing digital demands.

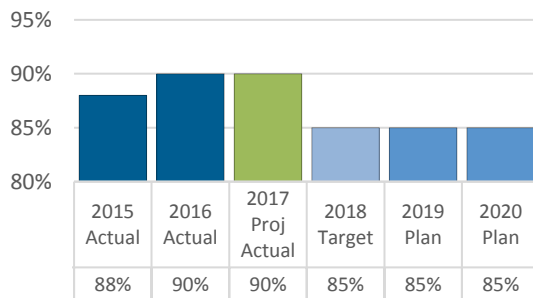
**KEY SERVICE DELIVERABLES FOR 2018**

Information & Technology provides effective shared services that deliver innovative IT business solutions and a secure, reliable and dependable IT infrastructure in support of City Programs and Services in conjunction with Agencies and Commission serving the public.

The 2018 Operating Budget will enable the I&T Programs to continue to:

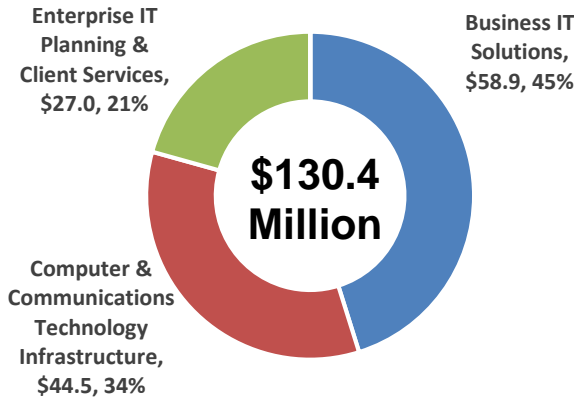
- Enhance City Programs and Services in partnership with City divisions and to the public through the delivery and support for over 850+ enterprise and division business systems, including:
- Respond to 1000+ requests for enhancements and growth of business systems across the City to meet public demands and business needs.
- Maintain the City's technology network, application systems and technology infrastructure in a secure, reliable and high performance manner and state of good repair to ensure 7/24/365 availability.
- Deliver effective Client Support for over 23,000+ City employees through the City's IT service desk, technical and business application support and IT education.
- Work collaboratively with Agencies and Commissions to drive innovation and to accelerate enablement efforts associated with the delivery of City services and programs.

**Overall Customer Satisfaction with IT Services**

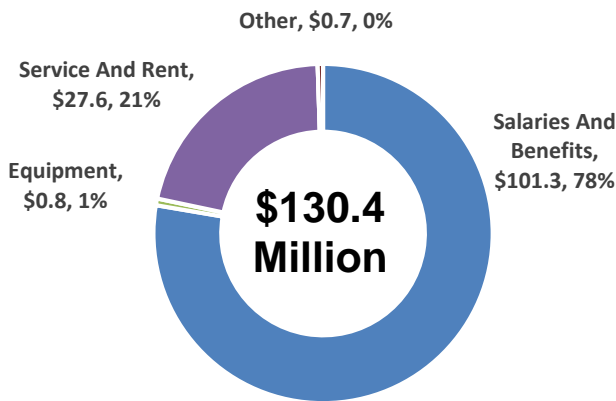


Where the money goes:

2018 Budget by Service

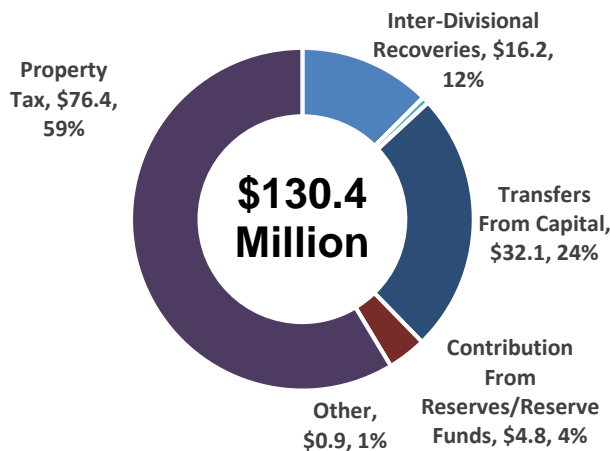


2018 Budget by Expenditure Category



Where the money comes from:

2018 Budget by Funding Source



OUR KEY ISSUES & PRIORITY ACTIONS

- **Business Transformation** and modernization initiatives to meet City business objectives, gain service efficiencies and improve customer experience associated with the delivery of City Programs and Services.
- **Partnerships** to build and leverage opportunities with the City’s divisions, agencies and vendors to drive customer service excellence.
- **Strategic Governance** to ensure effective IT investment priority setting through IT governance with clear alignment to key City business strategies and priorities
- **Organizational Capacity** by implementing integrated resource planning for IT services and projects for business and I&T
- **Project/Program Management** to enhance IT program and project management maturity across the City to support effective project delivery and success
- **Process and Performance Improvements** that focus on key opportunities to streamline, integrate and deliver business value for I&T clients
- **Talent Management** to attract and develop a motivated and engaged high performance team and future leaders.

2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Preliminary Operating Budget for Information & Technology is \$130.365 million gross and \$76.423 million net, representing an increase of 1.5% to the 2017 Approved Operating Budget. The Program could not meet the budget target due to the operating impacts of capital, however savings were identified through the following measures to help mitigate other base pressures:
  - ✓ Base expenditure reductions (\$0.423 million).
  - ✓ Efficiency savings (\$0.463 million).
  - ✓ Phase 3 tax funded phase in for pooled capital delivery positions (\$1.775 million)
- Staff complement will decrease by 1.0 from 2017 to 2018.
- The 2018 Preliminary Operating Budget provides funding for:
  - ✓ Growing and supporting the technology infrastructure that supports the City's operations and services to the community.
  - ✓ Implementing enterprise-wide and divisional IT solutions that drive transformation, modernization and innovation across the City to gain service efficiencies and improve customer experience associated with the delivery of City Programs and Services.

## Actions for Consideration

Approval of the 2018 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2018 Preliminary Operating Budget for Information & Technology of \$130.365 million gross, \$76.423 million net for the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Business IT Solutions:	58,887.1	25,275.2
Computer & Communications Technology Infrastructure:	44,518.4	30,810.0
Enterprise IT Planning & Client Services:	26,959.3	20,338.1
Total Program Budget	<u>130,364.8</u>	<u>76,423.3</u>

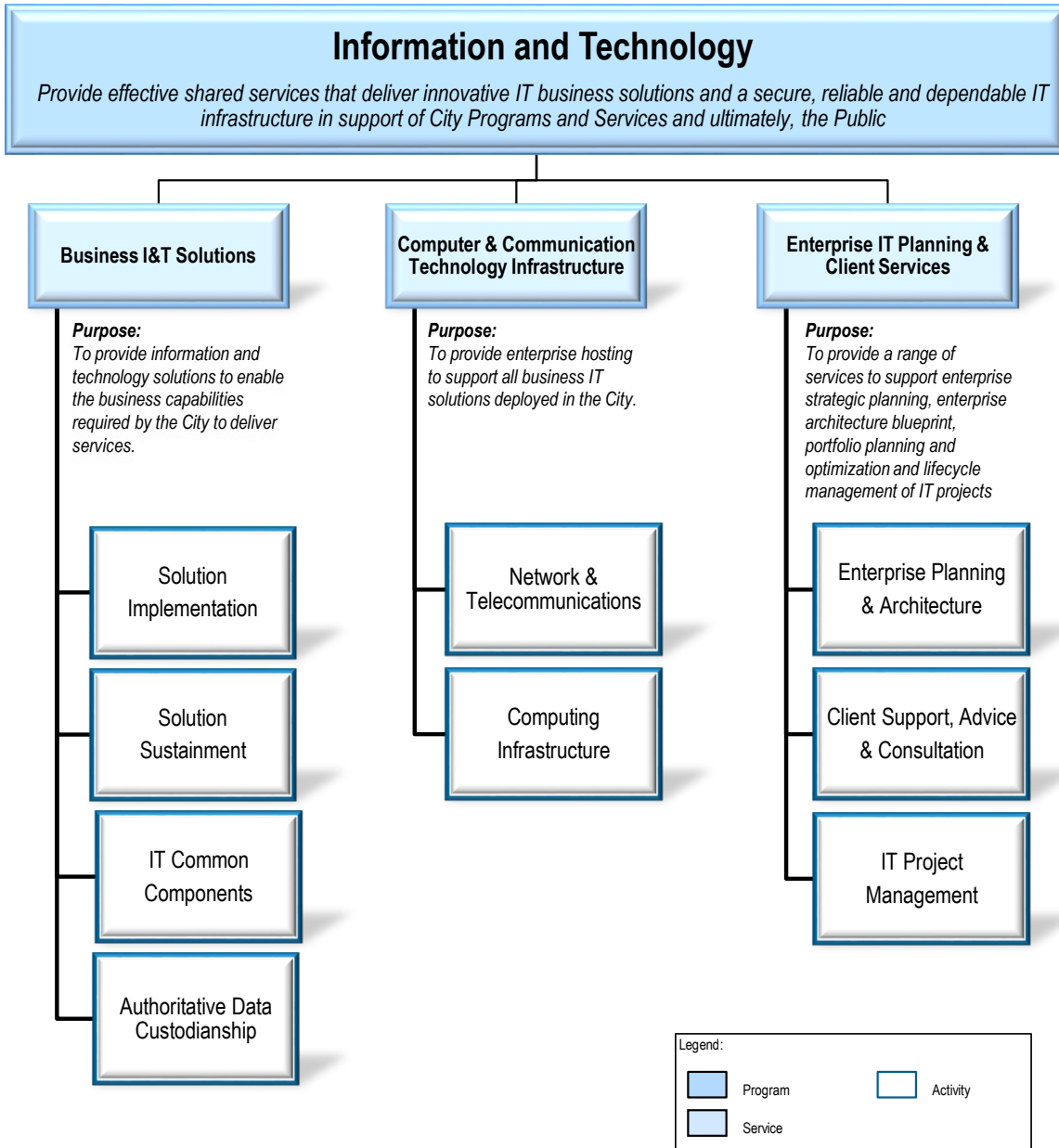
2. City Council approve the 2018 service levels for Information & Technology as outlined on pages 14, 18-19, and 23-24 of this report, and associated staff complement of 850.0 positions, comprising 220.0 capital project delivery positions and 630.0 operating service delivery positions.



# Part 1

## 2018-2020 Service Overview and Plan

### Program Map



**Service Customer**

**Business I&T Solutions**

- Staff - City Divisions
- Staff - Agencies and Boards

Indirect (Beneficiary)

- Residents
- Businesses
- Visitors

**Computer & Communication Technology Infrastructure**

- Staff - City Divisions
- Staff - Agencies and Boards

Indirect (Beneficiary)

- Residents
- Businesses
- Visitors

**Enterprise IT Planning & Client Services**

- Staff - City Divisions
- Staff - Agencies and Boards

Indirect (Beneficiary)

- Residents
- Businesses
- Visitors



**Table 1**  
**2018 Preliminary Operating Budget and Plan by Service**

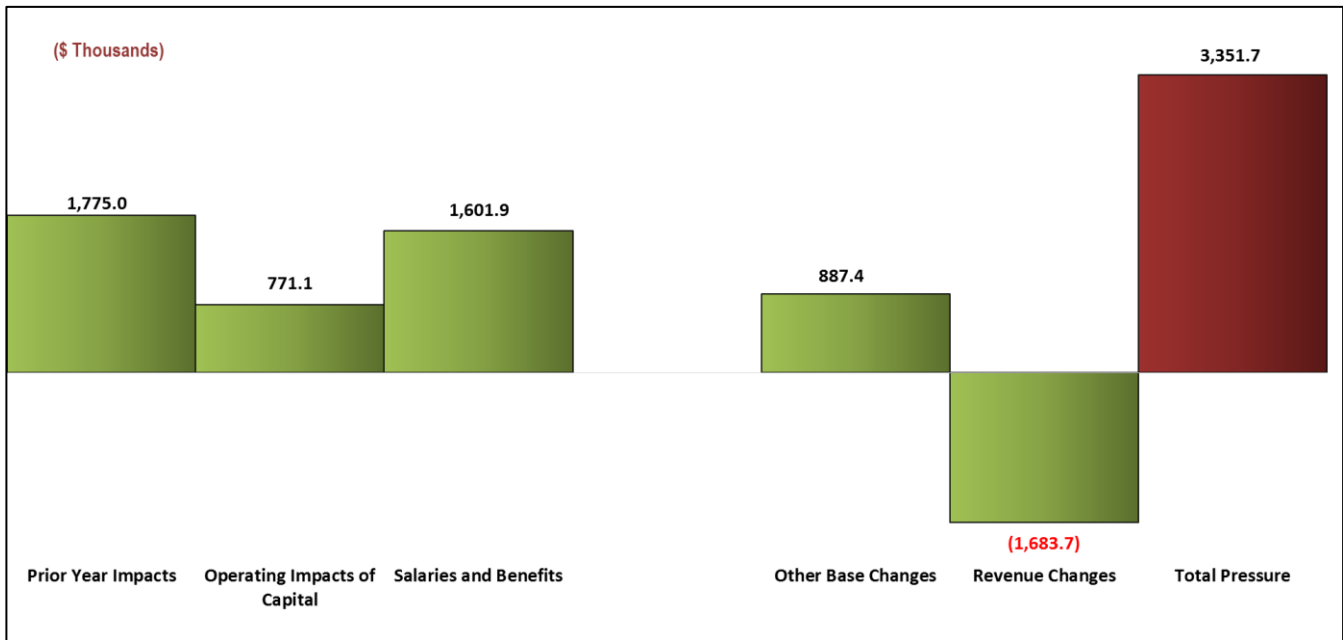
(In \$000s)	2017		2018 Preliminary Operating Budget			2018 Preliminary vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/Enhanced	Total Budget			2019 Plan		2020 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>Business IT Solutions</b>											
Gross Expenditures	57,832.2	51,462.8	58,887.1	0.0	58,887.1	1,055.0	1.8%	1,318.7	2.2%	900.7	1.5%
Revenue	33,536.1	25,100.2	33,612.0	0.0	33,612.0	75.8	0.2%	68.6	0.2%	(422.3)	(1.3%)
<b>Net Expenditures</b>	<b>24,296.0</b>	<b>26,362.6</b>	<b>25,275.2</b>	<b>0.0</b>	<b>25,275.2</b>	<b>979.1</b>	<b>4.0%</b>	<b>1,250.1</b>	<b>4.9%</b>	<b>1,323.1</b>	<b>5.0%</b>
<b>Computer &amp; Communications Technology Infrastructure</b>											
Gross Expenditures	43,720.6	38,905.4	44,518.4	0.0	44,518.4	797.8	1.8%	607.7	1.4%	368.0	0.8%
Revenue	13,217.7	9,892.9	13,708.4	0.0	13,708.4	490.6	3.7%	(729.8)	(5.3%)	(547.1)	(4.2%)
<b>Net Expenditures</b>	<b>30,502.8</b>	<b>29,012.5</b>	<b>30,810.0</b>	<b>0.0</b>	<b>30,810.0</b>	<b>307.2</b>	<b>1.0%</b>	<b>1,337.4</b>	<b>4.3%</b>	<b>915.1</b>	<b>2.8%</b>
<b>Enterprise IT Planning &amp; Client Services</b>											
Gross Expenditures	26,882.5	23,921.8	26,959.3	0.0	26,959.3	76.8	0.3%	648.5	2.4%	570.5	2.1%
Revenue	6,371.9	4,769.0	6,621.2	0.0	6,621.2	249.3	3.9%	(858.5)	(13.0%)	(625.0)	(10.8%)
<b>Net Expenditures</b>	<b>20,510.6</b>	<b>19,152.7</b>	<b>20,338.1</b>	<b>0.0</b>	<b>20,338.1</b>	<b>(172.5)</b>	<b>(0.8%)</b>	<b>1,507.0</b>	<b>7.4%</b>	<b>1,195.5</b>	<b>5.5%</b>
<b>Total</b>											
Gross Expenditures	128,435.2	114,289.9	130,364.8	0.0	130,364.8	1,929.6	1.5%	2,574.9	2.0%	1,839.3	1.4%
Revenue	53,125.7	39,762.1	53,941.5	0.0	53,941.5	815.8	1.5%	(1,519.7)	(2.8%)	(1,594.4)	(3.0%)
<b>Total Net Expenditures</b>	<b>75,309.5</b>	<b>74,527.8</b>	<b>76,423.3</b>	<b>0.0</b>	<b>76,423.3</b>	<b>1,113.8</b>	<b>1.5%</b>	<b>4,094.6</b>	<b>5.4%</b>	<b>3,433.7</b>	<b>4.3%</b>
<b>Approved Positions</b>	<b>851.0</b>	<b>728.0</b>	<b>850.0</b>	<b>0.0</b>	<b>850.0</b>	<b>(1.0)</b>	<b>(0.1%)</b>	<b>1.0</b>	<b>0.1%</b>	<b>0.0</b>	

The Information & Technology's 2018 Preliminary Operating Budget is \$130.365 million gross and \$76.423 million net, representing a 1.5% increase to the 2017 Approved Net Operating Budget and above the net budget increase target of 0% as set out in the 2018 Operating Budget Directions approved by Council.

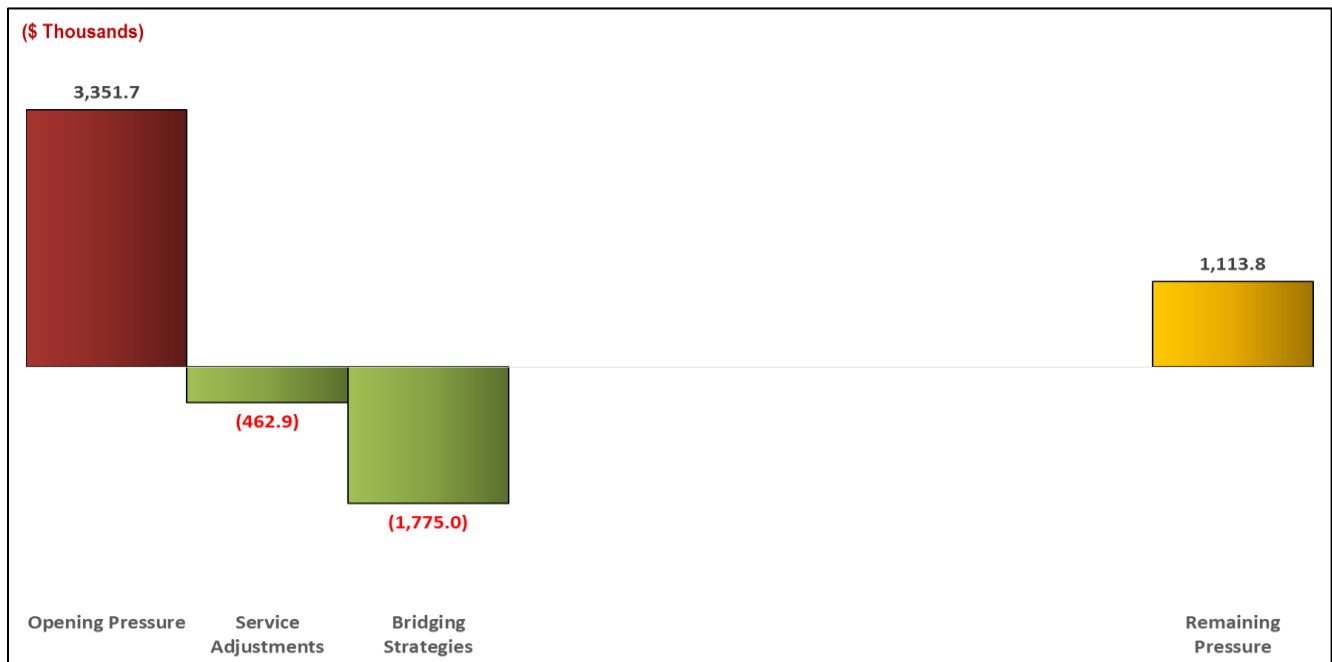
- Base pressures are mainly attributable to increases in salaries and benefits for Cost of Living Allowance (COLA), progression pay and step increases, operating impacts from completed capital projects and increases for software and hardware maintenance costs.
- To help mitigate the above pressures, the Program was able to achieve base expenditure reductions through a line by line review of expenditures, adopting a bridging strategy and service efficiency savings through hardware/software rationalization and negotiated lower prices on maintenance and rental operating contracts as further discussed in these notes.
- Approval of the 2018 Preliminary Operating Budget will result in Information & Technology reducing its total staff complement by 1.0 position from 851.0 to 850.0 as a result of the deletion of temporary/unfunded positions netted against added positions to deliver capital projects.
- The 2019 and 2020 Plan increases are attributable to positions required to support new systems and maintenance costs as a result from completed capital projects, and COLA, progression pay, step increases and fringe benefits.

The following graphs summarize the operating budget pressures for Information & Technology and the actions taken to offset/reduce these pressures to meet the budget reduction target.

### Key Cost Drivers



### Actions to Achieve Budget Reduction Target





**Table 2  
Key Cost Drivers**

(In \$000s)	2018 Base Operating Budget			Total	
	IT-Business IT Solutions	IT-Computer & Communications Technology Infrastructure	IT-Enterprise IT Planning & Client Services		
	\$	\$	\$	\$	
<b>Gross Expenditure Changes</b>					
<b>Prior Year Impacts</b>					
Phase 3 Funding of Positions Approved in 2013	776.1	306.3	692.6	1,775.0	
<b>Operating Impacts of Capital</b>					
Maintenance & Salary Costs	335.0	363.7	72.4	771.1	4.0
<b>Delivery of Capital Projects</b>					
Temporary Capital Position for Geometric Network Implementation					1.0
Deletion of Temporary Capital Positions					(6.0)
<b>Salaries and Benefits</b>					
COLA	234.1	128.0	79.8	441.9	
Progression Pay	488.8	191.3	348.3	1,028.4	
Salaries & Step	277.0	39.8	189.0	505.8	
Gapping (maintain the 2017 Approved level)	41.4	(55.0)	(14.0)	(27.6)	
Benefit Adjustments	(42.4)	(222.1)	(82.1)	(346.6)	
<b>Other Base Expenditure Changes</b>					
Growth in Hardware & Software Maintenance	372.8	616.7	(92.3)	897.1	
IDC	(1.7)	(1.4)	(6.6)	(9.8)	
<b>Total Gross Expenditure Changes</b>	<b>2,481.0</b>	<b>1,367.3</b>	<b>1,187.0</b>	<b>5,035.4</b>	<b>(1.0)</b>
<b>Revenue Changes</b>					
<b>Base Revenue Changes</b>					
User Fees- Inflationary Fees	108.6		(48.0)	60.6	
Recovery of Salary Costs	390.0		59.9	449.9	
Recovery of Operating Impacts from Capital	93.0		22.1	115.1	
Changes to IDC/R from Clients	134.3	342.6	581.3	1,058.2	
<b>Total Revenue Changes</b>	<b>725.8</b>	<b>342.6</b>	<b>615.3</b>	<b>1,683.7</b>	
<b>Net Expenditure Changes</b>	<b>1,755.2</b>	<b>1,024.7</b>	<b>571.7</b>	<b>3,351.7</b>	<b>(1.0)</b>

Key cost drivers for Information & Technology are discussed below:

### Gross Expenditure Changes

- Prior Year Impacts:
  - Phase 3 tax-funded phase-in of pooled capital delivery positions that were approved in the 2013 budget for the delivery of IT capital projects has been included in 2018 (\$1.775 million).
- Operating Impacts of Capital:
  - Maintenance and support costs to sustain capital projects such as the Disaster Recovery Program, Cloud Gateway Foundation Project, and the Enterprise Collaboration Project, result in a pressure of \$0.771 million.
- Salaries and Benefits
  - Salaries and benefits for COLA, progression pay and step increases add a pressure of \$1.601 million.

### Other Base Changes

- Increase in software and hardware maintenance by \$0.897 million as a result of the growth in Citywide demand for technology application systems including the resulting increase in infrastructure costs and annual pricing increases as per contractual terms.
- Interdivisional charges from City Programs are reduced by \$0.010 million.

## Revenue Changes

- Increase of \$1.684 million reflecting recoveries from Divisions for I&T related staff and maintenance costs to sustain divisional systems, and inflationary user fees.

In order to achieve the budget reduction target, Information & Technology's 2018 Preliminary Operating Budget includes service efficiency savings of \$0.463 million net and a bridging strategy to fund the \$1.775 million required in 2018 to fund the pool of permanent positions approved in 2013 to deliver IT capital projects for a total of \$2.238 million net as detailed below.

**Table 3**  
**Actions to Achieve Budget Reduction Target**  
**2018 Preliminary Service Change Summary**

Description (\$000s)	Service Changes						Total Service Changes			Incremental Change			
	IT-Business IT Solutions		IT-Computer & Communications Technology Infrastructure		IT-Enterprise IT Planning & Client Services		\$	\$	#	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
<b>Base Changes:</b>													
<b>Base Expenditure Changes</b>													
Bridging Strategy for Phase 3 Funding of the Positions Approved in 2013	(776.1)	(776.1)	(306.3)	(306.3)	(692.6)	(692.6)	(1,775.0)	(1,775.0)		1,775.0			
<b>Base Expenditure Change</b>	(776.1)	(776.1)	(306.3)	(306.3)	(692.6)	(692.6)	(1,775.0)	(1,775.0)		1,775.0			
<b>Sub-Total</b>	(776.1)	(776.1)	(306.3)	(306.3)	(692.6)	(692.6)	(1,775.0)	(1,775.0)		1,775.0			
<b>Service Efficiencies</b>													
Reduce Hardware & Software Maintenance Costs			(162.2)	(162.2)	(51.7)	(51.7)	(213.9)	(213.9)					
Lower Pricing on Hardware & Software Maintenance Contracts and Reduced Lease Rates			(347.9)	(249.0)			(347.9)	(249.0)					
<b>Sub-Total</b>			(510.1)	(411.2)	(51.7)	(51.7)	(561.8)	(462.9)					
<b>Total Changes</b>	(776.1)	(776.1)	(816.4)	(717.5)	(744.3)	(744.3)	(2,336.7)	(2,237.8)		1,775.0			

Information & Technology did not meet budget target of 0%, primarily due to the operating impact of capital delivery, but was able to partially offset budget pressures with the following measures:

### Base Expenditure Changes (Savings of \$1.775 million gross & net)

Bridge Funding for Positions Approved in 2013

- Phase 3 of the 4-year phase-in plan approved in 2013 to transfer funding of permanent positions for ongoing capital delivery to the base operating budget over 4 years has been deferred to 2019 and the \$1.775 million cost will be funded from the IT sustainment reserve in 2018.

### Service Efficiencies (Savings of \$0.562 million gross & \$0.463 million net)

Reduction of Hardware & Software Maintenance Costs and lower pricing on Hardware & Software Maintenance Contractors and Reduced Lease Rates

- The cost of various hardware/software maintenance and professional services contracts has been reduced by \$0.214 million due to cost efficiencies realized from implementing improved technology solutions and rationalization of software solutions. For example, switching intrusion detection managed services to a lower cost solution, moving servers to more cost-efficient platform or into cloud infrastructure services, and implementing internal Certificate Authority to replace procurement of digital certificates from vendors for secure remote access

- The cost of software/hardware maintenance support costs and rental operating costs has been reduced by \$0.249 million by negotiating lower prices through effective contract negotiations

Approval of the 2018 Preliminary Operating Budget for Information & Technology will result in a 2019 incremental net cost of \$4.095 million and a 2020 incremental net cost of \$3.434 million to maintain 2018 service levels, as discussed in the following section.

**Table 4**  
**2019 and 2020 Plan by Program**

Description (\$000s)	2019 - Incremental Increase					2020 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
<b>Known Impacts:</b>										
<b>Prior Year Bridging Impacts</b>										
Reversal of One-Time deferral of Phase 3 Funding of Positions Approved in 2013		(1,775.0)	1,775.0	2.4%						
Phase 4 Funding of Positions Approved in 2013						(1,775.0)	1,775.0	2.4%		
<b>Operating Impacts of Capital</b>	187.8	(142.0)	329.8	0.4%	1.0	13.3	(10.3)	23.6	0.0%	
<b>Salaries and Benefits</b>										
COLA	676.9		676.9	0.9%		7.3		7.3	0.0%	
Progression Pay	1,067.3		1,067.3	1.4%		1,083.1	117.01	966.1	1.3%	
Salaries & Step	169.3		169.3	0.2%		386.1		386.1	0.5%	
Benefits	423.2		423.2	0.6%		337.2		337.2	0.4%	
<b>Other Base Changes (specify)</b>										
Changes in Hardware & Software Maintenance	37.5		37.5	0.0%						
IDC	11.6		11.6	0.0%		11.8		11.8	0.0%	
<b>Revenue (specify)</b>										
Recovery from Clients		403.85	(403.8)	(0.5%)			81.19	(81.2)	(0.1%)	
User Fees		(8.0)	8.0	0.0%			-7.74	7.7	0.0%	
<b>Sub-Total</b>	2,573.5	(1,521.1)	4,094.7	5.4%	1.0	1,838.9	(1,594.8)	3,433.7	4.6%	
<b>Total Incremental Impact</b>	2,573.5	(1,521.1)	4,094.7		1.0	1,838.9	(1,594.8)	3,433.7		

Future year incremental costs are primarily attributable to the following:

#### Known Impacts:

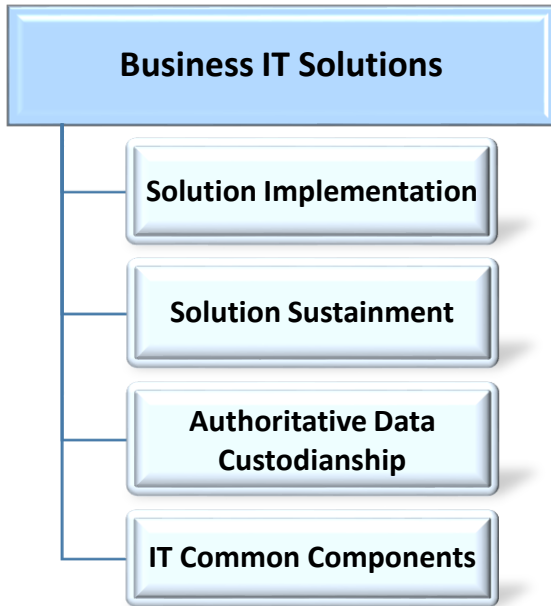
- The deferred (from 2018 to 2019) Phase 3 funding for positions approved in the 2013 budget will increase costs in 2019 by \$1.775 million. The Phase 4 funding will increase costs in 2020 by an additional \$1.775 million.
- The 2019 and 2020 Plan increase include known salary and benefit increases as a result of the cost of living allowance, progression pay for non-union and union step increases of \$2.337 million net in 2019 and \$1.697 million net in 2020.
- Information & Technology continues to absorb incremental sustainment costs with the ongoing delivery of IT capital projects in 2019 (\$0.330 million) and 2020 (\$0.004 million).



## Part 2

### 2018 Preliminary Operating Budget by Service

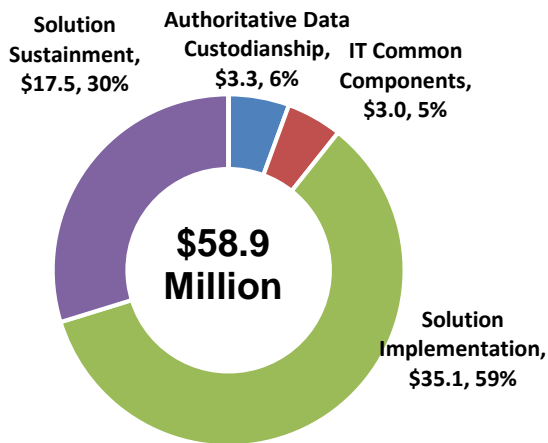
**Business I&T Solutions**



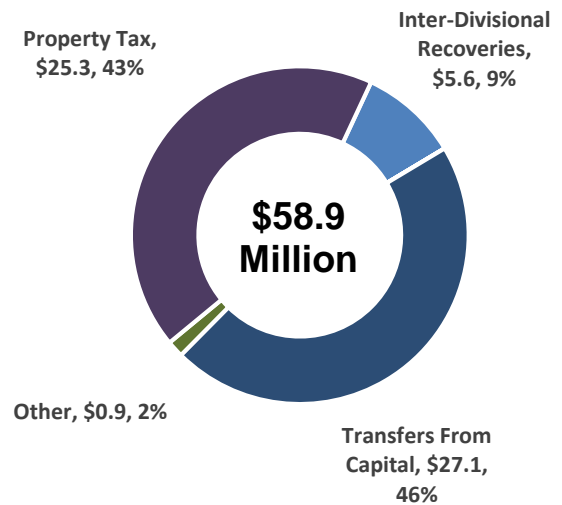
**What We Do**

- Deliver Information Technology (IT) Solutions to enable the business capabilities required by the City to deliver services
- Provide solution and component acquisition, configuration, development, sustainment and implementation of applications and solutions, as well as ongoing client support.

**2018 Service Budget by Activity (\$Ms)**



**2018 Service by Funding Source (\$Ms)**



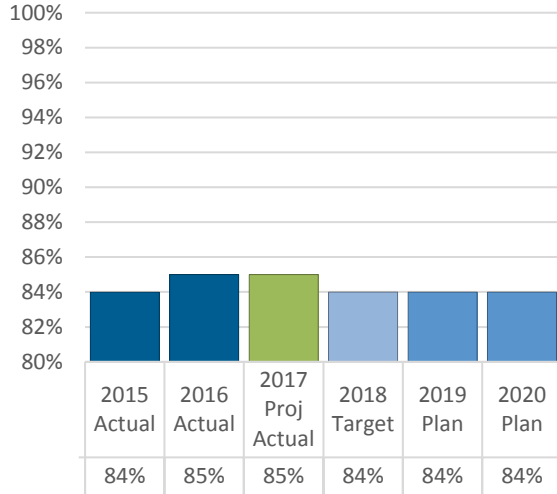
### 2018 Service Levels Business I&T Solutions

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Solutions Implementation	<ul style="list-style-type: none"> <li>• Program and Service Management Solutions Development</li> <li>• Process Management Solutions Development</li> <li>• Enterprise Asset Management Solutions Development</li> <li>• Financial Management Solutions Development</li> <li>• Supply and Inventory Management Solutions Development</li> <li>• Rules Management Solutions Development</li> <li>• Property Stewardship Solutions Development</li> <li>• Risk Management Solutions Development</li> <li>• Customer Relationship Management Solutions Development</li> <li>• Service Delivery Solutions Development</li> <li>• Human Resource Management Solutions Development</li> <li>• Information Management Solutions Development</li> </ul>	Support services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Consultation or per agreed work plan	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
Solutions Sustainment	<ul style="list-style-type: none"> <li>• Program and Service Management Solutions Sustainment</li> <li>• Process Management Solutions Sustainment</li> <li>• Enterprise Asset Management Solutions Sustainment</li> <li>• Financial Management Solutions Sustainment</li> <li>• Supply and Inventory Management Solutions Sustainment</li> <li>• Rules Management Solutions Sustainment</li> <li>• Property Stewardship Solutions Sustainment</li> <li>• Risk Management Solutions Sustainment</li> <li>• Customer Relationship Management Solutions Sustainment</li> <li>• Service Delivery Solutions Sustainment</li> <li>• Human Resource Management Solutions Sustainment</li> <li>• Information Management Solutions Sustainment</li> </ul>	Support services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Consultation or per agreed work plan	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
IT Common Components	<ul style="list-style-type: none"> <li>• Business solution/application development</li> <li>• Geospatial</li> </ul>	Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Consultation or per agreed work plan	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
Authoritative Data Custodianship	<ul style="list-style-type: none"> <li>• Geographic Information dataset/map</li> <li>• Geospatial/Location Data</li> </ul>	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90 % of the time  Standard incident management targets or consultation per agreed work plan.	Actual	Standard incident management targets or consultation per agreed work plan	Email Response within 2 business days 90 % of the time  Standard incident management targets or consultation per agreed work plan.	Email Response within 2 business days 90 % of the time  Standard incident management targets or consultation per agreed work plan.	

In order to improve reporting, starting in 2018, service levels will now include approved and actual measures. For the initial transition, the 2018 measures represents the percentage of time that the services described for the activity were provided. I&T, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Business I&T Solutions**.

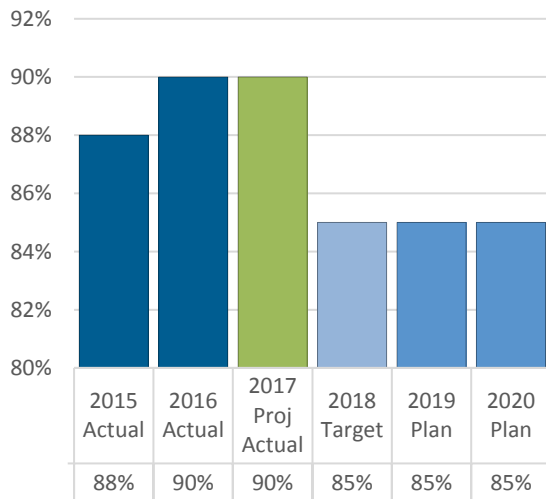
### Service Performance Measures

#### Customer Satisfaction with Business IT Solutions Performance



- Overall customer satisfaction with Business IT Solutions services has increased by 1% in 2017 compared to 2015.
- Client satisfaction with IT Solutions is forecasted to remain at a minimum of 84% over the next 3 years with an emphasis on customer service improvements, enhanced IT technology, greater automation of manual processes and more channel choices/user friendly applications for clients

#### Overall Customer Satisfaction with IT Services



- IT Customer satisfaction rating is 90% in 2017, maintaining the overall satisfaction rate from 2016.
- The use of Service Portfolios results in knowledgeable staff that can address Divisional user needs faster and with a higher success rate, resulting in higher satisfaction levels.



**Table 6**  
**2018 Preliminary Service Budget by Activity**

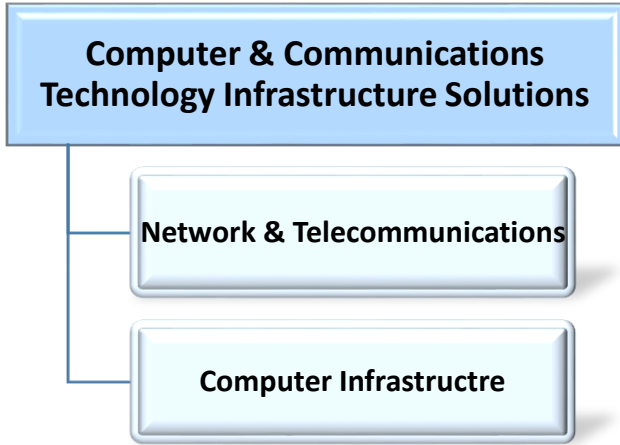
(\$000s)	2017		2018 Preliminary Operating Budget							Incremental Change						
	Approved Budget	Projected Actual	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2017 Budget	% Change	New/Enhanced	Prelim Budget	2018 Prelim Budget vs. 2017 Budget	2019 Plan		2020 Plan			
	\$	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
<b>GROSS EXP.</b>																
Authoritative Data Custodianship	3,251.9	2,893.7	3,282.2		3,282.2	30.3	0.9%		3,282.2	30.3	0.9%	13.0	0.4%	53.8	1.6%	
IT Common Components	2,844.8	2,531.4	3,016.9		3,016.9	172.1	6.1%		3,016.9	172.1	6.1%	29.2	1.0%	44.5	1.5%	
Solution Implementation	34,786.1	30,954.9	35,062.2		35,062.2	276.1	0.8%		35,062.2	276.1	0.8%	925.1	2.6%	652.9	1.8%	
Solution Sustainment	16,949.4	15,082.7	17,525.9		17,525.9	576.5	3.4%		17,525.9	576.5	3.4%	351.5	2.0%	149.6	0.8%	
<b>Total Gross Exp.</b>	<b>57,832.2</b>	<b>51,462.8</b>	<b>58,887.1</b>		<b>58,887.1</b>	<b>1,055.0</b>	<b>1.8%</b>		<b>58,887.1</b>	<b>1,055.0</b>	<b>1.8%</b>	<b>1,318.7</b>	<b>2.2%</b>	<b>900.7</b>	<b>1.5%</b>	
<b>REVENUE</b>																
Authoritative Data Custodianship	1,491.8	1,116.5	1,562.3		1,562.3	70.5	4.7%		1,562.3	70.5	4.7%	(138.4)	(8.9%)	2.8	0.2%	
IT Common Components	650.0	486.5	721.1		721.1	71.1	10.9%		721.1	71.1	10.9%	(55.2)	(7.6%)	(36.1)	(5.4%)	
Solution Implementation	28,464.0	21,304.0	28,564.9		28,564.9	100.9	0.4%		28,564.9	100.9	0.4%	191.9	0.7%	(170.2)	(0.6%)	
Solution Sustainment	2,930.4	2,193.2	2,763.6		2,763.6	(166.7)	(5.7%)		2,763.6	(166.7)	(5.7%)	70.2	2.5%	(218.8)	(7.7%)	
<b>Total Revenues</b>	<b>33,536.1</b>	<b>25,100.2</b>	<b>33,612.0</b>		<b>33,612.0</b>	<b>75.8</b>	<b>0.2%</b>		<b>33,612.0</b>	<b>75.8</b>	<b>0.2%</b>	<b>68.6</b>	<b>0.2%</b>	<b>(422.3)</b>	<b>(1.3%)</b>	
<b>NET EXP.</b>																
Authoritative Data Custodianship	1,760.1	1,777.2	1,719.9		1,719.9	(40.2)	(2.3%)		1,719.9	(40.2)	(2.3%)	151.4	8.8%	51.0	2.7%	
IT Common Components	2,194.8	2,045.0	2,295.8		2,295.8	101.0	4.6%		2,295.8	101.0	4.6%	84.3	3.7%	80.6	3.4%	
Solution Implementation	6,322.1	9,651.0	6,497.3		6,497.3	175.1	2.8%		6,497.3	175.1	2.8%	733.2	11.3%	823.1	11.4%	
Solution Sustainment	14,019.0	12,889.4	14,762.2		14,762.2	743.2	5.3%		14,762.2	743.2	5.3%	281.2	1.9%	368.4	2.4%	
<b>Total Net Exp.</b>	<b>24,296.0</b>	<b>26,362.6</b>	<b>25,275.2</b>		<b>25,275.2</b>	<b>979.1</b>	<b>4.0%</b>		<b>25,275.2</b>	<b>979.1</b>	<b>4.0%</b>	<b>1,250.1</b>	<b>4.9%</b>	<b>1,323.1</b>	<b>4.8%</b>	
<b>Approved Positions</b>	<b>422.5</b>	<b>339.2</b>	<b>421.6</b>		<b>421.6</b>	<b>(0.9)</b>	<b>(0.2%)</b>		<b>421.6</b>	<b>(0.9)</b>	<b>(0.2%)</b>	<b>0.8</b>	<b>0.2%</b>			

**Business I&T Solutions** provides information technology solutions to enable the business capabilities required by the City to deliver services.

Business I&T Solutions' 2018 Preliminary Operating Budget of \$58.887 million gross and \$25.275 million net is \$0.979 million or 4.0% over the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing an increase in net expenditures of \$0.335 million to sustain and support hardware and software as a result of the completion of capital projects and an increase of \$0.853 million in salary and benefit costs.
- In order to offset these pressures, the 2018 Preliminary Operating Budget include budget reductions arising from a line by line review of spending which reduces the base budget by \$0.020 million and an increase in Geospatial revenue of \$0.128 million.
- The bridging strategy that defers Phase 3 funding for positions approved in the 2013 results in a \$0.776 million reduction to the base budget pressure for Business I&T Solutions.

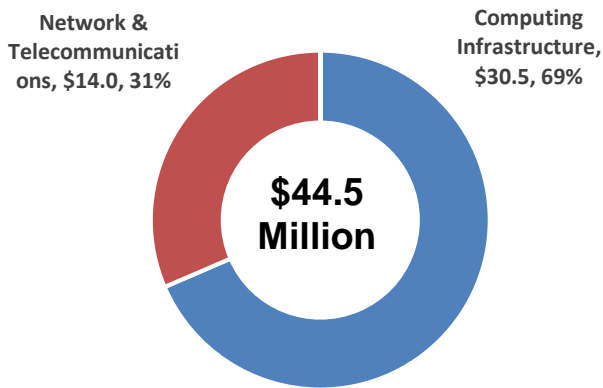
### Computer & Communications Technology Infrastructure



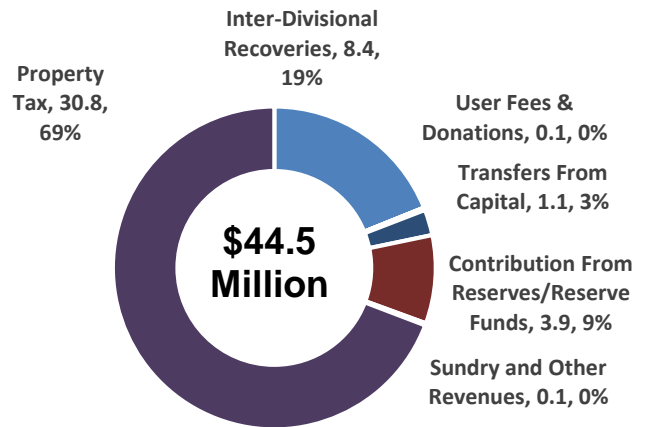
### What We Do

- Manage the City's computing infrastructure, including: desktop and mobile devices such as laptops and tablets, printers and other peripheral devices; and data centre services hosting servers and storage equipment; databases, application development platforms; security products and services.
- Manage the City voice and data communications networks to approximately 29,000 staff at 700 locations. This includes both internal and external communications via the Internet to support business applications, email and fax, telephones (landlines and cell phones).

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)



## 2018 Service Levels Computer & Communications Technology Infrastructure

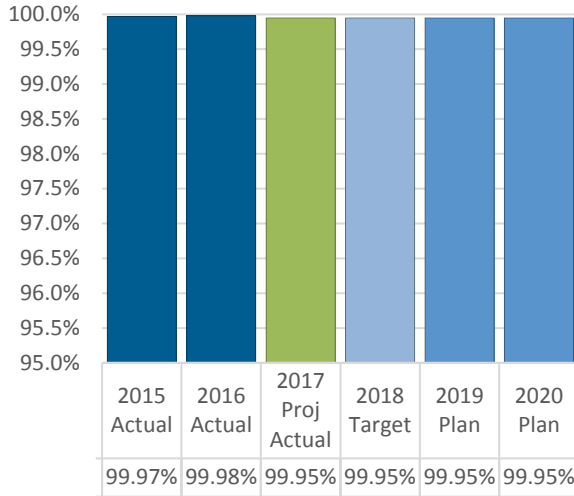
Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Enterprise Planning & Architecture	• Telephone • Wireless Telecommunication & Devices	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	100%
		Email Response within 2 business days 90% of the time	Actual	Standard incident management targets	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
	• Internet • Wireless Network	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	100%
		Email Response within 2 business days 90% of the time	Actual	Standard incident management targets	Standard incident management targets	Standard incident management targets	
	• Wired Network	Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Support services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Standard incident management targets	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
	• Email • Enterprise Fax	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Approved	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Standard incident management targets	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
	• Wired Network	Standard incident management targets.	Approved	Standard incident management targets	Standard incident management targets.	Standard incident management targets.	
		Service availability is 24/7/365 excluding scheduled maintenance and releases	Actual	Service Availability 24/7/365 with 99.99% up time	Service availability is 24/7/365 excluding scheduled maintenance and releases	Service availability is 24/7/365 excluding scheduled maintenance and releases	
	• Email • Enterprise Fax	99.99% Availability between 9:00am – 5:00pm on business days.	Approved	Service Availability 24/7/365 with 99.99% up time	99.99% Availability between 9:00am – 5:00pm on business days.	99.99% Availability between 9:00am – 5:00pm on business days.	
		*Availability time excludes scheduled maintenance.	Actual	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)	*Availability time excludes scheduled maintenance.	*Availability time excludes scheduled maintenance.	
• Email • Enterprise Fax	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Approved	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	100%	
	Email Response within 2 business days 90% of the time	Actual	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time		
• Email • Enterprise Fax	Standard incident management targets	Approved	Standard incident management targets	Standard incident management targets	Standard incident management targets		
	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)	Actual	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)	Service availability 24/7/365 with 98% up time (excluding scheduled maintenance)		

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Computing Infrastructure	Application Platforms	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets Service availability is 24/7/365 excluding scheduled maintenance and releases	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays) Standard incident management targets	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	100%
			Actual	Service availability is 24/7/365 excluding scheduled maintenance and releases	Service availability is 24/7/365 excluding scheduled maintenance and releases	Service availability is 24/7/365 excluding scheduled maintenance and releases	
	Server Computing Hardware	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 1 business day 90% of the time Standard incident management targets Service Availability 24/7/365 with 99.50% up time (excluding scheduled maintenance) On-site support 7:00am - 5:00pm on business days, with on-call support for off-hours.	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays) Standard incident management targets Service Availability 24/7/365 with 99% up time (excluding scheduled maintenance)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 1 business day 90% of the time Standard incident management targets Service Availability 24/7/365 with 99.50% up time (excluding scheduled maintenance)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 1 business day 90% of the time	100%
			Actual	On-site support 7:30am - 5:00pm on business days, with on-call support for off-hours.	On-site support 7:00am - 5:00pm on business days, with on-call support for off-hours.	On-site support 7:00am - 5:00pm on business days, with on-call support for off-hours.	
	Data Storage Platform	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets Service availability 24/7/365 with 99.50% up time	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays) Standard incident management targets	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	100%
			Actual	Service availability 24/7/365 with 99% up time.	Service availability 24/7/365 with 99.50% up time.	Service availability 24/7/365 with 99.50% up time.	
	Enterprise Printing & Peripherals	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets. Service Availability 24/7/365 with 99% up time	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays) Standard incident management targets.	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets.	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	100%
			Actual	Service Availability 24/7/365 with 99% up time	Service Availability 24/7/365 with 99% up time	Service Availability 24/7/365 with 99% up time	
	Client Computing Hardware	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time Standard incident management targets	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays). Email Response within 2 business days 90% of the time	100%
			Actual	Standard incident management targets	Standard incident management targets	Standard incident management targets	

In order to improve reporting, starting in 2018, service levels will now include target and actual measures. For the initial transition, the 2018 measures represents the percentage of time that the services described for the activity were provided. I&T, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Computer & Communications Technology Infrastructure**.

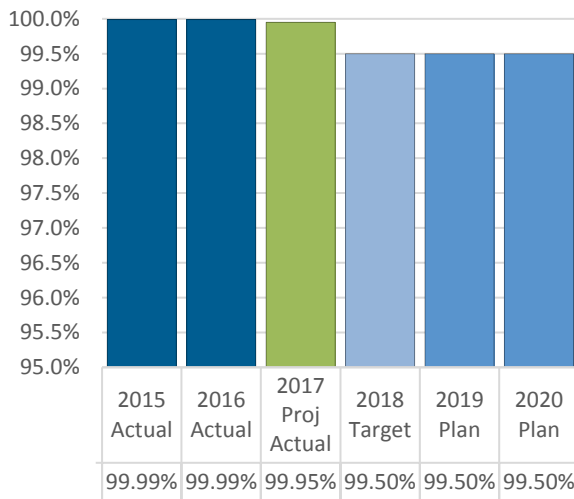
### Service Performance Measures

**Percent of Uptime of City Website  
Toronto.ca**



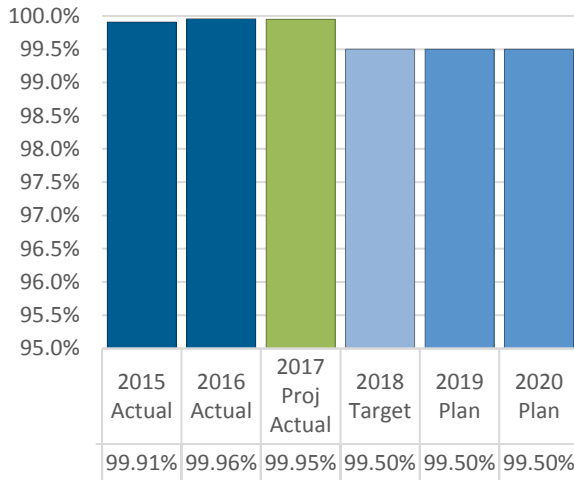
- Service level performance remains steady and within acceptable variance.
- Will sustain availability of Business Information and Application Resources infrastructure at 99.95% or better in 2018.
- Availability is expected to remain constant at the 99.95% levels due to pro-active planning, testing, and sustainment activities.

**Percent Availability of Telecom  
Infrastructure**



- Service level performance remains steady and within acceptable variance.
- Telecom infrastructure expected to sustain availability of 99.50% or better in 2018.
- Availability is expected to remain constant at the 99.50% levels due to pro-active planning, testing, and sustainment activities.

**Percent Availability of Enterprise Network**



- Service level performance remains steady and within acceptable variance.
- Enterprise network infrastructure expected to sustain availability of 99.50% or better in 2018.
- Availability is expected to remain constant at the 99.50% levels due to pro-active planning, testing, and sustainment activities

**Table 6  
2018 Preliminary Service Budget by Activity**

	2017		2018 Preliminary Operating Budget						2018 Prelim Budget vs. 2017 Budget		Incremental Change				
	Approved Budget	Projected Actual	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2017 Budget	% Change	New/Enhanced	Prelim Budget	2018 Prelim Budget vs. 2017 Budget	2019 Plan	2020 Plan	2019 Plan	2020 Plan	
(\$000s)	\$	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
<b>GROSS EXP.</b>															
Computing Infrastructure	30,441.9	27,089.2	31,003.4	(490.9)	30,512.5	70.6	0.2%		30,512.5	70.6	0.2%	405.9	1.3%	266.9	0.9%
Network & Telecommunications	13,278.6	11,816.2	14,025.1	(19.2)	14,005.9	727.3	5.5%		14,005.9	727.3	5.5%	201.7	1.4%	101.1	0.7%
<b>Total Gross Exp.</b>	<b>43,720.6</b>	<b>38,905.4</b>	<b>45,028.5</b>	<b>(510.1)</b>	<b>44,518.4</b>	<b>797.8</b>	<b>1.8%</b>		<b>44,518.4</b>	<b>797.8</b>	<b>1.8%</b>	<b>607.7</b>	<b>1.4%</b>	<b>368.0</b>	<b>0.8%</b>
<b>REVENUE</b>															
Computing Infrastructure	8,054.6	6,028.5	8,202.4	(98.9)	8,103.5	48.9	0.6%		8,103.5	48.9	0.6%	(668.0)	(8.2%)	(440.8)	(5.9%)
Network & Telecommunications	5,163.2	3,864.4	5,604.9		5,604.9	441.7	8.6%		5,604.9	441.7	8.6%	(61.8)	(1.1%)	(106.2)	(1.9%)
<b>Total Revenues</b>	<b>13,217.7</b>	<b>9,892.9</b>	<b>13,807.3</b>	<b>(98.9)</b>	<b>13,708.4</b>	<b>490.6</b>	<b>3.7%</b>		<b>13,708.4</b>	<b>490.6</b>	<b>3.7%</b>	<b>(729.8)</b>	<b>(5.3%)</b>	<b>(547.1)</b>	<b>(4.4%)</b>
<b>NET EXP.</b>															
Computing Infrastructure	22,387.4	21,060.7	22,801.0	(392.0)	22,409.0	21.7	0.1%		22,409.0	21.7	0.1%	1,073.9	4.8%	707.8	3.0%
Network & Telecommunications	8,115.5	7,951.8	8,420.2	(19.2)	8,401.0	285.5	3.5%		8,401.0	285.5	3.5%	263.5	3.1%	207.3	2.4%
<b>Total Net Exp.</b>	<b>30,502.8</b>	<b>29,012.5</b>	<b>31,221.2</b>	<b>(411.2)</b>	<b>30,810.0</b>	<b>307.2</b>	<b>1.0%</b>		<b>30,810.0</b>	<b>307.2</b>	<b>1.0%</b>	<b>1,337.4</b>	<b>4.3%</b>	<b>915.1</b>	<b>2.8%</b>
<b>Approved Positions</b>	<b>216.3</b>	<b>198.7</b>	<b>218.0</b>		<b>218.0</b>	<b>1.7</b>	<b>0.8%</b>		<b>218.0</b>	<b>1.7</b>	<b>0.8%</b>				

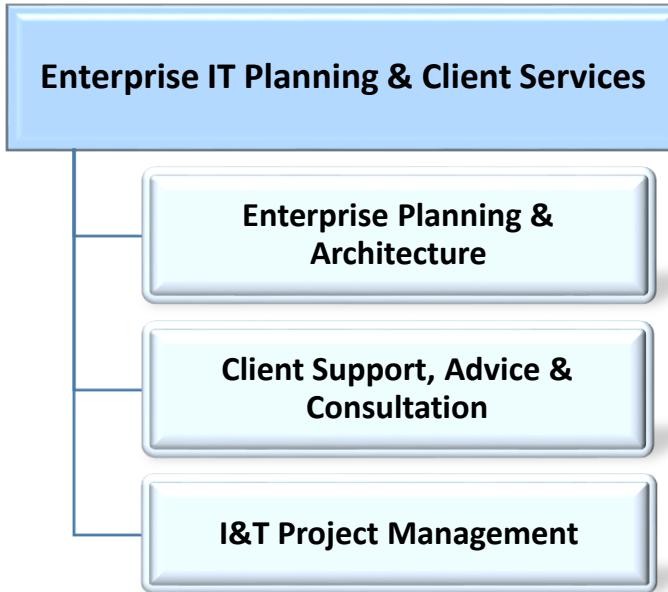
The **Computer and Communications Technology Infrastructure** Service provides technology platforms that interconnect systems, transfers/transmits data and information, and application software platforms that support business applications, business logic and data runtime components.

Computer and Communications Technology Infrastructure's 2018 Preliminary Operating Budget of \$44.518 million gross and \$30.810 million net is \$0.307 million or 1.0% over the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing an increase in net expenditures of \$0.980 million to sustain and support hardware and software costs as a result of the completion of capital projects, usage growth, license model changes, and price increase. An increase of \$0.082 million in salary and benefit costs is also required.
- In order to partially offset these pressures, the 2018 Preliminary Operating Budget includes an expenditure reduction arising from a line by line review of spending which reduces the base budget by \$0.355 million, hardware/software rationalization and reduced lease rates which reduces the base budget by \$0.411 million.
- The bridging strategy that defers Phase 3 funding for positions approved in the 2013 results in a \$0.306 million reduction to the base budget pressure for the Computer and Communications Technology Infrastructure service.

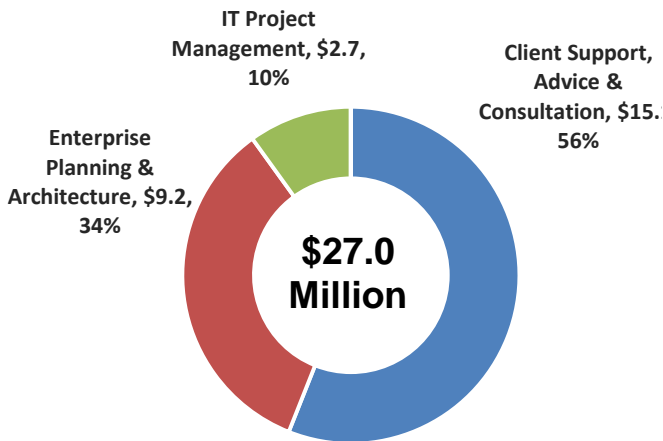
### Enterprise IT Planning & Client Services

### What We Do

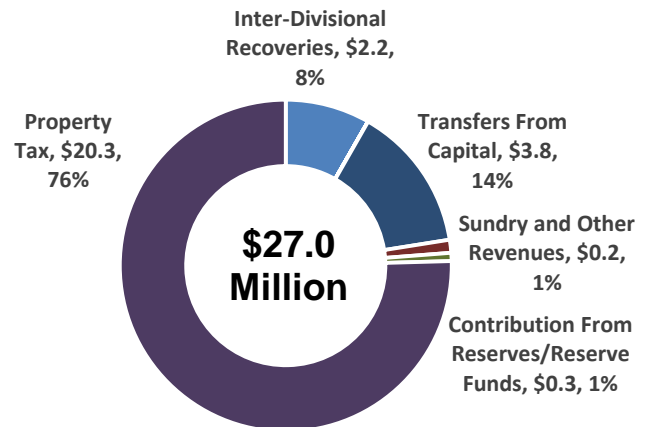


- Provides a range of services to support enterprise strategic planning, enterprise architecture blueprint, portfolio planning and optimization and lifecycle management of IT projects.
- Provides direct client support including client relationship management, client consultation and advice, service desk and IT training and education

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)





## 2018 Service Levels Enterprise IT Planning & Client Services

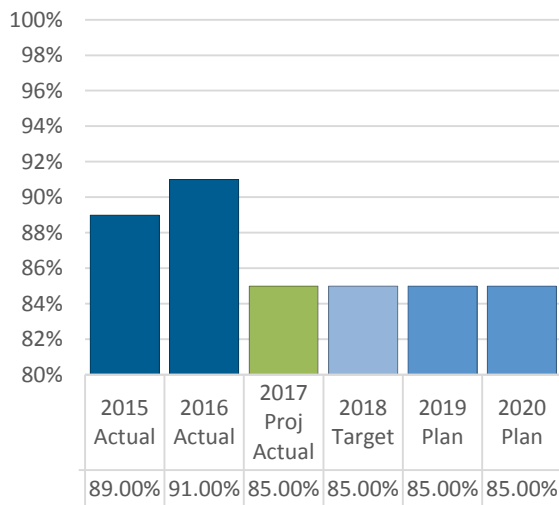
Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Enterprise Planning & Architecture		Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	100%
		Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan / In support of I&T services	Actual	Consultation or per agreed work plan / In support of I&T services	Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan / In support of I&T services	Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan / In support of I&T services	
Client Support, Advice & Consultation	Service Desk	Support is available from the Service Desk Mon-Fri 7:00a.m to 5:00 p.m . All other hours (evenings/overnight) and weekend/holidays, limited support is available. Response Targets: - Phone: 80% of Calls Answered within 1 minute - Voicemail: Response within 4 hours - E-Mail: Response within 48 hours  Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	Approved	Support is available from the Service Desk Mon-Fri 7:00a.m to 5:00 p.m and at all other hours (evenings/overnight) and weekend/holidays, calls are re-directed to Computer Operations. Response Targets: - Phone: 80% of Calls Answered within 1 minute - Voicemail: Response within 4 hours - E-Mail: Response within 48 hours  Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	Support is available from the Service Desk Mon-Fri 7:00a.m to 5:00 p.m . All other hours (evenings/overnight) and weekend/holidays, limited support is available. Response Targets: - Phone: 80% of Calls Answered within 1 minute - Voicemail: Response within 4 hours - E-Mail: Response within 48 hours  Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	Support is available from the Service Desk Mon-Fri 7:00a.m to 5:00 p.m . All other hours (evenings/overnight) and weekend/holidays, limited support is available. Response Targets: - Phone: 80% of Calls Answered within 1 minute - Voicemail: Response within 4 hours - E-Mail: Response within 48 hours  Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	100%
		Actual	Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	Actual	Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)	Actual	Desktop Management (Workstations, Peripherals, Software) Support available Mon-Fri 8:30 a.m. to 4:30 p.m. (excluding statutory holidays).  Both Service Desk and Desktop Management incidents are prioritized and resolved in accordance within standard Incident Management (IM) Targets.  Standard Incident Management Resolution Targets:  Priority 1: 2 business hours Priority 2: 8 business hours (1 day) Priority 3: 24 business hours (3 days) Priority 4: 48 business hours (6 days)
Business Process Analysis and Design		Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays).	100%
		Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan	Actual	Target response within 1 business day Consultation or per agreed work plan.	Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan	Email Response within 2 business days 90% of the time.  Consultation or per agreed work plan	
Client Relationship Management		Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time  Escalations within 1 business day 90% of the time  Consultation or per agreed work plan	Actual	Escalations within 1 business day 90% of the time  Consultation or per agreed work plan	Email Response within 2 business days 90% of the time  Escalations within 1 business day 90% of the time  Consultation or per agreed work plan	Email Response within 2 business days 90% of the time  Escalations within 1 business day 90% of the time  Consultation or per agreed work plan	
Business Requirement Analysis Business Case Co-ordination IT Consultation & Facilitation		Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Target response within 1 business day Consultation or per agreed work plan	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Client Support, Advice & Consultation	Service Level Management	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Target response within 1 business day Consultation or per agreed work plan	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	
	IT Contract Management	Support Services provided during core business hours, Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	Approved	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays)	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	Core business hours are Monday to Friday 8:30am – 4:30pm (excluding statutory holidays).	100%
		Email Response within 2 business days 90% of the time.	Actual	Consultation or per agreed work plan / In support of I&T services	Email Response within 2 business days 90% of the time.	Email Response within 2 business days 90% of the time.	
	IT Training & Education	Core business hours: Monday – Friday 8:30am – 4:30pm (excluding weekends and holidays)	Approved	Core business hours: Monday – Friday 8:30am – 4:30pm (excluding weekends and holidays)	Core business hours: Monday – Friday 8:30am – 4:30pm (excluding weekends and holidays)	Core business hours: Monday – Friday 8:30am – 4:30pm (excluding weekends and holidays)	100%
		Email Response within 2 business days 90% of the time  Per agreed work plan / schedule 99.00% Availability between 8:30am - 4:30pm	Actual	Per agreed work plan / schedule 99.00% Availability between 8:30am - 4:30pm	Email Response within 2 business days 90% of the time  Per agreed work plan / schedule 99.00% Availability between 8:30am - 4:30pm	Email Response within 2 business days 90% of the time  Per agreed work plan / schedule 99.00% Availability between 8:30am - 4:30pm	
IT Project Management	<ul style="list-style-type: none"> <li>IT Project Management Services</li> <li>IT Project Management Expertise &amp; Support</li> <li>IT Project Management Methodologies and Tools</li> </ul>	Support Services provided during core business hours, Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Approved	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	Core business hours are Monday to Friday 9:00am – 5:00pm (excluding statutory holidays)	100%
		Email Response within 2 business days 90% of the time	Actual	Consultation or per agreed work plan / In support of I&T services	Email Response within 2 business days 90% of the time	Email Response within 2 business days 90% of the time	

In order to improve reporting, starting in 2018, service levels will now include target and actual measures. For the initial transition, the 2018 measures represents the percentage of time that the services described for the activity were provided. I&T, with support from FPD, will review the service level measures each year as part of the annual Operating Budget process. Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for **Enterprise IT Planning & Client Services**.

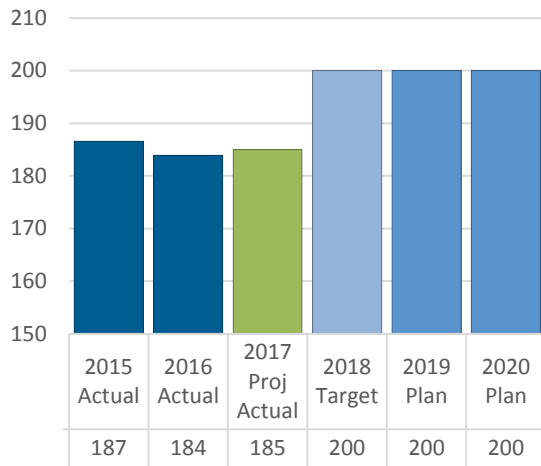
### Service Performance Measures

Client Satisfaction with IT Service Desk



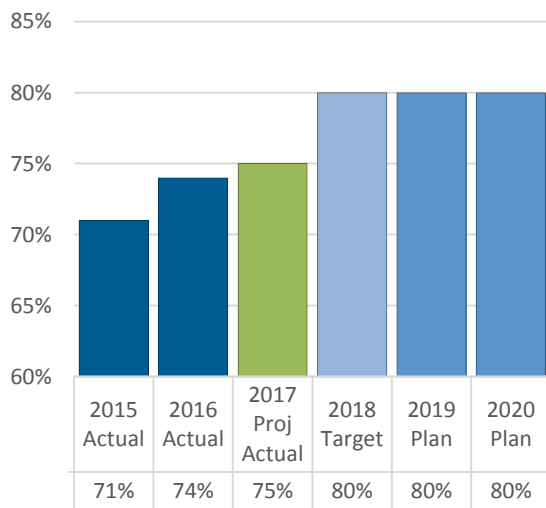
- Service level performance remains steady and within acceptable variance.
- Client Satisfaction with IT Service Desk expected to reach 85.00% or better in 2018.
- Client Satisfaction with IT Service Desk expected to remain constant at the 85.00% levels due to pro-active planning and training of staff, and developing reference materials for users where applicable.

**Total Number of Calls, Emails, and Self Service Requests to IT Service Desk (000s)**



- The IT Service Desk has seen a steady increase in calls, emails and self-service request as more services and applications are being introduced to meet Divisional user needs
- The volume of calls, emails and self-service requests is expected to remain constant as due to the wide nature of reasons users interact with the IT Service Desk, for example password resets, access, and troubleshooting issues.

**Percentage of Calls Answered in 60 Seconds**



- The percentage of calls answered in 60 seconds by Service Desk has steadily increased since 2015.
- The 2015 target was not met as there was a sudden increase in the total number of calls, emails and self service requests to the IT Service Desk between 2014 and 2015.
- Since 2015, the capacity in the IT Service Desk has increased to improve on past levels of service.

**Table 6**  
**2018 Preliminary Service Budget by Activity**

(\$000s)	2017		2018 Preliminary Operating Budget							Incremental Change						
	Approved Budget	Projected Actual	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2017 Budget	% Change	New/Enhanced	Prelim Budget	2018 Prelim Budget vs. 2017 Budget		2019 Plan		2020 Plan		
										\$	%	\$	%	\$	%	\$
<b>GROSS EXP.</b>																
Client Support, Advice & Consultation	14,865.2	13,228.0	15,100.6		15,100.6	235.4	1.6%		15,100.6	235.4	1.6%	344.6	2.3%	271.9	1.8%	
Enterprise Planning & Architecture	8,953.5	7,967.4	9,229.8	(51.7)	9,178.2	224.6	2.5%		9,178.2	224.6	2.5%	235.5	2.6%	223.8	2.4%	
IT Project Management	3,063.8	2,726.3	2,680.5		2,680.5	(383.2)	(12.5%)		2,680.5	(383.2)	(12.5%)	68.4	2.6%	74.8	2.7%	
<b>Total Gross Exp.</b>	<b>26,882.5</b>	<b>23,921.8</b>	<b>27,011.0</b>	<b>(51.7)</b>	<b>26,959.3</b>	<b>76.8</b>	<b>0.3%</b>		<b>26,959.3</b>	<b>76.8</b>	<b>0.3%</b>	<b>648.5</b>	<b>2.4%</b>	<b>570.5</b>	<b>2.0%</b>	
<b>REVENUE</b>																
Client Support, Advice & Consultation	1,662.2	1,244.1	2,628.5		2,628.5	966.4	58.1%		2,628.5	966.4	58.1%	(1,005.3)	(38.2%)	(376.6)	(23.2%)	
Enterprise Planning & Architecture	2,703.0	2,023.1	2,017.2		2,017.2	(685.7)	(25.4%)		2,017.2	(685.7)	(25.4%)	131.1	6.5%	(248.4)	(11.6%)	
IT Project Management	2,006.7	1,501.9	1,975.4		1,975.4	(31.3)	(1.6%)		1,975.4	(31.3)	(1.6%)	15.7	0.8%			
<b>Total Revenues</b>	<b>6,371.9</b>	<b>4,769.0</b>	<b>6,621.2</b>		<b>6,621.2</b>	<b>249.3</b>	<b>3.9%</b>		<b>6,621.2</b>	<b>249.3</b>	<b>3.9%</b>	<b>(858.5)</b>	<b>(13.0%)</b>	<b>(625.0)</b>	<b>(12.2%)</b>	
<b>NET EXP.</b>																
Client Support, Advice & Consultation	13,203.0	11,983.9	12,472.1		12,472.1	(730.9)	(5.5%)		12,472.1	(730.9)	(5.5%)	1,350.0	10.8%	648.5	4.7%	
Enterprise Planning & Architecture	6,250.6	5,944.4	7,212.6	(51.7)	7,160.9	910.4	14.6%		7,160.9	910.4	14.6%	104.4	1.5%	472.2	6.5%	
IT Project Management	1,057.1	1,224.4	705.1		705.1	(351.9)	(33.3%)		705.1	(351.9)	(33.3%)	52.6	7.5%	74.8	9.9%	
<b>Total Net Exp.</b>	<b>20,510.6</b>	<b>19,152.7</b>	<b>20,389.8</b>	<b>(51.7)</b>	<b>20,338.1</b>	<b>(172.5)</b>	<b>(0.8%)</b>		<b>20,338.1</b>	<b>(172.5)</b>	<b>(0.8%)</b>	<b>1,507.0</b>	<b>7.4%</b>	<b>1,195.5</b>	<b>5.2%</b>	
Approved Positions	212.3	190.0	210.5		210.5	(1.8)	(0.9%)		210.5	(1.8)	(0.9%)	0.2	0.1%			

**Enterprise IT Planning & Client Services** provides a range of services to support enterprise strategic planning, enterprise architecture blueprint, portfolio planning and optimization and lifecycle management of IT projects.

Enterprise IT Planning & Client's 2018 Preliminary Operating Budget of \$26.959 million gross and \$20.338 million net is \$0.173 million or 0.8% under the 2017 Approved Net Budget.

- Base budget pressures are primarily attributable to increases of \$0.521 million for staff salaries.
- The 2018 Preliminary Operating Budget includes a line by line review of spending which reduces the base budget by \$0.048 million, and hardware/software rationalization of \$0.052 million.
- The bridging strategy that defers Phase 3 funding for positions approved in the 2013 results in a \$0.693 million reduction to the base budget pressure for the Enterprise IT Planning & Client service.



# Part 3

## Issues for Discussion

## Issues Impacting the 2018 Budget

### ***Budget Target***

- At its meeting on May 25, 2017, the "2018 Budget Process: Budget Directions and Schedule" staff report (EX25.18) was submitted for consideration and adopted by City Council regarding the establishment of the 2018 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2018 Operating Budget and 2018-2027 Capital Budget and Plan for the City of Toronto. (<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-103740.pdf>)
- City Council adopted an across the board budget reduction target of 0.0% net of the 2017 Approved Net Operating Budgets for all City Programs and Agencies utilizing strategies including but not limited to controlling expenditures through cost saving measures, and exploring all services for efficiency savings including opportunities from business process reengineering, streamlining, transformation and innovation to service delivery.
- The Information & Technology's 2018 Operating Budget is \$130.365 million gross and \$76.423 million net representing a 1.5% increase from the 2017 Approved Net Operating Budget. This increase is \$1.114 million net or 1.5% above the budget reduction target of 0%, as set out in the 2018 Operating Budget Directions approved by Council for all City Programs, Agencies and Accountability Offices.
- Any further reductions would severely impair the City's business and data intelligence capacity, the productivity of technology users of mobile devices and desktop computers City-wide and also impact the City's initiatives to leverage Cloud technology.

## Issues Impacting Future Years

The IT Portfolio Integrated Plan of programs and projects is annually reviewed through the City's IT Governance process to ensure IT foundation technologies are in place to meet the growing business needs and demand for technology from City Programs. The 2018 IT Portfolio Integrated Plan was approved by the City's Business Executive Committee in September 2017. To ensure continuous service excellence and effective delivery of public facing programs and services, the following key issues will impact IT Operating Budget in future years:

### ***Funding of Approved Positions***

- The bridging strategy used to defer Phase 3 of the 4-year phase plan approved in 2013 to transfer funding of permanent positions for ongoing capital delivery to the base operating budget over 4 years to 2019 requires that these costs be funded by the IT sustainment reserve in 2018, thereby reducing the adequacy of the reserve which is currently experiencing increased pressures due to growing demands for I&T solutions, as discussed further below.
- Although the bridging strategy addresses some of I&T's base operating budget pressures in 2018, these pressures must eventually be addressed in future years.

### ***Integrated Service Delivery***

- Focus on Digital Enablement, Short and Long Term Priorities: There is significant demand to deliver technology solutions to meet City Program and Service needs and meet the customer service expectations of the digital citizen, business and visitor.
  - The City as a digital government is moving towards integrated technology solutions that will share functionality and meet multiple needs across business units and at the enterprise level to optimize investments and to be more agile to meet evolving and changing needs

- Ensuring solutions fit in both the short and long-term with a corporate view of priorities is critical to successful service and project delivery and balancing divisional and enterprise demands requires a strategic approach.
- As part of the IT Portfolio planning process, quantification of business benefits in business case development, project plan and project implementation is also required as part of the framework to capture, realize and report the benefits.
- Adjust risk appetite/policies to drive innovation: The City recognizes that certain practices such as City procurement policies have inhibited vendor engagement with the City impacting potential innovation and solutions the City can achieve.
  - Healthy partnerships with the Information and Communications Technology (ICT) industry and vendors are vital to successful IT service delivery at the City as they play a significant role in City solutions and systems.
  - Active engagement within the City and with the ICT industry has started in partnership between Information and Technology, Purchasing and Materials Management and Legal Services. This engagement needs to continue to modernize policies to drive innovation, manage risk in a balanced manner, and introduce more opportunities to engage in planning and piloting solutions with a focus to drive partnership opportunities and speed to delivery
  - The City will continue to look at innovative procurement opportunities in 2018 to drive forward potential opportunities to realize value in initiatives and associated efficiencies.

### ***Ability to Sustain Business Solutions (or Operating Impact of Capital)***

- As new or enhanced technology solutions are put in place to meet growing demands from City Programs, there is an increased need to sustain these applications once completed through projects. New or enhanced business solutions are bringing value in service delivery and efficiencies are generally being realized in the divisions and not directly in Information and Technology. The efficiencies realized are not being applied to the technology sustainment costs adding pressure in Information & Technology to manage.
- I&T continues to absorb these pressures both within its base budget and by re-assigning resources working on capital projects to provide sustainment support.
- Processes need to be reviewed to ensure operating impacts for new or enhanced technology solutions are funded by beneficiary client Programs or funded through efficiencies as the current approach introduces significant risk to sustain and manage IT solutions corporately..
- I&T is unable to continue to absorb these operational sustainment support and maintenance pressures in the current fiscal climate, especially since the vacancy rate is declining significantly and options for gapping are very limited.
- The Program will implement the following steps to provide sustainable funding for incremental operating impacts from capital projects:
  - Identify benefits from IT capital investments through the IT governance structure and establish an approach to enable I&T to utilize financial benefits to fund the incremental costs and work with the Financial Planning Division to ensure that benefits realized flow to primarily sustain the new capital investment and contribute to the I&T Sustainment Reserve.



**Organizational Readiness**

- The Program will maintain a focus on City-wide transformation and required capacity to meet growing demands to enable innovative service delivery solutions.
- The Program will continue to place emphasis on organizational capacity, business readiness and people Change Management. This will ensure the development and acquisition of skilled and capable talent to deliver business technology capabilities that enable City services.

**Funding Model for Cloud Solutions**

- *Preparing for the Shift to Operating from Capital to Operating Costs:*
  - The delivery of I&T solutions is steadily moving to new enterprise-wide Cloud-based solutions through subscriptions vs. traditional on premise licensing models. These Cloud solutions require little to no up-front capital costs.
  - The sustainment costs for these investments (licenses, maintenance and support costs) have primarily flowed through the I&T Operating Budget while the benefits derived are primarily being realized by the Operating Divisions. These factors are eroding I&T's sustainment capacity and ability to absorb incremental and growing costs of technology implementation.
  - As the costs associated with Cloud-based solutions will be funded by the operating budget, the City needs to establish a new funding model for Cloud services.
  - The Business Executive Committee has approved a framework that utilizes a Non-Program budget during an initial period of the subscription services to allow time for Divisions to realize benefits. As benefits are realized, the Divisional operating budgets will be adjusted accordingly to sustain the funding on an equitable basis.
  - The funding model focuses on supporting corporate strategic modernization objectives and helps address Divisions' budget constraints during the benefit realization period.
  - The Cloud funding framework will produce the following results:
    - Reduced financial pressure on Capital funds;
    - Opportunity to leverage Cloud-based technology through the application lifecycle and renewal process to meet current/future business needs across the corporation; and
    - Enables City to achieve strategic goals;



# Appendices

## Appendix 1 2017 Service Performance

### Key Service Accomplishments

In 2017, Information & Technology made significant progress and/or accomplished the following:

- ✓ Municipal Licensing digital transformation and innovation by implementing an end to end digital process for over 60,000 Vehicle for Hire licenses since 2016 supporting the ride sharing economy, providing modernized service delivery and operational efficiencies.
- ✓ Implemented numerous City website [www.toronto.ca](http://www.toronto.ca) enhancements for over 16,000,000+ visitors annually, improving public access to City services.
- ✓ Enhanced the Online Citizen experience improving access to Solid Waste Management Services to help residents and business determine how to sort and properly dispose of their unwanted items.
- ✓ Winter road Maintenance Online Map now allows residents to see when Toronto roads have been cleared and de-iced to support effective commuting.
- ✓ MyWaterToronto allows residents to view their household water usage online by day, week, month or year, helping foster water conservation.
- ✓ RentSafeTO helps inform the public and prospective tenants on information concerning a building maintenance and upkeep.
- ✓ Automated data entry to the Fleet Fuel Management System used by the City and Agencies thereby increasing accuracy, reliability of data saving 1,820 person hours and approximately \$388,000.
- ✓ Supported the Permit Parking Renewal process for Transportation Services for 53,000 citizens to renew over \$105,000 permits annually, generating over \$9.0 million in revenue.
- ✓ Expanded Open Data for the City to 246 datasets and 1,108 published providing greater accessibility and transparency to citizens.
- ✓ Responded to 186,000 IT service desk calls annually.
- ✓ Resolved 37,000+ application requests and 1,300+ changes for over 850 City applications.
- ✓ Developed new Open Data Portal (in Beta) that will fundamentally improve and transform how citizens engage and visualize data.
- ✓ Launched a new Online Tax & Water Certificate service that is available 24/7 and allows clients to obtain a certificate within 30 minutes (as compared to the previous time of 5 days).
- ✓ Enhanced MLS Licensing System to automate Council-ordered refunds for 1000+ licensees, accept digitized documents in Licensing Mobile App and enable multi-offence long-form to summon from the system.
- ✓ Refreshed IT equipment across the City as part of life cycle management including 2,200 desktops/notebooks/tablets, 162 servers, 411 printers, 4,774 monitors, and upgraded 103 network devices.
- ✓ Provided business application infrastructure (security, the internet, database, servers, and storage) for over 850 applications City-wide including many 7/24/365 requirements.
- ✓ The I&T Division has also been the recipient of two Municipal Information Systems Association Awards, one Digital Transformation Award, one Open Cities Index Aware and two City Manager Awards.

## Appendix 2

### 2018 Preliminary Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

Category of Expense (\$000's)	2015	2016	2017	2017	2018	2018 Change from		Plan	
	Actual	Actual	Budget	Projected	Preliminary	2017 Approved		2019	2020
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries And Benefits	77,223.0	81,695.9	99,944.8	85,094.5	101,259.0	1,314.2	1.3%	103,696.7	105,521.6
Materials & Supplies	55.1	47.8	50.8	46.7	49.3	(1.5)	(2.9%)	49.3	49.3
Equipment	560.9	1,554.9	866.9	1,021.0	831.1	(35.7)	(4.1%)	831.1	831.1
Service And Rent	25,088.8	25,608.5	26,947.2	26,925.7	27,609.6	662.4	2.5%	27,735.3	27,737.8
Contribution To Reserves/Reserve Funds	126.6	126.6	138.8	133.7	138.8			138.8	138.8
Other Expenditures	1.0	10.8	0.4		0.4			0.4	0.4
Inter-Divisional Charges	1,226.7	1,009.8	486.3	1,068.4	476.5	(9.8)	(2.0%)	488.0	499.9
<b>Total Gross Expenditures</b>	<b>104,282.2</b>	<b>110,054.3</b>	<b>128,435.2</b>	<b>114,289.9</b>	<b>130,364.8</b>	<b>1,929.6</b>	<b>1.5%</b>	<b>132,939.7</b>	<b>134,779.0</b>
Inter-Divisional Recoveries	13,972.9	13,944.0	15,044.9	14,192.3	16,218.2	1,173.3	7.8%	16,622.1	16,703.3
User Fees & Donations	251.0	301.3	342.6	236.2	223.5	(119.1)	(34.8%)	215.5	207.8
Transfers From Capital	15,876.9	18,820.5	32,228.8	21,157.8	32,082.8	(146.1)	(0.5%)	30,167.3	28,499.4
Contribution From Reserves/Reserve Funds	1,895.8	2,562.6	4,768.0	3,855.8	4,782.8	14.8	0.3%	4,782.8	4,782.8
Sundry and Other Revenues	161.0	639.4	741.3	320.0	634.3	(107.1)	(14.4%)	634.3	634.3
<b>Total Revenues</b>	<b>32,157.6</b>	<b>36,267.8</b>	<b>53,125.7</b>	<b>39,762.1</b>	<b>53,941.5</b>	<b>815.8</b>	<b>1.5%</b>	<b>52,421.9</b>	<b>50,827.5</b>
<b>Total Net Expenditures</b>	<b>72,124.5</b>	<b>73,786.5</b>	<b>75,309.5</b>	<b>74,527.8</b>	<b>76,423.3</b>	<b>1,113.8</b>	<b>1.5%</b>	<b>80,517.9</b>	<b>83,951.5</b>
<b>Approved Positions</b>	<b>679.0</b>	<b>707.0</b>	<b>851.0</b>	<b>728.0</b>	<b>850.0</b>	<b>(1.0)</b>	<b>(0.1%)</b>	<b>851.0</b>	<b>851.0</b>

\* Based on the 9-month Operating Variance Report

For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017" considered by City Council at its meeting on November 28, 2017.

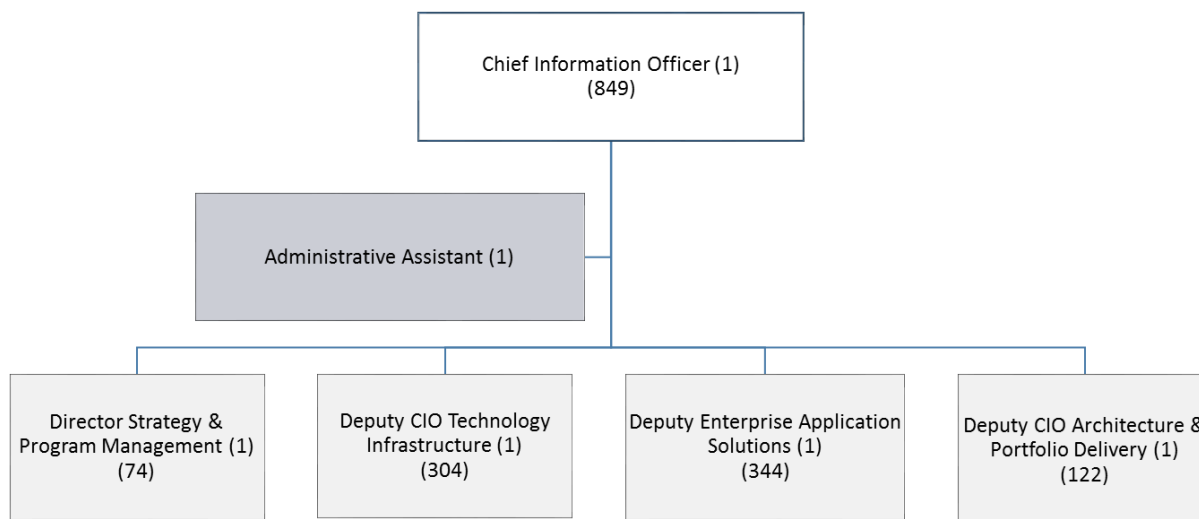
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

#### Impact of 2017 Operating Variance on the 2018 Preliminary Operating Budget

- As the projected savings in 2017 are primarily non-recurring due to delays in filling vacant positions, the 2017 Operating Variance has no impact on the 2018 Preliminary Operating Budget.

## Appendix 3

### 2018 Organization Chart



### 2018 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	5.0	121.0	111.0	391.0	628.0
	Temporary			1.0	1.0	2.0
	<b>Total Operating</b>	5.0	121.0	112.0	392.0	630.0
Capital	Permanent		2.0		17.0	19.0
	Temporary		5.0	107.0	89.0	201.0
	<b>Total Capital</b>	-	7.0	107.0	106.0	220.0
<b>Grand Total</b>		<b>5.0</b>	<b>128.0</b>	<b>219.0</b>	<b>498.0</b>	<b>850.0</b>

**Appendix 4**  
**Summary of 2018 Service Changes**

## 2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Internal Corporate Services  Program - Information & Technology	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
<b>2018 Preliminary Base Budget Before Service Changes:</b>			130,926.6	54,040.4	76,886.2	850.00	4,094.6	3,433.7

14753	HW & SW Rationalization
-------	-------------------------

51	No Impact
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**Description:**

Reduced \$213.8k on various hardware/software maintenance and professional services contracts due to cost efficiencies realised from implementing improved technology solutions and rationalization of software solutions. For example, switching intrusion detection managed services to a lower cost solution, moving servers to more cost efficient platform or into cloud infrastructure services, and implementing internal Certificate Authority to replace procurement of digital certificates from vendors for secure remote access.

**Service Level Impact:**

No changes in current & future service level/standard

**Equity Statement:**

There are no equity impacts.

**Service:** IT-Computer & Communications Technology Infrastructure

Preliminary Service Changes:	(162.2)	0.0	(162.2)	0.00	0.0	0.0
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**Service:** IT-Enterprise IT Planning & Client Services

Preliminary Service Changes:	(51.7)	0.0	(51.7)	0.00	0.0	0.0
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<b>Total Preliminary Service Changes:</b>	<b>(213.9)</b>	<b>0.0</b>	<b>(213.9)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
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14755	Contract Negotiation
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51	No Impact
----	-----------

**Description:**

Reduced \$248.9k on software/hardware maintenance support costs and rental operating costs by negotiating lower prices through effective contract negotiations.

**Service Level Impact:**

No changes in current & future service level/standard

**Equity Statement:**

There are no equity impacts.

**2018 Operating Budget - Preliminary Service Changes  
Summary by Service (\$000's)**

Form ID		Internal Corporate Services Program - Information & Technology	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Service:</b> IT-Computer & Communications Technology Infrastructure						
		Preliminary Service Changes:	(347.9)	(98.9)	(249.0)	0.00	0.0	0.0
		<b>Total Preliminary Service Changes:</b>	<b>(347.9)</b>	<b>(98.9)</b>	<b>(249.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
<b>Summary:</b>								
		<b>Total Preliminary Service Changes:</b>	<b>(561.8)</b>	<b>(98.9)</b>	<b>(462.9)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Preliminary Base Budget:</b>	<b>130,364.8</b>	<b>53,941.5</b>	<b>76,423.3</b>	<b>850.00</b>	<b>4,094.6</b>	<b>3,433.7</b>



## Appendix 6

### Inflows/Outflows to/from Reserves & Reserve Funds

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>			15,505.0	11,022.2	6,539.5
IT Equipment Reserve	XQ1508	15,505.0			
<i>Proposed Withdrawals (-)</i>			(4,482.8)	(4,482.8)	(4,482.8)
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		15,505.0	11,022.2	6,539.5	2,056.7
<b>Balance at Year-End</b>		15,505.0	11,022.2	6,539.5	2,056.7

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>			52.6	62.8	73.0
Vehicles Reserve Fund	XQ1509	52.6			
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			10.2	10.2	10.2
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		52.6	62.8	73.0	83.2
<b>Balance at Year-End</b>		52.6	62.8	73.0	83.2

\* Based on 9-month 2017 Reserve Fund Variance Report

## Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>			40,414.2	40,414.2	40,414.2
Tax Rate Stabilization Reserve	XQ0703	40,414.2			
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		40,414.2	40,414.2	40,414.2	40,414.2
<b>Balance at Year-End</b>		40,414.2	40,414.2	40,414.2	40,414.2

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>			25,981.1	26,109.7	26,238.4
Insurance Reserve	XR1010	25,981.1			
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			128.6	128.6	128.6
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		25,981.1	26,109.7	26,238.4	26,367.0
<b>Balance at Year-End</b>		25,981.1	26,109.7	26,238.4	26,367.0

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
		\$	\$	\$	\$
<b>Projected Beginning Balance</b>			357,239.0	356,939.0	356,639.0
Capital Financing Reserve	XQ0011	357,239.0			
<i>Proposed Withdrawals (-)</i>			(300.0)	(300.0)	(300.0)
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		357,239.0	356,939.0	356,639.0	356,339.0
<b>Balance at Year-End</b>		357,239.0	356,939.0	356,639.0	356,339.0

\* Based on 9-month 2017 Reserve Fund Variance Report

## Appendix 7a

## User Fees Adjusted for Inflation and Other

Rate Description	Service	Fee Category	Fee Basis	2017	2018			2019	2020
				Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
Property data map (1:4,000)	Information & Technology	Full Cost Recovery	Map	\$4.55	\$0.10		\$4.65	\$4.76	\$4.86
Paper index map illustrating the boundaries of the PDM maps	Information & Technology	Full Cost Recovery	Map	\$28.39	\$0.60		\$28.99	\$29.66	\$30.31
Property data map (1:2,000)	Information & Technology	Full Cost Recovery	Map	\$6.80	\$0.14		\$6.94	\$7.10	\$7.26
Municipal map book-1:4,000	Information & Technology	Full Cost Recovery	Book	\$45.44	\$0.95		\$46.39	\$47.46	\$48.50
Municipal map book set - 1:4,000	Information & Technology	Full Cost Recovery	Map	\$159.03	\$3.34		\$162.37	\$166.10	\$169.75
Set of four property data map district book -1:2,000	Information & Technology	Full Cost Recovery	Map	\$1,476.54	\$31.01		\$1,507.55	\$1,542.22	\$1,576.15
Electronic pdf municipal map book set	Information & Technology	Full Cost Recovery	Map	\$159.03	\$3.34		\$162.37	\$166.10	\$169.75
Community council boundaries & electoral wards map - 11"x17"	Information & Technology	Full Cost Recovery	Map	\$11.35	\$0.24		\$11.59	\$11.86	\$12.12
Community council boundaries & electoral wards maps - 24"x36"	Information & Technology	Full Cost Recovery	Map	\$17.04	\$0.36		\$17.40	\$17.80	\$18.19
Community council boundaries & electoral wards map - 36"x70"	Information & Technology	Full Cost Recovery	Map	\$28.39	\$0.60		\$28.99	\$29.66	\$30.31
36"x60" Paper or PDF map at 1:30,000 scale or provide non-ge	Information & Technology	Full Cost Recovery	Map	\$28.39	\$0.60		\$28.99	\$29.66	\$30.31
Provide paper or electronic PDF Ward maps - 36"x26"	Information & Technology	Full Cost Recovery	Map	\$6.80	\$0.14		\$6.94	\$7.10	\$7.26
Provide paper or electronic PDF Ward maps - 11"x17".	Information & Technology	Full Cost Recovery	Map	\$5.67	\$0.12		\$5.79	\$5.92	\$6.05
Aerial photo enlargement (letter sized)	Information & Technology	Full Cost Recovery	Print	\$5.67	\$0.12		\$5.79	\$5.92	\$6.05
Aerial photo enlargement - 11"x17"	Information & Technology	Full Cost Recovery	Print	\$7.96	\$0.17		\$8.13	\$8.32	\$8.50
Electronic property data maps	Information & Technology	Full Cost Recovery	Map	\$113.59	\$2.39		\$115.98	\$118.65	\$121.26
ESM topographic mapping ( electronic CAD).	Information & Technology	Full Cost Recovery	Sq Km.	\$340.73	\$7.16		\$347.89	\$355.89	\$363.72
Digital terrain model, full resolution electronic maps.	Information & Technology	Full Cost Recovery	Sq Km.	\$283.95	\$5.96		\$289.91	\$296.58	\$303.10
Parcel mapping (electronic )	Information & Technology	Full Cost Recovery	Sq Km.	\$136.30	\$2.86		\$139.16	\$142.36	\$145.49
Orthoimage 0.075m resolution quad tiles (electronic)	Information & Technology	Full Cost Recovery	Image Tile	\$28.39	\$0.60		\$28.99	\$29.66	\$30.31
Orthoimages 0.30 resolution electronic maps.	Information & Technology	Full Cost Recovery	Image Tile	\$56.79	\$1.19		\$57.98	\$59.31	\$60.61
Electronic images of 2003 aerial photos (black & white 1:6,0	Information & Technology	Full Cost Recovery	Image Tile	\$17.04	\$0.36		\$17.40	\$17.80	\$18.19
Create enterprise stereoscopic electronic models DVP - 2003	Information & Technology	Full Cost Recovery	Transaction	\$56.79	\$1.19		\$57.98	\$59.31	\$60.61
Ravine Ward Map 11"x17" PDF or Paper drawing	Information & Technology	Full Cost Recovery	Map	\$11.35	\$0.24		\$11.59	\$11.86	\$12.12
Ravine By-Law Maps 11"x17" PDF or Paper drawing	Information & Technology	Full Cost Recovery	Map	\$4.54	\$0.10		\$4.64	\$4.75	\$4.85
Provides Digital or Paper drawing	Information & Technology	Full Cost Recovery	Case	\$73.82	\$1.55		\$75.37	\$77.10	\$78.80
Archival former Toronto topographic map, 1985	Information & Technology	Full Cost Recovery	Map	\$6.80	\$0.14		\$6.94	\$7.10	\$7.26
Electoral Ward Boundaries (Paper or PDF)	Information & Technology	Full Cost Recovery	Map	\$28.39	\$0.60		\$28.99	\$29.66	\$30.31
File formats - ESRI Shape File, DGN, DWG, DXF (per dataset)	Information & Technology	Full Cost Recovery	Set	\$1,476.54	\$31.01		\$1,507.55	\$1,542.22	\$1,576.15
File formats - ESRI Shape File, DGN, DWG, DXF (per feature)	Information & Technology	Full Cost Recovery	Transaction	\$369.14	\$7.75		\$376.89	\$385.56	\$394.04
The District Maps cover one City of Toronto District Service	Information & Technology	Full Cost Recovery	Map	\$17.04	\$0.36		\$17.40	\$17.80	\$18.19
PDM set, Street Centreline TCL, Terrain Model & Orthoimagery	Information & Technology	Full Cost Recovery	Package	\$2,271.59	\$47.70		\$2,319.29	\$2,372.63	\$2,424.83