

**FY 2019-2020 Virginia Beach Budget
Response to Council Questions**

Question Number: FY 20 18

Question: On the slide titled FY20 CIT Increase Requests 3.714 Network Infrastructure Replacement III, 1) what is the impact of shifting the funding profile one fiscal year later? 2) What portion is mandatory maintenance? If mandatory maintenance, why is not funded with baseline programmed resources? Are all baseline programmed resources allocated to mandatory requirements? I suspect not. 3) Please provide a decomposition of Fiscal Year funding requirement by category. 4) This represents an increase of 119.15 percent or \$19,981,615 over the FY 18/19 adopted CIP. When we see the whole budget, this require detailed examination to understand why this level of resource allocation is more important than keeping people's homes dry.

Date Requested: February 25th, 2019

Requested By: Councilmember Moss

Department: Information Technology

Response:

- 1) Our Network Infrastructure replacement CIP replaces legacy hardware to align with current IT standards for improved performance and security. A critical component of network modernization allows us to scale to meet the growing needs of our business partners. Without funding in FY20 the risk increases for possible hardware failures of aging infrastructure. It will also impact the ability to ensure all city staff has access to use the latest technologies like Voice Over IP telephony and any security enhancements (cyber security) the new technology presents. Future funding is also critical as in the next 5 years, IT will need to upgrade/replace its data center hardware to the next generation data center.
- 2) You are correct that not all funds necessary for annual maintenance and support are in the IT operating budget. Mandatory hardware maintenance and support of the infrastructure for the data center alone costs over \$1 M annually (FY20: \$1,100,800; FY21: \$1,261,048; FY22: \$1,663,748; FY23: \$1,905,238). Network infrastructure support and maintenance for the thousands of devices is acquired for 5 years at the time of purchase with the goal of replacing at the five-year mark alleviating the need for annual maintenance charges.
- 3) Maintenance costs identified above. The proposed list for FY20 will include the below sites for modernization: Libraries for Erate, PW & PU Landstown, PR Maintenance, Southgate, Pembroke 6, Magic Hollow and the Beach House. This list is a compilation of sites that need to be modernized; however, this list

is ever changing based on the need of building and modernization of infrastructure.

Total Funds requested by fiscal year					
	FY20	FY21	FY22	FY23	FY24
Maintenance	1,100,800	1,261,048	1,663,748	1,905,238	304,322.70
Data Center	0	3,826,029	4,951,373	4,234,788	6,463,442
Network	1,310,000	808,350	808,350	887,537	1,011,449.30
Totals	\$ 2,410,800	\$ 5,895,427	\$ 7,423,471	\$ 7,027,563	\$ 7,779,214

- 4) Any additional funding request submitted is based on the need to replace the next generation data center or converged architecture platform that will be reaching end of life (EOL). The previous infrastructure environment was built and expanded over many years to add new buildings, accommodate staff growth, and ensure transactions and data storage for increasingly complex applications and systems. We have provided true estimates of replacement and lifecycle maintenance activities based on need and NOT based on previous funding levels.