

TECHNOLOGY REPLACEMENT FUND

Description

The Technology Replacement Fund was created in FY2000-01 to serve as an internal service function for general government technology replacement costs. This fund provides for the replacement of general government computers and related technology equipment.

Objectives

- To allow Henrico County to utilize technological advancements as they occur.
- To spread the cost of replacing technology equipment over a period of multiple years to reduce the impact of large one-time purchases in a given year.
- To provide centralized accounting to accurately monitor the number and cost of technology equipment replacement.
- To ensure the County does not find itself in the position of having to issue long term debt to pay for routine technology equipment.

Budget Highlights

The FY2017-18 budget for the Technology Replacement Fund totals \$2,402,765. It is important to note that funding of \$2,250,000 to support this budget request is to be provided by a transfer from the General Fund. The FY2017-18 budget will mark the eighteenth year of the program, and is the fifteenth year equipment in the fund can be replaced. It should be noted that in the current year, there are 2,879 computers and 1,027 other pieces of equipment in the program, which has an accumulated value of \$11,596,554. As of June 30, 2016, the Technology Replacement Fund had accumulated \$2,958,622 for future equipment replacement. The forecasted accumulated balance for the Fund as of June 30, 2018 is \$1,843,419.

The Technology Replacement Fund budget includes funding of \$44,786 for new computer equipment which will be utilized by ten new Police Officers and one new Management Specialist. In addition, this budget includes \$2,357,979 for the replacement of computer equipment. The departments that made formal requests for equipment replacement in FY2017-18 are Board of Supervisors, Building Inspections, Community Revitalization, County

Annual Fiscal Plan

Description	FY16 Actual	FY17 Original	FY18 Proposed	Change 17 to 18
Personnel	\$ 0	\$ 0	\$ 0	0.0%
Operation	400	0	0	0.0%
Capital	1,948,102	2,962,438	2,402,765	(18.9%)
Total	\$ 1,948,502	\$ 2,962,438	\$ 2,402,765	(18.9%)

Technology Replacement Fund (cont'd)

	Performance Measures			Change
	FY16	FY17	FY18	17 to 18
Workload Measures				
Accumulated Value of Equipment	11,523,484	11,596,554	11,641,340	44,786
Computers in Program	2,864	2,879	2,890	11
Other Equipment in Program	1,027	1,027	1,027	0

Manager, Finance, Division of Fire, Human Resources, Information Technology, Internal Audit, Permit Center, Planning, Police Division, Public Library, Public Relations and Media Services, Public Works, Recreation and Parks, and Registrar.

The request for replacement equipment includes equipment that is eligible and approved for replacement based on age and usage. While there

may be a budget for specific items, some funding is provided for contingency and will only be spent if necessary. In an effort to reduce expenses, departments were requested to review computer requirements to determine if an extended replacement cycle is practical based on the use of the computer. The Department of Information Technology approves the replacement request based on the computer's use as well as the user's anticipated needs.



**TECHNOLOGY REPLACEMENT
Department Operating Budget
Henrico County, Virginia
FY 2018**

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50521 Computer Software	400	0	0	0	0.0%
50805 Computer Equipment-New \$5000 and Over	0	69,680	0	-69,680	-100.0%
50815 Computer Equipment-New Less Than \$5000	44,287	3,390	44,786	41,396	1,221.1%
50825 Computer Equipment-Replacement \$5000 and Over	292,479	2,131,643	634,681	-1,496,962	-70.2%
50835 Computer Equipment-Replacement Less Than \$5000	1,611,336	757,725	1,723,298	965,573	127.4%
Total Department	1,948,502	2,962,438	2,402,765	-559,673	-18.9%