



SWAN Fiscal Year 2023 Budget

February 1, 2022

Committee of the Whole Meeting

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SWAN Budget Overview

Fiscal Year 2023: July 1, 2022 through June 30, 2023

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Timeline

- Board review Nov, Dec, Jan
- Budget documents posted for COW
- COW February 1, 2022 presentation & feedback gathered
- SWAN board meeting February 18, 2022
- Online vote for approval March 3, 2022

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2022 priorities

Strategic plan & tactical plan

1. Aspen Discovery
2. Security initiative
3. BLUEcloud Staff
 - A. Acquisitions
 - B. Cataloging
 - C. Circulation

Preparation & research

- [Find More Illinois analysis](#)
 - Inadequate solution
 - 19% hit rate compared to OCLC
 - Savings 0.9% to SWAN
- SirsiDynix annual subscription
 - Negotiated 0% increase
- OCLC annual subscription
 - Lowered cost in FY22

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Budget Highlights

- 100 Libraries strong
 - No library add-ons in FY23
 - Aspen Discovery catalog support, SirsiDynix Enterprise subscription ends
 - Preparing for the BLUEcloud Circulation & automation of delivery transit labels
 - Security initiative consulting expenses
 - SWAN Expo August 19, 2022
- Revenue
 - Lower interest income
 - Lower RAILS funding from prior years
 - Expenses
 - Overall, 1.2% increase
 - Additional e-commerce/PayPal expense pass-thru
 - Printer group purchase pass-thru
 - Removed Enterprise expense
 - Added KitKeeper & Book Club Kits
 - Reduced expenses due to pandemic

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Aspen & Enterprise expenses

5430 & 5440 Expenses	Current	FY2023
SirsiDynix Enterprise, SaaS Annual Subscription	\$41,185	\$0
SirsiDynix Portfolio, SaaS Annual Subscription - Up to 10K assets	\$15,000	\$0
SirsiDynix Enterprise SaaS Test System, Annual Subscription	\$2,550	\$0
Aspen hosting server expense	\$6,000	\$30,000
Aspen support with ByWater Solutions expense	\$85,000	\$85,000
	\$149,735	\$115,000

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Restick printer purchase

- BLUEcloud Circulation generates transit/delivery labels
- 100 printers \$34,000 reserve purchase: 1 printer per library
- Additional group-purchase for delivery printers:
 - Revenue #4190 Member Group Purchase Receipts \$10,200
 - Expense #5690 Group Purchases – Hardware \$10,200

Route to:
VPD
 Villa Park Public Library
 For shelving
 Last and first men : a story of the near and far future
 32752001026036
 From:
 SWS
 SWAN Headquarters
 Dec 15 2021



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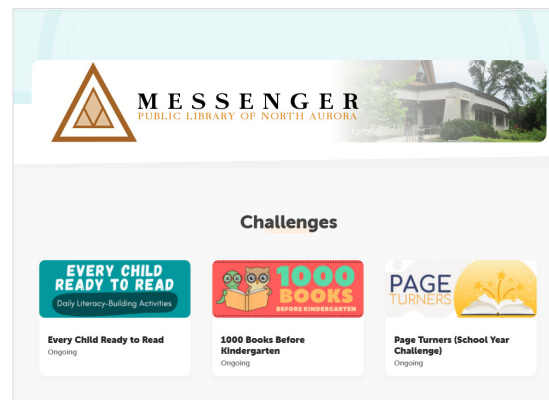
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Beanstack Reading subscription

- Subscription for any library, July 1, 2022 – June 30, 2023
- \$5,000 expense
- SWAN shared subscription with single branding, reading challenges
- SWAN's NEA grant submission in Sept 2021 was not awarded (notified January 2022)
- 48 libraries currently using Beanstack



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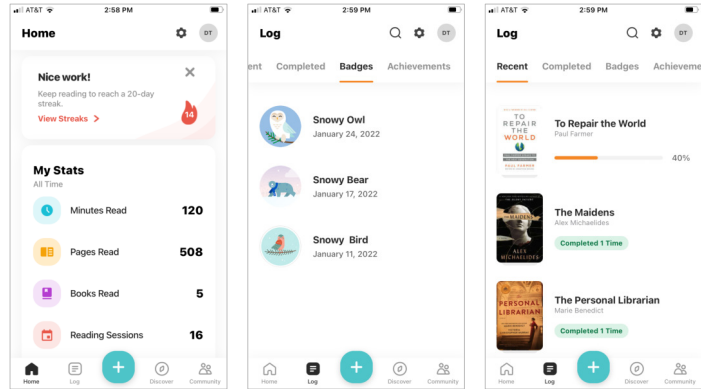
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Beanstack Reading subscription

- Search for libraries – connect to your library
- Web-based or mobile app
- Tracks reading progress (any reading)
- Badges and achievements
- Reviews
- Upload book, magazine, reading material covers



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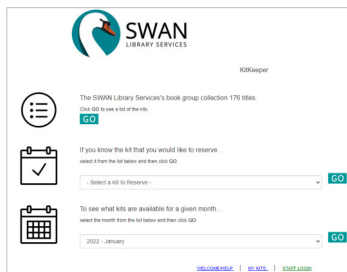
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Book club support & Popular materials

KitKeeper out of pilot – any library can join

- Geneva and Downers Grove are sharing 176 kits with SWAN libraries



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Baker & Taylor Rental – targeting high demand holds

- Rental copies circulated an average of 4.79 times
- Once returned and hold queue exhausted, books returned

2022 – expanding test to include floating collections to minimize transit time

SWAN Reserves

SWAN Reserves Plan: Updated for FY23 Budget

Capital Expenditures (anything over \$5,000)	FY22	FY23	FY24	FY25	FY26
	July 2021-June 2022	July 2022-June 2023	July 2023-June 2024	July 2023-June 2025	July 2023-June 2026
Prior Year Balance: End of fiscal year, final audit, see "Unrestricted" on Balance Sheet	\$2,241,167	\$2,107,667	\$2,073,667	\$2,073,667	\$2,073,667
Reserves collected & Impact Fee	\$0	\$0	\$0	\$0	\$0
Server replacement: no longer required with cloud-based Infrastructure-as-a-Service*	\$0	\$0	\$0	\$0	\$0
Firewall replacement: no longer required with cloud-based Infrastructure-as-a-Service	\$0	\$0	\$0	\$0	\$0
Printer purchase		(\$34,000)			
Aspen Discovery Project	(\$85,000)				
Baker & Taylor Project	(\$5,000)				
Security audit	(\$43,500)				
Funds for EMV commerce devices (chip & PIN)					
Funds for SWAN staff computer replacement					
Future ILS Migration Budget (\$465,740)					
Total	\$2,107,667	\$2,073,667	\$2,073,667	\$2,073,667	\$2,073,667
Maintain 4 months operating in reserve (policy)	(\$1,380,842)	(\$1,449,884)	(\$1,522,378)	(\$1,598,497)	(\$1,678,422)
Over/(Under) Reserve Policy	\$726,825	\$623,783	\$551,289	\$475,170	\$395,245
Operating Budget (5% increases each year after FY21)	\$4,142,526	\$4,349,652	\$4,567,134.92	\$4,795,491.66	\$5,035,266.24
Months operating in reserve	6.11	5.72	5.45	5.19	4.94
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Revenue

Membership Fees, Grant Revenue, Investment & Interest

- RAILS LLSAP grant revenue reduced \$39,327 in FY22, with small \$4,690 increase for FY23 at \$527,381 total
- Interest income remains low
- Membership fee budget line increases 2.5% (varies per public library)

Pass through: Group-purchase, Reimbursements for Losses,

- Annual conference fees (offset the food & beverage expenses at rental MVCC)
- NEW: Added #4240 E-commerce transactions budget line (offset by #5940 expense)
- EBSCO group purchase fees (offset by #5990 expense)

Expenses

Salaries & Wages

- 4th year no increase in budget
- Positions eliminated via attrition, retirement, & elimination
- New position planned, on hold

Personnel Benefits

- Based on FY21 actual expenses, reduction \$26,600 health, dental, life, & STD/LTD benefits insurance
- Changed from BCBS to Aetna on January 1, 2021
- Open enrollment completed January 1, 2022

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Expenses

Buildings & Grounds

- Small -1% decrease
- Facility lease
- Eliminated flood insurance for RAILS data center
- Reduced utilities expense

Professional Development

- Reinstated conference travel
- Pre-pandemic was \$11,000 but for FY23 \$6,000

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Membership Development

- Supports SWAN Expo
 - Moraine Valley Community College Business & Conference Center
 - Space reserved, can cancel without penalty
- Increased staff travel to libraries
- No expenses associated with in-person membership events

Information & Technology Services

- Transition of SWAN websites hosted by RAILS to SWAN infrastructure completed June 2021
 - Increase for Azure expense #5430
 - Increase infrastructure usage with Aspen Discovery
- SirsiDynix decrease (Enterprise)
- OCLC increase 3% (anticipated)
- EBSCO increase 3% (anticipated)

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Expenses

General Office, Hardware & Equipment, Insurance

- Group purchase hardware – Epson restick printers \$34,000
 - offset by SWAN reserve fund #4600

Contractual Services

- Continuing legal, accounting services
- No libraries joining = no contractual expenses RAILS Catalog Grant
- SWAN Expo MVCC expense \$12,000
- Increase for Unique Management Services for migration of phone notification service (SirsiDynix Voice Automation retired)

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Expenses

Library Materials & Content

- Baker & Taylor expense for book rental pilot
- EBSCO database package group-purchase year-3 renewal 3% increase + add-on 3 libraries
- NEW: Budget line #5940 E-commerce payment transactions added with revenue offset

Interest & Fees

- Bank fees, merchant account ProPay fees flat
- Annual conference merchant account fees for credit card processing \$300

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Revenue: Membership Fees

- Separate formula for academic, school, special, and public libraries
- Public library formula based on county tax data (Cook, DuPage, Kane, Will)
 - Self-reported bond payments, debt service obligations deducted from total tax data
 - Completion of debt service payments may increase fees (ex: Downers Grove)
 - Details on how SWAN membership fees are calculated
<https://support.swanlibraries.net/about/budget>
- State funding via RAILS LLSAP is applied as a reduction in membership fees for 95 public libraries

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EBSCO database subscription year-3 renewal group-purchase

Robin Hofstetter, SWAN Electronic Resources Consultant

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EBSCO database group-purchase

- Year-3 renewal with 84 participating libraries
- Pricing posted & in Committee of the Whole meeting packet
- Opt-out period ends Friday, February 18th 11:59 p.m.
- Libraries opted out will remain out of the year-3 deal
- Go to Support > Help > Request Forms > Opt-out EBSCO database group purchase
- <https://support.swanlibraries.net/forms/80756>

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Feedback

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Live voting

The week prior to the March 3, 2022

Email with login information

SWANcom notifying ballot sent

Ballot will open at 10 a.m. March 3, 2022 when the meeting begins

Sender Name: SWAN Executive Director
Email Subject: SWAN Quarterly Meeting login information below - Do Not Forward

Email Message:
Hello ##FirstName##,

Voting information below - **DO NOT FORWARD**

We are looking forward to the upcoming SWAN Quarterly membership meeting. Here is all the information you will need to participate at the meeting for live voting:

Meeting Details:
Meeting Name: Quarterly Directors' & Administrators' Membership Meeting
Meeting Date: 9/2/2021
Meeting Time: 10:00 AM Central Time (UTC -6)

[Click here to log in](#)

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Questions & Answers

- Feedback from you
- Board meeting February 18th
- Final budget packet February 28th
- March 3, 2022 Directors' & Administrators' Quarterly meeting
- Electronic live vote at meeting

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