

# 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 FY2019-20 budget for the Technology Replacement Fund totals \$2,754,568. It is important to note that funding of \$2,750,000 to support this budget request is to be provided by a transfer from the General Fund. This represents an increase of \$250,000 in General Fund support from the previous approved budget. The FY2019-20 budget will mark the twentieth year of the program and is the seventeenth year equipment in the fund can be replaced. It should be noted that in the current year, there are 2,977 computers and 1,248 other pieces of equipment in the program, which has an accumulated value of \$11,966,853. As of June 30, 2018, the Technology Replacement Fund had accumulated \$2,599,655 for future equipment replacement. The forecasted accumulated balance for the Fund as of June 30, 2019 is \$2,221,555.

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## FISCAL YEAR 2020 SUMMARY

### Annual Fiscal Plan

Description	FY18 Actual	FY19 Original	FY20 Proposed	Change 19 to 20
Personnel	\$ 0	\$ 0	\$ 0	0.0%
Operation	0	10,392	0	(100.0%)
Capital	2,437,176	2,867,708	2,754,568	(3.9%)
Total	\$ 2,437,176	\$ 2,878,100	\$ 2,754,568	(4.3%)

Technology Replacement Fund

PERFORMANCE MEASURES

	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>Change 19 to 20</u>
<b>Workload Measures</b>				
Accumulated Value of Equipment	11,641,340	11,966,853	12,194,861	228,008
Computers in Program	2,890	2,977	3,095	118
Other Equipment in Program	1,027	1,248	1,251	3
<b>Effectiveness Measures</b>				
Percent of Eligible Departments in Program	100%	100%	100%	0%

BUDGET HIGHLIGHTS (CONTINUED)

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The Technology Replacement Fund budget includes funding of \$27,105 for 15 laptops associated with the Division of Fire's Paramedic Academy, \$34,107 for 3 desktops and 5 toughbooks for the Police Division, and \$166,796 for 91 desktops, 4 laptops, and 3 color printers for the Sheriff's Office. In addition, this budget includes \$2,526,560 for the replacement of computer equipment and software. The departments that made formal requests for equipment replacement in FY2019-20 are the Board of Supervisors, Commonwealth's Attorney, County Attorney, County Manager, Finance, General Services, Division of Fire, Human Resources, Information Technology, Internal Audit, Planning, Police Division, Public Library, Public Relations and Media Services, Public Works, Real Property, Recreation and Parks, and the Registrar's Office.

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  
FY2020**

<b>Account Description</b>		<b>Prior Year Actual</b>	<b>Approved Budget</b>	<b>Proposed Budget</b>	<b>Dollar Inc/Dec</b>	<b>Percent Inc/Dec</b>
50521	Computer Software	0	10,392	0	-10,392	-100.0%
50805	Computer Equipment-New \$5000 and Over	0	134,665	19,173	-115,492	-85.8%
50815	Computer Equipment-New Less Than \$5000	98,944	190,848	208,835	17,987	9.4%
50825	Computer Equipment-Replacement \$5000 and Over	347,779	552,041	1,546,445	994,404	180.1%
50835	Computer Equipment-Replacement Less Than \$5000	1,990,453	1,990,154	980,115	-1,010,039	-50.8%
<b>Total Department</b>		<b>2,437,176</b>	<b>2,878,100</b>	<b>2,754,568</b>	<b>-123,532</b>	<b>-4.3%</b>