



Meeting 2009 June 15

COUNCIL REPORT

**FINANCE AND CIVIC DEVELOPMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: COMPUTER SERVER AND DESKTOP EQUIPMENT REPLACEMENT**

**RECOMMENDATION:**

1. THAT a Capital Reserves Expenditure Bylaw in the amount of \$875,000 (inclusive of GST) be brought down to finance the purchase of computer equipment and implementation services.

**REPORT**

The Finance and Civic Development Committee, at its meeting held on 2009 May 28, received and adopted the *attached* report seeking Council's funding approval for the purchase of replacement servers, desktop computers and implementation services. This purchase is included in the 2009 Information Services component of the 2009-2013 Capital Program.

Respectfully submitted,

Councillor D. Johnston  
Chair

Councillor N. Volkow  
Vice Chair

Councillor C. Jordan  
Member

Copied to: City Manager Director Finance City Solicitor Chief Information Officer
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**TO:** CHAIR AND MEMBERS  
FINANCE AND CIVIC DEVELOPMENT  
COMMITTEE

**DATE:** 2009 May 26

**FROM:** CHIEF INFORMATION OFFICER

**FILE:** IS-RTC

**SUBJECT:** **COMPUTER SERVER AND DESKTOP EQUIPMENT REPLACEMENT**

**PURPOSE:** To request funding for the purchase of replacement servers, desktop computers and implementation services

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**RECOMMENDATION:**

1. **THAT** a Capital Reserves Expenditures Bylaw in the amount of \$875,000 (inclusive of GST) be brought down to finance the purchase of computer equipment and implementation services.

**REPORT**

Financing the upgrade of departmental desktop computer equipment has been an ongoing challenge for many of the city's departments. The resulting lack of a consistent replacement cycle has led to a wide diversity of equipment types and ages throughout the organization. This diversity results in significantly increased incidents of software conflicts, downtime for departmental computers, and complexity for the Information Services' maintenance staff.

The Provincially legislated imposition of the Public Standards Accounting Board's policy #3150 (accounting for assets c/w depreciation) has provided an opportunity to implement an Equipment Replacement Reserve process for desktop computers that is similar to the process used by other departments for the replacement of large equipment and vehicles.

The implementation of depreciation expense will provide the ability to move the departmental charge to a contribution to a reserve fund for the financing of the continual upgrade and replacement of desktop computer equipment. This will ensure the equipment is replaced, without delay, at the end of their service lives. The departmental charges will begin in 2010. In order to initiate the replacement process for the lowest 1/3<sup>rd</sup> of the desktop equipment, funding is required this year. In subsequent years the annual contributions to the replacement reserve will be adequate to provide for the ongoing upgrades.

The funding required is  $(\$1,500 \times (1/3 \times 1,400)) = \$700,000$ .

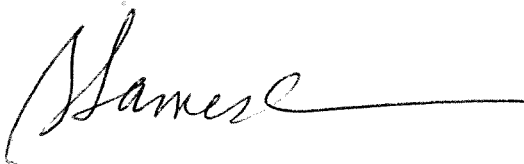
To: Finance and Civic Development Committee  
From: Chief Information Officer  
Re: COMPUTER SERVER AND DESKTOP  
EQUIPMENT REPLACEMENT

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In addition to the above, several computer servers in the City's central site computer network have reached the end of their useful lives. Some of this equipment has also reached its memory and computer processing limit which restricts their ability for continued expansion to handle the increasing transaction demands. These servers need to be replaced at a cost of \$175,000.

## FINANCING

Sufficient Capital Reserves are available to finance the equipment discussed in this report, the total being \$875,000 (inclusive of GST). This purchase is included in the 2009 Information Services component of the 2009-2013 Capital Program.



Brian Sameshima, Chief Information Officer  
CHIEF INFORMATION OFFICER

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Copied to: Director Finance