

SWAN Budget Information & Guidelines

Fiscal Year 2022 (July 1, 2021 – June 30, 2022)

Approved March 12, 2021

Introduction

Revenue & Expense, Reserves, & Membership Fees

The SWAN budget is introduced to the SWAN Board at its November meeting, with scheduled input from library directors at a February Committee of the Whole meeting, and concluding with a membership approval at the March SWAN Quarterly meeting.

New Budget Lines

This year we added expense line #5920 "Reimbursement for Resource Sharing" to record any of the expenses which occur within SWAN's centralized billing for unreturned materials between libraries.

Budget Highlights

Reduced Expenses

The FY22 budget reduced expenses and froze various budget lines in an effort to reflect the changing services brought upon SWAN by the global pandemic. The total expenses in SWAN increased only 0.9% with the FY22 budget, while adding some new features for libraries.

Three New Libraries

The libraries Glenside, Roselle, and Warrenville bring in additional revenue through membership fees. The associated expenses with adding on libraries do not exceed the new revenue, bringing \$52,200 in net revenue to SWAN.

Reduced Revenue: Money Market Interest & RAILS Grant Funding

RAILS reduced SWAN's state funding by \$39,327 to a total of \$522,691. Combined with the loss of interest revenue from the Money Market account, a total of \$74,327 revenue loss needed to be generated in an increase to membership fees at an overall rate of 2.8%.

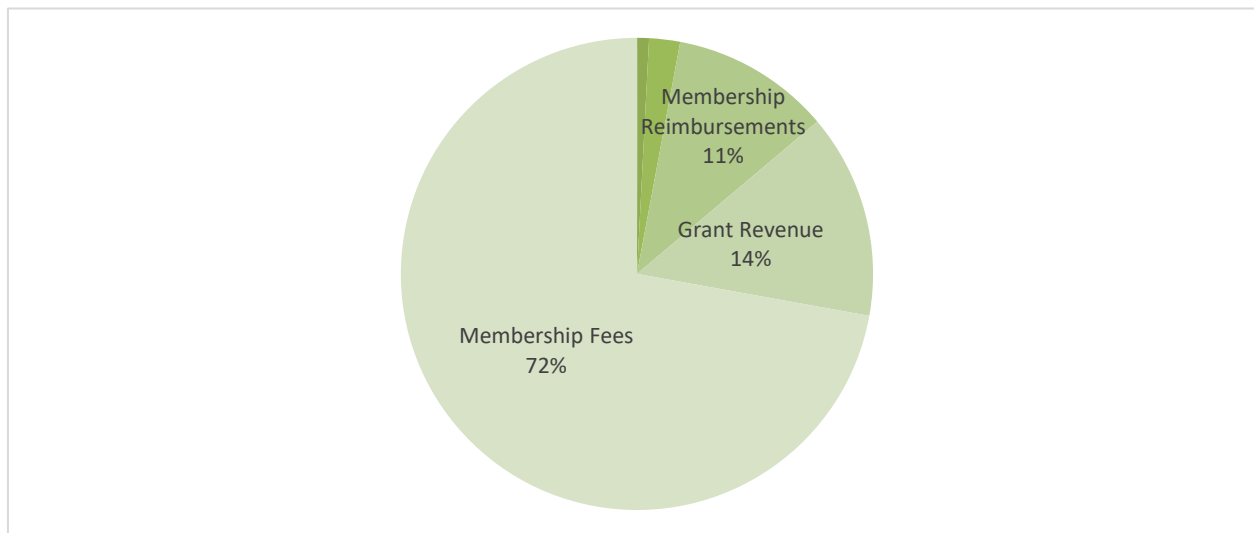
New: Aspen Discovery

Pending the affirmation of member libraries, the Aspen Discovery catalog will run concurrently with Enterprise for this budget year. The support expense will be taken from reserves, see revenue line #4600 and expense line #5440. You can read more about SWAN's Aspen Discovery on the support site at <https://support.swanlibraries.net/aspen>

New: KitKeeper, & Book Club Kits

KitKeeper is an online subscription through Plymouth Rocket that will help member libraries better manage bookclub kits. KitKeeper will be managed as a group-purchase for participating member libraries at \$25 per library. This budget funds at \$5,000 a pilot to create shared book club kits that can be requested by participating libraries in the book club kit pilot.

Revenue



Membership Fees

4010 SWAN Full Membership Fees \$2,917,863

SWAN assesses membership fees based on academic, school, special, and public library. The formulas used for each are detailed on the SWAN support site under About > Board > Budget & Fees. FY21 membership fee revenue on average does not increase. There are exceptions however, based on the formula, particularly for public libraries undergoing property tax or debt service changes within a given year. SWAN’s FY21 membership fees are based on the 2017 tax year.

4011 SWAN Internet Access Membership Fees \$3,700

The Internet Access level service for school libraries continues through this fiscal year with 10 schools participating with partner SWAN member public libraries.

Membership Reimbursements

4110 Member One-Time Project Receipts \$0

This budget line would be used if a library needed to reimburse SWAN for one-time expenses incurred. For example, if the RAILS Catalog Grant were no longer available, a library joining SWAN would pay SWAN for the one-time expenses for the vendor expenses. No one-time projects are anticipated for the FY22 budget.

4190 Member Group Purchase Receipts \$463,984

Libraries that reimburse SWAN for group purchases are indicated in this budget line. EBSCO database group-purchase revenue collected from public libraries is \$420,000 for year 2. Additional group purchases are ongoing with renewals with Envisionware for self-check software.

Reimbursement for Losses

4220 Reimbursement Losses for Resource Sharing \$30,000

Revenue associated with reimbursement for ILL or reciprocal borrowing with libraries outside of the SWAN consortium, e.g. Chicago Public Library.

4230 Collection Agency Fees \$900

SWAN will collect a modest fee for administering services within the Unique Management collection of unpaid reciprocal borrower invoices.

Grant Revenue

4310 RAILS Support to SWAN \$522,691

RAILS provides support to SWAN through an annual grant to support regional resource sharing. The grant amount for FY22 to SWAN is divided equally between all public libraries and is indicated as a discount off SWAN membership fees.

4320 Other Grant Revenue \$0

The one-time grant revenue from adding new libraries would be recorded in this line. No new libraries are planned in this budget year, as SWAN now adds new member libraries every other year.

Registration & Event Receipts

4499 Annual Conference Receipts \$0

Any revenue collected as part of the SWAN Expo are recorded in this budget line. This includes vendor table fees or libraries invoices for the event to offset event catering. The FY22 budget does not plan for an annual conference.

Investment & Interest

4510 Interest Income \$2,000

SWAN interest income fell mid-way through last year's budget.

4520 Investment Income \$0

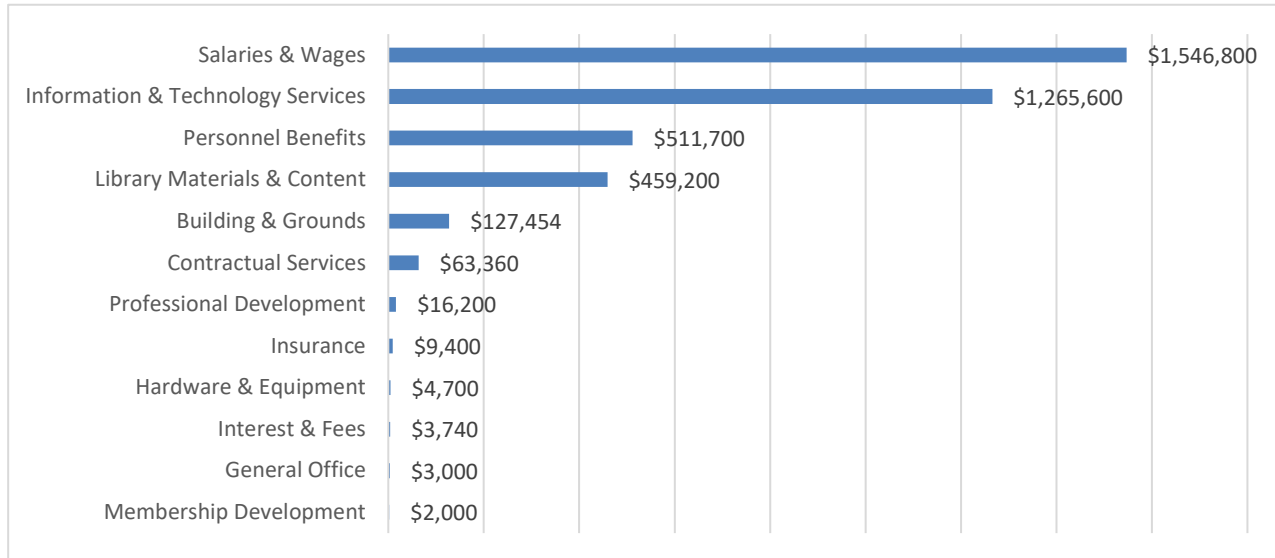
SWAN currently does not invest reserve funds. Should the organization decide to invest, the annual income would be recorded in this budget revenue line.

Reserve Fund Transfer

4600 Reserve Fund Transfer \$90,000

Aspen Discovery support with ByWater Solutions will be taken from reserves. See the expense line 5440 Library Services Platform for its one-time expense increase for FY22.

Expenses



Salaries & Wages

5000 Salaries & Wages \$1,546,800

SWAN has left positions unfilled and eliminated a position to remain flexible within the strategic plan. The FY21 budget has no increases from the prior year's budget. There is one proposed position that is on hold that this budget could support.

Personnel Benefits

5021 Social Security Taxes \$118,400

Payroll taxes and fringe benefits-- employer's share only. Social Security taxes (FICA). No change from the prior budget.

5022 State Unemployment Insurance -

Organization pays unemployment directly should it be required.

5023 Worker's Compensation \$3,000

Organization insurance provided by insurance vendor.

5024 Retirement Benefits \$140,900

SWAN provides its employees a 401a retirement plan through ICMA-RC. The organization does not provide a defined benefit plan or participate in Illinois Municipal Retirement Fund (IMRF).

5025 Health, Dental, Life And Disability Insurance \$234,600

Employee health insurance is provided by LIMRiCC Purchase of Health Insurance Program (PHIP). The FY22 rates from LIMRiCC are lower based on the switch from BlueCross BlueShield to Aetna.

5026 Tuition Reimbursements \$2,500
Tuition reimbursement benefit for employees.

5085 Staff Wellness \$600
Benefit offered to SWAN employees for participation within the employee Wellness Plan which includes incentives for breaktimes for walking, pedometers, exercise, and healthy lifestyles. No change from the prior budget.

Building & Grounds

SWAN headquarters located at 800 Quail Ridge Drive in Westmont, Illinois includes expenses for the lease and operations of the headquarters.

5110 Rent/Lease \$110,104
SWAN signed a 7-year lease in 2016 for office space. The rent escalation is included for this year's budget, along with the anticipated shared operating expenses and property taxes for FY22. Refer to SWAN's FY20 audit for the full debt obligation of the office lease.

5120 Utilities \$5,700
Facility electricity and natural gas expenses are recorded in this line. Based on 6 months of actual expenses in 2020, this expense is lower for the FY22 budget.

5130 Property Insurance \$0
Property and flood insurance covers office space furniture and equipment, and the RAILS 125 Tower Drive data center equipment. There will no longer be any active equipment at the RAILS data center, so this insurance is no longer needed.

5140 Repairs & Maintenance \$1,050
Used for facility repairs including door fob security maintenance and repairs.

5150 Custodial Service & Supplies \$9,000
SWAN's cleaning service was changed for two days per week.

5190 Other Building Maintenance \$0
Used for alarms and security cameras related to facility expense.

Professional Development

SWAN's 2019-2023 five-year strategic plan places emphasis on delivering solutions to libraries using the talent of the SWAN employees. Prior budgets mixed the staff professional development and efforts to provide membership development. The new SWAN budget structure ensures expenses associated with each category are understood and budgeted appropriately, as they have at times made it difficult to understand mid-year expenses properly.

5210 Conference Travel \$0

SWAN staff attend various conferences annually such as ILA, COSUGI, ALA, or the COSUGI Consortia Special Interest Group meeting. This includes expenditures for overnight lodging, fares for airfare, planes, trains, taxicabs, auto rental, meals, etc. Due to the pandemic, there is no planned conference travel in the FY22 budget.

5220 Staff Meetings \$600

Expenses related to SWAN staff meetings, mostly food and a holiday luncheon, are recorded in this line.

5230 Staff Professional Development \$8,800

SWAN employees participate in presentations at ILA, ALA, COSUGI and other professional organization events. Attending the annual COSUGI conference is a must for SWAN staff as it allows the organization to plan for upcoming library software features and functions.

5240 Professional Association Membership Dues \$2,500

SWAN employees participate in ALA, ILA, and COSUGI activities, often presenting at conferences. Individual

5250 Educational Material \$800

The FY22 budget reduced some of the online learning expenses for employees.

5260 Online Learning \$3,500

SWAN employees will participate in online learning with companies Coursera, OS Training, and Microsoft.

Membership Development

This budget category focuses on providing professional development for the member libraries within SWAN. This includes SWAN staff consulting, leading meetings, and facilitating membership networking events.

5310 Travel Reimbursement \$800

The SWAN organization has no vehicles and reimburses employees for mileage attending the 50+ membership meetings held annually. Travel reduced for the FY22 budget due to the pandemic, but some mileage reimbursement will occur.

5320 Membership Meetings \$0
Refreshments for the 50+ membership advisory and user group meetings held annually, such as coffee and donuts, or other activity supplies. Reduced to zero for the FY22 budget due to the pandemic.

5350 Marketing & Promotional Material \$1,200
Expenses related to printing library promotional material such as bookmarks or brochures.

5399 Annual Conference \$0
SWAN's annual conference, called SWAN Expo (or SWANx), supports speaker fees, honorarium, and travel expense for speakers. Costs associated with the facility and event are noted with the budget lines ending in "99" within this budget chart of accounts. The SWAN Expo for 2021 will remain suspended and this expense is reduced to zero.

Information & Technology Services

This budget category includes technology expenses related to SWAN's resource sharing platform. The platform includes expenses related to the technology required to run the platform for library content within the consortium.

5410 Infrastructure Licensing \$0
Budget line eliminated for FY22: combined with 5430 Server Software Licensing.

5420 Application Software Licensing \$22,000
Expenses related to SWAN's support software application include employee tools to create videos, deploy client software, design presentations, run meetings, and create instructional material. Vendor licensing includes: Formsite (webform software subscription), SurveyMonkey (for ongoing usability Input), MailChimp for e-newsletter, Envisionware One-Stop Self-Checkout Software, Adobe Acrobat, Adobe Creative Suite, Asana, Axure RP 8 Perpetual Pro License, Articulate Storyline, Storyblocks, LastPass, Microsoft Office O365, Microsoft Visio Pro O365, Ecobee, Panda Virus Protection & Patch Management, and MSI Package Installer.

5430 Server Software Licensing \$62,000
Expenses related to SWAN's support infrastructure including SSL Certificates for SWAN, domain subscription, SonicWALL Security licensing and subscription, Microsoft Active Directory, Microsoft Azure, and Microsoft Server licenses. The FY22 budget includes an increase to cover expenses for SWAN hosting Aspen and additional servers within our Azure infrastructure. The server licensing expenses related to SWAN's library services platform to run SirsiDynix Symphony and test systems. The membership virtual private network utilizing SonicWALL is supported through a group purchase of 100 nodes at \$12,155 annually for FY22 to keep SonicWALL appliances on the most current version of the software.

- 5440 Library Services Platform \$1,036,800**
The heart of SWAN's resource sharing software platform expenses is recorded in this budget line, including expenses from SirsiDynix, OCLC, and EBSCO Discovery Services, and OpenAthens. For FY22, SirsiDynix expenses are budgeted for \$512,632, OCLC at \$268,449, and the Article Search integration through EBSCO Discovery Services and OpenAthens is \$170,708 total. This line includes licensing three libraries to licensing for OCLC, EBSCO Discovery Services, and OpenAthens. New for this year is support from ByWater Solutions for SWAN's Aspen Discovery Services at \$85,000.
- 5450 Data Management Services \$27,500**
Expenses related to maintaining bibliographic and user data within the SWAN library services platform. This includes software provided to cataloging libraries to maintain bibliographic standards of the consortium. Vendors expenses include: ALA RDA Toolkit for Cataloging Libraries, WebDewey (OCLC negotiated directly with SWAN), MARCIVE (ongoing authority updates), The MARC of Quality (TMQ), and Unique Management Services National Change of Address (NCOA) patron database update expense at \$10,000 annually.
- 5460 Information Subscription Service \$76,600**
SWAN's discovery platform includes multiple add-on services to add cover artwork and reading recommendations. Vendor expenses include: ProQuest Syndetic Solutions (book jackets, enhanced content), EBSCO Novelist Select (reviews content). The addition of three libraries to SWAN increased Novelist Select licensing.
- 5470 Subscription Support Services \$9,900**
SWAN's support platform includes remote desktop assistance to library staff, online training, and remote monitoring of systems for SWAN on-call staff. New to FY21 is the TalentLMS learning management system. This service will be used to create library staff coursework and classes provided through SWAN, SirsiDynix, EBSCO, and OCLC depending on library role. Expenses associated with this budget line include: Citrix GoToAssist, Citrix GoToMeeting (Plus for 100 attendees), StatusCake (for site monitoring and alerting SWAN staff to outages), Articulate Storyline (for interactive, online learning) and the volume email service through SendGrid (patron notification plus library notification).
- 5480 Telecommunications \$20,400**
Expenses associated with SWAN facility connection to the internet and phone support.
- 5490 Group Purchases - Services \$12,600**
SWAN will periodically arrange a software group purchase. Those expenses are recorded here if libraries are invoiced back for the expense, which would be recorded as revenue in the budget line 4190. The budget is supporting an ongoing Envisionware software group purchase for a self-check system, which has annual maintenance for support. New to this budget in FY22 is Curbside Communicator with Unique Management, which is a \$12,000 expense offset by revenue from SWAN invoicing member libraries for the service.

General Office

This category is primarily the expenses associated with running the organization's headquarters at 800 Quail Ridge Drive.

5510 Office Supplies \$1,500

Expenses associated with routine office work including paper, staff supplies, and anything costing less than \$5,000.

5520 Postage \$1,500

Expenses associated with shipping printed material are recorded in this line. SWAN staff make best attempts to control shipping costs through bringing printed material to membership events.

5550 Furniture \$0

If SWAN needs to add any training or collaboration furniture for the facility conference room or work areas, this is the budget and expense is recorded.

5599 Annual Conference Supplies \$0

All supply expenses associated with the annual conference SWAN Expo which include envelopes, paper, and presentations. SWAN Expo for 2021 will be suspended due to the global pandemic.

Hardware & Equipment

SWAN utilizes a very light footprint for its headquarters, staff, and services to libraries.

5610 Equipment Rental/Maintenance \$3,700

All expenses associated with equipment leased at 800 Quail Ridge, including the single staff multi-use copier printer.

5620 Hardware \$1,000

Expenses for this budget related to SWAN staff peripheral devices.

5690 Group Purchases - Hardware \$0

Any pass-through purchases for equipment required for membership, such as firewall, commerce, or print solutions required by SWAN. No group purchases planned for the FY22 budget.

Insurance

SWAN organization insurance includes insuring the SWAN governing board, facility, and business for risk of crime, cybercrime, and flood.

5700 Insurance \$9,400

The SWAN organization insurance for directors and officers, and business owner's insurance.

6099 Annual Conference Merchant Fees \$0

Expenses associated with any online transaction fees for processing annual conference SWAN Expo online payments are recorded in this line. The SWAN Expo is suspended for FY22 due to the global pandemic.

Asset Management

6110 Depreciation \$2,322

For proprietary funds and government-wide financial statements only. Depreciation charges are intended to allocate the cost of a fixed asset over the estimated useful life of the unit in a systematic and rational manner using the straight-line method. The number of physical assets depreciated has fallen dramatically since SWAN moved to an infrastructure-as-a-service model and no longer needs to purchase servers over \$5,000. SirsiDynix migration and operating system server migration expenses are in their final years of depreciation.

6120 (Gain)/Loss on Asset Disposal \$0

6130 Vacation Expense \$2,200

Per GASB, Vacation Expense is the account created to segregate the amount of the expense incurred by SWAN for the current years' addition or subtraction to the balance of earned but unused staff vacation time. The Balance Sheet reflects the fact that Compensated Absences has been adjusted for the year-end to show, as of June 30 of the given fiscal year, the current value of this earned but unused vacation. This is more a potential than actual liability as employees most likely will use most of their vacations while being employed.

SWAN Budget Summary

SWAN Budget	FY21 Budget	FY22 Budget	Change
4000 Membership Fees	\$2,851,863	\$2,921,563	\$69,700
4100 Membership Reimbursements	\$435,394	\$463,984	\$28,590
4200 Reimbursement for Losses	\$900	\$30,900	\$30,000
4300 Grant Revenue	\$623,518	\$522,691	(\$100,827)
4400 Registration & Event Receipts	\$7,600	\$0	(\$7,600)
4500 Investment & Interest	\$37,000	\$2,000	(\$35,000)
4600 Reserve Fund Transfer	\$62,379	\$90,000	\$27,622
Total Revenue	\$4,018,654	\$4,031,138	\$12,485
5000 Salaries & Wages	\$1,546,800	\$1,546,800	\$0
5020 Personnel Benefits	\$516,200	\$500,000	(\$16,200)
5100 Building & Grounds	\$123,304	\$125,854	\$2,551
5200 Professional Development	\$24,800	\$16,200	(\$8,600)
5300 Membership Development	\$9,400	\$2,000	(\$7,400)
5400 Information & Technology Services	\$1,133,100	\$1,255,200	\$122,100
5500 General Office	\$5,300	\$3,000	(\$2,300)
5600 Hardware & Equipment	\$81,700	\$4,700	(\$77,000)
5700 Insurance	\$9,200	\$9,400	\$200
5800 Contractual Services	\$139,210	\$66,060	(\$73,150)
5900 Library Materials & Content	\$425,000	\$485,584	\$60,584
6000 Interest & Fees	\$4,040	\$3,740	(\$300)
Total Operating Expenses	\$4,018,054	\$4,018,538	\$485
6100 Asset Management	\$13,607	\$4,522	(\$9,085)
Excess of revenues over (under) estimated expenses	\$21,500	\$0	

Revenue & Expense Budget		FY21 Budget	FY22 Budget	Change
Revenue				
4000	Membership Fees			
4010	SWAN Full Membership Fees	\$2,851,863	\$2,917,863	\$66,000
4011	SWAN Internet Access Membership Fees	\$0	\$3,700	\$3,700
4100	Membership Reimbursements			
4110	Member One-Time Project Receipts	\$14,000	\$0	(\$14,000)
4190	Member Group Purchase Receipts	\$421,394	\$463,984	\$42,590
4200	Reimbursement for Losses			
4220	Reimbursement Losses for Resource Sharing	\$0	\$30,000	\$30,000
4230	Collection Agency Fees	\$900	\$900	\$0
4300	Grant Revenue			
4310	RAILS Support to SWAN	\$562,018	\$522,691	(\$39,327)
4320	Other Grant Revenue	\$61,500	\$0	(\$61,500)
4400	Registration & Event Receipts			
4499	Annual Conference Receipts	\$7,600	\$0	(\$7,600)
4500	Investment & Interest			
4510	Interest Income	\$37,000	\$2,000	(\$35,000)
4520	Investment Income	\$0	\$0	\$0
4600	Reserve Fund Transfer	\$62,379	\$90,000	\$27,622
Total Revenue		\$4,018,654	\$4,031,138	\$12,485

Expenses				
5000	Salaries & Wages	\$1,546,800	\$1,546,800	\$0
5020	Personnel Benefits			
5021	Social Security Taxes	\$118,400	\$118,400	\$0
5022	State Unemployment Insurance	-	-	
5023	Worker's Compensation	\$3,000	\$3,000	\$0
5024	Retirement Benefits	\$140,900	\$140,900	\$0
5025	Health, Dental, Life And Disability Insurance	\$246,300	\$234,600	(\$11,700)
5026	Tuition Reimbursements	\$2,500	\$2,500	\$0
5085	Staff Wellness	\$5,100	\$600	(\$4,500)
5100	Building & Grounds			
5110	Rent/Lease	\$105,904	\$110,104	\$4,201
5120	Utilities	\$6,400	\$5,700	(\$700)

Revenue & Expense Budget		FY21 Budget	FY22 Budget	Change
5130	Property Insurance	\$1,500	\$0	(\$1,500)
5140	Repairs & Maintenance	\$1,300	\$1,050	(\$250)
5150	Custodial Service & Supplies	\$8,100	\$9,000	\$900
5190	Other Building Maintenance	\$100	\$0	(\$100)
5200	Professional Development			
5210	Conference Travel	\$11,000	\$0	(\$11,000)
5220	Staff Meetings	\$600	\$600	\$0
5230	Staff Professional Development	\$5,400	\$8,800	\$3,400
5240	Professional Association Membership Dues	\$2,500	\$2,500	\$0
5250	Educational Material	\$800	\$800	\$0
5260	Online Learning	\$4,500	\$3,500	(\$1,000)
5300	Membership Development			
5310	Travel Reimbursement	\$2,800	\$800	(\$2,000)
5320	Membership Meetings	\$2,900	\$0	(\$2,900)
5350	Marketing & Promotional Material	\$1,200	\$1,200	\$0
5399	Annual Conference	\$2,500	\$0	(\$2,500)
5400	Information & Technology Services			
5410	Infrastructure Licensing	\$42,000	\$0	(\$42,000)
5420	Application Software Licensing	\$18,400	\$22,000	\$3,600
5430	Server Software Licensing	\$13,900	\$62,000	\$48,100
5440	Library Services Platform	\$927,200	\$1,036,800	\$109,600
5450	Data Management Services	\$27,500	\$27,500	\$0
5460	Information Subscription Service	\$74,600	\$76,600	\$2,000
5470	Subscription Support Services	\$10,100	\$9,900	(\$200)
5480	Telecommunications	\$19,400	\$20,400	\$1,000
5490	Group Purchases - Services	\$600.00	\$12,600.00	\$12,000
5500	General Office			
5510	Office Supplies	\$4,000	\$1,500	(\$2,500)
5520	Postage	\$900	\$1,500	\$600
5550	Furniture	\$0	\$0	\$0
5599	Annual Conference Supplies	\$400	\$0	(\$400)
5600	Hardware & Equipment			
5610	Equipment Rental/Maintenance	\$3,700	\$3,700	\$0
5620	Hardware	\$63,200	\$1,000	(\$62,200)
5690	Group Purchases - Hardware	\$14,800	\$0	(\$14,800)
5700	Insurance	\$9,200	\$9,400	\$200

Revenue & Expense Budget		FY21 Budget	FY22 Budget	Change
5800	Contractual Services			
5810	Legal	\$5,000	\$5,000	\$0
5820	Accounting	\$20,610	\$17,560	(\$3,050)
5830	Consulting	\$5,000	\$1,000	(\$4,000)
5840	Payroll Service Fees	\$3,900	\$3,600	(\$300)
5850	Contractual Agreements	\$56,500	\$0	(\$56,500)
5860	Notification & Collection	\$35,300	\$38,000	\$2,700
5870	Recruitment	\$900	\$900	\$0
5899	Annual Conference Facility Contract	\$12,000	\$0	(\$12,000)
5900	Library Materials & Content			
5910	Print Materials	\$5,000	\$5,000	\$0
5920	Reimbursement for Resource Sharing	\$0	\$30,000	\$30,000
5930	Electronic Resources		\$0	\$0
5990	Group Purchases - Content	\$420,000	\$450,584	\$30,584
6000	Interest & Fees			
6010	Bank Fees	\$3,700	\$3,700	\$0
6020	Merchant Account Fees	\$40	\$40	\$0
6030	Interest Payment	\$0	\$0	\$0
6099	Annual Conference Merchant Fees	\$300	\$0	(\$300)
Subtotal Expenses		\$3,997,154	\$4,031,138	\$12,485
6100	Asset Management			
6110	Depreciation	\$3,607	\$2,322	(\$1,285)
6120	(Gain)/Loss on Asset Disposal		\$0	
6130	Vacation Expense	\$10,000	\$2,200	(\$7,800)
Total Expenses		\$3,997,154	\$4,031,138	\$33,985
Total Revenue (from above)		\$4,018,654	\$4,031,138	
Excess of revenues over (under) estimated expenses		\$21,500.00	\$0.00	
		FY21 Budget	FY22 Budget	

SWAN Reserves Plan: Updated for FY22 Budget

Capital Expenditures (anything over \$5,000)	FY21	FY22	FY23	FY24	FY25
	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023	July 2023-June 2024	July 2023-June 2025
Prior Year Balance: End of fiscal year, final audit, see "Unrestricted" on Balance Sheet	\$2,035,646	\$1,998,710	\$1,908,710	\$1,908,710	\$1,908,710
Reserves collected & Impact Fee	\$26,283	\$0	\$0	\$0	\$0
Server replacement: no longer required with cloud-based Infrastructure-as-a-Service*	\$0	\$0	\$0	\$0	\$0
Firewall replacement: no longer required with cloud-based Intrastructure-as-a-Service	\$0	\$0	\$0	\$0	\$0
Aspen Discovery Project		(\$85,000)			
Baker & Taylor Project	(\$5,000)	(\$5,000)			
Funds for EMV commerce devices (chip & PIN)	(\$14,000)				
Funds for SWAN staff computer replacement	(\$44,219)				
Future ILS Migration Budget (\$465,740)					
Total	\$1,998,710	\$1,908,710	\$1,908,710	\$1,908,710	\$1,908,710
Maintain 4 months operating in reserve (policy)	(\$1,332,385)	(\$1,343,713)	(\$1,410,898)	(\$1,481,443)	(\$1,555,516)
Over/(Under) Reserve Policy	\$666,325	\$564,997	\$497,812	\$427,267	\$353,194
Operating Budget (5% increases each year after FY21)	\$3,997,154	\$4,031,138	\$4,232,695	\$4,444,330.13	\$4,666,546.64

* 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.