

TECHNOLOGY REPLACEMENT FUND

DESCRIPTION

The Technology Replacement Fund was created in FY01 to serve as an internal service function for general government technology replacement costs. This fund provides for the replacement of general government computers and security 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 FY25 budget for the Technology Replacement Fund totals \$4,489,495. It is important to note that \$4,000,000 to support this budget request is to be provided by a transfer from the General Fund. This reflects an increase of \$684,024 from the previously approved budget.

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 and security equipment requirements to determine if an extended replacement cycle is practical based on the use of the equipment. The Department of Information Technology approves the replacement request based on the usage as well as the user's anticipated needs.

FISCAL YEAR 2025 SUMMARY

Annual Fiscal Plan

| Description | FY23 Actual | FY24 Original | FY25 Proposed | Change 24 to 25 |
|--------------------|------------------------|--------------------------|--------------------------|----------------------------|
| Personnel | \$ - | \$ - | \$ - | 0.0% |
| Operation | - | - | - | 0.0% |
| Capital | <u>2,963,963</u> | <u>3,841,471</u> | <u>4,489,495</u> | <u>16.9%</u> |
| Total | <u>\$ 2,963,963</u> | <u>\$ 3,841,471</u> | <u>\$ 4,489,495</u> | <u>16.9%</u> |

Technology Replacement Fund

PERFORMANCE MEASURES

| | FY23 | FY24 | FY25 | Change |
|--|---------------|-----------------|-----------------|-----------------|
| | Actual | Original | Proposed | 24 to 25 |
| Workload Measures | | | | |
| Accumulated Value of Equipment | 12,554,800 | 12,985,000 | 13,158,635 | 173,635 |
| Computers in Program | 3,265 | 3,365 | 3,398 | 33 |
| Other Equipment in Program | 1,315 | 1,356 | 1,361 | 5 |
| Effectiveness Measures | | | | |
| Percent of Eligible Departments in Program | 100% | 100% | 100% | 0% |



TECHNOLOGY REPLACEMENT Department Operating Budget Henrico County, Virginia FY 2025

| Account Description | | Prior Year Actual | Approved Budget | Proposed Budget | Dollar Inc/Dec | Percent Inc/Dec |
|-------------------------|---|-------------------|------------------|------------------|----------------|-----------------|
| 50514 | Other Operating Supplies | 54 | 0 | 0 | 0 | 0.0% |
| 50521 | Computer Software | 33,372 | 0 | 0 | 0 | 0.0% |
| 50805 | Computer Equipment-New \$10,000 and Over | 0 | 0 | 754,680 | 754,680 | 100.0% |
| 50815 | Computer Equipment-New Less Than \$10,000 | 9,780 | 105,400 | 552,661 | 447,261 | 424.3% |
| 50825 | Computer Equipment-Replacement \$10,000 and Over | 276,739 | 2,676,921 | 1,657,525 | -1,019,396 | -38.1% |
| 50833 | Telecommunications Equipment – Replacement Less Than \$10,000 | 450 | 0 | 0 | 0 | 0.0% |
| 50835 | Computer Equipment-Replacement Less Than \$10,000 | 2,643,568 | 1,059,150 | 1,524,629 | 465,479 | 43.9% |
| Total Department | | 2,963,963 | 3,841,471 | 4,489,495 | 648,024 | 16.9% |