



SWAN Fiscal Year 2024 Budget

February 7, 2022

Committee of the Whole Meeting

SWAN Budget Overview

Fiscal Year 2024: July 1, 2023 through June 30, 2024

Timeline

- Board review Nov, Dec, Jan
- Budget documents posted for membership
- COW February 7, 2023 presentation & feedback gathered
- SWAN board meeting February 17, 2023
- Vote for approval March 2, 2023 at Oak Brook Public Library

Budget priorities

1. MessageBee
2. Security initiative: complying with security audit
 - A. Hosting & support
 - B. Monitoring, detection, & response
3. Addison addition to SWAN

Preparation & research

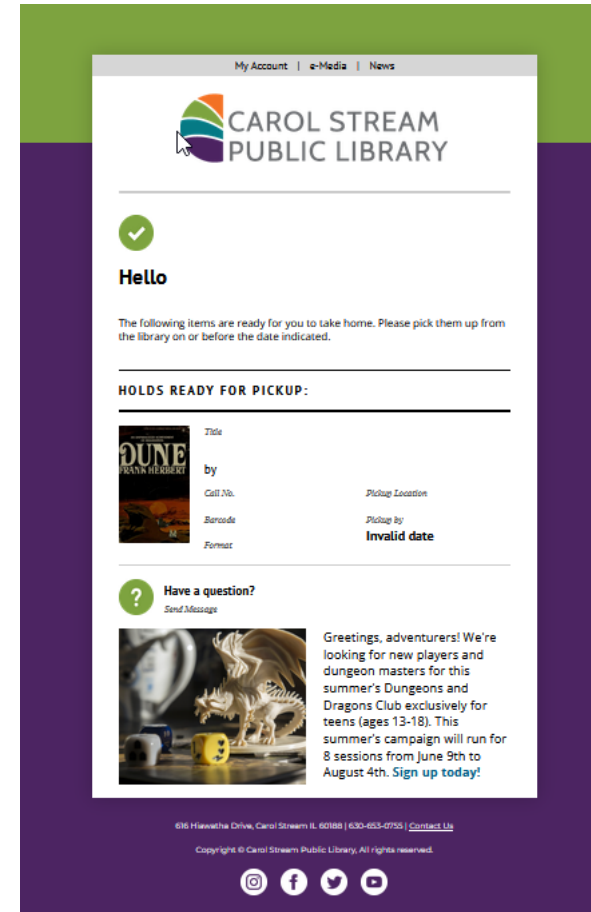
- SirsiDynix annual subscription
 - Year-3 of 5-year contract
 - 1.9% increase
- OCLC annual subscription
 - Factored 3% increase

Budget Highlights

- 100 Libraries strong
- Addison Public Library add-on
- Aspen Discovery catalog hosting & Support site hosting
- Security initiative expenses
- SWAN Expo August 2023
- Revenue
 - Increased interest income
 - Lower RAILS funding from prior years
 - Membership fees increase 1%
- Expenses
 - Overall, 0.5% increase
 - Added MessageBee

MessageBee

- Additional expense for 100 libraries
- MessageBee portal for each library
 - Email
 - SMS
 - Voice
- Budget \$76,686 based on contract with Unique Management



Information Security

- Expenses shifting
- SWAN infrastructure-as-a-service Microsoft Azure expenses lower
- Transitioned Aspen, Support to vendor solutions so new expenses added
- ByWater Solutions hosting
- Pantheon IO hosting
- Additional services & changes planned
- “Manage Detect Response” security service
- Support site upgrade & redesign

Addison Public Library

Revenue

- Additional revenue
- Membership fees January 2024 – June 2024 (6 months)
 - \$35,183 Membership Fees
 - \$70,367 Membership Fee in FY25

Expenses

- One-time migration costs
- Addition to services
 - OCLC membership
 - EBSCO services add-on
 - SirsiDynix maintenance add-on

SWAN Reserves

Impact fee revenue
\$17,592 from Addison

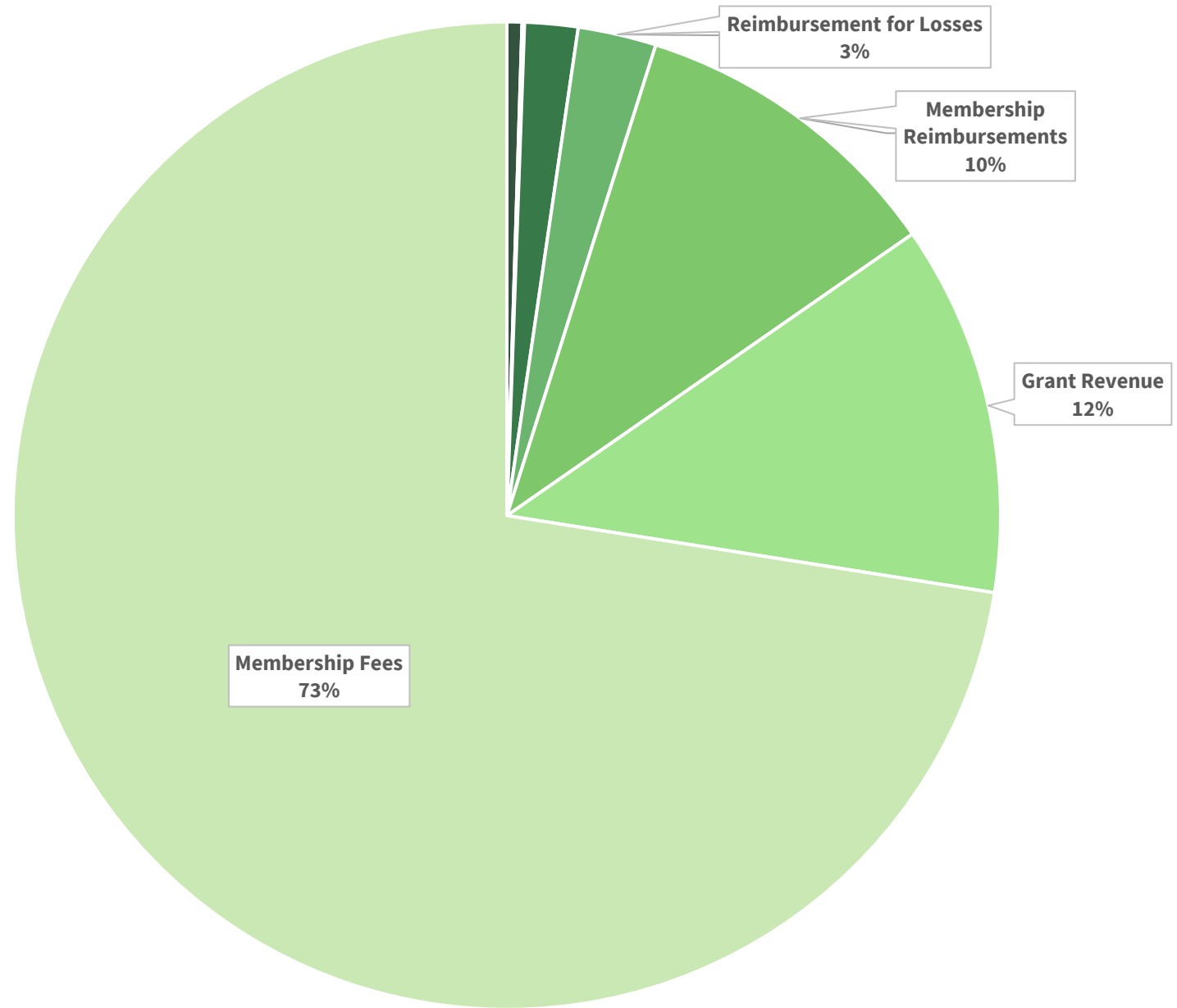
One-time expenses:

- strategic planning consulting
- Support site migration

SWAN Reserves Plan: Updated for FY24 Budget

Capital Expenditures (anything over \$5,000)	FY22	FY23	FY24	FY25	FY26
	July 2021-June 2022	July 2022-June 2023	July 2023-June 2024	July 2023-June 2025	July 2023-June 2026
Prior Year Balance: End of fiscal year, final audit, see "Unrestricted" on Balance Sheet	\$2,241,167	\$2,107,667	\$2,073,667	\$2,017,459	\$2,017,459
Reserves collected & Impact Fee	\$0	\$0	\$17,592	\$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	\$2,017,459	\$2,017,459	\$2,017,459
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	\$567,260	\$494,750	\$418,614
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	5.56	5.30	5.05
* 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.					

Revenue budget



Revenue

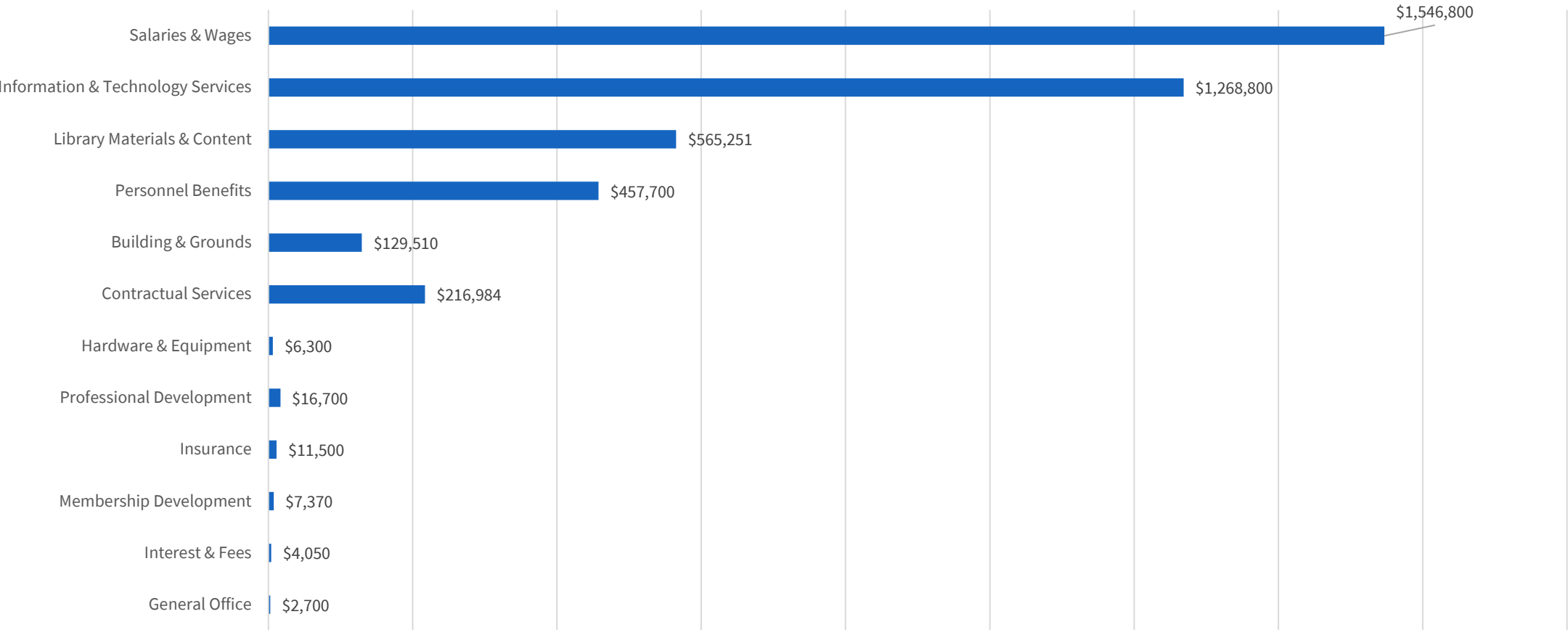
Membership Fees, Grant Revenue, Investment & Interest

- RAILS LLSAP Support revenue
 - \$498,388 FY24
 - **-\$28,933 reduction**
- Interest income budget increased from \$1,000 to \$20,800
- Membership fee budget line increases 1% (varies per public library)

Pass through: Group-purchase, Reimbursements for Losses,

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

Expense budget 0.5% increase FY24



Expenses

Salaries & Wages

- 5th year no increase in budget
- Positions eliminated via attrition, retirement, & elimination
- Part-time staff added to Bibliographic Services in December 2022

Personnel Benefits

- Reduction in benefits for health, dental, life
- Open enrollment completed January 1, 2023

Expenses

Buildings & Grounds

- Increase 4.2%
- Facility lease increase (per contact)
- Utilities expense increase

Professional Development

- Reduced expenses based on actual end of June 30, 2022
- Conference travel budget \$6,000 reduction from pre-pandemic \$11,000 budget

Expenses

Membership Development

- Supports SWAN Expo
 - No speaker fees for FY24
- Reduced staff travel budget to libraries
- Expenses for SWAN Learning Management System is the #5330 Library Professional Development budget line

Information & Technology Services

- Transition of SWAN websites hosted by in SWAN infrastructure to vendor solutions
 - Decrease for Azure expense #5430
 - Increase infrastructure usage with Aspen Discovery hosted with ByWater Solutions
- SirsiDynix decrease (SMS service replaced by MessageBee)
- OCLC increase 3% (anticipated)
- EBSCO increase 3% (anticipated)

Expenses

General Office, Hardware & Equipment, Insurance

- Budget for office supplies, printer maintenance \$10,000
- Business, D&O, crime, cyber insurance budget increase based on 2022 renewal

Contractual Services

- Continuing legal, HR Source membership, & accounting services
- Addison joining = contractual expenses RAILS Catalog Grant
- SWAN Expo MVCC facility expense
- Increase to Notification & Collection due to MessageBee expense
- Consulting expenses for FY24
 - Strategic planning \$36,000
 - Support website consulting \$37,800
 - Paid through Reserve Funds

Expenses

Library Materials & Content

- EBSCO database package group-purchase year-4 renewal 3% increase
- Budget line #5940 E-commerce payment transactions added with revenue offset

Interest & Fees

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

Revenue: Membership Fees

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

EBSCO database subscription year-4 renewal group-purchase

EBSCO database group-purchase

- Year-4 renewal with 84 participating libraries
- Pricing posted & in Committee of the Whole meeting packet
- Opt-out period ends Friday, February 24th 11:59 p.m.
- Libraries opted out will remain out of the year-4 deal
- Go to Support > Help > Request Forms > Opt-out EBSCO database group purchase
- <https://support.swanlibraries.net/forms/80756>

Feedback

Membership Meeting

March 2, 2023

February 8, 2023

SWAN Library Services

Questions & Answers

- Feedback from you
- Board meeting February 17th
- Final budget packet February 27th
- March 2, 2023 Directors' & Administrators' Quarterly meeting
- In-person vote at meeting