

**Draft 2021 Technology Budget Notes for June 3, Technology Committee Meeting
June 2, 2020**

2021 Technology Operating Budget

	2021 Amount	2020 Amount	2019 Amount	2018 Amount
Hardware Maintenance	\$18,503	\$18,483	\$25,066	\$24,494
Telecom / Central Server Hardware	\$128,265	\$119,287	\$97,894	\$106,755
Software Licenses	\$63,501	\$64,871	\$78,923	\$76,826
Support Equipment	\$8,500	\$9,000	\$9,000	\$8,000
Broadband Lines	\$105,671	\$104,628	\$105,989	\$101,556
Third Party Products & Consulting	\$19,200	\$39,248	\$55,368	\$92,000
Staff Salaries and Benefits	\$958,196	\$920,563	\$903,840	\$876,448
Total Operating Budget	\$1,301,836	\$1,276,080	\$1,276,080	\$1,286,080
South Central Cash Contribution	-\$244,356	-\$244,356	-\$244,356	-\$244,356
Bibliotheca Support Fee	-\$10,000	-\$10,000	-\$10,000	-\$20,000
Member costs to be allocated by the Cost Formula	\$1,057,480	\$1,021,724	\$1,021,724	\$1,021,724
Technology Contingency (2020)	\$585,471	\$818,864	\$685,279	\$576,409

Amounts highlighted in yellow may fluctuate slightly due to some additional adjustments that may be made.

2021 Technology Operating Budget Notes

What's Changing in 2021?

The budget presented above is based on the cost to continue current technology services into 2021.

- We now have ongoing replacement costs for a new third party hosted Firewall service. These costs are included in the Telecom / Central Server Hardware budget. They are covered by funds that were previously in the Third Party Products & Consulting budget.
- Network equipment costs remain stable. We have extended the replacement costs from 6 years to 7 years, which reduces the amount budgeted annually.
- The Telecom / Central Server Hardware budget includes replacement costs for the new shared backup system and digitization solution. The replacement cost is higher than the prior system.
- In 2019 and 2020 the enterprise wireless system has been replaced in most libraries. Previously, the budget included replacement costs for headquarters equipment and licenses. The fees we collected for this funded the replacement of existing access points in libraries. Many libraries elected to add new access points (128 to 257). We now include replacement of access points every 7 years in the budget. This did result in an increase to this budget line.
- The staff salaries and benefits line has increased due to existing step increases due to re-classes and new hires.

This budget is a 3.5% change from 2020.

Budget Scenarios for 2021

- Approve “Cost to continue budget” as presented
- Or, temporarily reduce the amount in the budget of the backup solution and anticipate using grant funds for future replacement. Reducing to a replacement cost of \$60,000 (nearly 50%) would reduce budget by \$11,000 in 2021
- Apply some of the existing contingency funds to reduce budget—this would be done at the end of 2020 if local library budgets are hard-hit

The following is a description of what sort of services each Technology-related account covers.

Hardware Maintenance

This account covers the annual maintenance contracts for all the Cisco hardware including switches and routers. The Cisco SmartNet and Cisco Base maintenance subscriptions allow us to download and install the latest firmware updates, as well as provide access to Cisco technical support.

Increase: This budget line has increased from 2020 due to fluctuations in the types of equipment we purchase from year to year.

Telecommunications and Central Server Hardware

This account includes over 150 network switches and routers located in each member library, the primary servers located at SCLS Headquarters (Windows, Web, E-mail, etc.), as well as the UPS power backup units located at SCLS HQ. Each piece of equipment is slated for replacement on a 5-year cycle, with the exception of routers and switches which are on a 7 year rotation. This account covers replacement wireless access points as of 2020. Central server hardware includes the backup component which is shared with other Wisconsin Public Library systems and which was partially funded by LSTA grants in 2019. Cost of central server hardware is covered by the Infrastructure and Network Services fees.

Increase: This account has increased from 2020, due to the addition of a hosted firewall, the new backup solution and replacement costs for wireless access points. The increased cost of the firewall is partially covered by reallocating funds from the Third Party Products & Consulting budget. The number of wireless access points doubled with the new solution. We are funding replacement for the estimated SCLS share of the new backup collaboration solution at approximately the replacement cost, which is higher than the prior solution.

Software Licenses

Included in the Software Licenses account are:

- The various software licenses installed on SCLS-supported PCs, both Patron and Staff, the other is covered by the support fee for PCs (\$250 per PC),
- The central software licenses for servers which is included in the Technology Services Infrastructure fee.

Decrease: This account has decreased slightly from 2020 due to fluctuations in the costs of the software. We will not know the final number for this budget until we know the final number of PCs requiring software.

Support equipment

This account covers the technicians' cellular phones, the cabling provided by SCLS, miscellaneous expenses such as testing equipment, labelers, and minor software subscriptions necessary to support member libraries. Support equipment costs are covered by the PC Support fee.

Decrease: This account has been reduced slightly for 2021.

Broadband lines

This account covers the expenses associated with the BadgerNet TEACH lines, Charter fees, the SCLS WiscNet Membership Fees, and the MUFN fees.

Increase: This account shows a slight increase from 2020, due to some shifting from one service to another for some services.

Third Party Products

This account covers ongoing contracted and unanticipated consulting fees with third party consultants. A placeholder of \$9,000 for consulting is included in this budget line; it is offset by the \$10,000 of the amount we get for providing first tier support for Bibliotheca.

Decrease: This account has decreased from 2020 as we continue to re-align staff with services and assess our needs for third party support services.

Staff Salaries and Benefits

Staffing configuration remains stable for 2021.

Increase: This account has increased due to step increases and increases in benefits. There are no planned cost of living increases for 2021.

2020 Contingency

The contingency fund is used for both unexpected expenses (such as consulting fees) as well as the planned replacement of centralized hardware and bulk purchases of software licenses. The carryover from 2019 to 2020 was \$585,471, which was a decrease of \$233,393 from last year. This was due to some major core hardware replacements last year (Wireless solution, Firewall, Backup and SAN). The contingency fund is designed to increase and decrease each year based on need. Funds to replenish the contingency account are incorporated into the annual fees. This provides budget stability for libraries as we plan for large expenditures.

SCLS Cash Contribution

South Central will directly contribute \$244,356 into the Technology Services Infrastructure budget to offset Technology costs for members participating in any Technology Service.