

SWAN BOARD MEETING AGENDA

November 18, 2022 9:30 a.m.

Homewood Public Library District
17917 Dixie Highway
Homewood, IL 60430-1794

1. Call to Order, Roll Call
2. Introduction of Visitors/Public Comment

Public comment is allowed at SWAN meetings

3. Action Item – Acceptance of the November 18, 2022 SWAN Board Meeting Agenda

RESOLVED, THAT THE SWAN BOARD ACCEPTS THE NOVEMBER 18, 2022 SWAN BOARD MEETING AGENDA AS PRESENTED

4. Action Item – Approval of SWAN Financials, October 2022 (Exhibit pgs. 3-17)

- a. Balance sheet and detail of expenditures for October 2022
- b. Approval of the payment of bills for October 1, 2022 through October 31, 2022 in the amount of \$506,761.34

RESOLVED, THAT THE SWAN BOARD APPROVES THE PAYMENT OF BILLS FOR OCTOBER 1 THROUGH OCTOBER 31, 2022 AND ACCEPTS THE BALANCE SHEET AND DETAIL OF EXPENDITURES FOR OCTOBER 2022

5. Action Item – Acceptance of the October 21, 2022 SWAN Board Meeting Minutes (Exhibit pgs. 18-21)

RESOLVED, THAT THE SWAN BOARD ACCEPTS THE OCTOBER 21, 2022 SWAN BOARD MEETING MINUTES AS PRESENTED

6. Action Item – Acceptance of the November 10, 2022 SWAN Finance Committee Meeting Minutes (Exhibit pgs. 22-23)

RESOLVED, THAT THE SWAN BOARD ACCEPTS THE NOVEMBER 10, 2022 SWAN FINANCE COMMITTEE MEETING MINUTES AS PRESENTED

7. Reports

- a. Board President Report
 - b. Executive Director Report (Exhibit pgs. 24-28)
 - c. Operations Report (Exhibit pgs. 29-53)
 - d. Treasurer Report
 - e. Board Calendar (Exhibit pgs. 54-56)
8. Action Item—Acceptance of the FY2022 financial audit (Exhibit pgs. 57-98)
 9. Action Item—Approval of the board meeting dates for 2023 calendar (Exhibit pg. 99)
 10. Discussion Item – Presentation of FY2024 draft budget (Exhibit pgs. 100-109)
 11. Discussion Item – SWAN Quarterly meeting agenda for December 1, 2022 (Exhibit pg. 110)
 12. Adjournment

*All agenda items may be acted upon by the SWAN Board

SWAN Board Member	Library	Office	Term Expires
Ted Bodewes	Thomas Ford Memorial Library	President	July 1, 2023
Jennifer Cottrill	Midlothian Public Library	Vice-president	July 1, 2023
Dorothy Koll	Acorn Public Library District		July 1, 2024
Tim Jarzemsky	Bloomindale Public Library	Treasurer	July 1, 2024
Anna Wassenaar	Blue Island Public Library		July 1, 2025
Colleen Waltman	Homewood Public Library		July 1, 2025
Jesse Blazek	Palos Heights Public Library	Secretary	July 1, 2025

SWAN Library Services
Balance Sheet
As of October 31, 2022

	<u>Balance End of Month</u>
ASSETS	
Cash and Cash Equivalents	
Hinsdale Bank - Operating - 2176	\$ 1,300,809.65
Hinsdale Bank - MM - 5010	993,448.98
Propay Funds	<u>\$ 42.86</u>
Total Cash and Cash Equivalents	<u>\$ 2,294,301.49</u>
Current Assets	
Accounts Receivable	346,461.47
REINT Receivable	-
Other Receivables	-
Deposits	23,467.08
Prepaid Expenses	9,774.34
Spares Inventory	<u>1,732.50</u>
Total Current Assets	<u>\$ 381,435.39</u>
Capital Assets, net	
Building and Improvements	6,895.00
Equipment	36,500.50
Computers	324,383.36
Accumulated Depreciation	<u>(348,905.85)</u>
Total Capital Assets, net	<u>\$ 18,873.01</u>
Total Assets	<u>\$ 2,694,609.89</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 9,107.03
Deferred Revenue	1,819.50
Deferred Revenue - MAGIC Fee Supplement Grant	13,703.59
Accrued Payroll	45,062.73
Compensated Absences	123,319.88
Lease Payable	<u>31,030.39</u>
Total Current Liabilities	<u>\$ 224,043.12</u>
Long Term Liabilities	
Total Liabilities	<u>\$ 224,043.12</u>
FUND BALANCE	
Beginning Net Assets	
Unrestricted	<u>2,430,972.46</u>
Total Beginning Net Assets	2,452,167.46
Current YTD Net Income	<u>18,399.31</u>
Total Fund Balance	<u>2,470,566.77</u>
Total Liabilities and Fund Balances	<u>\$ 2,694,609.89</u>

Statement of Revenue and Expenses Summary
For the 4 Months Ended October 31, 2022

	<u>Month-to-Date Actual</u>	<u>Year-to-Date Actual</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Collected Expended</u>
Revenue					
4000 - Membership Fees	\$746,225.11	\$1,495,903.36	\$3,003,359.00	\$ 1,507,455.64	49.81%
4100 - Membership Reimbursements	14,144.82	451,147.58	445,686.00	(5,461.58)	101.23%
4200 - Reimbursement for Losses	10,395.74	20,929.27	50,000.00	29,070.73	41.86%
4300 - Grant Revenue	131,845.25	263,690.50	527,381.00	263,690.50	50.00%
4400 - Registration & Event Receipts	-	3,330.00	12,000.00	8,670.00	27.75%
4500 - Investment & Interest	2,574.21	7,792.42	1,000.00	(6,792.42)	779.24%
4600 - Reserve Fund Transfer	-	-	34,000.00	34,000.00	0.00%
Total Revenue	<u>907,558.10</u>	<u>2,256,172.15</u>	<u>4,143,426.00</u>	<u>1,887,253.85</u>	<u>54.45%</u>
Expenses					
5000 - Salaries & Wages	106,405.71	462,154.50	1,546,800.00	1,084,645.50	29.88%
5020 - Personnel Benefits	32,002.33	135,758.59	494,900.00	359,141.41	27.43%
5100 - Building & Grounds	10,690.93	44,557.89	124,270.00	79,712.11	35.86%
5200 - Professional Development	736.22	1,111.22	20,000.00	18,888.78	5.56%
5300 - Membership Development	-	70.41	3,900.00	3,829.59	1.81%
5400 - Information & Technology Services	12,304.06	1,068,242.53	1,238,600.00	170,357.47	86.25%
5500 - General Office	165.38	474.75	2,100.00	1,625.25	22.61%
5600 - Hardware & Equipment	212.65	973.57	55,800.00	54,826.43	1.74%
5700 - Insurance	7,084.00	14,189.00	11,100.00	(3,089.00)	127.83%
5800 - Contractual Services	2,577.58	29,165.70	70,200.00	41,034.30	41.55%
5900 - Library Materials & Content	454,389.82	476,545.53	564,006.00	87,460.47	84.49%
6000 - Interest & Fees	213.26	1,075.65	5,050.00	3,974.35	21.30%
6100 - Other Expenses	-	-	3,607.00	3,607.00	0.00%
Total Expenses	<u>626,781.94</u>	<u>2,237,772.84</u>	<u>4,147,033.00</u>	<u>1,909,260.16</u>	<u>53.96%</u>
Excess Revenues less Expenses	<u>\$ 280,776.16</u>	<u>\$ 18,399.31</u>	<u>\$ (3,607.00)</u>	<u>\$ (22,006.31)</u>	

Statement of Revenue and Expenses
For the 4 Months Ended October 31, 2022

	<u>Month-to-Date Actual</u>	<u>Year-to-Date Actual</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Collected Expended</u>
Revenue					
4010 - SWAN Full Membership Fees	\$ 746,225.11	\$ 1,495,903.36	\$ 2,999,659.00	\$ 1,503,755.64	49.87%
4011 - SWAN Internet Access Membership Fees	0.00	0.00	3,700.00	3,700.00	0.00%
4190 - Member Group Purchase Receipts	14,144.82	451,147.58	445,686.00	(5,461.58)	101.23%
4220 - Reimbursement Losses for Resource Sharing	10,395.74	20,929.27	50,000.00	29,070.73	41.86%
4240 - E-Commerce Transactions	2,372.97	13,379.02	70,000.00	56,620.98	19.11%
4310 - RAILS Support to SWAN	131,845.25	263,690.50	527,381.00	263,690.50	50.00%
4499 - Annual Conference Receipts	0.00	3,330.00	12,000.00	8,670.00	27.75%
4510 - Interest Income	2,574.21	7,792.42	1,000.00	(6,792.42)	779.24%
4600 - Reserve Fund Transfer	0.00	0.00	34,000.00	34,000.00	0.00%
Total Revenue	<u>907,558.10</u>	<u>2,256,172.15</u>	<u>4,143,426.00</u>	<u>1,887,253.85</u>	<u>54.45%</u>
Expenses					
5000 - Salaries & Wages	106,405.71	462,154.50	1,546,800.00	1,084,645.50	29.88%
5021 - FICA Expense	7,800.70	34,059.45	118,400.00	84,340.55	28.77%
5023 - Worker's Compensation	0.00	5,416.00	3,900.00	(1,516.00)	138.87%
5024 - Retirement Benefits	9,991.74	43,252.98	140,900.00	97,647.02	30.70%
5025 - Health, Dental, Life And Disability Insurance	14,209.89	52,820.16	228,800.00	175,979.84	23.09%
5026 - Tuition Reimbursements	0.00	0.00	2,500.00	2,500.00	0.00%
5085 - Staff Wellness	0.00	210.00	400.00	190.00	52.50%
5110 - Rent/Lease	9,774.34	39,097.36	113,160.00	74,062.64	34.55%
5120 - Utilities	479.59	3,873.54	5,700.00	1,826.46	67.96%
5130 - Property Insurance	0.00	160.50	650.00	489.50	24.69%
5140 - Repairs & Maintenance	177.00	386.49	1,560.00	1,173.51	24.78%
5150 - Custodial Service & Supplies	260.00	1,040.00	3,200.00	2,160.00	32.50%
5210 - Conference Travel	0.00	0.00	6,000.00	6,000.00	0.00%
5220 - Staff Meetings	36.22	36.22	400.00	363.78	9.06%
5230 - Staff Professional Development	0.00	200.00	6,800.00	6,600.00	2.94%
5240 - Professional Association Membership Dues	200.00	375.00	2,500.00	2,125.00	15.00%
5250 - Educational Material	0.00	0.00	800.00	800.00	0.00%
5260 - Online Learning	500.00	500.00	3,500.00	3,000.00	14.29%
5310 - Travel Reimbursement	0.00	70.41	1,400.00	1,329.59	5.03%
5330 - Library Professional Development	0.00	3,453.50	6,700.00	3,246.50	51.54%
5399 - Annual Conference	0.00	0.00	2,500.00	2,500.00	0.00%
5420 - Application Software Licensing	2,346.49	8,723.06	20,600.00	11,876.94	42.34%
5430 - Server Software Licensing	6,361.43	33,585.66	96,600.00	63,014.34	34.77%
5440 - Library Services Platform	0.00	912,459.70	985,700.00	73,240.30	92.57%
5450 - Data Management Services	632.46	14,941.65	30,500.00	15,558.35	48.99%
5460 - Information Subscription Service	0.00	73,652.63	77,100.00	3,447.37	95.53%
5470 - Subscription Support Services	1,467.12	4,796.07	7,700.00	2,903.93	62.29%
5480 - Telecommunications	1,096.56	2,862.90	14,500.00	11,637.10	19.74%
5490 - Group Purchases - Services	400.00	17,220.86	5,900.00	(11,320.86)	291.88%
5510 - Office Supplies	16.98	148.95	1,500.00	1,351.05	9.93%
5520 - Postage	128.95	306.35	600.00	293.65	51.06%
5599 - Annual Conference Supplies	19.45	19.45	0.00	(19.45)	0.00%
5610 - Equipment Rental/Maintenance	212.65	850.60	3,700.00	2,849.40	22.99%
5620 - Hardware	0.00	122.97	40,000.00	39,877.03	0.31%
5690 - Group Purchases - Hardware	0.00	0.00	12,100.00	12,100.00	0.00%
5700 - Insurance	7,084.00	14,189.00	11,100.00	(3,089.00)	127.83%
5810 - Legal	0.00	0.00	1,500.00	1,500.00	0.00%
5820 - Accounting	1,055.00	4,195.00	18,900.00	14,705.00	22.20%
5830 - Consulting	0.00	6,000.00	19,200.00	13,200.00	31.25%
5840 - Payroll Service Fees	319.18	1,384.73	4,800.00	3,415.27	28.85%

Statement of Revenue and Expenses
For the 4 Months Ended October 31, 2022

	Month-to-Date Actual	Year-to-Date Actual	Annual Budget	Remaining Budget	% Collected Expended
5860 - Notification & Collection	1,177.15	7,853.72	16,900.00	9,046.28	46.47%
5870 - Recruitment	26.25	1,599.25	0.00	(1,599.25)	0.00%
5899 - Annual Conference Facility Contract	0.00	8,133.00	8,900.00	767.00	91.38%
5910 - Print Materials	0.00	0.00	5,000.00	5,000.00	0.00%
5920 - Reimburse for Resource Sharing	9,796.67	20,532.19	50,000.00	29,467.81	41.06%
5930 - Electronic Resources	0.00	0.00	10,000.00	10,000.00	0.00%
5940 - E-Commerce Payment Transactions	2,170.15	13,590.34	70,000.00	56,409.66	19.41%
5990 - Group Purchases - Content	442,423.00	442,423.00	429,006.00	(13,417.00)	103.13%
6010 - Bank Fees	208.31	1,070.70	4,700.00	3,629.30	22.78%
6020 - Merchant Account Fees	4.95	4.95	50.00	45.05	9.90%
6099 - Annual Conference Merchant Fees	0.00	0.00	300.00	300.00	0.00%
6110 - Depreciation	0.00	0.00	3,607.00	3,607.00	0.00%
Total Expenses	<u>626,781.94</u>	<u>2,237,772.84</u>	<u>4,147,033.00</u>	<u>1,909,260.16</u>	<u>53.96%</u>
 Excess Revenues less Expenses	 <u>\$ 280,776.16</u>	 <u>\$ 18,399.31</u>	 <u>\$ (3,607.00)</u>	 <u>\$ (22,006.31)</u>	

SWAN Library Services

Check Register

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Vendor Checks						
Acorn Public Library				9191	10/07/22	<u>100.27</u>
5940	E-Commerce Payment Transactions	Acorn Public Library	100.27			
Batavia Public Library				9192	10/07/22	<u>35.20</u>
5940	E-Commerce Payment Transactions	Batavia Public Library	35.20			
Berwyn Public Library				9193	10/07/22	<u>19.86</u>
5940	E-Commerce Payment Transactions	Berwyn Public Library	19.86			
Bloomingtondale Public Library				9194	10/07/22	<u>45.27</u>
5940	E-Commerce Payment Transactions	Bloomingtondale Public Library	45.27			
Blue Island Public Library				9195	10/07/22	<u>23.48</u>
5940	E-Commerce Payment Transactions	Blue Island Public Library	23.48			
Bridgeview Public Library				9196	10/07/22	<u>6.57</u>
5940	E-Commerce Payment Transactions	Bridgeview Public Library	6.57			
Calumet City Public Library				9197	10/07/22	<u>7.51</u>
5940	E-Commerce Payment Transactions	Calumet City Public Library	7.51			
Carol Stream Public Library				9198	10/07/22	<u>55.54</u>
5940	E-Commerce Payment Transactions	Carol Stream Public Library	55.54			
Chicago Heights Public Library				9199	10/07/22	<u>5.71</u>
5940	E-Commerce Payment Transactions	Chicago Heights Public Library	5.71			
Chicago Ridge Public Library				9200	10/07/22	<u>7.13</u>
5940	E-Commerce Payment Transactions	Chicago Ridge Public Library	7.13			
Cicero Public Library				9201	10/07/22	<u>9.41</u>
5940	E-Commerce Payment Transactions	Cicero Public Library	9.41			
Clarendon Hills Public Library				9202	10/07/22	<u>47.25</u>
5940	E-Commerce Payment Transactions	Clarendon Hills Public Library	47.25			

SWAN Library Services**Check Register**

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Crete Public Library District 5940	E-Commerce Payment Transactions	Crete Public Library District	20.53	9203	10/07/22	<u>20.53</u>
Elmwood Park Public Library 5940	E-Commerce Payment Transactions	Elmwood Park Public Library	12.88	9204	10/07/22	<u>12.88</u>
Flossmoor Public Library 5940	E-Commerce Payment Transactions	Flossmoor Public Library	19.88	9205	10/07/22	<u>19.88</u>
Geneva Public Library District 5940	E-Commerce Payment Transactions	Geneva Public Library District	139.23	9206	10/07/22	<u>139.23</u>
Glen Ellyn Public Library 5940	E-Commerce Payment Transactions	Glen Ellyn Public Library	65.95	9207	10/07/22	<u>65.95</u>
Hinsdale Public Library 5940	E-Commerce Payment Transactions	Hinsdale Public Library	28.30	9208	10/07/22	<u>28.30</u>
Hodgkins Public Library District 5940	E-Commerce Payment Transactions	Hodgkins Public Library District	16.25	9209	10/07/22	<u>16.25</u>
Lansing Public Library 5940	E-Commerce Payment Transactions	Lansing Public Library	33.74	9210	10/07/22	<u>33.74</u>
Linda Sokol Francis Brookfield Library 5940	E-Commerce Payment Transactions	Linda Sokol Francis Brookfield Library	33.07	9211	10/07/22	<u>33.07</u>
Matteson Public Library 5940	E-Commerce Payment Transactions	Matteson Public Library	48.40	9212	10/07/22	<u>48.40</u>
Maywood Public Library District 5940	E-Commerce Payment Transactions	Maywood Public Library District	13.21	9213	10/07/22	<u>13.21</u>
McCook Public Library District 5940	E-Commerce Payment Transactions	McCook Public Library District	7.48	9214	10/07/22	<u>7.48</u>

SWAN Library Services

Check Register

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Messenger Public Library of North Aurora				9215	10/07/22	<u>13.21</u>
5940	E-Commerce Payment Transactions	Messenger Public Library of North Aurora	13.21			
Oak Lawn Public Library				9216	10/07/22	<u>119.82</u>
5940	E-Commerce Payment Transactions	Oak Lawn Public Library	119.82			
Oak Park Public Library				9217	10/07/22	<u>524.95</u>
5940	E-Commerce Payment Transactions	Oak Park Public Library	524.95			
Park Forest Public Library				9218	10/07/22	<u>159.85</u>
5940	E-Commerce Payment Transactions	Park Forest Public Library	159.85			
Prairie Trails Public Library District				9219	10/07/22	<u>31.17</u>
5940	E-Commerce Payment Transactions	Prairie Trails Public Library District	31.17			
River Forest Public Library				9220	10/07/22	<u>37.86</u>
5940	E-Commerce Payment Transactions	River Forest Public Library	37.86			
River Grove Public Library District				9221	10/07/22	<u>9.41</u>
5940	E-Commerce Payment Transactions	River Grove Public Library District	9.41			
Roselle Public Library				9222	10/07/22	<u>22.79</u>
5940	E-Commerce Payment Transactions	Roselle Public Library	22.79			
St. Charles Public Library District				9223	10/07/22	<u>151.68</u>
5940	E-Commerce Payment Transactions	St. Charles Public Library District	151.68			
Sugar Grove Public Library District				9224	10/07/22	<u>154.22</u>
5940	E-Commerce Payment Transactions	Sugar Grove Public Library District	154.22			
Town & Country Public Library District				9225	10/07/22	<u>14.15</u>
5940	E-Commerce Payment Transactions	Town & Country Public Library District	14.15			
Villa Park Public Library				9226	10/07/22	<u>18.91</u>
5940	E-Commerce Payment Transactions	Villa Park Public Library	18.91			

SWAN Library Services

Check Register

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Westmont Public Library 5940	E-Commerce Payment Transactions	Westmont Public Library	69.83	9227	10/07/22	<u>69.83</u>
Woodridge Public Library 5940	E-Commerce Payment Transactions	Woodridge Public Library	40.18	9228	10/07/22	<u>40.18</u>
Acorn Public Library 5920	Reimburse for Resource Sharing	Acorn Public Library	74.02	9229	10/13/22	<u>74.02</u>
Alsip-Merrionette Park Public Library 5920	Reimburse for Resource Sharing	Alsip-Merrionette Park Public Library	111.01	9230	10/13/22	<u>111.01</u>
Batavia Public Library 5920	Reimburse for Resource Sharing	Batavia Public Library	676.07	9231	10/13/22	<u>676.07</u>
Bensenville Community Public Library District 5920	Reimburse for Resource Sharing	Bensenville Community Public Library District	122.09	9232	10/13/22	<u>122.09</u>
Bensenville School District 2 5920	Reimburse for Resource Sharing	Bensenville School District 2	14.01	9233	10/13/22	<u>14.01</u>
Berkeley Public Library 5920	Reimburse for Resource Sharing	Berkeley Public Library	38.00	9234	10/13/22	<u>38.00</u>
Bloomingtondale Public Library 5920	Reimburse for Resource Sharing	Bloomingtondale Public Library	692.45	9235	10/13/22	<u>692.45</u>
Bridgeview Public Library 5920	Reimburse for Resource Sharing	Bridgeview Public Library	313.18	9236	10/13/22	<u>313.18</u>
Calumet City Public Library 5920	Reimburse for Resource Sharing	Calumet City Public Library	57.51	9237	10/13/22	<u>57.51</u>
Chicago Public Library 5920	Reimburse for Resource Sharing	Chicago Public Library	437.24	9238	10/13/22	<u>437.24</u>

SWAN Library Services**Check Register**

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Chicago Ridge Public Library 5920	Reimburse for Resource Sharing	Chicago Ridge Public Library	477.00	9239	10/13/22	<u>477.00</u>
Cicero Public Library 5920	Reimburse for Resource Sharing	Cicero Public Library	26.55	9240	10/13/22	<u>26.55</u>
Clarendon Hills Public Library 5920	Reimburse for Resource Sharing	Clarendon Hills Public Library	60.00	9241	10/13/22	<u>60.00</u>
Crete Public Library District 5920	Reimburse for Resource Sharing	Crete Public Library District	92.69	9242	10/13/22	<u>92.69</u>
Dolton Public Library District 5920	Reimburse for Resource Sharing	Dolton Public Library District	49.21	9243	10/13/22	<u>49.21</u>
Eisenhower Public Library District 5920	Reimburse for Resource Sharing	Eisenhower Public Library District	122.18	9244	10/13/22	<u>122.18</u>
Forest Park Public Library 5920	Reimburse for Resource Sharing	Forest Park Public Library	65.05	9245	10/13/22	<u>65.05</u>
Frankfort Public Library District 5920	Reimburse for Resource Sharing	Frankfort Public Library District	136.66	9246	10/13/22	<u>136.66</u>
Franklin Park Public Library District 5920	Reimburse for Resource Sharing	Franklin Park Public Library District	196.09	9247	10/13/22	<u>196.09</u>
Geneva Public Library District 5920	Reimburse for Resource Sharing	Geneva Public Library District	644.50	9248	10/13/22	<u>644.50</u>
Glenside Public Library 5920	Reimburse for Resource Sharing	Glenside Public Library	216.46	9249	10/13/22	<u>216.46</u>
Glenwood-Lynwood Public Library 5920	Reimburse for Resource Sharing	Glenwood-Lynwood Public Library	97.02	9250	10/13/22	<u>97.02</u>
Hinsdale Public Library				9251	10/13/22	<u>6.04</u>

**SWAN Library Services
Check Register**

All Bank Accounts
October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
5920	Reimburse for Resource Sharing	Hinsdale Public Library	6.04			
Hodgkins Public Library District				9252	10/13/22	<u>215.00</u>
5920	Reimburse for Resource Sharing	Hodgkins Public Library District	215.00			
Homewood Public Library District				9253	10/13/22	<u>361.06</u>
5920	Reimburse for Resource Sharing	Homewood Public Library District	361.06			
Itasca Community Library				9254	10/13/22	<u>73.23</u>
5920	Reimburse for Resource Sharing	Itasca Community Library	73.23			
Kaneville Public Library District				9255	10/13/22	<u>25.00</u>
5920	Reimburse for Resource Sharing	Kaneville Public Library District	25.00			
La Grange Park Public Library District				9256	10/13/22	<u>172.17</u>
5920	Reimburse for Resource Sharing	La Grange Park Public Library District	172.17			
La Grange Public Library				9257	10/13/22	<u>279.86</u>
5920	Reimburse for Resource Sharing	La Grange Public Library	279.86			
Linda Sokol Francis Brookfield Library				9258	10/13/22	<u>290.91</u>
5920	Reimburse for Resource Sharing	Linda Sokol Francis Brookfield Library	290.91			
Markham Public Library				9259	10/13/22	<u>68.00</u>
5920	Reimburse for Resource Sharing	Markham Public Library	68.00			
Matteson Public Library				9260	10/13/22	<u>53.02</u>
5920	Reimburse for Resource Sharing	Matteson Public Library	53.02			
Melrose Park Public Library				9261	10/13/22	<u>31.00</u>
5920	Reimburse for Resource Sharing	Melrose Park Public Library	31.00			
Messenger Public Library of North Aurora				9262	10/13/22	<u>102.57</u>
5920	Reimburse for Resource Sharing	Messenger Public Library of North Aurora	102.57			

SWAN Library Services

Check Register

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Midlothian Public Library				9263	10/13/22	<u>41.03</u>
5920	Reimburse for Resource Sharing	Midlothian Public Library	41.03			
National University of Health Sciences				9264	10/13/22	<u>77.66</u>
5920	Reimburse for Resource Sharing	National University of Health Sciences	77.66			
North Riverside Public Library District				9265	10/13/22	<u>313.31</u>
5920	Reimburse for Resource Sharing	North Riverside Public Library District	313.31			
Northlake Public Library District				9266	10/13/22	<u>21.22</u>
5920	Reimburse for Resource Sharing	Northlake Public Library District	21.22			
Oak Brook Public Library				9267	10/13/22	<u>87.60</u>
5920	Reimburse for Resource Sharing	Oak Brook Public Library	87.60			
Oak Lawn Public Library				9268	10/13/22	<u>773.01</u>
5920	Reimburse for Resource Sharing	Oak Lawn Public Library	773.01			
Palos Park Public Library				9269	10/13/22	<u>39.00</u>
5920	Reimburse for Resource Sharing	Palos Park Public Library	39.00			
Park Forest Public Library				9270	10/13/22	<u>87.89</u>
5920	Reimburse for Resource Sharing	Park Forest Public Library	87.89			
Prairie State College				9271	10/13/22	<u>99.00</u>
5920	Reimburse for Resource Sharing	Prairie State College	99.00			
River Grove Public Library District				9272	10/13/22	<u>16.88</u>
5920	Reimburse for Resource Sharing	River Grove Public Library District	16.88			
Riverdale Public Library District				9273	10/13/22	<u>20.00</u>
5920	Reimburse for Resource Sharing	Riverdale Public Library District	20.00			
Roselle Public Library				9274	10/13/22	<u>86.09</u>
5920	Reimburse for Resource Sharing	Roselle Public Library	86.09			

SWAN Library Services**Check Register**

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Schiller Park Public Library 5920	Reimburse for Resource Sharing	Schiller Park Public Library	71.50	9275	10/13/22	<u>71.50</u>
Sugar Grove Public Library District 5920	Reimburse for Resource Sharing	Sugar Grove Public Library District	140.19	9276	10/13/22	<u>140.19</u>
The Theosophical Society in America 5920	Reimburse for Resource Sharing	The Theosophical Society in America	36.07	9277	10/13/22	<u>36.07</u>
Thomas Ford Memorial Library 5920	Reimburse for Resource Sharing	Thomas Ford Memorial Library	69.08	9278	10/13/22	<u>69.08</u>
Thornton Public Library 5920	Reimburse for Resource Sharing	Thornton Public Library	7.00	9279	10/13/22	<u>7.00</u>
Tinley Park Public Library 5920	Reimburse for Resource Sharing	Tinley Park Public Library	375.47	9280	10/13/22	<u>375.47</u>
University Park Public Library District 5920	Reimburse for Resource Sharing	University Park Public Library District	14.00	9281	10/13/22	<u>14.00</u>
Warrenville Public Library District 5920	Reimburse for Resource Sharing	Warrenville Public Library District	380.26	9282	10/13/22	<u>380.26</u>
Westchester Public Library 5920	Reimburse for Resource Sharing	Westchester Public Library	36.87	9283	10/13/22	<u>36.87</u>
Wood Dale Public Library District 5920	Reimburse for Resource Sharing	Wood Dale Public Library District	61.89	9284	10/13/22	<u>61.89</u>
Woodridge Public Library 5920	Reimburse for Resource Sharing	Woodridge Public Library	544.80	9285	10/13/22	<u>544.80</u>
Comcast 5480	Telecommunications	Comcast - 10/1/22-10/31/22	759.95	9286	10/14/22	<u>759.95</u>

SWAN Library Services

Check Register

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HR Source				9287	10/14/22	<u>26.25</u>
5870	Recruitment	HR Source - recruitment for IT Mgr.	26.25			
ICS Learning Group				9288	10/14/22	<u>385.00</u>
5470	Subscription Support Services	ICS Learning Group - Inquisiq LMS	385.00			
Lauterbach & Amen, LLP				9289	10/14/22	<u>1,055.00</u>
5820	Accounting	Lauterbach & Amen, LLP - October	1,055.00			
LIMRiCC				9290	10/14/22	<u>17,866.45</u>
5025	Health, Dental, Life And Disability Insurance	LIMRiCC - October	17,866.45			
Marcive, Inc.				9291	10/14/22	<u>632.46</u>
5450	Data Management Services	Marcive, Inc.	632.46			
Nicor Gas				9292	10/14/22	<u>104.74</u>
5120	Utilities	Nicor Gas - 9/15-/10/13	104.74			
Reaching Across Illinois Library System				9293	10/14/22	<u>442,423.00</u>
5990	Group Purchases - Content	Reaching Across Illinois Library System - EBSCO Group Purchase thru 6/30/23	442,423.00			
Unique Integrated Communications, Inc.				9294	10/14/22	<u>1,577.15</u>
5490	Group Purchases - Services	Unique Integrated Communications, Inc. - curbside communicator	400.00			
5860	Notification & Collection	Unique Integrated Communications, Inc. - messagebee	750.00			
5860	Notification & Collection	Unique Integrated Communications, Inc. - printed notices	427.15			
Wellness Insurance Network-WIN				9295	10/14/22	<u>161.50</u>
5025	Health, Dental, Life And Disability Insurance	Wellness Insurance Network-WIN	161.50			
Travelers				9296	10/14/22	<u>7,100.00</u>
5700	Insurance	Travelers - Cyber/liability 10/31/22-10/31/23	7,100.00			

SWAN Library Services

Check Register

All Bank Accounts

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Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
First Bankcard				50199	10/14/22	<u>11,294.50</u>
5140	Repairs & Maintenance	8-30 imperial surveillance	177.00			
5220	Staff Meetings	9-15 Marianos staff mtg	36.22			
5240	Professional Association Membership Dues	8-30 ILA dues - Brandwein	200.00			
5260	Online Learning	9-09 MCLS registration for Bib Srvs. Training	500.00			
5420	Application Software Licensing	9-10 Mailchimp	42.49			
5420	Application Software Licensing	9-03 microsoft O365- 1 yr.	2,304.00			
5430	Server Software Licensing	9-03 microsoft basic	24.00			
5430	Server Software Licensing	9-03 microsoft premium	18.00			
5430	Server Software Licensing	8-19 microsoft azure	6,319.43			
5470	Subscription Support Services	8-20 go to webinar	100.00			
5470	Subscription Support Services	9-05 sendgrid	394.12			
5470	Subscription Support Services	9-06 smartystreets	588.00			
5480	Telecommunications	9-03 microsoft teams calling plan	288.00			
5480	Telecommunications	8-25 grasshopper	48.61			
5510	Office Supplies	8-24 amazon - signature stamp	16.98			
5520	Postage	8-23 USPS stamps	128.95			
5599	Annual Conference Supplies	8-18 SWAN expo supplies	19.45			
5610	Equipment Rental/Maintenance	genesis monthly	84.30			
6020	Merchant Account Fees	9-09 propay	4.95			
Genesis Technologies, Inc.				50200	10/20/22	<u>128.35</u>
5610	Equipment Rental/Maintenance	Genesis Technologies, Inc. monthly lease payment	128.35			
ComEd				50201	10/19/22	<u>374.85</u>
5120	Utilities	Com Ed 9/16/2022 - 10/17/2022	374.85			
Reliance Standard Life Insurance Co.				50202	10/28/22	<u>870.98</u>
5025	Health, Dental, Life And Disability Insurance	STD, LTD November	870.98			
T.A. Systems Inc.				50203	10/28/22	<u>260.00</u>
5150	Custodial Service & Supplies	T.A. Systems Inc. QR Cleaning September	260.00			

SWAN Library Services

Check Register

All Bank Accounts

October 2022

Payee/Account #	Account Description	Description	Amount	Check Number	Check Date	Check Amount
Quail Ridge Drive Investors, LLC 5110	Rent/Lease	November 2022	9,774.34	50204	10/28/22	<u>9,774.34</u>
					Check List Total	<u><u>506,761.34</u></u>

SWAN Board Meeting Minutes

October 21, 2022, 9:30 a.m.
Thomas Ford Memorial Library
800 Chestnut Street
Western Springs, IL 60558

1. Call to Order, Roll Call

President Bodewes called the meeting to order at 9:31 a.m. The following Board members were present to establish a quorum.

- a. Jesse Blazek
- b. Ted Bodewes
- c. Jennifer Cottrill
- d. Dorothy Koll
- e. Anna Wassenaar

2. Introduction of Visitors/Public Comment

Aaron Skog – Executive Director – SWAN
Dawne Tortorella – Assistant Director - SWAN
Scott Brandwein – Bibliographic Services Manager - SWAN

No public comment

3. Action Item

Acceptance of the October 21, 2022, SWAN Board Meeting Agenda

Cottrill moved, seconded by Wassenaar that it be

RESOLVED, THAT THE SWAN BOARD ACCEPTS THE OCTOBER 21, 2022
SWAN BOARD MEETING AGENDA AS PRESENTED

Motion carried by unanimous voice vote:

4. Action Item

Approval of SWAN Financials, September 2022

Blazek moved, seconded by Koll that it be

RESOLVED, THAT THE SWAN BOARD APPROVES THE PAYMENT OF BILLS FOR
SEPTEMBER 1 THROUGH SEPTEMBER 30, 2022 AND ACCEPTS THE BALANCE SHEET
AND DETAILS OF EXPENDITURES FOR SEPTEMBER 2022.

Motion carried by roll call vote with the following results:
Ayes: Blazek, Bodewes, Cottrill, Koll, Wassenaar

5. Action Item

Acceptance of September 16, 2022, SWAN Board Meeting Minutes

Blazek moved, seconded by Koll, that it be

RESOLVED, THAT THE SWAN BOARD APPROVES THE SEPTEMBER 16, 2022 SWAN BOARD MEETING MINUTES

Motion carried by unanimous voice vote

6. Reports

a. Board President Report

Bodewes will be attending Illinois State Library Advisory Committee (ISLAC) meeting next week and will provide a report at the next Board meeting.

b. Executive Director Report

Skog reviewed SWAN financials noting that the group purchase for Comics Plus is included for payment and libraries participating will be billed. Discussion items later in the agenda include Leave Donation/Leave Sharing Policy and new library director orientation and engagement.

Skog announced that Ian Nosek fills the positions of Information Technology and Support Services Manager. Ahren Sievers will be filling the position vacated by Ian's promotion as System Administrator. He starts on October 24, 2022.

Skog, Brandwein, and Tortorella met with a group of staff from Addison Public Library as an introductory discussion about SWAN and consortia. They are in early stages of researching their future options.

Skog co-chaired the SirsiDynix Consortia SIG conference. He highlighted SWAN involvement in the conference and findings across consortia customers of SirsiDynix.

c. Operations Report

Tortorella and Brandwein discussed the operations report. Of note was a recap on the survey conducted to gauge user group topic and leadership interest. Tortorella and Brandwein provided updates as presented in packet. Statistics presented in the report show the time-to-fill for holds

placed in Aspen is the lowest and therefore most efficient. Over 75% of holds placed are placed through Aspen. The smart holds algorithm used for grouped records appears to be reducing time-to-fill. Board members felt this information and analysis should be shared at the next quarterly.

d. Treasurer Report

None

e. Board Calendar

Skog and Blazek still have the task to complete the closed session review.

7. Discussion Item

Skog approached HR Source for information on leave donation policies. This discussion is referred to the Personnel Committee for further research and recommendation to the Board at the November meeting. The Board further recommended review of part-time sick leave benefits as part of the policy review.

8. Information Item

The number of changes in SWAN library directors in the past 2 years is nearly 1/3rd of membership. Efforts to provide Director office hours and orientation sessions have not been well attended. A proactive outreach to new directors is recommended. When prioritizing outreach and site visits, people new to the role and/or new to the region or SWAN may benefit from more outreach.

Previous SWAN Ambassador Program where Board members and other SWAN Directors reached out to colleagues for peer-to-peer networking were helpful and created mentoring opportunities and connections. As next strategic planning cycle gets underway, member outreach and engagement may be an area for development and part of ongoing support.

9. Adjournment

Motion to adjourn moved by Koll, seconded by Cottrill.

Bodewes adjourned the meeting at 11:04 a.m.

Minutes Prepared by Dawne Tortorella

Respectfully Submitted,

Jesse Blazek

Board Secretary

DRAFT

SWAN Finance Committee Meeting Minutes

November 10, 2022 1:00 p.m.

SWAN headquarters

800 Quail Ridge Drive, Westmont, IL 60559

Call to Order, Roll Call

The meeting was called to order at 1:04 p.m.

Jesse Blazek, Palos Heights Public Library

Tim Jarzemsky, Bloomingdale Public Library

Colleen Waltman, Homewood Public Library District

Aaron Skog, SWAN

Introduction of Visitors/Public Comment

There were no guests at the meeting.

Discussion Item – SWAN Fiscal year 2024 budget

Skog provided an overview of the budget, as outlined in the memo to the Finance Committee. The goals of the budget were primarily to enact changes to SWAN technology infrastructure hosting, and introduce MessageBee as a new service if it is approved at the December Quarterly meeting. The discussion about the salary budget line was if there was a needed increase for FY24 or if the increase should wait until the following budget in FY25. The annual conference was included in the FY24 budget, and it was agreed to look at other hosting spaces that could rotate between for the event. The use of a State Library Technology Grant will be explored, but it was agreed that the grant should not be included in the budget at this time. The use of reserve funds to pay for one-time consulting was agreed to, and that it will be important to outline the goals of the funds to invest in a new SWAN Support website will be when presenting the budget to the membership. There were no substantial changes required to the FY24 budget draft at the end of the discussion.

The Cook County Treasurer Office has not responded to the FOIA request for payments made in the 2020 tax year. Skog will follow up with the Office as no response was received after 21 days. Due to this reason, the SWAN fee chart is incomplete for the budget draft.

Discussion Item – RAILS LLSAP Grant FY24 Award

The RAILS LLSAP grant was discussed and questions about the FY24 award to SWAN will be sent to Anne Slaughter, RAILS.

Discussion Item – SWAN Reserves Policy

The committee agreed no changes to the policy were needed at this time.

Discussion Item—SWAN Investment Policy

The diversification of funds language is going to be researched as new language to insert and will be brought to the SWAN Board in an upcoming meeting for approval. There was interest in the committee in reaching out to IMET, PMA, and Illinois Funds to see if a portion of SWAN cash reserves should be used to gain additional interest revenue.

Meeting adjourned at 2:36 p.m.

Minutes Prepared by Aaron Skog

Respectfully Submitted,

Jesse Blazek
Board Secretary

SWAN Executive Director Report

November 18, 2022

Update on Activities

Addison Public Library

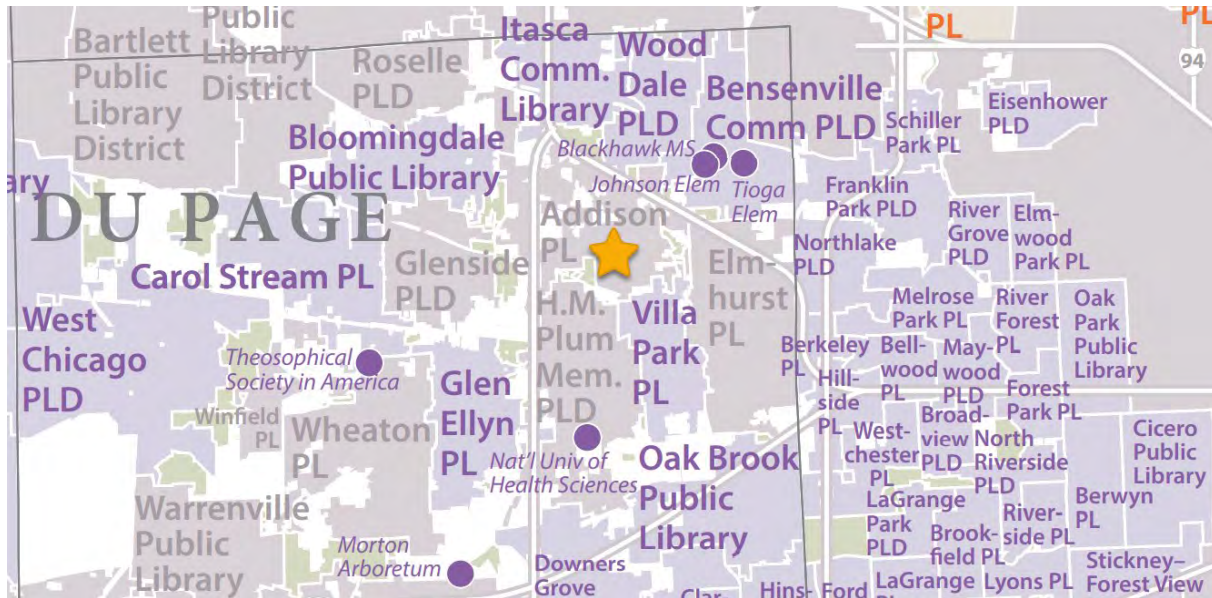


Figure 1 RAILS resource sharing map (note: the map posted on RAILS has not been updated since 2019, so Glenside, Roselle, and Warrenville are not shown in SWAN color purple.)

Last month I shared that we were invited to present to a library committee about the SWAN consortium. I provided a SWAN quotation for membership to Addison Public Library. The Library’s ILS search committee met after the SWAN presentation last month to review the quotation and is going to recommend that the library join SWAN!

The membership fee quoted was based on the current fiscal year.

SWAN Membership Fee Estimate	\$70,367
State LLSAP Grant Discount Estimate	-\$5,494
SWAN Membership Fee Estimate Total	\$64,873

The library has a DuPage County tax revenue similar to Downers Grove Public Library and would be the 5th largest library in SWAN based on membership revenue.

The steps for joining SWAN are determined by the SWAN organization’s by-laws. Steps to join SWAN follow this process.

1. Provide cost estimate to interested library
2. Answer the library's questions about features, membership, etc.
3. Inform the SWAN Board
4. Obtain letter of intent from interested library
5. Inform the SWAN Membership
6. Provide interested library the SWAN agreement, set date for library trustee approval
7. Write recommendation & profile on library, discuss at membership meeting
8. SWAN Membership votes for admission (1 month)
9. SWAN staff profile library data, extract and import data, provide library training, and design marketing material (6-8 months)
10. Library circulation & catalog go-live on SWAN

Addison Public Library has indicated a go-live date of early November 2023, so SWAN will need to build a detailed project timeline with Addison's input that will be shared at next month's SWAN Board meeting. We should also share this development at the December 1st SWAN Quarterly meeting.

HR Source Employment Law Conference

The annual conference was held at NIU in Naperville on November 10th and was well-attended. Topics for the conference included DEI in the HR space, compensation and benefits, hiring practices 101, HR trends and employment law for 2023.

The important takeaways from the conference were that SWAN's practice in recruiting and hiring is meeting all the recommended standards, e.g., offer letter with required signature and deadline to complete, and the SWAN pay grade structure is maintained with percentage shifts made each year based on HR Source recommendations. The one to-do for this next year will be to have the SWAN Employee Handbook of policies reviewed by HR Source, which should be done every three years to ensure its legally compliant.

Staff Changes

Welcome – Bibliographic Services Team Members

We are happy to welcome two new team members to SWAN's Bibliographic Services. Ernestina Saenz and Jennifer Cuevas will begin work at SWAN the week of November 14th. Both will be assisting as part-time Bibliographic Services Clerks assigned with catalog maintenance. We look forward to adding targeted data clean-up projects to the team with our extended bench.

Open Position Posted (Bibliographic Services Manager)

With Scott Brandwein taking the position of Assistant Director in January, his current position as Manager of Bibliographic Services will be open. We have posted this position on the [RAILS Jobs Posting](#),

as well as on the [SWAN Careers page](#) of our public website. Review of candidates and scheduling of interviews through December is planned. We hope to have this position filled early in 2023.

Board Considerations

Accept the fiscal year 2022 audit

The financial audit has been completed and will be presented in the board meeting packet, along with my written management discussion and analysis.

FY2024 budget draft

The Finance Committee met on November 10th at SWAN headquarters. The notes from that meeting will be approved at the regular SWAN Board meeting.

The budget and reserves will be presented to the board for review and discussion. There will need to be changes made to the budget in the next draft to accommodate the addition of a new library, but this will not impact membership fees.

Unfortunately, I have not been able to complete the membership fees document yet, as the data from Cook County Treasurer Office has not been received.

Monthly Financial Report

Balance Sheet

The Fund Balance Unrestricted line for October is at \$2,430,972.46 which is unchanged from the month prior. The approved Sikich security audit will be paid from reserves, as was approved at the September 2021 membership meeting.

Fund Balance Unrestricted	\$2,430,972.46
Expenses to be paid from reserve	(\$43,500.00)
	\$2,387,472.46
SWAN annual expense budget	\$4,147,033.00
	58%
Number of months operating expense in reserve	6.9

Revenue & Expense Report

This month would be 33% of the budgeted revenue and expenses. SWAN's financials are presented in a cash basis for this current fiscal year 2023. The total revenue reflects library membership fee payments for two quarters, which would bring in 50% of SWAN revenue. Expenses appear higher than 33% due to

prepaid expenses from the prior fiscal year which are now recorded in the appropriate budget lines, noted below.

SWAN FY23	FY23 Budget	Ending October 2022	Percentage of budget YTD 100%
Total Revenue	\$4,143,426.00	\$2,256,172.15	54%
Total Expenses	\$4,147,033.00	\$2,237,772.84	54%
Over / (Under)	(\$3,607.00)	\$18,399.31	

Accounts Receivable Update

4010 - SWAN Full Membership Fees: the second quarter invoices were sent out in October. We are currently at 49.81% of what should be 50% for this line.

4190 – Member Group Purchase Receipts: we invoice the EBSCO database group-purchase libraries their full amount due rather than adding the payment to the quarterly membership fees. We have received 101.23% of the \$445,686 budget line.

4220 - Reimbursement Losses for Resource Sharing: the invoices issued as part of the SWAN-to-SWAN member library for lost and paid material are recorded in this line. This line will offset against the 5920 Reimburse for Resource Sharing expense line.

4310 – RAILS Support to SWAN: the second quarterly payment to SWAN was received so this revenue is at 50%.

4510 – Interest Income: SWAN’s Money Market has performed better than expected for the past three months with almost 5 times the expected revenue. Currently, the rate is 2.54% where the rate one year ago was 0.02%.

Accounts Payable Update

5000 – Salaries & Wages: this line remains under budget for the year-to-date expenses.

5023 – Worker’s Compensation insurance: this line reflects 3 months prepaid expenses of insurance coverage from the prior fiscal year.

5130 – Property Insurance: this line reflects 3 months prepaid expenses of insurance coverage from the prior fiscal year.

5399 – Annual Conference: this line was adjusted for improperly classified expenses.

5430 – Server Software Licensing: expenses related to the hosting of Symphony, Aspen, and the support/ticketing systems are recorded in this budget line. We elected to add a second Aspen server for internal testing of software releases prior to upgrading our production/live Aspen. The addition of this second server has increased our monthly Azure costs.

5440 – Library Services Platform: payments to ByWater, OCLC, SirsiDynix, and EBSCO have been recorded. This line reflects prepaid expenses for SirsiDynix, ByWater Solutions, and EBSCO. OCLC group-services fees are paid in full, bringing the total expenses for this budget line to 92.57%.

5450 – Data Management Services: expenses for RDA ToolKit and WebDewey are paid in full for the year. ArcGIS software subscription with Ersi is included in this budget line expense.

5460 - Information Subscription Service budget line is 95.53% spent as the EBSCO subscription to Novelist Select is fully recorded in this budget line.

5490 – Group Purchases Services: while this line is overbudget, it is due to the new Library Pass Comics Plus online subscription at \$13,907 being completed. This is an opt-in subscription for libraries, and the libraries will be invoiced by SWAN next month and be recorded in the 4190 Member Group Purchase Receipts as revenue.

5700 – Insurance: prepaid expenses for D&O, business, and cybercrime are reflected.

5860 – Notification & Collection: expenses for printed notices were higher in July due to a one-time additional cost of printing overdue invoices.

5990 – Group Purchases – Content: EBSCO group-purchase expense has been completed.

Operations Report: November 2022

Membership engagement activities and statistics are reported through month-end of October 2022. System outages will be reported as of final assembly of report to ensure that any critical system issues are documented as quickly as possible.

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Member Engagement – All Staff

A recap of member engagement activities from October 1st through October 31st are included in this period.

Site Visits, Training, and Consultation

Member engagement activities, including meetings, on-site visits, training, and consultation are noted for the reporting period. Highlighted activities represent on-site library events.

Date	Event Name	Teams Responsible	Category
10/3/2022	Office Hours: Aspen	User Experience	Consultation
10/3/2022	SWAN Committee of the Whole	Administration, User Experience, Information Technology & System Support	Governance
10/5/2022	SWAN ILL Users Group	Resource Sharing	Member meeting
10/5/2022	Office Hours: Circulation, ILL, Outreach	All	Consultation
10/6/2022	Consultation: Item Type Consolidation (River Grove)	Bibliographic Services	Consultation
10/12/2022	Office Hours: Cataloging	Bibliographic Services	Consultation
10/12/2022	Office Hours: BLUEcloud Analytics	Administration, Information Technology & System Support	Consultation
10/13/2022	Cataloging Advisory	Bibliographic Services	Member meeting
10/14/2022	Consultation: Heat Map Collection (Tinley Park)	Information Technology & System Support	Consultation
10/17/2022	Training: Issuing Non-Resident Cards	Administration, User Experience, Information Technology & System Support	Training
10/19/2022	SWAN Circulation Users	User Experience	Member meeting
10/19/2022	Consultation: Item Type Consolidation (Geneva)	Bibliographic Services, Information Technology & System Support	Consultation
10/19/2022	Office Hours: Circulation & Holds Maps	Information Technology & System Support	Consultation
10/20/2022	Office Hours: Sunsetting BLUEcloud Analytics Personal Accounts	Information Technology & System Support	Consultation
10/20/2022	Consultation: Bibload (Steger)	Bibliographic Services	Consultation

Date	Event Name	Teams Responsible	Category
10/21/2022	SWAN Board Meeting (Thomas Ford)	Administration	Governance
10/25/2022	SWAN Fireside Chat #43	All	Member meeting
10/26/2022	Office Hours: BLUEcloud Staff	All	Consultation
10/27/2022	RFID Users Group	Information Technology & System Support	Member meeting
10/27/2022	Consultation: Pre-cat Training (Steger)	Bibliographic Services	Consultation
10/27/2022	E-Resources Advisory	User Experience	Member meeting
10/28/2022	Office Hours: Sunsetting BLUEcloud Analytics Personal Accounts	Information Technology & System Support	Consultation
10/31/2022	Directors' Coffee Hour	Administration	Consultation

User Group and Advisory Meeting Recap

Several meetings were held in October for our SWAN members. User group meetings and office hours have been scheduled for 2023.

ILL Users Group (10/5/2022)

Led by co-chairs Helen Pinder, Resource Sharing Consultant, SWAN and Meghan Moran, Oak Lawn Public Library the group reviewed the WorldCat.org new version launched in August. The group also revisited Find More Illinois, last evaluated in October 2021 (See [Board Packet pg. 41-49, October 10, 2022](#)). Given SWAN's WorldShare ILL usage, extensive configurations in OCLC WorldShare to maximize efficiencies, access to worldwide holdings including ability to request electronic copies of articles, this remains our preferred and supported resource sharing platform. This group is looking for another member co-chair.

Cataloging Advisory (10/13/2022)

Cataloging Advisory's topics for October focused on the Aspen 10.22 release, which contained many updates to the discovery layer's use of MARC data. Most critically, we discussed updates to the algorithm used to assign formats to items in Aspen. ByWater has added functionality to identify pre-loaded audio and video items more granularly, including Vox books, and Playaway products including Wonderbooks, Views, and Bookpacks. The update also includes new formats for board books and pop-up books.

This change lends us the opportunity to decide how we want these formats represented. Should we use the branded formats, or would patrons be better served reconfiguring these to display as a generic format such as "Pre-loaded video" or "Read-along book." Cataloging Advisory weighed in on this, and we will continue the discussion with DUX Advisory in November before making any changes to Aspen's default configuration.

Circulation Advisory Election

We welcome our newest members of Circulation Advisory: Emily Foster, Itasca Community Library; Latricia Thompson, Downers Grove Public Library; and Parish Turner, Bensenville Community Public Library.

Circulation Users (10/19/2022)

Topics included card registration at events outside of the library, best practices for refugee cards, replacement copies for damaged/lost items, circulation department hiring trends, and usage of library cards on the mobile app. In addition, Crystal led a card sort activity to research potential improvements in patron management documentation on the SWAN support site.

E-Resource Advisory (10/27/2022)

This was Olivia's first E-Resource Advisory meeting. She led the group through a brainstorm of topics for 2023 meetings and a discussion of purchasing trends and opportunities for group purchases. She also led the group through an activity to identify pain points in using Overdrive and Libby. Other topics included the TLS SIP2 migration for Overdrive and Hoopla, EBSCO database statistics, and website audits for OpenAthens links.

RFID Users (10/27/2022)

Ahren Sievers led the RFID Users Group, a role he has filled as member co-chair in the past. The group is looking for someone from the membership to serve with Ahren as co-chair. The group reviewed testing results of RFID tagging within the SWAN membership and will be developing additional documentation to share how all libraries in SWAN are configured.

2023 Meetings

Member meetings and monthly office hours have been added to our 2023 calendar. New this year is the Aspen Users Group. We have contacted interested co-chairs and are in the process of scheduling the Aspen Users Group meetings.

As we move into 2023, we will continue to work with our members to transition leadership of user groups to member staff. SWAN staff will facilitate these groups but want member voices to lead discussion and topics of interest.

We have tagged events in L2 with "[swan2023](#)" to help narrow SWAN meetings, office hours, and training for a quick view. In 2023 we will be transitioning from L2 registration to Zoom registration. All events will continue to be listed in L2, as well as on the SWAN Support Site. See the [SWAN Events Calendar](#) for a full listing of upcoming events.

We've scheduled over 100 events in 2023, as well as added a "Save the Date" for SWAN Expo 2023 (August 18, 2023).

Major Projects & Research

Aspen Discovery

[Aspen 22.10](#) was released October 19th, and it was a packed release. It included several additional formats that SWAN had requested and enhanced format detection. Searches scoped to a title, author, etc. with no results found will now redirect to a keyword search. Libraries have some additional theme options as well, to display a full width background image in the header or add drop shadows to cover images.

In addition, SWAN staff is working with ByWater Solutions to move to a ByWater hosted SaaS environment for Aspen. We anticipate we will have a test environment in place by early December to monitor performance before moving our live environment in 2023.

BLUEcloud Staff (Acquisitions, Cataloging, Circulation, MobileStaff)

SWAN staff continue to work with SirsiDynix on BLUEcloud staff enhancement requests. Our SWAN product leads (Samantha Dietel, Acquisitions; Claudia Nickson, Cataloging; Crystal Vela, Circulation; Dave Pacin, Central) test each release and participate in some pre-release feature demonstration. The most recent sprint review with SirsiDynix staff demonstrated cancelling orders in BLUEcloud Acquisitions targeted for a release soon.

SWAN and SAPLN met with the SirsiDynix team on October 20th to review mock-ups of silent printing (automatic printing in a browser) which can support multiple printers and customizable printing options for receipts, labels, and reports. We also reviewed desired behavior of checking out an item that was not previously checked in. These brainstorming discussions help us surface SWAN priorities and work with SAPLN to come to shared consensus, further elevating this shared consensus.

While we continue to be disappointed in the speed of progress, SirsiDynix is working closely with us in this product development. The voices and concerns of the SWAN membership are certainly being heard.

Security Initiatives

Azure Defender

We are continuing to explore the operations and abilities of the Defender platform on Microsoft Azure. This is an endpoint protection system along with metrics and insights applied to our cloud infrastructure. We are looking at best practices to ensure our environment is sufficiently hardened.

We have also applied the NIST 800-171 standard to our Azure environment, which will highlight any areas that are out of compliance and provide steps to remediate issues.

TLS-SIP2 Migration

OverDrive has completed the migration to TLS-SIP2, with two exceptions. During the migration process, two libraries (Elmwood Park and Indian Prairie) were identified as operating without user PIN

enabled. We are reaching out to these libraries to inform them of the change to require PIN. We will confirm a cutover date to allow these libraries to provide patron notice, if desired. Our OverDrive rep is prepared to schedule this change once we give the go-ahead.

We have selected Kanopy as the next vendor to migrate. Not only is Kanopy a widely used service, but this will also serve as a connection audit. Kanopy can use either both SIP2 and WebServices for authentication. It's possible that SWAN libraries are using both methods, depending upon when they were on-boarded. We will have Kanopy migrate all connections to TLS-SIP2.

The nginx implementation configured by Rudy Host will remain our primary TLS-SIP2 option. The SirsiDynix implementation of TLS-SIP2 does not send intermediate SSL certificates. These intermediate certificates validate a chain of trust with the other side of the connection. If the certificate is not passed, the 3rd party vendor is not able to confirm a chain of custody. As SWAN looks ahead, using vendor agnostic authentication methods prepares us to be future-ready. With this nginx implementation, we have several paths forward to further streamline all connections to SWAN.

Single Sign-On Pilot

Currently the SirsiDynix implementation of SSO does not send a log-out message to the authentication service. This has been added to their development priorities based on SWAN's needs. As we test SSO in the BLUEcloud Staff environment, SWAN staff have been alternating between direct BLUEcloud authentication for administrative work and SSO using our Azure authentication with KeyCloak to test this solution. This can be awkward due to browser cache and session management. Workarounds have included clearing browser cache or using alternative browsers. Ian Nosek demonstrated a plug-in for Firefox during the November 3 Staff Meeting which allows users to 'containerize' their browser tabs, allowing for complete segregation of all login cookies. Firefox Containers allow users to color code tabs and easily switch between accounts without having to clear their browser cache.

We are moving forward with configuring our KeyCloak identity provider. Ahren Sievers, SWAN's newest member, is exploring our theming options for the authentication page, and Dave Pacin is looking at our user ingestion process and related reporting.

The SWAN Community Forums is an excellent candidate for the next SSO implementation. This would provide a much larger user base to further test the SSO solution. Our plan is to identify all active users of the Community Forums and import them to our KeyCloak system. We're currently investigating best practices for importing users. As this change would affect member library staff, we will provide ample updates prior to making any changes to the current authentication.

Group Purchases

Kanopy reported that several SWAN libraries have contacted them indicating interest in purchasing Kanopy, but no additional libraries have signed contracts yet. If 2-3 more libraries sign on, all libraries in SWAN using Kanopy would receive a 10% discount (libraries currently receive a 5% discount).

Enhanced Patron Notifications – MessageBee Consideration

Membership vote on MessageBee will happen at the December 1st quarterly. As we await approval, we have used time to review current notices and inventory member library branding assets used in Aspen. These settings and library logos will be used for initial templates if the project proceeds.

External Collaboration & Partnerships

Meetings represent formal project-based meetings with vendors and collaboration projects within the larger library community.

Date	Event Name	Teams Involved	Topic
Tuesdays: 10/1/2022- 10/31/2022	ByWater - Aspen weekly check-in	All (UX Lead)	Research & Development
10/4/2022- 10/5/2022	SirsiDynix Consortia SIG	All (Aaron co-chair)	Partnerships
10/4/2022	OCLC On-Site Meeting	Administration, Bibliographic Services	Partnerships
10/6/2022	Aspen Gathering	User Experience, Bibliographic Services	Research & Development
10/19/2022	SWAN/SAPLN/SirsiDynix	All	Research & Development
10/27/2022	ByWater - Aspen Linked Accounts	All	Research & Development
10/26/2022	Aspen Conference Planning	Administration, User Experience	Partnerships
10/26/2022	SirsiDynix Sure Sailing	All	Partnerships

Resource Sharing

Internet Access Libraries

We continue to fine tune the new procedures for our school districts receiving direct delivery of items requested through SWAN. Helen and Dawne have met with our school district colleagues to demonstrate and confirm processing through BLUEcloud Circulation for these partners.

Support, Documentation, and Training

Details on support tickets, documentation, and training.

Issue/Outage:

While SWAN primary services did not report outages affecting the full membership, internal monitoring of services has alerted us to critical resource usage.

Aspen Memory

In October we experienced periodic memory spikes, which could cause slowness on the patron-facing interface if unchecked. SWAN staff and ByWater Solutions have been closely monitoring these spikes and taking steps to prevent any impact on patrons; however, we are continuing to investigate the cause while preparing for a move to a ByWater hosted SaaS environment for our Aspen test and production instances.

Outage tracking

Uptime percentage thus far in 2022 is 99.989%. This is comparable with our uptime, as calculated since 2017.

- 2017 – 99.995%
- 2018 – 99.986%
- 2019 – 99.992%
- 2020 – 99.989%
- 2021 – 99.993%

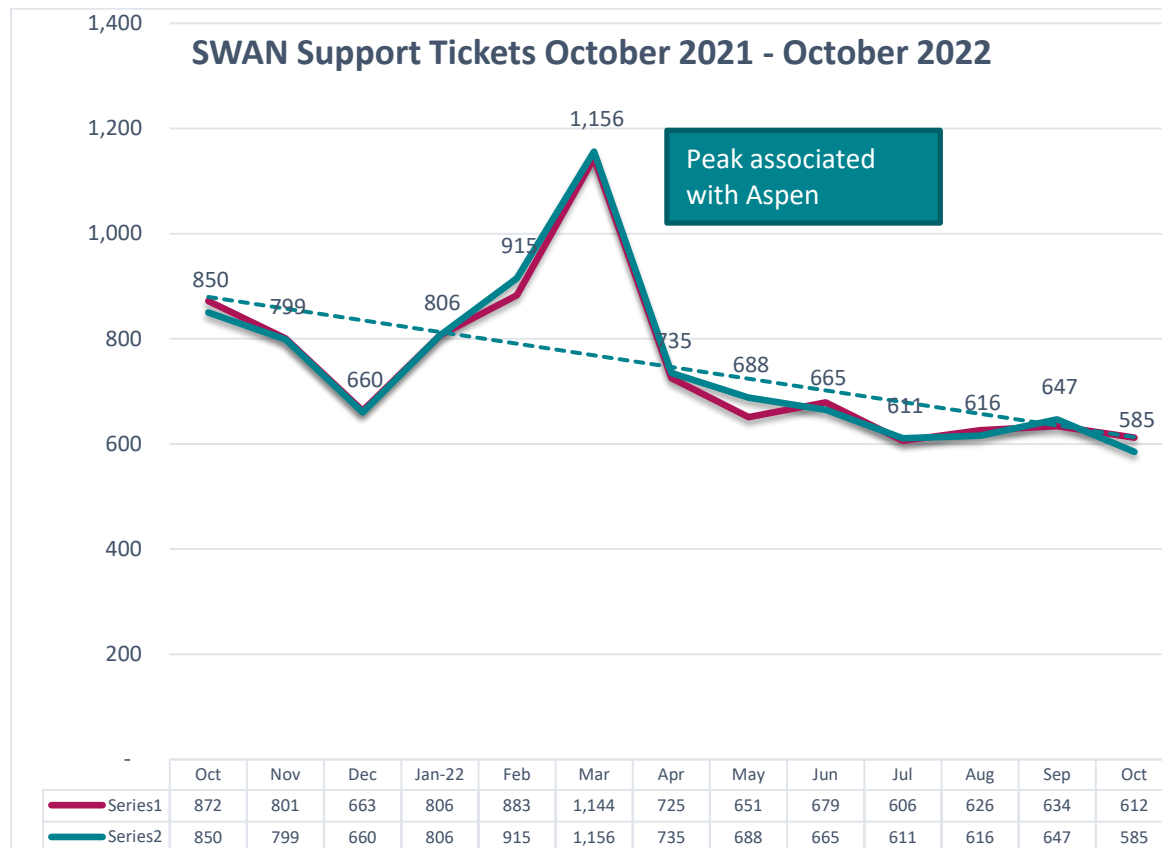
Date	Approx Time	Time Elapsed (Min)	System	Planned?	Library Hours?	Reason/Impact
1/15/2022	11:05	5	Aspen Discovery	No	Yes	Aspen server slowness relating to CPU spikes. Suspected to be runaway harvest process affecting MySQL.
1/15/2022	11:05	5	Aspen Discovery	No	Yes	Aspen server restart following persistent CPU load spikes throughout the morning.
1/23/2022	18:38	5	Aspen Discovery	Yes	No	Planned system patching.
1/23/2022	18:49	5	Symphony	Yes	No	Planned system patching.
2/4/2022	2:30	5	Aspen Discovery	No	Yes	Aspen server restart following persistent CPU load spikes throughout the morning.
3/20/2022	19:06	20	Symphony	Yes	No	Planned system patching.
3/20/2022	19:06	20	Web Services	Yes	No	Planned system patching.
4/16/2022	21:00	2040	Symphony	Yes	No	Planned Symphony database rebuild during Easter holiday.
5/27/2022	7:15	330	BLUEcloud	No	Yes	SirsiDynix BLUEcloud Service Outage (BcAnalytics, BcCore, BcMobile)
6/7/2022	22:10	1430	Aspen Discovery	Yes	Yes	Release update and reindex to prepare for more language filtering and preferences. Impact to holds placement through the catalog
7/12/2022	9:30	15	ICN	No	Yes	ICN seemed to have connectivity issues, libraries using ICN for ISP lost their VPN connection

Date	Approx Time	Time Elapsed (Min)	System	Planned?	Library Hours?	Reason/Impact
8/10/2022	11:38	60	SIP2	No	Yes	sip2currency.tbl was inadvertently deleted from the system, restored file and SIP is back up and running.
9/7/2022	13:50	5	Symphony	No	Yes	Index heading rebuild on dynamic index. Possible brief disruption for cataloging.
10/3/2022	14:00	5	Aspen Discovery	No	Yes	Runaway solr process, killed process and restarted
10/28/2022	11:15	195	OTRS	No	Yes	Microsoft Deprecation of POP3 severed connection between OTRS and the Outlook mailbox

Support Tickets

Support tickets are declining since our spring peak during the Aspen migration. This is a welcome overall trend. Questions about Aspen are on the decline, as are requests for grouped record updates in Aspen – all expected as we settle into this change in OPAC.

Data labels reflect tickets closed each month.



SWAN Support Tickets Opened/Closed in Past 12 Months

Our Bibliographic Services team continues to handle over 50% of support tickets. In October 2022, Bibliographic Services were assigned 323 tickets related to catalog maintenance and support. This continues to highlight the importance of our shared bibliographic data and the attention to record enhancement.

Support Site Migration

Rudy, Tara, and Dave completed training with Pantheon, our new managed hosting provider for the support site. We are continuing to test and prepare for the migration and cutover to the new hosting platform. The migration will not entail any changes to the support site, just to the hosting provider, and we anticipate minimal disruption to the membership.

Documentation Updates

Recently added documentation in October includes:

- [Cataloging > Local Practices & Policies > Board Books and other Children's Books](#)
- [Beanstack > Current and Upcoming Challenges](#)

On-site Training and Consultation

During the past month we have scheduled several one-on-one consultations to assist new staff in understanding SWAN practices and use of applications. While many of these scheduled sessions appear in our list of member engagement activities, we are also increasing the frequency of ad hoc consultation where we jump on a zoom meeting to help respond to questions.

Training Modules & Recordings

Recently added and updated trainings in October includes:

- [Issuing Non-Resident Cards: Yours, Mine, Ours](#)

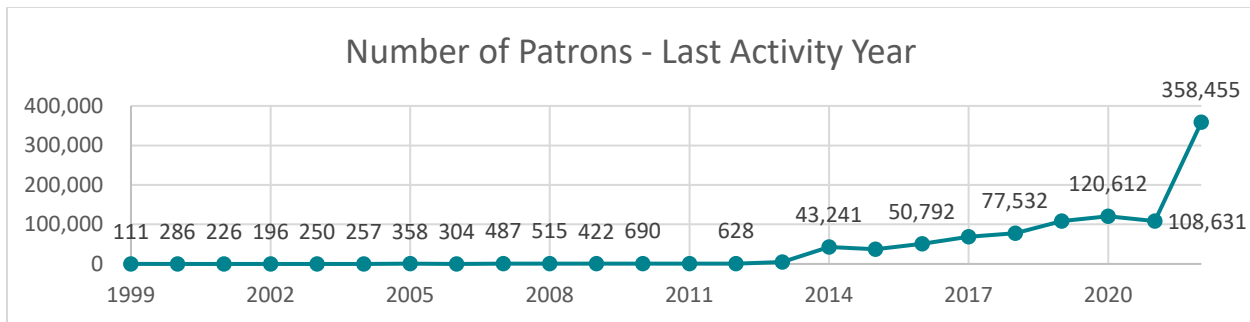
Maintenance

Automatic Monthly Patron Record Removal

The monthly removal of patron records due to 9 years of inactivity continues to be around 1,000. Starting in January 2023, this threshold will be reduced to 8 years of inactivity. Reports being sent in December will reflect this change so that libraries have 6 weeks to review records meeting removal criteria.

Over 70% of all patrons in our database have been active since January 1, 2019.

Approximately 5,000 patron records remain in the database inactive for over 10 years. These patrons remain in the database due to outstanding bills exceeding \$100. SWAN's recommendation is to remove these records permanently to maintain a current and active database of library users. These long inactive patrons could have been juveniles at time of bill, deceased, or moved out of the service area. These records will not be sent for National Change of Address processing.



National Change of Address – NCOA 2022

Based on current record counts, we have received a quote from Unique for the annual NCOA processing. The following criteria will be used to select records for NCOA and geographic information tagging.

- All patron records with a last activity date since 1/1/2014 (approximately 9 years of activity) will be matched for change of address (approximately 950,000 records)
 - receive updated address
 - receive longitude, latitude, census tract, census block (geocode data)
- If last activity date is within the past year, regardless of address change match
 - receive geocode data (approximately 350,000)

With the upgrade to Symphony 3.7.1 in July 2021 any patron record address change updates the last activity date. Any new patrons added or updated in the past year may require a refresh of their geocode data. The selection criteria will ensure these patron records reflect the correct geocode.

Cost for the project is within budget at \$11,500. Patron data will be sent to Unique the first week in December with an anticipated turnaround and processing by early January.

Notification Monitoring

Through verification of past reporting, the following notice tracking data reflects volume of message sent through each method (email, text, voice) and rates of success.

Email notice tracking

SendGrid statistics reflect emails sent from SWAN. These totals also include SWANcom messages and BLUEcloud Analytics subscriptions sent out to each library's aliased email. Approximately 20% of email traffic is attributable to these non-notification communications.

Failed counts reflect individual email addresses (Addresses) as well as messages impacted (Messages). We continue a 96-96% success rate on delivery.

Month/Yr	Total Emails Sent	Success Rate	Addresses			Messages		
			Email Addresses Bounced	Email marked SWAN as SPAM	Invalid Emails	Blocks	Bounce Drops	Spam drops
December, 2021	393,842	96.98% (381,936)	568	57	123	6,886	6,991	1,069
January, 2022	414,381	96.94% (401,716)	645	31	153	2,772	8,653	1,696
February, 2022	385,196	96.97% (373,511)	1,551	38	116	3,102	7,365	1,077
March, 2022	418,531	97.67% (408,766)	523	37	120	2,357	6,274	1,382
April, 2022	390,872	97.72% (381,971)	563	43	153	1,969	5,402	1,622
May, 2022	414,381	96.94% (401,716)	645	31	153	2,772	8,653	1,696
June, 2022	429,334	96.85% (415,790)	758	46	174	2,946	9,336	1,717
July, 2022	432,080	97.78% (422,516)	596	65	202	1,920	5,664	1,902
August, 2022	454,501	96.88% (452,300)	709	59	239	2,819	9,996	2,116
September, 2022	434,604	96.41% (418,980)	655	51	252	3,263	10,960	2,050
October, 2022	446,583	96.80% (432,311)	618	48	273	2,919	9,567	2,247

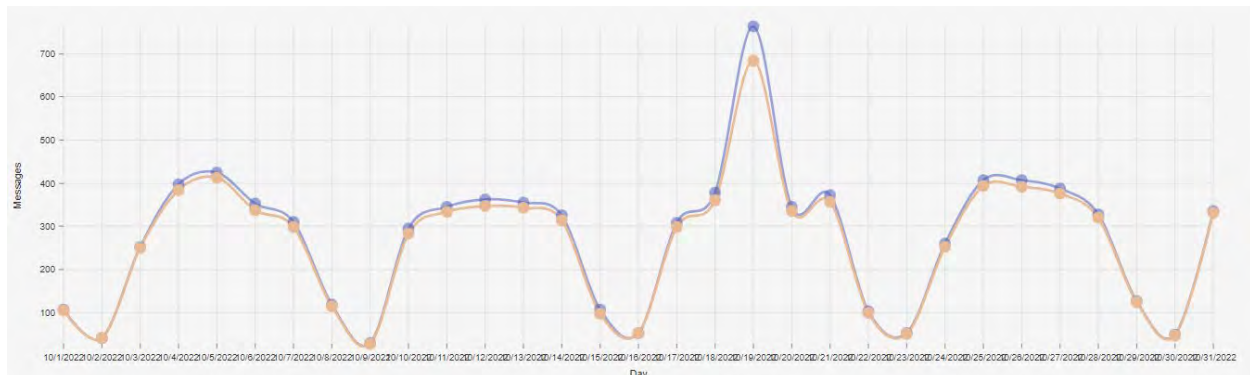
Phone Notice Tracking

Phone notifications are sent through SWAN's contracted service with Unique Management and relies on their MessageBee voice delivery system. An increase in failed voice message delivery is the highest since December 2021. These rates will be monitored to see if this was a one-time slight increase or a trend.

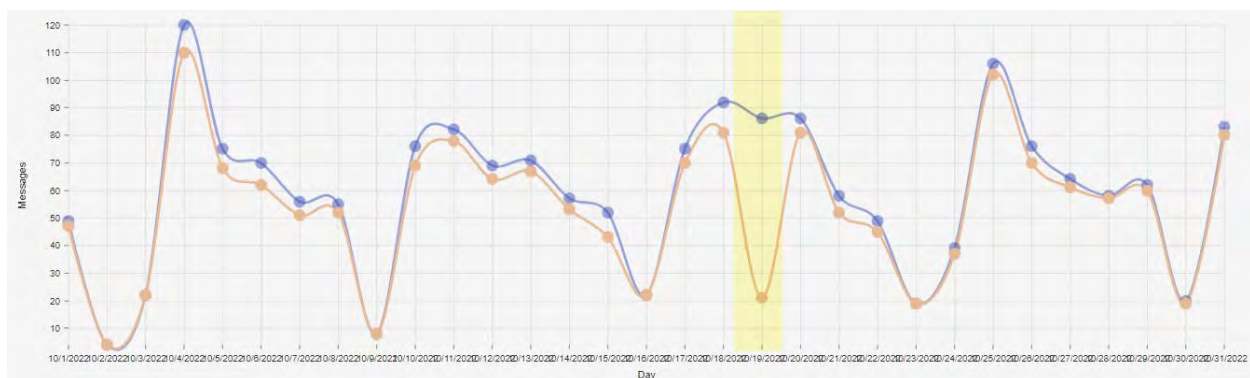
Month, Yr	Total Calls Attempted	Success Count	Success Rate	Failed Count	Failure Rate
October, 2021	9,185	8,899	96.89%	286	3.11%
November, 2021	8,540	8,253	96.64%	287	3.36%
December, 2021	7,956	7,687	96.62%	265	3.33%
January, 2022	8,846	8,580	96.99%	266	3.01%
February, 2022	7,197	6,995	97.19%	201	2.79%
March, 2022	8,890	8,678	97.62%	212	2.38%
April, 2022	8,316	8,077	97.13%	239	2.87%
May, 2022	9,920	9,693	97.71%	227	2.29%
June, 2022	8,762	8,520	97.24%	242	2.76%
July, 2022	8,443	8,197	97.09%	246	2.91%

Month, Yr	Total Calls Attempted	Success Count	Success Rate	Failed Count	Failure Rate
August, 2022	9,337	9,073	97.17%	264	2.83%
September, 2022	8,404	8,169	97.20%	235	2.80%
October, 2022	8,503	8,165	96.02%	278	3.27%

Reviewing the dashboard of voice message send and received shows that on October 19th, 80 of the 278 failed messages occurred on that specific day. This may be attributed to a carrier outage.



Filtering between hold and overdue voice notifications, the failures are almost exclusively related to overdue notices with the October 19th day showing a particular high rate of failure. This further points to a carrier problem around the time overdue voice messages were sent.



SMS notice tracking

SMS text messages are routed to SirsiDynix as part of our annual maintenance agreement. After the failed text message delivery in May, we returned to expected success rates on deliveries. Daily reports sent to libraries for immediate follow-up on failed text messages.

Month/Yr	Hold	Manual	Overdue	Total	Error Phone#	Error	Queued	Success %
April, 2022	31,773	38	37,147	68,958	200	1,661	599	96.43%
May, 2022	28,595	44	38,093	66,732	210	19,268	878	69.50%

Month/Yr	Hold	Manual	Overdue	Total	Error Phone#	Error	Queued	Success %
June, 2022	32,418	42	38,588	71,048	154	1,634	729	96.46%
July, 2022	33,468	42	41,040	74,550	90	1,358	702	97.12%
August, 2022	32,717	55	41,241	74,013	87	1,126	633	97.51%
September, 2022	34,209	26	34,747	68,982	71	1,008	563	97.62%
October, 2022	32,265	42	44,160	76,467	68	1,185	666	97.49%

SWAN Announcements

Staff Development & Presentations

ILA Conference (October 18th-20th)

At this year’s Illinois Library Association conference, Aaron led a poster session on resource sharing titled “The Three Pillars: The Foundation of Library Resource Sharing in Illinois.” Scott co-presented a session on DEI in cataloging entitled “Working Towards a More Inclusive Catalog” with Rachel Fischer (CCS) and Elizabeth McKinley (Chicago History Museum).

Internet Librarian (October 18th-20th)

Scott co-presented a session with Jordan Fields (ByWater Solutions) entitled “Coming Together: Library Discovery at Scale” on SWAN’s adoption of the Aspen catalog and our close development relationship with ByWater, including performing user testing, prioritizing development priorities, and advocating for new features. Scott and Jordan were featured in the [ByWater Solutions fall recap of conferences](#).



Appendix: Statistics

Cataloging & Collections

Cataloging statistics highlight the shared bibliographic database of physical materials maintained by our SWAN libraries and SWAN centralized cataloging staff.

OCLC Cataloging Counts

Counts do not include seventeen cataloging libraries. Original cataloging counts are new records created for SWAN and added to the OCLC WorldCat database. Copy cataloging counts are records downloaded from OCLC and added to SWAN's bibliographic database.

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Orig 2020	99	111	69	152	98	129	88	102	76	62	56	46	1,088
Copy 2020	1,908	1,717	1,863	2,270	2,357	2,496	2,237	1,886	2,405	1,723	1,901	1,704	24,467
Orig 2021*	41	53	54	73	49	88	49	71	80	65	72	104	799
Copy 2021*	1,632	1,847	1,911	1,480	1,720	1,756	1,580	1,916	2,367	1,463	2,295	1,802	21,769
Orig 2022	84	143	93	57	106	97	52	133	87	74			
Copy 2022	1,808	2,283	2,059	2,299	2,239	1,886	1,976	2,706	1,944	1,918			

* In January 2021, one of our Bibliographic Services Support Specialists reduced hours from 37.5 to 19.5 per week.

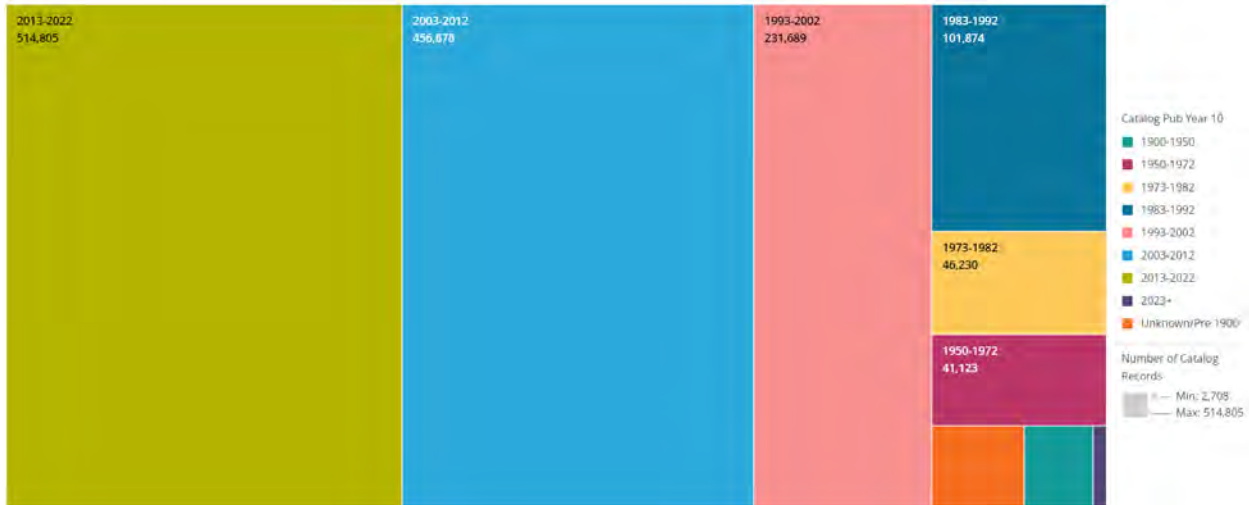
Catalog title and item counts

Title Count by Publication Year

Unique titles (catalog keys) were tallied based on publication year. Missing or inaccurate publication dates represent a very small percentage of the database. Current title count is 1.4 million.

Catalog Pub Year(Group)	Number of Catalog Records	Percent to Total (Number of Catalog Records)
Total	1,429,644	100.00%
Unknown	35,025	2.45%
1950-1979	71,206	4.98%
1980-1989	77,023	5.39%
1990-1999	183,582	12.84%
2000-2009	396,559	27.74%
2010-2019	531,255	37.16%
2020-Current	134,994	9.44%

Looking at 10-year span of publication date, shows 36% of titles were published in the last 10 years; 70% in the last 20 years; 84% in the last 30 years.

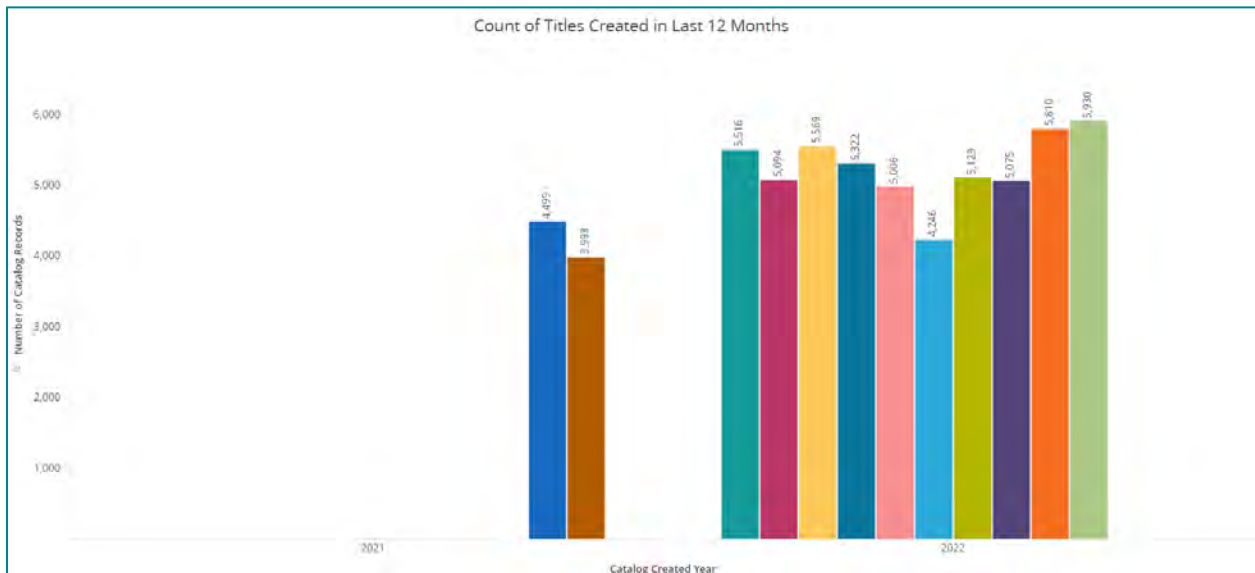


Count by Public Year in most recent 10-year span

Titles Created Last Year

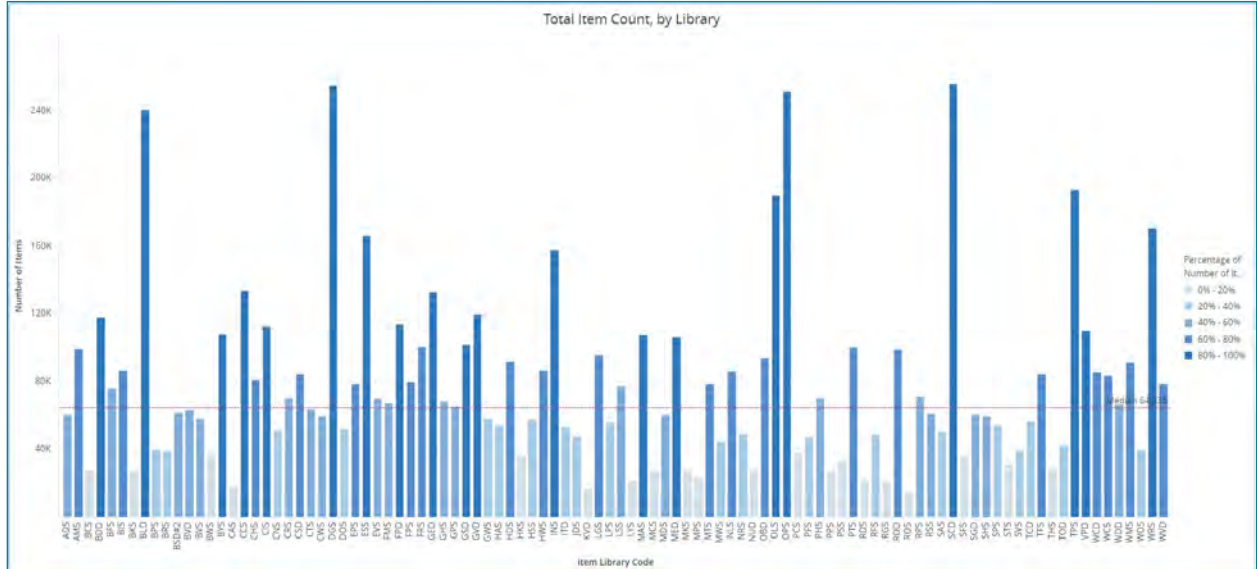
In the past 12 months, 61,194 titles have been added to the catalog. The chart below shows November-December 2021 and January-October 2022. Comparing totals reported last month for September vs now, there were approximately 400 fewer titles. This is due to the dynamic nature of our bibliographic database and the merging of duplicate records as they are added to the database.

This churn and dynamic changing of counts is a constant frustration for those who wish to maintain consistency of counts across time. The reality is that this is much like counting the number of frogs in the pond – it changes every minute.



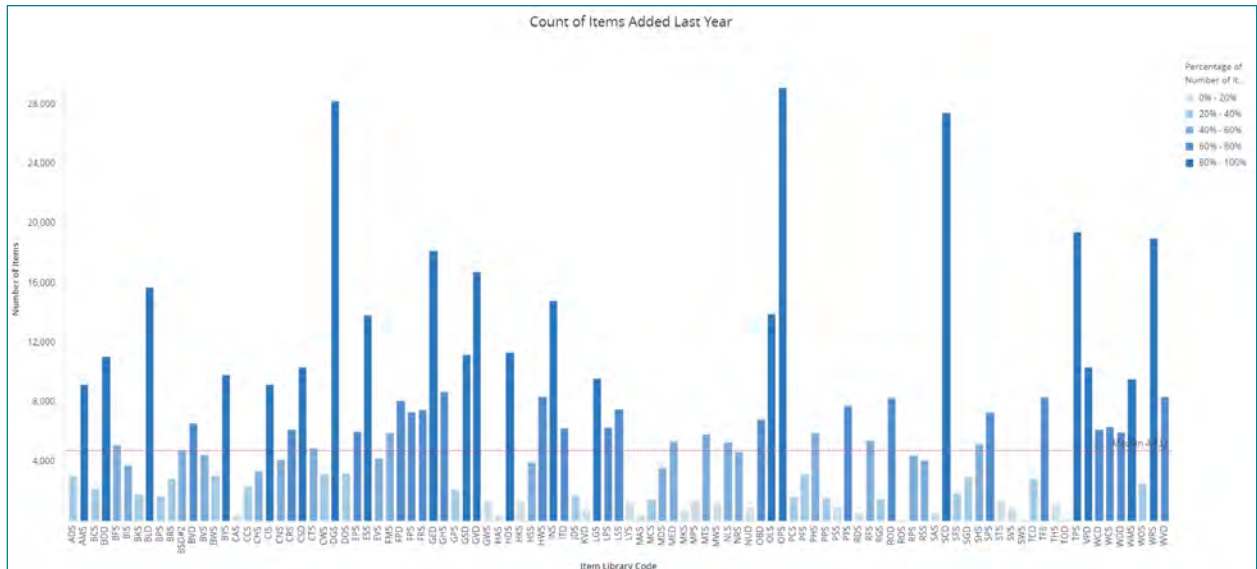
Item Count by Library

Total item count is 7,738,321. Median per library is 64,633. Last month showed total item count of 7,727,864 and median per library is 64,516. As expected, these totals are very stable reflecting the ongoing acquisition and weeding cycles of libraries.



Items Added by Library, in Last Year

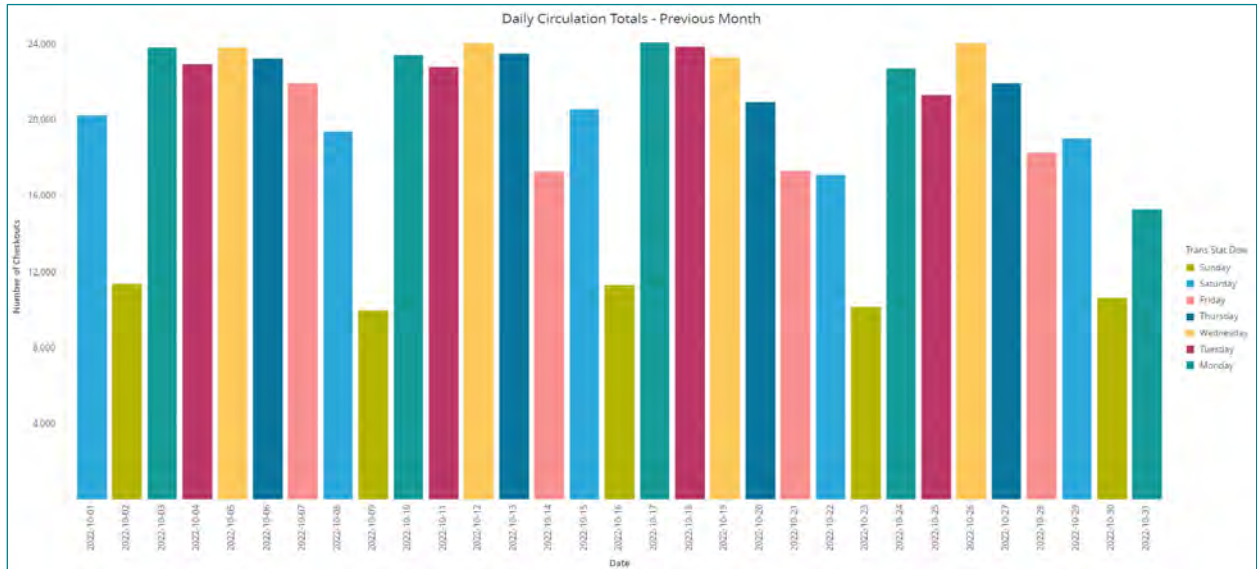
Items added in the last year represent 618,758 in total, with a median per library of 4,732 items.



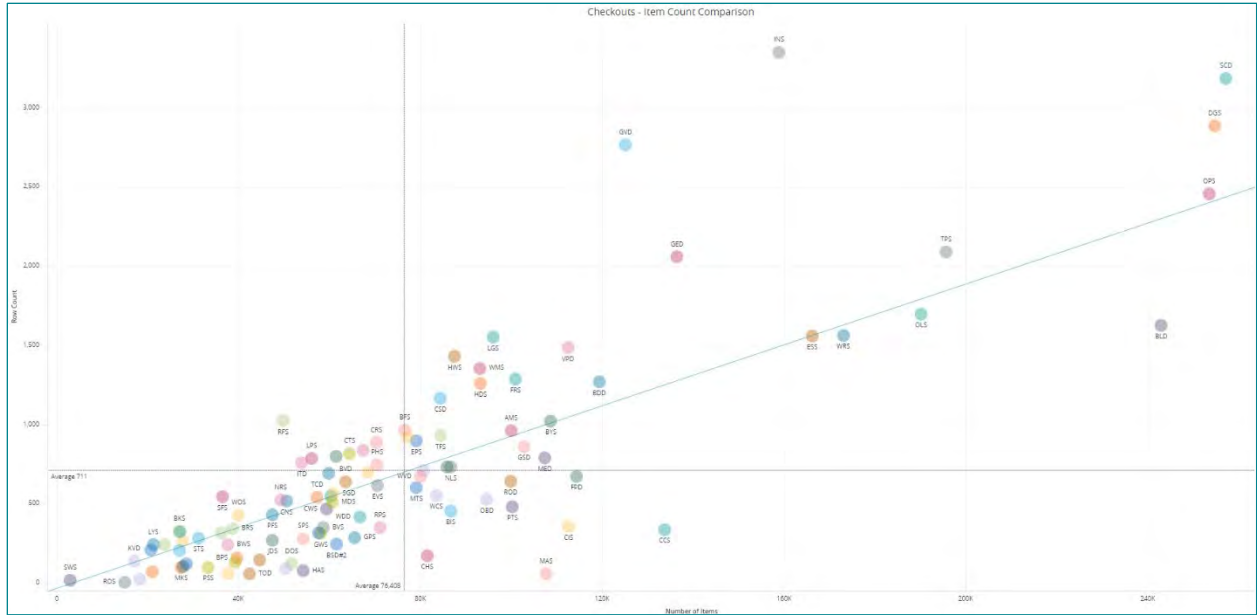
Circulation

Circulation in prior month

Mondays and Wednesdays alternated between most popular days for checkouts in October, followed closely by Tuesday. Overall, October circulation activity showed similar Monday-Thursday volume. Friday and Saturday overall volume is fairly comparable with Sunday about 50% lower.



Given the diverse size of the SWAN membership, comparison of checkouts against patron counts and item counts may provide a more useful analysis of library activity. Statistically there is a correlation between number of checkouts and number of items. Average monthly circulation for October was 711, average number of items in collection is 76,408. The diagonal line represents the linear comparison of checkouts to items.

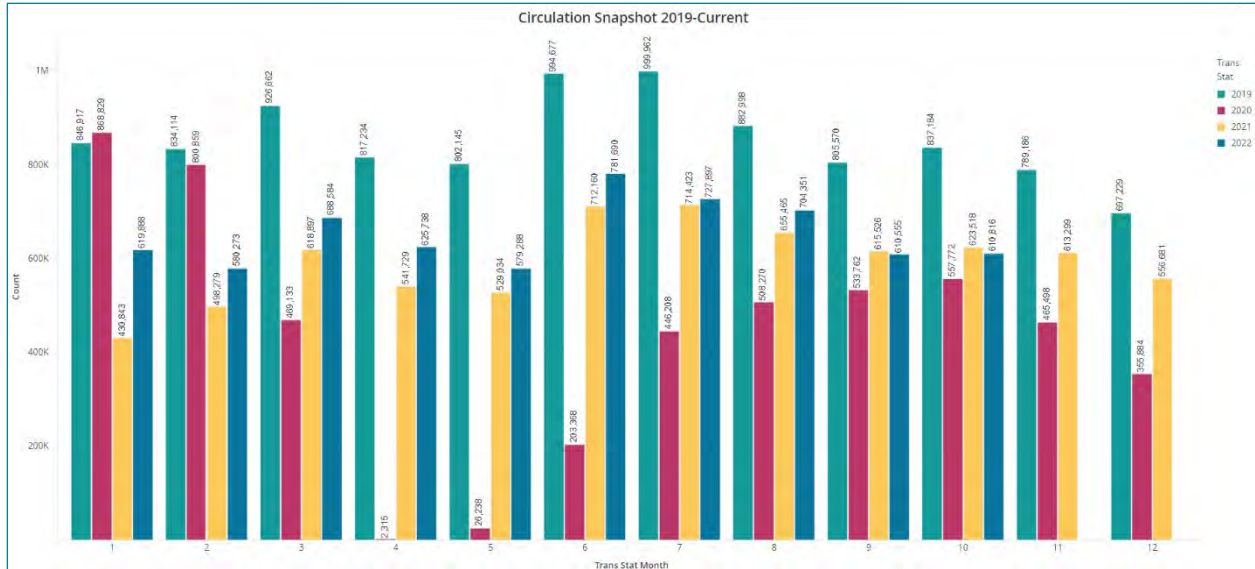


Comparing checkouts to patrons, some libraries show a high patron to checkout ratio, others may lag. This could be due to active patron outreach and engagement activities, as well as more aggressive management of patron records and removal of inactive accounts.



Monthly total comparison since 2019

The monthly comparison of total circulation, by month, shows both September 2022 and October 2022 circulation fell from 2021 totals. This is a trend to watch over time.



Holds

Time to Fill Analysis

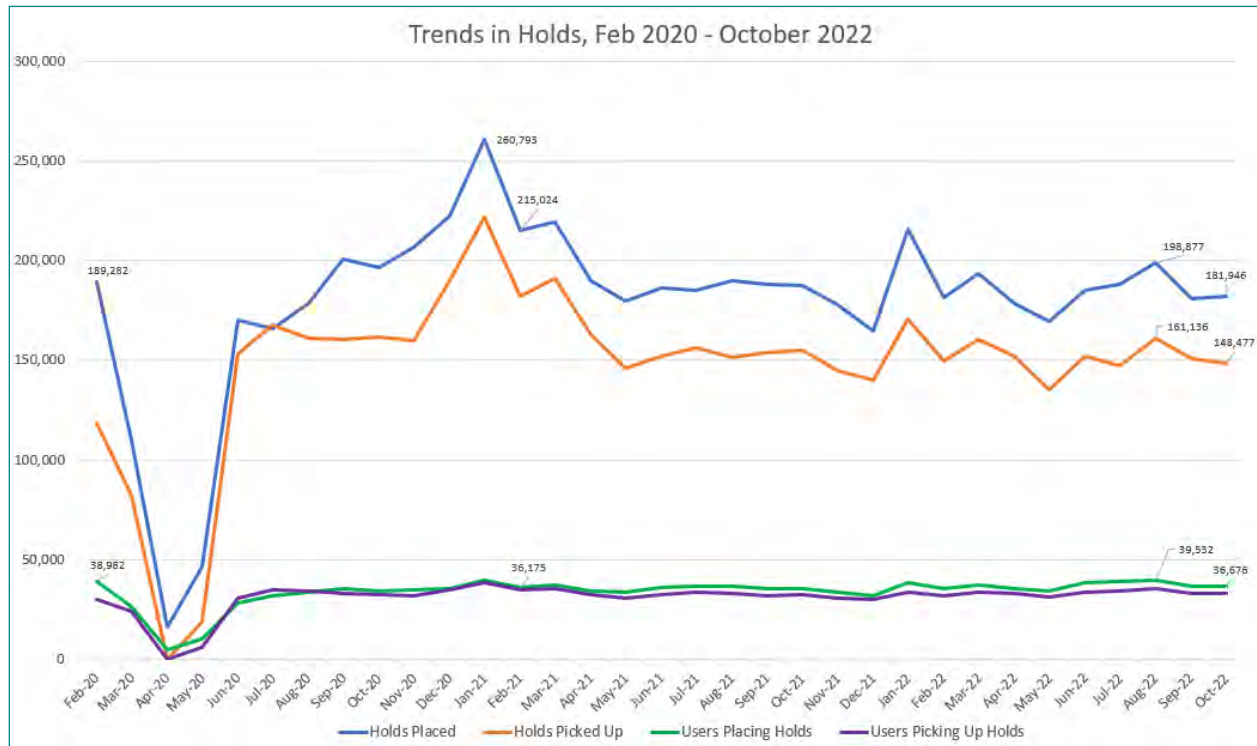
As introduced in September’s Operations Report, the time to fill analysis related to method of holds placement (Aspen, WorkFlows, BLUEcloud Mobile) continues to show shorter time to fill for holds placed in Aspen. For holds placed between 6/1/2022 and filled through 10/31/2022, total days to shelf shows a reduction in days between hold placement and fulfillment. While the comparison is 7 days average versus 8, this represents a 12.5 % reduction in time. Aspen uses WS_PUBLIC (Web Services Public) as the client type.



Not only is the time to fill lowest through Aspen placed holds, but volume of holds also placed through Aspen is significantly higher than other methods (mobile app, WorkFlows). For those holds placed and filled between June and October 2022, 75% were placed through Aspen (432,299 of 574,293). Factoring a one-day savings in time to fill represents 432,299 days of wait time saved for patrons.

Hold Placement & Pick-up

Hold placement and pick-up from number of patrons and number of holds/items picked-up is so consistent that it offers insight into a committed subset of patrons. In February 2020, the count of patrons placing holds was 30,320. Since June 2020, that count has been between 29,964 (December 2021) and 38,602 (January 2021).

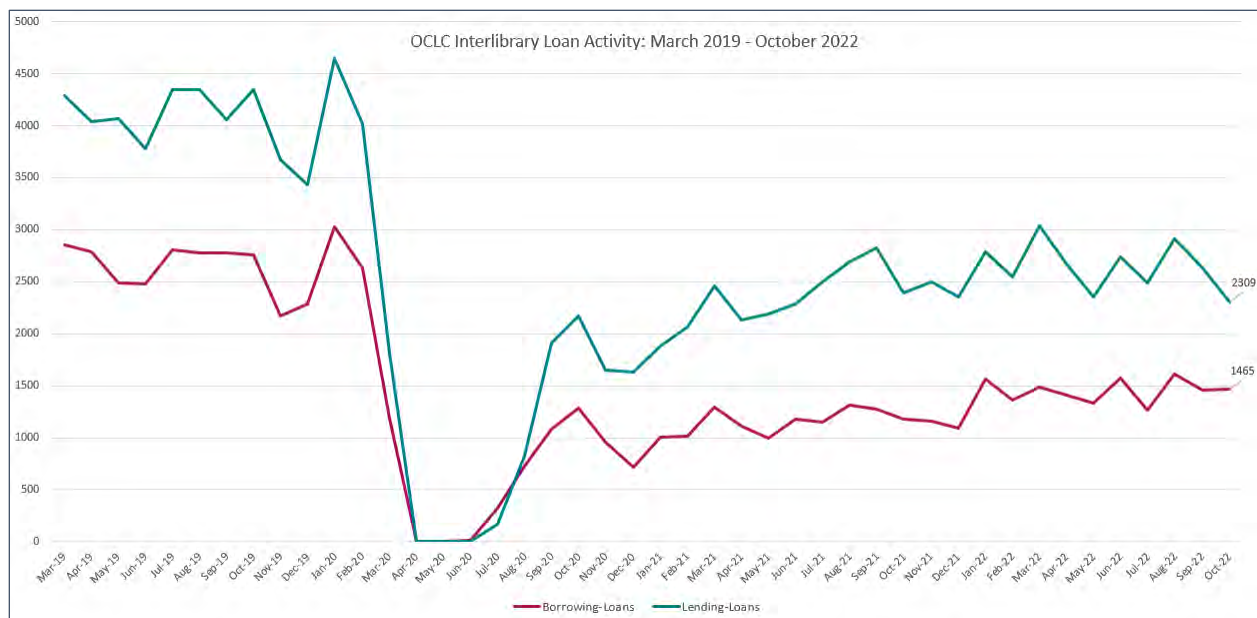


Interlibrary Loan & Resource Sharing

The volume of items sent through delivery has not returned to pre-pandemic levels although the number of holds placed has risen. We will continue to monitor transit counts across the consortium. We have omitted the comparison chart due to the static nature of the data.

OCLC Worldwide Resource Sharing

Our combined OCLC interlibrary loan statistics show that SWAN continues to be a net lender.



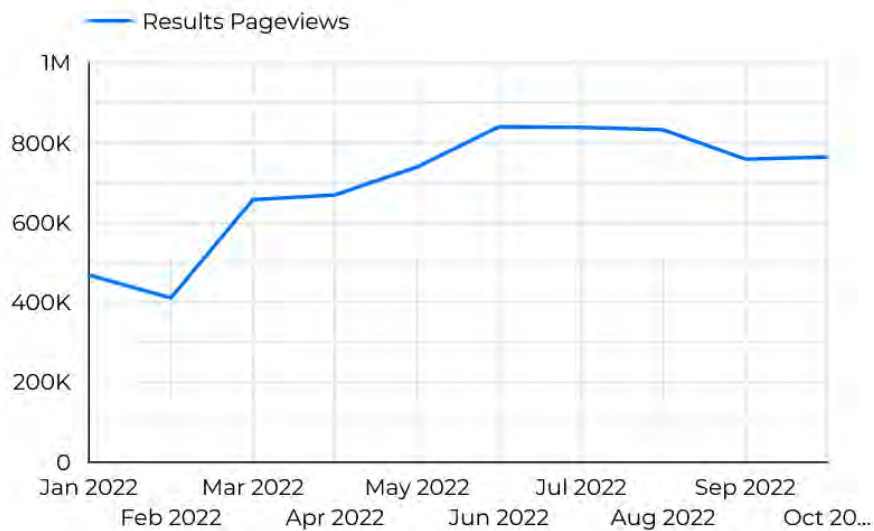
Online Public Catalog - Aspen

Top 25 Searches in Aspen (October 2022)

- | | | |
|--|--------------------------|--------------------------------|
| 1. colleen hoover | 8. lessons in chemistry | 17. smile |
| 2. halloween | 9. mad honey | 18. confidence man |
| 3. it ends with us | 10. fall | 19. our missing hearts a novel |
| 4. verity | 11. diary of a wimpy kid | 20. righteous prey |
| 5. where the crowdads sing | 12. i'm glad my mom died | 21. david baldacci |
| 6. the seven husbands of evelyn hugo a novel | 13. harry potter | 22. our missing hearts |
| 7. it starts with us | 14. luckiest girl alive | 23. the silent patient |
| | 15. wings of fire | 24. dog man |
| | 16. minecraft | 25. horror |

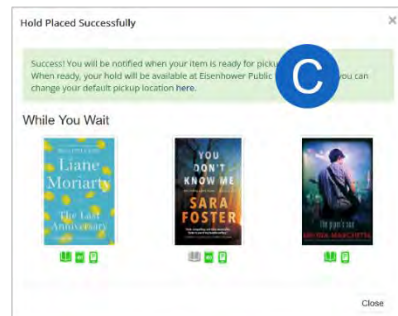
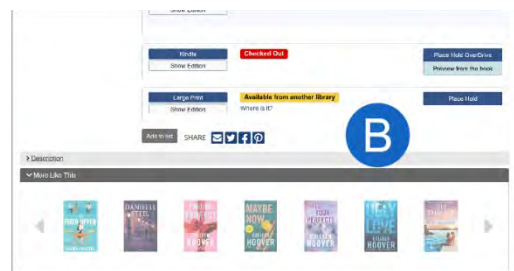
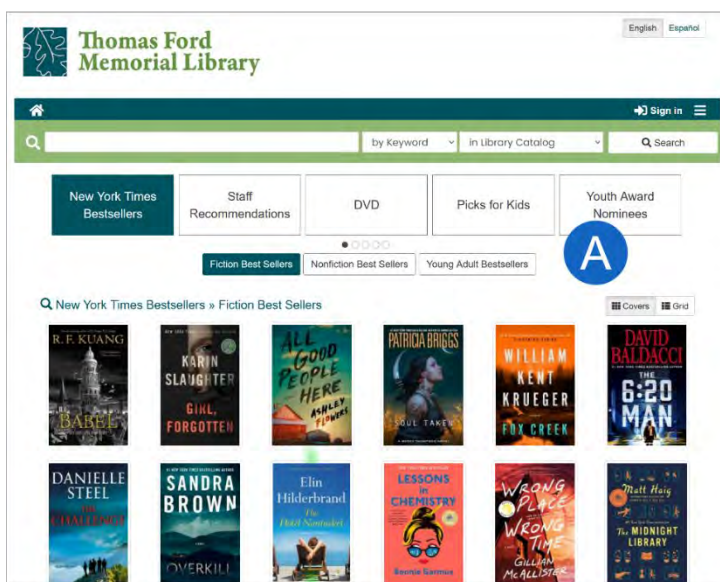
Results Pageviews in Aspen

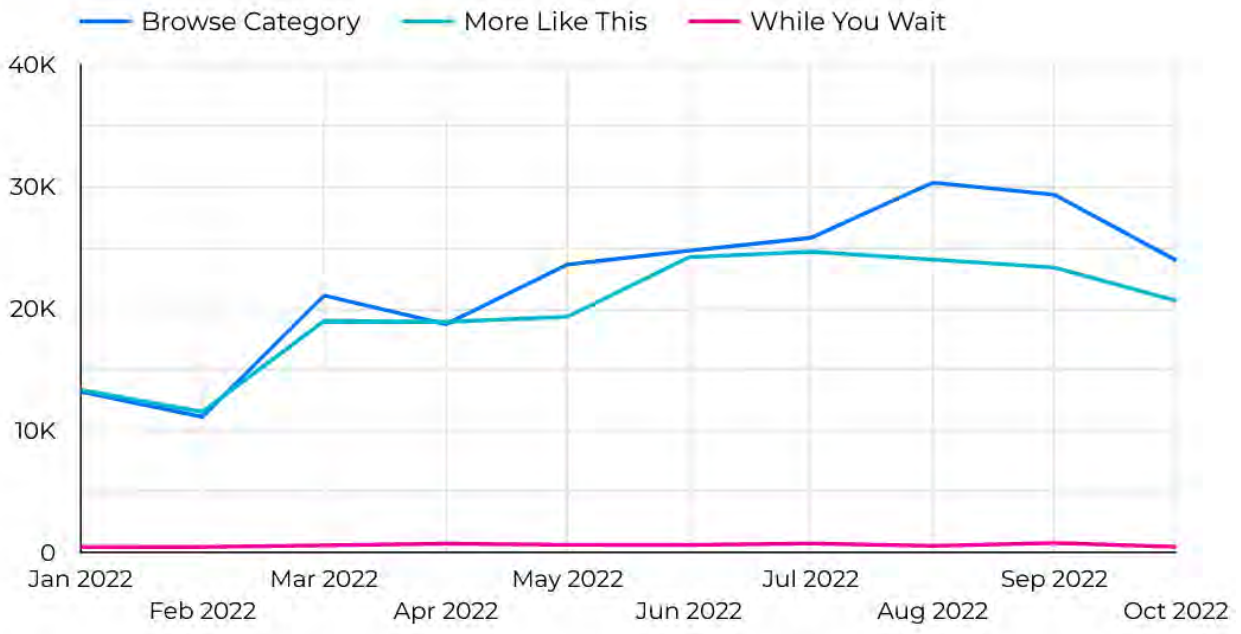
Searches in Aspen rose steadily as more libraries went live throughout the year (all libraries were live May 2022).



Usage of Recommendations

Browse categories appear on the home page and they are generated by library staff (A). “More Like This” are auto-generated by Syndetics and appear on a grouped work or record detail page (B). “While You Wait” are auto-generated by Aspen, and appear when you place a hold or view your holds and checkouts (C). This data measures clicks on title recommendations presented to patrons.





SWAN
Calendar-Timetable of Deadlines and Board Action Requirements

DATE	MEETING TYPE	ACTION ITEMS
Thursday, July 1, 2021		SWAN FY21 Budget goes into effect.
Friday, July 23, 2021	Regular SWAN Board Meeting	Elect Officers: President, VP, Treasurer, Secretary & Complete Signature Card Changes for Bank Accounts. OMA Officers must complete training. Nominate for committees. Board self-evaluation.
Friday, August 20, 2021	Regular SWAN Board Meeting	Decision if meeting will meet a quorum
Friday, August 20, 2021	SWAN Expo	CANCELLED Annual conference at Moraine Valley Community College
Thursday, September 2, 2021	Quarterly	Introduce new SWAN Board members
Wednesday, September 15, 2021		RAILS LLSAP Funding application due
Friday, September 17, 2021	Regular SWAN Board Meeting	Closed session minutes 6 month review Identify SWAN policies to review. Review budget process timetable with SWAN Board.
October		RAILS reviews LLSAP grant applications and determines awards
Friday, October 22, 2021	Regular SWAN Board Meeting	Aaron begins work on FY23 budget, brings questions to SWAN Board if needed.
Wednesday, November 17, 2021	Finance Committee	Aaron Skog and Treasurer review Budget; SWAN potential policies are reviewed.
Friday, November 19, 2021	Regular SWAN Board Meeting (Glen Ellyn)	Board accepts FY21 audit.
		Aaron to bring FY23 Budget draft; Board discuss Fees and determines next steps.
		Set Board approves meeting dates for 2022 calendar.
Thursday, December 2, 2021	Quarterly	Announce FY23 Budget Process
Friday, December 17, 2021	Regular SWAN Board Meeting (Glen Ellyn)	Review of FY23 Budget Draft.
		Approve FY23 LLSAP grant agreement
Thursday, January 13, 2022	SWANcom	Aaron Skog/Board announcement of draft budget to membership. Set February COW date and possible location of meeting.
Friday, January 21, 2022	Regular SWAN Board Meeting (La Grange)	Review and recommend draft of SWAN Budget for Membership presentation. Set COW date for February for membership review.
		Recommend Draft of SWAN Budget for Membership Presentation. Set Budget Meeting date for February for membership review. Review Succession Plan for ED.
January 2022 [TBD]	SWANcom	Board present draft budget to membership.
Monday, January 31, 2022		Signed LLSAP grant agreements due to RAILS
Tuesday, February 1, 2022	Membership Meeting	Meeting to discuss FY23 budget, fees, and reserves worksheet.
Friday, February 18, 2022	Regular SWAN Board Meeting (La Grange)	Incorporate changes, suggestions to SWAN budget. Create recommendation to membership. SWAN Board Election Process Review.
		Review Board Election Timetable.
		Yearly review of SWAN Bylaws; establish committee if needed.
Thursday, March 3, 2022	Quarterly	Roll call vote to approve SWAN budget. Announce Board election process.
Friday, March 18, 2022	Regular SWAN Board Meeting (virtual)	Determine if Personnel Committee meeting is needed.
		Ratify budget
		Sikich security audit findings presentation

SWAN
Calendar-Timetable of Deadlines and Board Action Requirements

DATE	MEETING TYPE	ACTION ITEMS
March 2022 (TBD)	Personnel Committee [if needed]	SWAN potential policies are reviewed. Yearly Employee Handbook review based on employment law requirements/recommendations.
Friday, April 22, 2022	Regular SWAN Board Meeting (Midlothian)	Review and approve Board Self Evaluation Form; assign date for completion.
		Review proposed Bylaws changes (if any). Vote on recommendation to membership; send out SWANcom notification of amendment.
May 2022 (TBD)	SWANcom	Announce election info.
Friday, May 20, 2022	Regular SWAN Board Meeting (Bloomingtondale)	Review Board Self-Evaluation Results.
		Director Evaluation - Review document in preparation to complete for June. Assign deadline for completion.
Thursday, June 2, 2022	Quarterly	Board Election Results. Vote on Bylaw amendments (if any).
Friday, June 17, 2022	Regular SWAN Board Meeting (Bloomingtondale)	Review/Write Off Allowance for Doubtful Accounts
		RAILS provides FY24 consortial support grant applications to consortia.
		Director Evaluation - Provide results and discuss (Executive Session).
Thursday, June 30, 2022		OCLC State-wide Group Services Agreement Ends
Friday, July 1, 2022		SWAN FY23 Budget goes into effect
		FY23 RAILS LLSAP grant payments and in-kind services begin
Friday, July 15, 2022	Regular SWAN Board Meeting	Elect Officers: President, VP, Treasurer, Secretary & Complete Signature Card Changes for Bank Accounts. OMA Officers must complete training. Nominate for committees. Board self-evaluation.
Sunday, July 31, 2022		FY23 LLSAP Grant semiannual report due to RAILS
Friday, August 19, 2022	SWAN Expo	Annual conference at Moraine Valley Community College
Friday, August 19, 2022	Regular SWAN Board Meeting	If needed
Thursday, September 1, 2022	SWAN Quarterly Meeting	Introduce new SWAN Board members
Friday, September 16, 2022	Regular SWAN Board Meeting	Closed session minutes 6 month review Identify SWAN policies to review. Review budget process timetable with SWAN Board.
Friday, October 21, 2022	Regular SWAN Board Meeting	Aaron begins work on FY24 budget, brings questions to SWAN Board if needed.
Friday, November 18, 2022	Regular SWAN Board Meeting	Board accepts FY22 audit.
		Aaron to bring FY24 Budget draft; Board discuss Fees and determines next steps
		Set Board approves meeting dates for 2023 calendar
Thursday, December 1, 2022	SWAN Quarterly Meeting	
Friday, December 16, 2022	Regular SWAN Board Meeting	Review of FY24 Budget Draft. Approve FY24 LLSAP grant agreement
January 2023 (TBD)	SWANcom	Aaron Skog/Board announcement of draft budget to membership. Set February COW date and possible location of meeting.
Friday, January 20, 2023	Regular SWAN Board Meeting	Review and recommend draft of SWAN Budget for Membership presentation. Set COW date for February for membership review.
Tuesday, January 31, 2023		FY23 LLSAP Grant semiannual reports due to RAILS
February 2023 (TBD)	SWAN Committee of the Whole Meeting	Meeting to discuss FY24 budget, fees, and reserves worksheet.

SWAN
Calendar-Timetable of Deadlines and Board Action Requirements

DATE	MEETING TYPE	ACTION ITEMS
Friday, February 17, 2023	Regular SWAN Board Meeting	Incorporate changes, suggestions to SWAN budget. Create recommendation to membership. SWAN Board Election Process Review.
Thursday, March 2, 2023	SWAN Quarterly Meeting	Approval vote on FY24 budget
Friday, March 17, 2023	Regular SWAN Board Meeting	Ratify budget. Determine if Personnel Committee meeting is needed.
Friday, April 21, 2023	Regular SWAN Board Meeting	Review and approve Board Self Evaluation Form; assign date for completion.
Friday, May 19, 2023	Regular SWAN Board Meeting	Review Board Self-Evaluation Results.
Thursday, June 1, 2023	SWAN Quarterly Meeting	
Friday, June 16, 2023	Regular SWAN Board Meeting	Review/Write Off Allowance for Doubtful Accounts

SWAN MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

This is a narrative overview and analysis of the financial activities of SWAN for the fiscal year ended June 30, 2022. Readers are encouraged to consider the information presented here in conjunction with additional information that is in SWAN's financial statements.

Management's Discussion, Analysis, & Financial Highlights

Audit report page 3

SWAN's organization purpose as outlined in our strategic plan's mission statement is summarized here. In addition to the report's financial highlights for fiscal year 2022's conclusion, the following:

- As a result of current year operations, net position increased by \$163,621, which brings SWAN's total net position to \$2,425,983 total. However, for the purposes of budgeting SWAN's excess cash for special projects, research & development, and one-time costs, we will use the Unrestricted financial figure of \$2,407,110
- GASB statement number 87, Leases, was adopted and moving forward for SWAN, the commercial office lease is going to tracked as a Capital Asset (Right of Use Asset). This means the remaining years of the lease is tracked similar to how Capital Equipment would be treated. Rather than showing rent/lease payments as an expense each month, they are treated as a reduction of a liability (Lease Payable). And then at the end of the year, there is an entry done to record the amortization (depreciation) of the asset. While this GASB rule impacts the audit for FY22 and moving forward, SWAN can continue to record the actual expense for the lease under the Buildings & Grounds in the operations budget.

SWAN's financial statements are comprised of two components: (1) government-wide financial statements, and (2) notes to financial statements. This report also contains other supplementary information in addition to the two financial statements.

Government-Wide Financial Analysis

Audit report pages 4-6

SWAN's net position for fiscal year 2022 is detailed and compared with the previous fiscal year.

SWAN's Net Position	30-Jun-22	30-Jun-21	Positive (Negative) Variance
Total assets	\$2,869,271	\$2,552,256	\$317,015
Total liabilities	\$226,394	\$289,894	(\$63,500)
Total net position	\$2,425,983	\$2,262,362	\$163,621

Change in Net Position			Positive (Negative) Variance
Total revenues	\$3,979,141	\$3,949,002	\$30,139
Total expenses	\$3,818,004	\$3,747,088	\$70,916
Change in net position	\$163,621	\$201,914	(\$38,293)
Net position – beginning	\$2,262,362	\$2,060,448	\$201,914
Net position – ending	\$2,425,983	\$2,262,362	\$163,621

Government-Wide Financial Statements

Audit report pages 8 – 10

The government-wide financial statements are designed to provide readers with a broad overview of SWAN's finances. The statement of net position presents information about SWAN's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of SWAN is improving or deteriorating.

The statement of activities presents information showing how SWAN's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement from some items that will only result in cash flows in future fiscal periods (e.g., unused compensated absences, other post-employment benefits payable, grant receivables and accrued interest expense).

Notes to the Financial Statements

Audit report pages 11 - 19

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information and combining individual and fund financial statements and schedules.

Funds

SWAN uses only the proprietary fund type, which as detailed in the audit report, are used to account for activities similar to those found in the private sector.

Capital Assets

Capital assets for SWAN are detailed on page 16 of the audit report, which for fiscal year 2022 depreciated by \$2,543.

Long-term liabilities

Long-term liabilities for SWAN include accrued compensated absences, i.e., vacation pay.

Commitments

SWAN's grant awarded by RAILS, its SirsiDynix contract, EBSCO three-year agreement, and non-cancelable lease for office space are detailed.

Other Supplementary Information (pages 20-21)

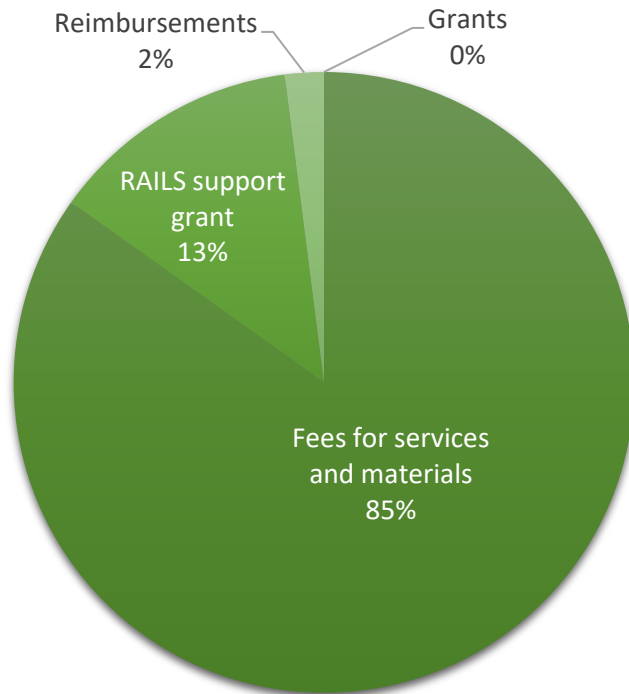
SWAN's budget and actual operating revenue and expenses are detailed in the schedule.

SWAN Financial Outlook

SWAN relies on wide base of funding through assessment of membership fees, which comprises 85% of its revenue. RAILS LLSAP funding grant was awarded at \$522,691 for fiscal year 2022. Operating revenues ended the year over budget at \$49,997.

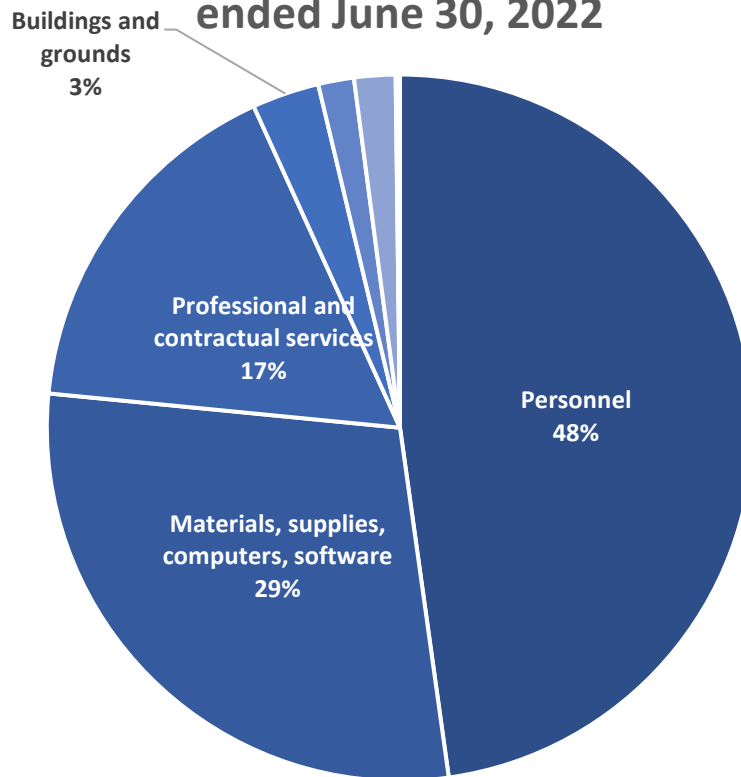
Operating expenses ended the year under budget at \$284,873.

Operating revenue net position for the year ended June 30, 2022



Operating revenues	Actual	Budget	Positive (Negative) Variance with Final Budget
Fees for services and materials	\$3,378,786	\$3,385,547	(\$6,761)
RAILS support grant	\$522,691	\$522,691	\$0
Reimbursements	\$80,939	\$62,379	\$18,560
Grants	\$0	\$0	\$0
Total operating revenues	\$4,029,138	\$3,979,141	\$49,997

Operating expenses net position for the year ended June 30, 2022



Operations	Actual	Budget	Positive (Negative) Variance with Final Budget
Personnel	\$1,833,571	\$2,049,000	\$215,429
Materials, supplies, computers, software	\$1,103,321	\$1,130,000	\$26,679
Professional and contractual services	\$638,851	\$678,844	\$39,993
Buildings and grounds	\$118,024	\$123,304	\$5,280
Equipment and software maintenance expense	\$62,712	\$100,800	\$38,088
Miscellaneous (bank fees, reimbursement expenses, etc.)	\$72,512	\$33,740	(\$38,772)
Depreciation	\$2,322	\$2,322	\$0
Conferences, training and travel	\$5,245	\$14,500	\$9,255
Total operating expenses	\$3,747,088	\$4,031,961	\$284,873

Requests for Information

This financial report is designed to provide a general overview of SWAN's finances. Questions and comments concerning any information provided in this report should be addressed to Aaron Skog, 800 Quail Ridge Drive, Westmont, IL 60559 Phone: 630-326-7022; email: aaron@swalibraries.net

November 15, 2022

Executive Board and Management
System Wide Automated Network
Westmont, Illinois

In planning and performing our audit of the financial statements of **System Wide Automated Network (SWAN)** as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered SWAN's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of SWAN's internal control. Accordingly, we do not express an opinion on the effectiveness of SWAN's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the following deficiency in SWAN's internal control to be a material weakness.

Year End Financial Reporting Process

Generally accepted auditing standards, "*Communicating Internal Control Related Matters Identified in an Audit*," defines the terms *significant deficiencies* and *material weaknesses* in internal control over financial reporting.

Among others, lack of controls over the period end financial reporting process is considered a deficiency in internal control which could result in the financial statements being misstated or not in accordance with generally accepted accounting principles. The standard emphasizes that the external auditor cannot be part of an entity's internal control process over financial reporting. Accordingly, we require evidence and documentation from management to support our evaluation about the effectiveness of internal controls over financial reporting.

Year End Financial Reporting Process (cont'd)

Selden Fox, Ltd. in conjunction with management has prepared the drafts of the financial statements of the Organization, including note disclosures, as part of the audit process for the year ended June 30, 2022. In addition, we have performed the required evaluation under the guidelines of this audit standard as to whether management, other employees, or those charged with corporate governance have the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the Organization's transactions or in preparing its financial statements, including note disclosures.

As part of that process, we proposed material adjustments to record additional accounts payable and properly implement GASB Statement 87, *Leases*, that was effective in this fiscal year.

We recommend that management closely review these adjustments and incorporate the continuing impact of GASB 87 on interim financial statements going forward.

During our audit, we noted the following operational or administrative matter we believe to be of potential benefit to you.

Future Accounting and Auditing Pronouncements

GASB has issued several other pronouncements that become effective in future years, including GASB Statement No. 95 that postponed the effective date of most of these statements by one year due to the COVID-19 pandemic. The effective dates shown below are the newly extended effective dates.

GASB Statement No. 91, *Conduit Debt Obligations*, improves the consistency and comparability of reporting of conduit debt obligations by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities. Statement No. 91 is effective for the fiscal year ending June 30, 2023.

GASB Statement No. 92, *Omnibus 2020*, improves the consistency and comparability in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 92 is effective for the fiscal year ending June 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the accounting and financial reporting implications that result from the replacement of an interbank offered rate in derivative instruments and lease agreements. Statement No. 93 is effective for the fiscal year ending June 30, 2023.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by establishing definitions of public-public and public-private arrangements (PPPs), and availability payment arrangements (APAs), and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 94 is effective for the fiscal year ending June 30, 2024.

Future Accounting and Auditing Pronouncements (cont'd)

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, improves financial reporting by establishing definitions of subscription-based information technology arrangements, and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 96 is effective for the fiscal year ending June 30, 2024.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, improves financial reporting by increasing consistency and comparability related to the reporting of fiduciary component units including Internal Revenue Code Section 457 deferred compensation plans and the benefits provided through these plans. Statement No. 97 is effective for the fiscal year ending June 30, 2023.

GASB Statement No. 99, *Omnibus 2022*, improves the comparability in the application of accounting and financial reporting requirements and the consistency of authoritative literature by clarifying items within recently released accounting standards. Portions of this standard were effective upon issuance, while other portions become effective for the fiscal years ending June 30, 2024 and 2025.

GASB Statement 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. Statement No. 100 is effective for the fiscal year ending June 30, 2025.

GASB Statement 101, *Compensated Absences*, improves financial reporting by establishing a unified recognition and measurement model for compensated absences that more appropriately reflects when a government incurs an obligation which can be applied to any type of compensated absence, eliminating potential comparability issues between governments that offer different types of leave. Statement No. 101 is effective for the fiscal year ending June 30, 2025.

This report is intended solely for the information and use of the Executive Board and management of SWAN and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation to you, and to SWAN's staff, for the courtesy and cooperation extended to our staff during the course of the audit. Should you wish to discuss further any of the matters referred to, or if we can be of assistance in implementing any of the suggestions, we will be pleased to do so at your convenience.

Selden Fox, Ltd.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

November 15, 2022

Executive Board and Management
System Wide Automated Network
Westmont, Illinois

We have audited the financial statements of **System Wide Automated Network (SWAN)** for the year ended June 30, 2022 and have issued our report thereon dated November 15, 2022. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 6, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. The financial statements are the responsibility of management with your oversight. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to management prior to field work beginning on October 4, 2022, and in our engagement letter dated June 6, 2022, and orally during the audit engagement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of SWAN and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to SWAN or to acts by management or employees acting on behalf of SWAN.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by SWAN are described in Note 1 to the financial statements. SWAN adopted GASB Statement 87, *Leases*, in the current year. No other new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by SWAN during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Adjusting journal entries are included in Exhibit I. Management has corrected all such misstatements. There were no uncorrected adjusting journal entries.

Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 15, 2022.

Significant Audit Matters (cont'd)

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the organization’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. SWAN has outsourced the finance coordinator position to the firm of Lauterbach & Amen.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as SWAN’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

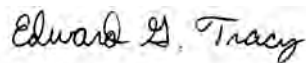
Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Executive Board and management of SWAN and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

SELDEN FOX, LTD.



Edward G. Tracy
Executive Vice President

EGT/cr

**System Wide Automated Network
Adjusting Journal Entries
June 30, 2022**

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>	<u>Profit (Loss) Effect</u>
Adjusting Journal Entry # 1				
Record additional payables at June 30, 2022.				
5140	Repairs & Maintenance	\$ 177.00	\$ -	\$ -
5420	Application Software Licensing	3,339.49		
5430	Server Software Licensing	14,615.98		
5470	Subscription Support Services	461.06		
5480	Telecommunications	334.89		
5510	Office Supplies	78.15		
5520	Postage	159.50		
5610	Equipment Rental/Maintenance	84.30		
5830	Consulting	6,000.00		
2000	Accounts Payable		25,250.37	(25,250.37)
Adjusting Journal Entry # 2				
Record intangible right to use asset and lease liability for office lease under Governmental Accounting Standards Board Statement Number 87.				
1910	Intangible Right to Use Asset - Office Space	234,201.57		
2300	Lease Payable	31,030.39		
6120	Amortization Expense - Right to Use Asset	68,546.76		
6150	Interest Expense - Right to Use Asset	2,543.16		
1915	Accum. Amortization - Right to Use Asset		68,546.76	
2305	Lease Liability - Right to Use Asset		197,619.40	
5110	Rent/Lease		70,155.72	(934.20)
Net effect of adjusting journal entries				<u>\$ (26,184.57)</u>



SWAN
LIBRARY SERVICES

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022**

Selden Fox
Accounting for your future

System Wide Automated Network

Annual Financial Report

For the Year Ended June 30, 2022

Administrative Offices

800 Quail Ridge Drive
Westmont, IL 60559

**System Wide Automated Network
Annual Financial Report
For the Year Ended June 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Executive Board
System Wide Automated Network
Westmont, Illinois

Opinion

We have audited the accompanying financial statements of **System Wide Automated Network (SWAN)** as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of System Wide Automated Network as of June 30, 2022, and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SWAN and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note I.D.6, SWAN adopted the Governmental Accounting Standard Board (GASB) Statement No. 87, *Leases*, as amended. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SWAN's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SWAN's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the SWAN's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise SWAN's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Selden Fox, Ltd.

November 15, 2022

MANAGEMENT’S DISCUSSION AND ANALYSIS

**System Wide Automated Network
Management's Discussion and Analysis
June 30, 2022**

This discussion and analysis of System Wide Automated Network's (SWAN's) financial performance provides an overview of its financial activities for the year ended June 30, 2022. Please read it in conjunction with our financial statements, which begin on page 8.

GENERAL INFORMATION

SWAN is an organization of member libraries participating in a Library Services Platform (LSP) with the mission to improve services for Member Libraries by sharing resources, technology and a planned process of individual and collective growth. SWAN's vision is that SWAN will set the standard of excellence as a library technology consortium. SWAN works to focus consortium resources on shared strategic initiatives while building upon a tradition of excellence and dedicated service.

SWAN is governed by an Executive Board established with the seven voting members consisting of a representative from seven libraries within SWAN's network. Each voting member of the Executive Board is entitled one vote.

SWAN serves various libraries within the Chicagoland area. SWAN currently serves 100 libraries, with hopes of adding more.

FINANCIAL HIGHLIGHTS

- SWAN's assets and deferred outflows exceed its liabilities and deferred inflows by \$2,425,983 as of June 30, 2022.
- As a result of current year operations, net position increased by \$163,621.
- Total liabilities of \$443,288 include accounts payable, accruals for payroll, compensated absences, unearned revenues, and a lease liability for right to use asset.
- SWAN adopted Governmental Accounting Standards Board (GASB) Statement Number 87, *Leases*, which required the recognition of an intangible right to use asset and a lease liability of \$234,202 and \$273,990, respectively, as of July 1, 2021.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The *Statement of Net Position* and the *Statement of Revenues, Expenses and Changes in Net Position – Budget and Actual* (pages 8-9) provide information about the activities of SWAN as a whole and present a longer-term view of its finances. The *Statement of Cash Flows* (pages 10) shows the cash generated and used in operating and capital-related financing activities.

The *Statement of Net Position* reports information on all of SWAN's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the agency is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position – Budget and Actual* presents information showing how SWAN's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to the financial statements can be found on pages 11-20 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of operating expenses – budget and actual (pages 21-22).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of SWAN, assets and deferred outflows exceeded liabilities and deferred inflows by \$2,425,983 at June 30, 2022 (\$2,262,362 at June 30, 2021). At the end of the year, \$2,407,110 of net position represents unrestricted net position and may be used to meet SWAN's ongoing obligations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont'd)

	Net Position	
	6/30/2022	6/30/2021
Current and other assets	\$ 2,661,276	\$ 2,507,594
Capital assets - net	184,528	21,195
Other assets – deposits	23,467	23,467
Total assets	2,869,271	2,552,256
Accounts payable	34,357	3,403
Accrued payroll	45,063	40,907
Unearned revenues	42,928	97,736
Lease liability – right to use asset	197,620	-
Accrued rent	-	39,788
Compensated absences payable	123,320	108,060
Total liabilities	443,288	289,894
Net position:		
Net investment in capital assets	18,873	21,195
Unrestricted	2,407,110	2,241,167
Total net position	\$ 2,425,983	\$ 2,262,362
	Changes in Net Position	
	6/30/2022	6/30/2021
Revenues:		
Charges to members for services	\$ 3,378,786	\$ 3,261,214
Operating grants	524,691	605,780
Reimbursements and other	75,664	80,939
Investment income	2,484	1,069
Total revenues	3,981,625	3,949,002
Expenses:		
Personnel	1,833,571	1,814,147
Equipment and software maintenance	42,212	62,712
Library materials and supplies	1,103,321	1,026,395
Buildings and grounds	48,880	118,024
Conferences, travel and training	5,245	1,684
Professional and contractual services	638,851	674,492
Miscellaneous	72,512	46,027
Depreciation, amortization and interest	73,412	3,607
Total expenses	3,818,004	3,747,088
Change in net position	163,621	201,914
Net position – beginning	2,262,362	2,060,448
Net position – ending	\$ 2,425,983	\$ 2,262,362

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont'd)

Net position increased by \$163,621 in the fiscal year ended June 30, 2022 (\$201,914 in the fiscal year ended June 30, 2021). Charges to members for services increased by \$117,572 (3.6%) in fiscal year ended June 30, 2022. Operating expenses for the current year of \$3,818,004 increased by \$70,916 (1.9%).

BUDGETARY HIGHLIGHTS

Actual operating revenues of \$3,979,141 were \$49,997 lower than the final budgeted revenues of \$4,029,138.

Actual expenditures on a budgetary basis of \$3,818,004 were \$254,656 less than the final budgeted expenditures of \$4,072,660. The primary source of savings versus budget was within personnel services. There were new positions budgeted within regular salaries that were not filled.

DEBT ADMINISTRATION

SWAN recorded a lease liability for a right to use asset for their office lease under GASB 87 in the current year. Additional information can be found in Note III. C on page 17 of this report.

CAPITAL ASSETS

SWAN's net investment in capital assets as of June 30, 2022, was \$18,873 (\$21,195 at June 30, 2021). This investment in capital assets includes leasehold improvements, computer equipment, and machinery and equipment. Effective July 1, 2021, the investment in capital assets also includes an intangible right to use asset for office space.

	Capital Assets – Net of Depreciation	
	6/30/2022	6/30/2021
Leasehold improvements	\$ 2,084	\$ 2,945
Computer equipment	-	-
Machinery and equipment	16,789	18,250
Intangible right to use lease-office space	165,655	-
	\$ 184,528	\$ 21,195

Additional information on SWAN's capital assets can be found in Note III.B on page 16 of this report.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of SWAN's finances, compliance with finance related laws and regulations, and demonstrate SWAN's commitment to public accountability. Questions about this report or requests for additional information should be sent to the Executive Director of the System Wide Automated Network, 800 Quail Ridge Drive, Westmont, Illinois 60559

BASIC FINANCIAL STATEMENTS

**System Wide Automated Network
Statement of Net Position
June 30, 2022**

Assets	
Current assets:	
Cash and cash equivalents	\$ 1,943,846
Accounts receivable, net of allowance	18,973
Inventory	1,733
Prepaid expenses	<u>696,724</u>
Total current assets	<u>2,661,276</u>
Noncurrent assets:	
Capital assets	601,981
Accumulated depreciation	<u>(417,453)</u>
Total net capital assets	184,528
Other assets - deposits	<u>23,467</u>
Total noncurrent assets	<u>207,995</u>
Total assets	<u>\$ 2,869,271</u>
Liabilities	
Current liabilities:	
Accounts payable	\$ 34,357
Accrued payroll	45,063
Unearned revenues	42,928
Lease liability - right to use asset	79,382
Compensated absences payable	<u>24,664</u>
Total current liabilities	<u>226,394</u>
Noncurrent liabilities:	
Lease liability - right to use asset	118,238
Compensated absences payable	<u>98,656</u>
Total noncurrent liabilities	<u>216,894</u>
Total liabilities	<u>\$ 443,288</u>
Net Position	
Net position:	
Net investment in capital assets	\$ 18,873
Unrestricted	<u>2,407,110</u>
Total net position	<u>\$ 2,425,983</u>

See accompanying notes.

**System Wide Automated Network
Statement of Revenues, Expenses and Changes in
Net Position - Budget and Actual
For the Year Ended June 30, 2022**

	Original Budget	Final Budget	Actual	Positive (Negative) Variance With Final Budget
Operating revenues:				
Fees for services and materials	\$ 3,385,547	\$ 3,385,547	\$ 3,378,786	\$ (6,761)
RAILS support grant	522,691	522,691	522,691	-
Grants	-	-	2,000	2,000
Reimbursements	120,000	120,000	63,031	(56,969)
Other	900	900	12,633	11,733
Total operating revenues	<u>4,029,138</u>	<u>4,029,138</u>	<u>3,979,141</u>	<u>(49,997)</u>
Operating expenses:				
Administration	4,072,660	4,072,660	3,818,004	254,656
Operating income (loss)	(43,522)	(43,522)	161,137	204,659
Nonoperating revenues:				
Investment income	2,000	2,000	2,484	484
Changes in net position	<u>\$ (41,522)</u>	<u>\$ (41,522)</u>	<u>163,621</u>	<u>\$ 205,143</u>
Net position, beginning of the year			<u>2,262,362</u>	
Net position, end of the year			<u>\$ 2,425,983</u>	

See accompanying notes.

**System Wide Automated Network
Statement of Cash Flows
For the Year Ended June 30, 2022**

Cash flows from operating activities:	
Received from customers and users	\$ 3,327,678
Grant receipts	524,691
Other receipts	75,664
Payments to suppliers	(1,951,174)
Payments to employees	(1,814,155)
Net cash flows from operating activities	162,704
Cash flows from investing activities - interest received	2,484
Cash flows from financing activities - principal paid on lease liability on right to use asset	(76,370)
Net change in cash and cash equivalents	88,818
Cash and cash equivalents, beginning of the year	1,855,028
Cash and equivalents, end of the year	\$ 1,943,846
Reconciliation of operating income to net cash flows from operating activities:	
Operating income	\$ 161,137
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation	2,322
Amortization	68,547
Changes in:	
Receivables	3,700
Prepaid expenses	(68,564)
Accounts payable	30,954
Accrued payroll	4,156
Unearned revenue	(54,808)
Compensated absences payable	15,260
Net cash from operating activities	\$ 162,704
Noncash transactions:	
Recognition of right to use asset - office space	\$ 234,202
Recognition of lease liability for right to use asset	\$ 273,990

See accompanying notes.

System Wide Automated Network Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The financial statements of System Wide Automated Network (SWAN) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of SWAN's accounting policies are described below.

A. The Reporting Entity

SWAN is a membership organization that is designed for libraries in and around Chicago to house their collections and data in a shared, collaborative environment. The SWAN organization was formed as an Illinois Intergovernmental Instrumentality in 2010. SWAN is governed by its Administrators' Board, comprised of seven library directors elected from the SWAN membership.

As defined by GAAP established by GASB, the financial reporting entity consists of the primary government. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government or;
2. Fiscal dependency on the primary government.

SWAN is not included as a component unit of any other entity.

B. Basis of Presentation

In the Statement of Net Position, SWAN's activities are reported on a full accrual, economic basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. SWAN's net position is reported in two parts: investment in capital assets and unrestricted.

SWAN uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." SWAN utilizes only the proprietary fund type.

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

I. Summary of Significant Accounting Policies (cont'd)

B. Basis of Presentation (cont'd)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to members or outside parties and are accounted for as enterprise funds.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

On the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position, SWAN’s activities are presented using the economic resources measurement focus as defined below. All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are on the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

In the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position, SWAN’s activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. SWAN’s principal operating revenues of the are charges to customers for services and materials and grants awarded. SWAN’s operating expenses for enterprise funds and internal service funds include the cost of providing these services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents on the Statement of Net Position and the Statement of Cash Flows are to be considered to be cash on hand and demand deposits.

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

2. Receivables and Prepaid Expenses

In the Statement of Net Position, receivables, if any, consist of all revenues earned at year-end and not yet received.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements. The costs of prepaid expenses are recorded as expenses when consumed rather than when purchased.

3. Capital Assets

Capital assets purchased or acquired with an original, individual cost of \$5,000 or more are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation of capital assets in the proprietary fund types is computed using the straight-line method.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Leasehold Improvements	8 years
Computer Equipment	5 years
Machinery and equipment	25 years

4. Compensated Absences

SWAN accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. All vacation pay is accrued when incurred in the financial statements. SWAN records a liability for employees' vacation leave earned, but not taken at salary rates in effect at the end of the fiscal year. A portion of this liability will be paid within the next fiscal year.

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

5. Net Position

Net position is displayed in two components as follows:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings, if any, that are attributable to the acquisition or improvement of those assets.

Unrestricted – The remaining amount of net position.

6. Change in Accounting Principle and Restatement

For 2022, SWAN implemented Governmental Accounting Standards Board (GASB) Statement 87, *Leases*, which enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in SWAN's 2022 financial statements. At July 1, 2021, SWAN recognized an intangible right to use asset of \$234,202 and a lease liability of \$273,990 and eliminated the balance in deferred rent.

II. Stewardship, Compliance and Accountability

Budgetary Accounting – Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the enterprise fund by vote of the full membership and ratification of this vote by the Administrators' Board.

The Administrators' Board prepares the annual budget. The budget is prepared by category and includes information on the current year estimates. The proposed budget is presented to the full membership for review and voting prior to ratification of this vote by the Administrators' Board. The budget was not amended in fiscal year 2022.

System Wide Automated Network Notes to the Financial Statements (cont'd)

III. Detailed Notes for All Activities and Fund Types (cont'd)

A. Deposits and Investments

Permitted Deposits and Investments – Statutes authorize SWAN to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

Deposits – At year-end, the carrying amount of SWAN's deposits totaled \$1,943,846 and the bank balances totaled \$1,974,974.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. SWAN minimizes this risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operation funds primarily in shorter-term securities. SWAN held no investments at June 30, 2022, and therefore, they are not subject to interest rate risk.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. SWAN minimizes its exposure to credit risk by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which SWAN will do business, and by diversifying the portfolio so that potential losses on individual securities will be minimized.

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of bank failure, SWAN's deposits may not be returned to it. Per SWAN's investment policy, deposits are insured or collateralized with securities held by the pledging institutions. At year end, the bank balances of SWAN were fully covered by collateral held in the SWAN's name or by federal depository insurance.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of SWAN's investment in a single issuer. SWAN's investment policy requires that investment be made only in securities guaranteed by the U.S. Government, or in FDIC insured institutions. Deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC coverage (unless adequately collateralized pursuant to Regulations of the Federal Reserve regarding custody and safekeeping of collateral). At year-end, SWAN does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

III. Detailed Notes for All Activities and Fund Types (cont'd)

B. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Restated Balance, July, 1 2021	Additions	Retirements/ Adjustments	Balance, June 30, 2022
Capital assets, being depreciated:				
Leasehold improvements	\$ 6,895	\$ -	\$ -	\$ 6,895
Computer equipment	324,383	-	-	324,383
Machinery and equipment	36,501	-	-	36,501
Intangible right to use lease – office space	234,202	-	-	234,202
Total capital assets	601,981	-	-	601,981
Less accumulated depreciation for:				
Leasehold improvements	3,949	862	-	4,811
Computer equipment	324,383	-	-	324,383
Machinery and equipment	18,252	1,460	-	19,712
Intangible right to use lease – office space	-	68,547	-	68,547
Total accumulated depreciation	346,584	70,869	-	417,453
Total net depreciable capital assets	\$ 255,397	\$ (70,869)	\$ -	\$ 184,528

Depreciation expense for the year was \$2,322. Amortization of intangible right to use asset for the year was \$68,547.

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

III. Detailed Notes for All Activities and Fund Types (cont'd)

C. Long-Term Liabilities

Lease Liability – SWAN entered into a seven-year, non-cancelable operating lease for office space beginning in March 2017. Effective July 1, 2021, \$273,990 has been recorded as intangible right to use lease in the capital assets. Due to the implementation of GASB Statement No. 87, this lease for office space met the criteria of a lease; thus, requiring it to be recorded by SWAN. This asset will be amortized over the remaining lease term of 51 months since it is shorter than the useful life and SWAN is not taking ownership of office space. The lease runs through November 30, 2024. A summary of the principal and interest amounts for the remaining lease is as follows:

Fiscal Year	Principal	Interest
2023	\$ 79,382	\$ 1,899
2024	82,771	948
2025	35,467	104
Total	\$ 197,620	\$ 2,951

A summary of changes in long-term obligations follows:

	Restated Balance, July 1, 2021	Additions	Depletions	Balance, June 30, 2022
Accrued rent	\$ 39,788	\$ -	\$ 39,788	\$ -
Lease liability – right to use asset	273,990	-	76,370	197,620
Accrued compensated absences	108,060	111,782	96,522	123,320
	\$ 421,838	\$ 111,782	\$ 212,680	\$ 320,940

System Wide Automated Network Notes to the Financial Statements (cont'd)

IV. Other Information

A. Risk Management

SWAN is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters. These risks are provided for through commercial insurance policies purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Commitments

From July 2011 through June 2019, SWAN maintained a contract for services with the Reaching Across Illinois Library System (RAILS), a governmental entity. These services included, with some variations between contracts: administration, management, finance, human resources, bibliographic services, information technology support, use of facilities, utilities, telecommunications, vehicles, and all personnel salaries and costs. Under these agreements, SWAN either paid an amount to RAILS to partially reimburse RAILS for its contract expenditures incurred or received a support amount from RAILS to supplement the other support received.

In July 2019, this contract transitioned to an annual grant award from RAILS to SWAN, subject to an annual application and semi-annual report process. The services in the fiscal year 2022 grant agreement include use of meeting rooms, communication and collaboration opportunities and services, grant opportunities for new members, delivery services to Local Library System Automation Program (LLSAP) facility, help desk ticket system services, integrated library system (ILS) phone notification dialer co-location, and website provision and support. Under the grant, SWAN will receive payment from RAILS to supplement its other support in the total amount of \$527,381 during fiscal year 2023. This agreement is cancellable by mutual written consent or by either party upon 120 days' written notice to the other party. RAILS may terminate this agreement due to the discontinuation of sufficient funding from the Illinois Secretary of State upon written notice to SWAN effective as of the date of termination or the discontinuance of such funding.

In April of 2020, SWAN extended its contractual agreement with SirsiDynix for ILS software for an additional five years beginning May 1, 2020. This contract set the annual maintenance paid at \$488,744 for the first three years and capped increases at 1.9% for years four and five. This contract also set costs for new member libraries that join SWAN within the five year agreement. The addition of new products and services will result in additional expenses related to the contract, and the contract is cancellable beginning May 1, 2021.

**System Wide Automated Network
Notes to the Financial Statements (cont'd)**

IV. Other Information (cont'd)

B. Commitments (cont'd)

The remaining payment schedule, per the contract, is as follows:

Projected due date May 2023	\$	498,030
Projected due date May 2024		507,493
	\$	1,005,523

During fiscal year 2022, SWAN entered into a new three-year agreement with EBSCO Information Services for three software product subscriptions – OpenAthens, Novelist Select, and the EBSCO Discovery Services with Sirsi Dynix Integration. The contract runs from July 1, 2022 to June 30, 2025. Minimum future payments under the lease agreement are as follows:

2023	\$	231,496
2024		234,382
2025		237,307
	\$	703,185

The payment of \$231,496, due July 1, 2022, was paid in June 2022 and is included in prepaid expenses at June 30, 2022.

C. Defined Contribution Plan

SWAN provides retirement benefits for all of its full-time employees through a defined contribution plan. This plan was established with the International City Managers Association Retirement Corporation (ICMA-RC), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for state and local governments and their instrumentalities throughout the United States. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings, SWAN's policy is such that SWAN contributes on behalf of each full-time employee 9.75% of the employee's earnings at the end of every biweekly payroll period. SWAN's contribution for fiscal year ended June 30, 2022, was \$131,564.

Additionally, SWAN allows employees to contribute to Individual Retirement Accounts (IRA's), which are also administered by ICMA-RC, through biweekly payroll deductions.

System Wide Automated Network
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

C. Defined Contribution Plan (cont'd)

SWAN's contributions for each employee (and interest allocated to the employee's account) are fully vested if the employee was hired prior to July 1, 2012. All employees hired after July 1, 2012, will be vested 100% after completing one year of service. SWAN's nonvested contributions and the interest forfeited by employees who leave employment before one year of service are used to reduce SWAN's contribution requirement to the remaining employees. The Executive Director and Administrators' Board are responsible for establishing and amending the plan provisions.

Other Post-Employment Benefits

SWAN has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through SWAN are required to pay 100% of the current premium. However, there is minimal participation. As SWAN provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, SWAN has not recorded a liability as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

**System Wide Automated Network
Schedule of Operating Expenses - Budget and Actual
For the Year Ended June 30, 2022**

	Original Budget	Final Budget	Actual	Positive (Negative) Variance With Final Budget
Operations:				
Personnel:				
Salaries and wages	\$ 1,549,000	\$ 1,549,000	\$ 1,409,967	\$ 139,033
Payroll, taxes and benefits:				
Health, dental, life and disability insurance	234,600	234,600	192,411	42,189
Retirement benefits and administration	140,900	140,900	131,564	9,336
Other fringe benefits	3,100	3,100	718	2,382
Social Security taxes	118,400	118,400	101,675	16,725
Unemployment insurance	-	-	(6,580)	6,580
Workers compensation	3,000	3,000	3,816	(816)
Total personnel	2,049,000	2,049,000	1,833,571	215,429
Equipment and software maintenance expense	38,400	38,400	42,212	(3,812)
Library materials and supplies:				
Computers, software & supplies	1,120,800	1,120,800	1,100,465	20,335
General office supplies & equip	1,500	1,500	2,200	(700)
Postage	1,500	1,500	656	844
Print materials	5,000	5,000	-	5,000
Marketing & promotional materials	1,200	1,200	-	1,200
Total library materials and supplies	1,130,000	1,130,000	1,103,321	26,679
Buildings and grounds:				
Rent	110,104	110,104	36,633	73,471
Utilities	5,700	5,700	6,674	(974)
Property insurance	-	-	898	(898)
Repairs and maintenance	1,050	1,050	1,035	15
Custodial service and supplies	9,000	9,000	3,640	5,360
Total buildings & grounds	125,854	125,854	48,880	76,974

(cont'd)

System Wide Automated Network
Schedule of Operating Expenses - Budget and Actual (cont'd)
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Positive (Negative) Variance With Final Budget
Operations (cont'd):				
Conferences, training and travel:				
Conferences and training	\$ 13,700	\$ 13,700	\$ 4,356	\$ 9,344
Professional development	-	-	350	(350)
Travel	800	800	539	261
Total conferences, training and travel	14,500	14,500	5,245	9,255
Professional & contractual services:				
Accounting	17,560	17,560	19,160	(1,600)
Consulting	38,000	38,000	44,885	(6,885)
Equipment rental	3,700	3,700	2,536	1,164
Group purchases	463,184	463,184	447,063	16,121
Information services	76,600	76,600	65,931	10,669
Legal	5,000	5,000	-	5,000
Liability insurance	9,400	9,400	11,188	(1,788)
Other contractual services	6,100	6,100	7,881	(1,781)
Telephone & telecommunications	20,400	20,400	16,481	3,919
Notification and collection	38,000	38,000	23,726	14,274
Recruitment	900	900	-	900
Total professional services	678,844	678,844	638,851	39,993
Miscellaneous:				
eCommerce	40	40	11,977	(11,937)
Bank fees	3,700	3,700	4,743	(1,043)
Reimburse resource sharing	30,000	30,000	53,938	(23,938)
Electronic resources	-	-	1,854	(1,854)
Total miscellaneous	33,740	33,740	72,512	(38,772)
Depreciation	2,322	2,322	2,322	-
Amortization	-	-	68,547	(68,547)
Interest on lease liability	-	-	2,543	(2,543)
Total operating expenses	\$ 4,072,660	\$ 4,072,660	\$ 3,818,004	\$ 254,656

See independent auditor's report.

SWAN Board & Membership Meeting Schedule 2023

Proposed schedule for approval by SWAN Board

Friday, January 20, 2023	Regular SWAN Board Meeting	Blue Island Public Library
Friday, February 17, 2023	Regular SWAN Board Meeting	Blue Island Public Library
Thursday, March 2, 2023	SWAN Quarterly Meeting	Oak Brook Public Library
Friday, March 17, 2023	Regular SWAN Board Meeting	Bloomington Public Library
Friday, April 21, 2023	Regular SWAN Board Meeting	Bloomington Public Library
Friday, May 19, 2023	Regular SWAN Board Meeting	Palos Heights Public Library
Thursday, June 1, 2023	SWAN Quarterly Meeting	Oak Brook Public Library
Friday, June 16, 2023	Regular SWAN Board Meeting	Palos Heights Public Library
Friday, July 21, 2023	Regular SWAN Board Meeting	TBD
Friday, August 18, 2023	Regular SWAN Board Meeting	TBD
Thursday, September 7, 2023	SWAN Quarterly Meeting	TBD
Friday, September 15, 2023	Regular SWAN Board Meeting	TBD
Friday, October 20, 2023	Regular SWAN Board Meeting	TBD
Friday, November 17, 2023	Regular SWAN Board Meeting	TBD
Thursday, December 7, 2023	SWAN Quarterly Meeting	TBD
Friday, December 15, 2023	Regular SWAN Board Meeting	TBD

Date: November 18, 2022
To: SWAN Board of Directors
From: Aaron Skog, Executive Director
Re: FY24 Budget Draft



Finance Committee FY2024 budget

The committee met on November 10th and reviewed a draft budget. The RAILS LLSAP grant award and its memo to SWAN noting the reduction was discussed.

The next draft of the budget will need to include additional expenses and offsetting grant revenue to accommodate the addition of the new member library joining SWAN, Addison Public Library.

Below is an overview of the budget draft included in the board packet for November 18th.

FY24 budget overview

Technology infrastructure improvements

SWAN will be taking more advantage of vendor managed solutions as we replace or transition some of our own self-hosted systems. This strategy will ensure that our systems will be secured and maintained by these vendors and reduce the complexity and monitoring of our self-hosted infrastructure. This transition will begin to reduce our Microsoft Azure hosted expenses and introduce new vendors. Examples include the SWAN Support website, helpdesk system, and Aspen which will all be transitioned by the end of FY24. The goal is to stay within a budgeted range. It will be difficult to say precisely how much Azure expenses will go down by the end of FY24, but it will be much clearer by the end of June 2024.

Notifications enhanced with MessageBee

The introduction of MessageBee as a fully implemented service is anticipated in this budget. If the member libraries vote against the addition of MessageBee, it will be removed from the next draft of the FY24 budget.

The adoption of MessageBee as a service does mean a reduction in the expenses for SMS and email notifications which have been in place prior. The SirsiDynix annual maintenance is reduced by \$13,000 since the SMS package will no longer be needed, and the SendGrid expense is reduced in budget line #5470 Support Services Subscription.

SWAN membership fees

This initial draft of the FY24 budget does not have the membership fees generated yet. I am still waiting for the Cook County Treasurer Office to respond to the FOIA request for tax payments. The request was sent on October 17th. The response is typically 10 days for non-commercial requests. The delay is being investigated.

Revenue

#4310 RAILS Support to SWAN

The award for FY24 to SWAN is lower than the prior year due to statistics used to calculate the grant. Please refer to the information provided in the meeting packet about the FY24 grant award.

	FY20	FY21	FY22	FY23	FY24
RAILS LLSAP support	\$524,679	\$562,018	\$522,691	\$527,381	\$498,388
Change from year prior		\$37,339	(\$39,327)	\$4,690	(\$28,993)

For FY24 it will result in the discount applied in the SWAN membership fees for public libraries will be lower than the prior year. The \$498,388 would be divided equally between 95 public libraries.

	FY23	FY24
Discount	\$5,551.38	\$5,246.19
difference		\$305.19

#4600 Reserve Fund Transfer

The FY24 budget has one-time expenses for strategic planning and website consulting totaling \$73,800 that is paid for using SWAN excess cash reserves. This is reflected on the Reserves Worksheet.

Expenses

#5510 Rent/Lease

This will be the final full year of the office lease. The lease on the office ends November 30, 2024, which will be the FY25 budget.

#5430 Server Infrastructure

Overall, in FY24 this budget line will increase by 9% from \$96,540 to \$105,115.

Added expenses for hosting of Aspen & Support site

Pantheon will be used to host the SWAN Support site at a contracted annual cost of \$7,375. ByWater Solutions has provided SWAN a hosting quotation of \$13,750 annually and is open to discussion on a fixed amount for a set number of years, but for now we have obtained a 1-year quotation.

Microsoft Azure expenses reduced

SWAN is using Azure to host its Symphony ILS server. We will transition the Aspen Server from Azure, along with the helpdesk system, we anticipate a 15% reduction in Azure expenses.

#5440 Library Services Platform

For FY24, the SirsiDynix contract is in its 3rd year which will have a set 1.9% increase. The maintenance renewal will remove the \$13,000 SMS package used for notifications since Unique Management MessageBee service will replace the package.

OCLC group-services contract is budgeted with an anticipated increase of 4%.

EBSCO subscriptions for Discovery Service and OpenAthens work together to provide integrated access in Aspen Discovery for subscription database4 keyword search and remote authentication for library patrons. Discovery Service for FY24 is \$115,580 which includes a 1% negotiated escalation (set for FY24 & FY25). The OpenAthens subscription is \$62,756 which includes a 2% negotiated escalation (set for FY24 & FY25).

#5470 Support Services Subscription

Added ticketing system expense

The helpdesk ticketing system used by SWAN is ready for a replacement. We are currently evaluating options and obtaining budget numbers for a replacement that will be hosted by a provider. This will end up reducing the expense within the Microsoft Azure used by SWAN (see #5430 Server Infrastructure).

Reduced email expense

The adoption on MessageBee will result in email volume will be reduced in this budget line by \$3,721. However, SWAN will continue to use the service with SendGrid but at a lower cost.

#5600 Hardware & Equipment

This line is reduced from the prior year due to the one-time purchase of laptops for SWAN staff. The FY24 budget is for laptop repair or replacement.

#5860 Notification & Collection

Added MessageBee expense

If all goes well with the budget amendment in December for the FY23 budget, the FY24 projected cost for MessageBee is \$76,686 for all 100 libraries which is \$6,391 per month.

One-time expenses will have been paid for if approved with amending the current FY23 budget.

#5830 Consulting

Added one-time strategic planning & website consulting expense

The cost for strategic planning consultant is based on the 2018 expense. There is additional consulting expected to help with work on the SWAN Support site. The combined cost of these is paid from reserves in the #4600 "Reserve Fund Transfer" line totaling \$73,800.

Budget Timeline

Below is a timeline of the budget process with the gray rows showing what has been completed.

DATE	MEETING TYPE	ACTION ITEMS
September 1 - 30, 2022	Executive Director	Collect county tax data, submit FOIA to Cook County Treasurer for tax data.
Friday, October 21, 2022	Regular SWAN Board Meeting	Aaron begins work on budget, brings questions to SWAN Board if needed.
November 10, 2022	Finance Committee	Aaron Skog and Treasurer review Budget; SWAN potential policies are reviewed.
Friday, November 18, 2022	Regular SWAN Board Meeting	Board accepts financial audit. Aaron to bring budget draft; Board discuss Fees and determines next steps.
Thursday, December 1, 2022	Quarterly	Announce budget process
Friday, December 16, 2022	Regular SWAN Board Meeting	Review of budget draft. Approve RAILS LLSAP grant agreement
Sunday, January 1, 2023		Signed LLSAP grant agreements due to RAILS
Friday, January 20, 2023	Regular SWAN Board Meeting	Review and recommend draft of SWAN Budget for Membership presentation. Set COW date for February for membership review.

		Recommend Draft of SWAN Budget for Membership Presentation. Set Budget Meeting date for February for membership review.
January 2023 [TBD]	SWANcom	Board present draft budget to membership.
	SWANcom	Aaron Skog/Board announcement of draft budget to membership. Set February COW date and possible location of meeting.
February 2023 [TBD]	Membership Meeting	Meeting to discuss budget, fees, and reserves worksheet.
Friday, February 17, 2023	Regular SWAN Board Meeting	Incorporate changes, suggestions to SWAN budget. Create recommendation to membership.
Thursday, March 2, 2023	Quarterly	Roll call vote to approve SWAN budget.

SWAN Budget Summary

SWAN Budget	FY23 Budget	FY24 Budget	Change
4000 Membership Fees	\$3,003,359	\$3,031,050	\$27,691
4100 Membership Reimbursements	\$445,686	\$443,223	(\$2,463)
4200 Reimbursement for Losses	\$120,000	\$108,680	(\$11,320)
4300 Grant Revenue	\$527,381	\$498,388	(\$28,993)
4400 Registration & Event Receipts	\$12,000	\$3,400	(\$8,600)
4500 Investment & Interest	\$1,000	\$20,800	\$19,800
4600 Reserve Fund Transfer	\$0	\$73,800	\$73,800
Total Revenue	\$4,109,426	\$4,179,341	\$69,915
5000 Salaries & Wages	\$1,546,800	\$1,546,800	\$0
5020 Personnel Benefits	\$494,900	\$457,700	(\$37,200)
5100 Building & Grounds	\$124,270	\$129,510	\$5,240
5200 Professional Development	\$20,000	\$16,700	(\$3,300)
5300 Membership Development	\$10,600	\$7,370	(\$3,230)
5400 Information & Technology Services	\$1,232,700	\$1,238,600	\$5,900
5500 General Office	\$2,100	\$2,700	\$600
5600 Hardware & Equipment	\$55,800	\$5,300	(\$50,500)
5700 Insurance	\$11,100	\$11,500	\$400
5800 Contractual Services	\$144,300	\$198,860	\$54,560
5900 Library Materials & Content	\$564,006	\$560,251	(\$3,755)
6000 Interest & Fees	\$5,050	\$4,050	(\$1,000)
Total Operating Expenses	\$4,211,626	\$4,179,341	(\$32,285)
6100 Asset Management	\$3,607	\$2,322	(\$1,285)
Excess of revenues over (under) estimated expenses	\$0	\$0	

Revenue & Expense Budget		FY23 Budget	FY24 Budget
Revenue			
4000	Membership Fees		
4010	SWAN Full Membership Fees	\$2,999,659	\$3,027,350
4011	SWAN Internet Access Membership Fees	\$3,700	\$3,700
4100	Membership Reimbursements		
4110	Member One-Time Project Receipts	\$0	\$0
4190	Member Group Purchase Receipts	\$445,686	\$443,223
4200	Reimbursement for Losses		
4220	Reimbursement Losses for Resource Sharing	\$50,000	\$63,000
4230	Collection Agency Fees	\$0	\$0
4240	E-commerce transactions	\$70,000	\$45,680
4300	Grant Revenue		
4310	RAILS Support to SWAN	\$527,381	\$498,388
4320	Other Grant Revenue	\$0	\$0
4400	Registration & Event Receipts		
4499	Annual Conference Receipts	\$12,000	\$3,400
4500	Investment & Interest		
4510	Interest Income	\$1,000	\$20,800
4520	Investment Income	\$0	\$0
4600	Reserve Fund Transfer	\$34,000	\$73,800
Total Revenue		\$4,143,426	\$4,179,341

Expenses

5000	Salaries & Wages	\$1,546,800	\$1,546,800
5020	Personnel Benefits		
5021	Social Security Taxes	\$118,400	\$118,400
5022	State Unemployment Insurance	-	\$0
5023	Worker's Compensation	\$3,900	\$4,500
5024	Retirement Benefits	\$140,900	\$140,900
5025	Health, Dental, Life And Disability Insurance	\$228,800	\$192,400
5026	Tuition Reimbursements	\$2,500	\$1,100
5085	Staff Wellness	\$400	\$400
5100	Building & Grounds		
5110	Rent/Lease	\$113,160	\$117,300
5120	Utilities	\$5,700	\$6,700
5130	Property Insurance	\$650	\$650

Revenue & Expense Budget		FY23 Budget	FY24 Budget
5140	Repairs & Maintenance	\$1,560	\$860
5150	Custodial Service & Supplies	\$3,200	\$4,000
5190	Other Building Maintenance	\$0	\$0
5200	Professional Development		
5210	Conference Travel	\$6,000	\$6,000
5220	Staff Meetings	\$400	\$900
5230	Staff Professional Development	\$6,800	\$4,000
5240	Professional Association Membership Dues	\$2,500	\$2,500
5250	Educational Material	\$800	\$800
5260	Online Learning	\$3,500	\$2,500
5300	Membership Development		
5310	Travel Reimbursement	\$1,400	\$800
5320	Membership Meetings	\$0	\$0
5330	Library Professional Development	\$6,700	\$6,570
5350	Marketing & Promotional Material	\$0	\$0
5399	Annual Conference	\$2,500	\$0
5400	Information & Technology Services		
5410	Infrastructure Licensing	\$0	\$0
5420	Application Software Licensing	\$20,600	\$18,000
5430	Server Software Licensing	\$96,600	\$105,200
5440	Library Services Platform	\$985,700	\$987,400
5450	Data Management Services	\$30,500	\$33,000
5460	Information Subscription Service	\$77,100	\$73,700
5470	Subscription Support Services	\$7,700	\$6,800
5480	Telecommunications	\$14,500	\$14,500
5490	Group Purchases - Services	\$5,900.00	\$0
5500	General Office		
5510	Office Supplies	\$1,500	\$2,200
5520	Postage	\$600	\$500
5550	Furniture	\$0	\$0
5599	Annual Conference Supplies		
5600	Hardware & Equipment		
5610	Equipment Rental/Maintenance	\$3,700	\$0
5620	Hardware	\$40,000	\$4,200
5690	Group Purchases - Hardware	\$12,100	\$1,100
5700	Insurance	\$11,100	\$11,500
5800	Contractual Services		
5810	Legal	\$1,500	
5820	Accounting	\$18,900	\$19,160
5830	Consulting	\$19,200	\$75,000
5840	Payroll Service Fees	\$3,600	\$3,600

Revenue & Expense Budget		FY23 Budget	FY24 Budget
5850	Contractual Agreements	\$0	\$0
5860	Notification & Collection	\$92,200	\$92,200
5870	Recruitment	\$0	\$0
5899	Annual Conference Facility Contract	\$8,900	\$8,900
5900	Library Materials & Content		
5910	Print Materials	\$5,000	\$300
5920	Reimbursement for Resource Sharing	\$50,000	\$63,000
5930	Group Purchases - Content	\$10,000	\$0
5940	E-commerce payment transactions	\$70,000	\$45,680
5990	Group Purchases - Electronic Resources	\$429,006	\$451,271
6000	Interest & Fees		
6010	Bank Fees	\$4,700	\$3,700
6020	Merchant Account Fees	\$50	\$50
6030	Interest Payment	\$0	\$0
6099	Annual Conference Merchant Fees	\$300	\$300
Subtotal Expenses		\$4,143,426	\$4,179,341
6100	Asset Management		
6110	Depreciation	\$3,607	\$2,322
6120	(Gain)/Loss on Asset Disposal		
6130	Vacation Expense		
Total Expenses		\$4,143,426	\$4,179,341
Total Revenue (from above)		\$4,143,426	\$4,179,341
Excess of revenues over (under) estimated expenses		\$0.00	\$0.00

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	\$1,999,867	\$1,999,867
Reserves collected & Impact Fee	\$0	\$0	\$0	\$0	
Printer purchase		(\$34,000)			
Aspen Discovery Project	(\$85,000)				
Baker & Taylor Project	(\$5,000)				
Security audit	(\$43,500)				
Strategic planning consultant			(\$36,000)		
Website development consultant			(\$37,800)		
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	\$1,999,867	\$1,999,867	\$1,999,867
Maintain 4 months operating in reserve (policy)	(\$1,357,079)	(\$1,381,142)	(\$1,450,199)	(\$1,522,709)	(\$1,598,845)
Over/(Under) Reserve Policy	\$750,588	\$692,525	\$549,668	\$477,158	\$401,022
Operating Budget (5% increases each year after FY23)	\$4,071,238	\$4,143,426	\$4,350,597.30	\$4,568,127.17	\$4,796,533.52
Months operating in reserve	6.21	6.01	5.52	5.25	5.00

* Infrastructure-as-a-Service (IaaS) is the recommended direction for SWAN for its future servers. IaaS is a subscription that will be an expense in the operating budget. The result is there is no server hardware purchased, therefore no need to budget as a capital expenditure.



[ZOOM Information]

SWAN Administrators' & Directors' Quarterly Meeting

December 1, 2022

10:00 a.m. – 12:00 p.m.

Oak Brook Public Library

600 Oak Brook Road, Oak Brook, IL 60523

Meeting Room

Or join the live stream of the meeting

Agenda

1. Call to Order and Welcome
2. Public Comment
3. Introduction of New Library Directors
4. Action Item – Approval of the September 1, 2022 Quarterly meeting minutes
5. Discussion Item – MessageBee Proposal
6. Action Item – Amend the current fiscal year 2023 budget for additional MessageBee expense
7. Information Item – Addison Public Library seeking SWAN membership
8. Information Item – Next SWAN budget (Fiscal year 2024)
9. Information Item – SWAN data visualization GIS presentation
10. Information Item – SWAN holds time to fill analysis: Impact of Aspen Discovery
11. Announcements and Questions
12. Next meeting: March 2, 2023

Meeting Information

Member Comment after each agenda item. The Quarterly Meeting will be live streamed via Zoom. The URL below is specific to the date of the meeting. Please join the meeting from your computer, tablet, or smartphone.