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Report To: General Government Committee

Date of Meeting: September 8, 2025 **Report Number:** FSD-028-25

Authored By: David Cachia, Chief Information Officer

Submitted By: Trevor Pinn, Deputy CAO/Treasurer, Finance and Technology

Reviewed By: Mary-Anne Dempster, CAO

By-law Number: **Resolution Number:**

File Number:

Report Subject: Information Technology Strategy – Strengthen, Innovate, Transform

Recommendations:

1. That Report FSD-028-25, and any related delegations or communication items, be received;
2. That Council endorse the Municipality of Clarington's Information Technology Modernization Strategy 2025-2027 as the guiding framework for technology investment, security, and service delivery transformation; and
3. That all interested parties listed in Report FSD-028-25, be advised of Council's decision.

Report Overview

Information Technology is **critical municipal infrastructure**. Every commitment in the Clarington Strategy 2025, from modern service delivery to resilient infrastructure and climate leadership, depends on reliable, secure, and modern IT systems.

At present, Clarington's IT environment faces escalating risks:

- **Cybersecurity threats** – Ontario municipalities such as Hamilton and Stratford have been paralyzed by ransomware attacks costing millions of dollars in recovery. Clarington faces similar vulnerabilities without a dedicated cybersecurity program.
- **Customer service fragmentation** – Consultant reviews and resident surveys confirm slow response times, misrouted requests, and lack of transparency. 58% of residents want self-service, yet nearly half feel issues are unresolved. Staff spend hundreds of hours on manual tracking with no single source of truth.
- **Financial system obsolescence** – The legacy Great Plains ERP will be retired in 2029. Current siloed ledgers inflate processing times, limit real-time insight, and create audit risks. Without a cloud-based replacement, Clarington risks service interruptions and accountability gaps.
- **Aging devices** – A significant portion of laptops, desktops, tablets, and smartphones will reach end-of-life by late 2025. These devices will no longer receive security updates, creating audit, compliance, and cybersecurity risks.
- **Licensing gaps** – Not all frontline, seasonal, and volunteer staff have secure municipal accounts. This reliance on personal email undermines compliance, limits access to training and weakens security. In addition, licensing deficiencies in servers and databases expose Clarington to vendor audit penalties.
- **Telephony instability** – Poor call quality, dropped calls, and a vendor in bankruptcy have left Clarington's telephony system unreliable, fragmented, and difficult to manage.

The IT Strategy provides the roadmap to address these risks while delivering on the Clarington Strategy 2025 commitments to modern service delivery, resilient infrastructure, and climate action.

1. Background

- a) Over the last decade, IT investments have been made in a fragmented, reactive manner. While individual systems were deployed to address specific needs, the cumulative result has been:
 - i) Significant technical debt has been accrued, leaving Clarington with aged devices and unsupported platforms.
 - ii) Fragmented data, preventing Council and staff from having a clear picture of service performance.
 - iii) Underfunded cybersecurity, leaving the Municipality exposed.
 - iv) Vendor risk, with core platforms like Mitel (telephony system) and Great Plains (Finance System Enterprise Resource Planning [ERP]) are approaching end-of-life.
- b) The CIO-led IT assessment and strategy which started in October 2024 confirmed that Clarington's IT systems health is critical and that Clarington cannot continue to support the Municipality's strategic goals without major investment.

2. Purpose

- a) The purpose of this report is to seek Council's endorsement of the IT Modernization and Risk Management Plan as Clarington's roadmap to:
 - a. Mitigate cybersecurity, compliance, and vendor risks.
 - b. Modernize outdated systems and infrastructure.
 - c. Transform service delivery to meet resident expectations.
- b) This endorsement ensures that, when capital and operating requests are presented in 2026, they will be recognized as essential infrastructure investments, not discretionary projects.

3. Financial Considerations

- a) No immediate budget approval is requested. However, significant and unavoidable investments will be brought forward in 2026, including:
 - a. Licensing uplift: ~\$264,000 capital, ~\$291,000 ongoing OPEX.
 - b. Device evergreen program: \$448,000 capital baseline.

- c. Telephony modernization: \$260,000 capital, \$68,000 OPEX
 - d. CRM implementation: \$1.8M capital, \$2.3M OPEX (5 years).
 - e. ERP replacement: \$2.85M capital, \$3.9M OPEX (5 years).
 - f. Library integration: \$518,000 capital, \$100,000 OPEX ongoing.
- b) These investments directly support Strategic Plan outcomes and prevent larger financial risks. A single cyber incident could cost \$5–10M in ransom, recovery, and lost public trust — far exceeding the costs of proactive investment.

4. Strategic Plan

- a) The Clarington Information Technology Strategy directly enables delivery of the Clarington Strategic Plan 2025.
- b) Modern Service Delivery
 - L.2.2 – Use technology and process improvement to modernize and optimize services
 - Replacement of outdated telephony with Microsoft Teams Phone.
 - CRM implementation for omni-channel resident service and tracking.
 - ERP modernization to replace Great Plains before its 2029 retirement.
- c) Customer Experience
 - L.3.1 – Develop and implement customer service standards
 - CRM provides transparent metrics on turnaround time, escalation, and resident satisfaction.
 - Self-service portals, mobile access, and chatbots align with resident demand for faster, digital-first services.
- d) Resilient Infrastructure
 - L.2.3 – Design and implement a Service Delivery Continuity Plan
 - Cybersecurity investments ensure continuity in the face of ransomware and other cyber threats.

- Evergreen lifecycle program prevents service disruption due to unsupported devices.
- L.2.5 – Maintain, protect, and invest in municipal infrastructure and assets
 - Licensing compliance and server/database upgrades protect IT as a critical municipal asset.
- e) Climate Leadership
 - G.4.2 – Be a leader in anticipating and addressing the impacts of climate change
 - Cloud migration reduces server-room emissions.
 - Evergreen hardware reduces waste through responsible recycling.
 - Hybrid meetings reduce travel emissions.
- f) Community Connection
 - C.3.2 – Reduce barriers to municipal programs, services, and infrastructure
 - Extending secure municipal accounts to seasonal, volunteer, and frontline staff ensures equitable access to training, communication, and tools.
 - C.1.1.4 – Proactively leverage municipal infrastructure to enhance connectivity
 - Cloud telephony, dark-fiber pilots, and modern collaboration tools ensure staff remain connected during outages or emergencies.

5. Climate Change

- a) The Plan directly supports the **Clarington Climate Action Plan**:
 - a. Reduced energy use through cloud adoption and efficient devices.
 - b. Lower travel emissions by enabling remote training and hybrid meetings.
 - c. Responsible recycling of IT hardware.
 - d. Digitization of services reduces paper and courier demand.

6. Concurrence

This report has been reviewed by the Deputy CAO, Public Services, who concurs with the recommendations.

7. Conclusion

- a) The IT Strategy 2025-2027 provides a clear, actionable roadmap to **stabilize, modernize, and transform** Clarington's Information Technology systems while delivering on Council's Strategic Plan commitments.
- b) Clarington's IT systems are a mission-critical municipal asset. At present, it is characterized by aging devices, unsupported systems, failing telephony, licensing gaps, and escalating cyber risks. These conditions put municipal operations, compliance, and resident services in jeopardy. While the investment required in IT is significant, the potential impact of not investing is more costly.
- c) Endorsing this Strategy signals that Clarington is prepared to enhance services, protect its data, and build resilience for future growth.

Staff Contact: David Cachia, Chief Information Officer, 905-623-3379 ext. 2230 or dcachia@clarington.net.

Attachments:

Attachment 1 – Clarington Information Technology Strategy 2025-2027

Interested Parties:

There are no interested parties to be notified of Council's decision.