WaTech FY21-FY23 | Budget and Revenue Reduction Exercise

Tier**	Item	Impact to WaTech	Impact to Customers	FY21	FY22	FY23
2	Mainframe | Give back allocation funding	Minimal Impact to LoB: For the mainframe service this will have no impact. Discussion with OFM: we have a hole in the SDC with the recent CFL recommendations. This could be filled if we shift the mainframe dollars to SDC.	No Impact to Agencies	(2,000,000)	(2,000,000)	(2,000,000)
3	Mainframe | MFaaS Reduction in Spending	Reduction in staff and vendor costs	TBD | We anticipate that agencies that remain on Mainframe services will pay less.	(429,500)	(1,610,900)	(1,442,000)
3	Transition legacy voice services from PBX to Cloud Based Microsoft Teams	TBD | We are in the planning and discovery phase of how this will impact existing services, equipment savings and/or vendor related costs for WaTech. Further information will come as we understand this more.	WaTech is using low end numbers (approx. 25K line count) to represent the cost savings in this use case. The savings around this could increase if this line counts goes up.		(4,050,000)	(4,050,000)
3	Expedite migration from Legacy Microsoft Office to Cloud Based M365 Shared Tenant	High Impact | We projected agencies would transition to M365 in this biennium as a faster pace than what actually is occuring. Revenue decrease in this biennium has not been realized due to slow migration. (WaTech is in the process of deploying a PM to assist in this effort.)	Agencies will pay less for service; although there may be some licenses that may need to be purchased depending on their individual business needs.		(7,800,000)	(7,800,000)