

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 FY2021-22 budget for the Technology Replacement Fund totals \$3,001,314. It is important to note that funding of \$3,000,000 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 FY2021-22 budget will mark the twenty-second year of the program and is the nineteenth year equipment in the fund can be replaced. It should be noted that in the current year, there are 3,083 computers and 1,249 other pieces of equipment in the program, which has an accumulated value of \$11,952,818. As of June 30, 2020, the Technology Replacement Fund had accumulated \$2,850,342 for future equipment replacement. The forecasted accumulated balance for the Fund as of June 30, 2022 is to remain relatively stable at \$2,849,028.

FISCAL YEAR 2022 SUMMARY

Annual Fiscal Plan

Description	FY20 Actual	FY21 Original	FY22 Proposed	Change 21 to 22
Personnel	\$ 0	\$ 0	\$ 0	0.0%
Operation	0	0	0	0.0%
Capital	2,174,160	2,750,000	3,001,314	9.1%
Total	<u>\$ 2,174,160</u>	<u>\$ 2,750,000</u>	<u>\$ 3,001,314</u>	<u>9.1%</u>

Technology Replacement Fund

PERFORMANCE MEASURES

	Performance Measures			Change
	FY20	FY21	FY22	21 to 22
Workload Measures				
Accumulated Value of Equipment	11,952,818	12,299,739	12,429,011	129,272
Computers in Program	3,083	3,170	3,254	84
Other Equipment in Program	1,249	1,284	1,284	0
Effectiveness Measures				
Percent of Eligible Departments in Program	100%	100%	100%	0%

BUDGET HIGHLIGHTS (CONTINUED)

The departments that made formal requests for equipment replacement in FY2021-22 are Board of Supervisors, Building Inspections, Commonwealth's Attorney, County Manager, Emergency Management, Finance, General Services, Division of Fire, Human Resources, Information Technology, Internal Audit, Planning, Police Division, Public Library, Public Relations, Recreation and Parks, and Victim Witness.

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.

The Technology Replacement Fund proposed budget includes funding of \$322,027 for Public Relations to replace and upgrade the Board Room and Emergency Operations Center audio-visual equipment.

This year's requests include the final pieces of initial hardware needed for the Planning department for implementation of the Electronic Land Management System (ELMS) project. The total amount needed for this hardware is \$154,500.



TECHNOLOGY REPLACEMENT
Department Operating Budget
Henrico County, Virginia
FY2022

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50521 Computer Software	0	17,704	1,050	-16,654	-94.1%
50805 Computer Equipment-New \$5000 and Over	22,275	186,836	229,500	42,664	22.8%
50815 Computer Equipment-New Less Than \$5000	251,552	70,088	97,272	27,184	38.8%
50825 Computer Equipment-Replacement \$5000 and Over	184,486	1,796,061	1,755,260	-40,801	-2.3%
50835 Computer Equipment-Replacement Less Than \$5000	1,715,845	679,311	918,232	238,921	35.2%
Total Department	2,174,158	2,750,000	3,001,314	251,314	9.1%