2024-2027 Service Based Budget Overview

Innovation, Transformation and Technology – Presentation to Executive Policy Committee

March 12, 2024



Photo: Mike Peters, courtesy Tourism Winnipeg

Agenda

1. Performance Reporting

2. Budget and Strategic Priorities Action Plan Alignment

3. Budget Highlights and Overview

4. Service Based:
    a. Operating Budget
    b. Capital Budget
    c. Reserve Projections

5. Questions

Performance Reporting – Innovation, Transformation, and Technology

Description

The Innovation, Transformation, and Technology service enables City service delivery through the use of responsive innovation and technology services. In addition, the service facilitates digital service delivery through coordination of continuous improvement and innovation programming, and management of the City's information and technology assets. This service enables creation of a quality customer and employee experience through systemic, sustainable, and value-driven change for City services, processes, information, and technologies.

The key service is innovation and technology.

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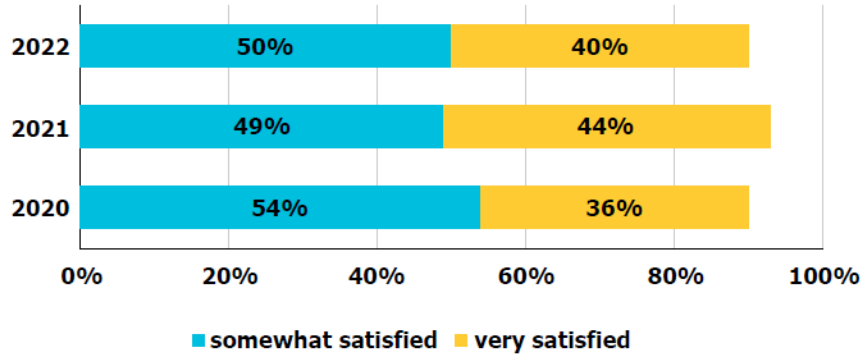
Leadership and Good Governance (*LG*)

Performance Reporting

Service Goal / Measure Description	2021 Actual	2022 Actual	2022 Target	2023 Target	2024 Target
Goal 1: Communicate service outcomes and activity to the public with transparency, accuracy, and timeliness in support of our commitment to open government					
Number of visitor sessions to municipal website per capita	11.98	13.34	12.00	12.20	13.40
Goal 2: Collaborate across the City and with partners to maintain high satisfaction with innovation and technology services					
City Departments' satisfaction with Innovation & Technology services	0.93	0.90	0.94	0.95	0.95
Goal 3: Manage information and technology risks to maintain and create public value through the services the City provides					
Infrastructure condition	B-	B-	B-	B-	B-

Effectiveness Measurement

City Department's Satisfaction with Services (2022)



	2018	2019	2020	2021	2022
Total Satisfied	97%	94%	90%	93%	90%

Source: Innovation and Technology Client Survey

Efficiency Measurement

Innovation and Technology costs as a percentage of operating expenditures

	2018*	2019	2020	2021	2022
Cost as a percentage of operating expenditures	n/a	1.49%	1.51%	1.57%	1.47%

* Prior to 2019 Innovation and Technology were included in Corporate Support Services along with Human Resource Services and Customer Service & Communications.

Budget and Strategic Priorities Action Plan Alignment

Key Theme	SPAP Action Item	Program / Initiative	Outcome / KPIs	Status Update
A City that Works for Residents through Improved Customer Service	5.2 Improve 311 service communications with the public	**Citizen Portal**	Increased level of service	In progress

Budget Highlights

Annual Tax Supported Operating Increase [1]	Expenditure Growth Rate Average [2]
Current Budget Cycle (2024 to 2027)	5.11%
Previous Budget Cycle (2020 to 2023)	-0.70%

Service	Operating Budget Highlight(s)	Capital Budget Highlight(s)	SPAP
Innovation, Transformation and Technology	• City Tax Supported IT Divisions are now reported and budgeted under Innovation and Technology Department ($10.3 million) • Departmental IT services are allocated to the city services those departments deliver	• New Programs – Geographic Information System (GIS) Renewal Program and Work and Asset Management Program	

Notes:
1. Based on expenditures before capital related expenditures
2. Average expenditure increase for 2024 to 2027 budget and 2020 to 2023 budget

2024 Budget Overview
(Service Based View)

Service Based Budget (in millions of $)	FTEs	Mill Rate Support /Contribution	Capital Budget	Reserves, Net Changes
Innovation, Transformation and Technology	156.88	29.7	2.9	(0.1)
Total	156.88	29.7	2.9	(0.1)

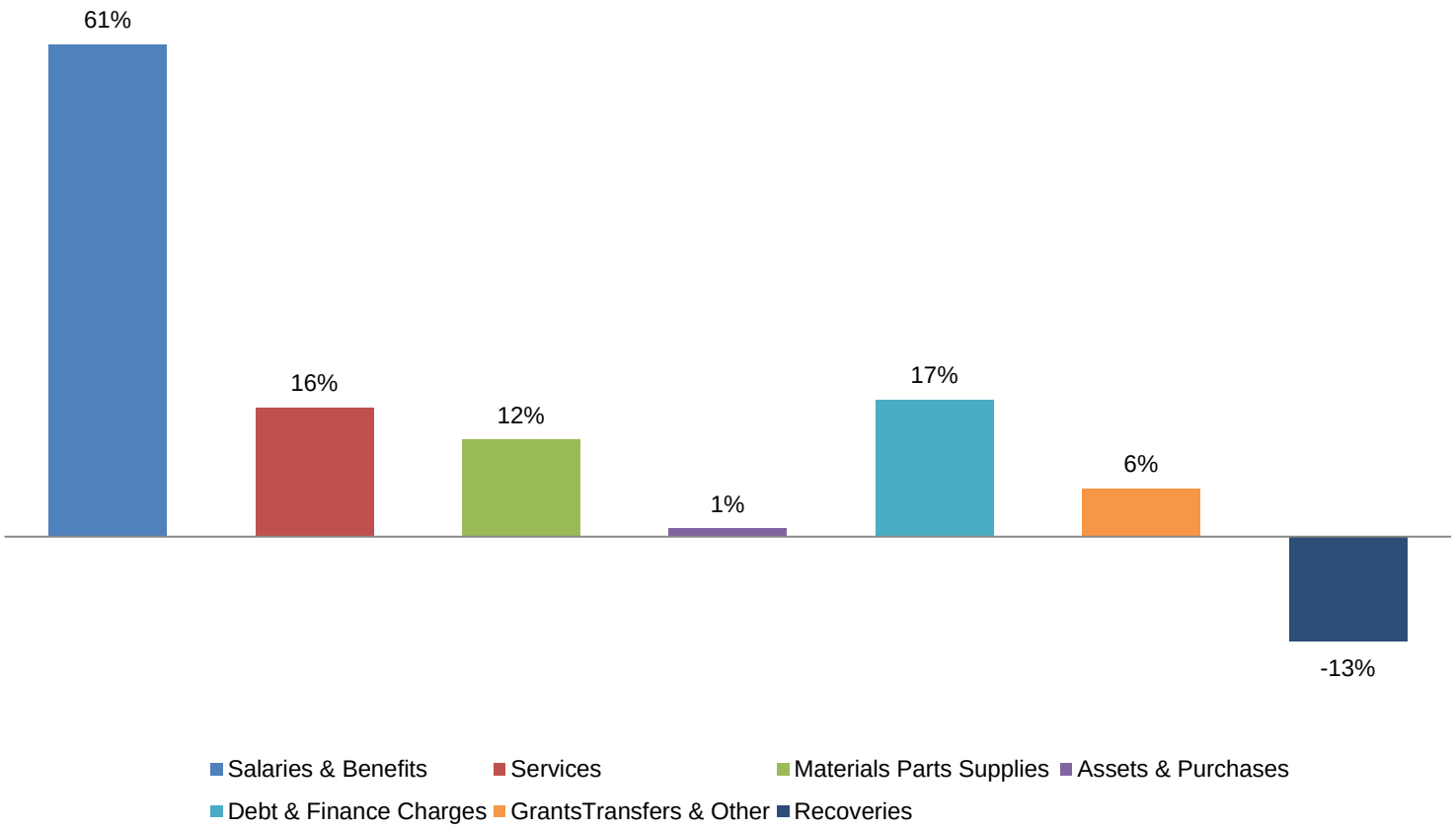
Notes:

1. City-wide capital under other services - $8.9M

Service Based Operating Budget

2024 Budget Overview
(Service Based View)

Expenditures = $29.7 million



Comparison of 2023 Adopted Budget to 2024 Preliminary Budget

(Service Based View)

In millions of $	2023 Adopted Budget	2024 Budget	2024 Increase / (Decrease) $	2024 Increase / (Decrease) %	2024 Increase / (Decrease) Notes	2025 Projection	2026 Projection	2027 Projection
Revenue	$ -	$ -	**$ -**			$ -	$ -	$ -
Expenditure	26.3	29.7	**3.4**	12.9%	1	30.1	29.9	31.3
Mill Rate (Support)/Contribution	$ (26.3)	$ (29.7)				$ (30.1)	$ (29.9)	$ (31.3)

Notes:

1. Expenditure increase is primarily a result of increase in salary and benefits, transfer of positions from Corporate Finance, and funding for Office365 Desktop Applications and Security.

Source: 2024 - 2027 Multi-Year Budget page 286

Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management / FTE Recoveries

(Service Based View)

2024 - 2027 Operating Budget

	2023 Adopted Budget	2024 Submission	Increase / (Decrease)	2025 Projection	2026 Projection	2027 Projection
Full Time Equivalents *(number of FTEs)*	153.04	156.88	3.84	156.88	156.88	156.88
Salaries & Benefits *(in millions of $)*	$ 16.5	$ 18.0	$ 1.5	$ 18.4	$ 18.8	$ 19.2

Note 1: Total departmental vacancy management is $755,889 and 8.12 FTEs. 1 FTE is approximately equivalent to $93,090 for vacancy management in the 2024 budget.

Note 2: Corporate Finance positions were transferred to Innovation (Financial Systems - 3.84 FTEs).

Source: 2024 - 2027 Multi-Year Budget page 286

Service Based Capital Budget

Capital Summary
(Service Based View)

Service ($000's)	2023 Amended Budget	2024 Budget	2025 - 2029 Forecast	6-year Total
Innovation, Transformation and Technology	24,960	2,897	21,443	24,340
Total Preliminary Capital Submission	**24,960**	**2,897**	**21,443**	**24,340**

Notes:
1. Public Safety Communication System was approved for the 2023 Budget on July 13, 2023 – $20.0M
2. 2024 Budget for Total Innovation, Transformation and Technology includes only programs.
3. Additional projects and programs under other services – $8.9M

Source: Supplement to the 2024 Budget starting on page 29

Key Projects in the Funded Capital Submission



Network Products Evergreen

Provides network connectivity required by all City business systems in service of citizens

Budget Years: 2024-2029

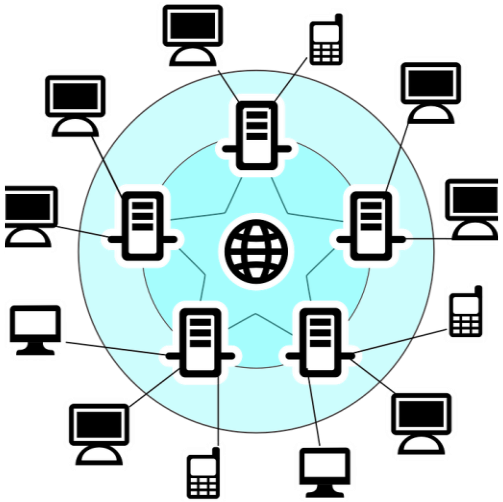
Amount: $6.400 million

Server Storage Evergreen

Sustains the computer technology required by all City business systems in service of citizens

Budget Years: 2024-2029

Amount: $3.576 million



Key Coordinated City-Wide Digitalization Programs



Citizen Portal

Create an integrated portal for customer services and implement Assessment & Taxation features.

Budget Years: 2024-2029

Amount: $0.900 million



Work and Asset Mgmt Program

Modernize and coordinate city-wide work & asset management systems. Focus on Public Works and Assets & Project Management.

Budget Years: 2025-2029

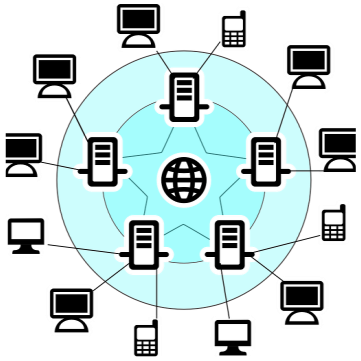
Amount: $3.760 million

GIS Renewal / Enhancement

Modernize city-wide geospatial data management.

Budget Years: 2024-2025

Amount: $0.602 million



Enterprise Resource Planning PeopleSoft Renewal Program

Modernize Finance, Budgeting and Talent Management systems.

Budget Years: 2026-2029

Amount: $6.275 million



Capital Budget Changes
(Service Based View)

Description ($000's)	Expln.	Changes from Forecast						2029 Forecast	6-year Total
		2024 Draft Submission	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2024 to 2028 Total		
Council Approved Forecast		2,230	3,127	2,147	1,768	1,424	10,696		10,696
Increase / (Decrease) From Forecast:									
Data Centre Sustainment	**1**	150	150	150	150		600		600
Network Products Evergreen	**1**	100	100	100	100	100	500	100	600
Geographic Information System Renewal Program	**1**	117	227				344		344
Work and Asset Management Program	**1**	300	800	950	1,750	525	4,325	420	4,745
Enterprise Resource Planning (ERP) Peoplesoft Renewal Program	**1**			1,185	2,454	1,386	5,025	1,250	6,275
2029 Submission								1,080	1,080
Total Changes		667	1,277	2,385	4,454	2,011	10,794	2,850	13,644
PRELIMINARY CAPITAL BUDGET		**2,897**	**4,404**	**4,532**	**6,222**	**3,435**	**21,490**	**2,850**	**24,340**

Variance to forecast explanations:

1 Round 2 Capital Changes - Various capital funding approved

Source: Supplement to the 2024 Budget starting on page 29

Reserve Projections

(Service Based View)

In Millions of $	2023 Forecast Balance	2024 Activities	2024 Balance	2025 Balance	2026 Balance	2027 Balance
Computer, Critical Systems and Support Reserve	$ 1.8	$ (0.1)	$ 1.7	$ 0.3	$ 0.9	$ 1.1
TOTAL	**$ 1.8**	**$ (0.1)**	**$ 1.7**	**$ 0.3**	**$ 0.9**	**$ 1.1**

