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BUDGET INFORMATION REQUEST (BIR) - Total Investments 2025 to 2027 Budget for AI Tools
Requested by: Mayor Olivieri
Date of Request: October 27, 2026
Date Response Due: November 2, 2026
Confidential: No

QUESTION

What was the total investment made in 2025, 2026 and 2027 budget for AI tools to increase operational efficiencies across all departments and decrease requirements for additional human resources budget requests?

How does this compare to other regional comparisons, where identifiable?

RESPONSE

Currently, Microsoft Copilot is the approved generative artificial intelligence (AI) tool for the City. Administration actively uses Microsoft CoPilot Chat which is provided as part of the City's Microsoft E3 level licensing at no additional cost. Overall, use of Copilot Chat contributes to increased staff effectiveness and efficiency. Requests for paid Microsoft Copilot subscriptions are considered on a case-by-case basis through the City's IT governance framework. To date, no additional subscriptions have been added.

Requests for software with embedded AI functionality are also considered on a case-by-case basis through the City's IT governance framework.

In 2025, additional licenses were acquired for a workflow documentation tool with an embedded AI function that documents workflows and automatically creates instruction guides for staff. This annual investment of $1,500 increases the effectiveness and efficiency of staff in Information Technology, Human Resources and Safety, Recreation and Parks, and Communications and Public Affairs departments.

In 2025 and 2026, embedded AI functions were included in upgrades for software used for developing internal training materials and courses which increases the effectiveness and efficiency of the learning and development function. When these upgrades were made in 2025, the additional cost was $1,000. Since these features are now part of these products, no additional investment for the AI function is required going forward.

As part of the Enterprise Maintenance Management and Asset Management initiative, Administration

is implementing an asset management tool with embedded AI functions for developing asset lifecycle models that forecast future asset performance and risk based on maintenance and financial scenarios in order to optimize capital asset investments. This tool is planned to go live in 2027 with an annual license fee of approximately $35,000.

At this time, based on IT governance investment requests and current implementation plans, the total investment for 2025, 2026 and 2027 is approximately $37,500. At this time no other decisions have been made for 2027 although investment requests will be evaluated on a case-by-case basis through the IT governance framework.

The ongoing evolution of city IT architecture and AI usage will certainly inform HR planning, to date there have been no human resource changes specific to AI usage.

There are no regional comparisons for AI investments available at this time. Effort to gather this information would require additional time and would rely on the responsiveness of municipalities which cannot be guaranteed.

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