

## LIBRARY DEPARTMENT

### Impact Analysis Report

#### **OVERVIEW**

The Library Department assesses fines and a limited number of fees associated with library services. Fines are levied for overdue, lost, and damaged materials and fees are assessed for various services, such as community room rentals and providing materials through other library systems. Fines generate over 96% of the Department's total departmental charges (excluding revenue collected from the Library's Parcel Tax). Fines are set at a level to encourage borrowers to return materials by the due date and are not intended to prevent or restrict any individual's ability to access library resources and services. As such, the amount of the fine bears no direct relationship to the value of the materials recovered.

The City Council has directed that three of the five fee categories (Fines, Library Consulting - San José Way, and Library Specialized Collections) may be set at more than or less than full cost recovery (Category II). The remaining two categories (Community Room Rental and Filming on City Premises) are set at a full cost recovery level (Category I).

In 2016-2017, Library fines are proposed to be decreased to reduce barriers to access, increase the return rate of overdue materials, and align the City's Fines and Fees closer to surrounding Library systems. The total Library Department fines and fees revenues for 2016-2017 are projected to be \$875,000 with costs of \$946,000 for a cost recovery rate of 92.6%.

#### **SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS**

##### Existing Category I Fees

To maintain full cost recovery, the Community Room Rental Fee is proposed to increase from \$35 to \$37 per use up to 4 hours.

##### Existing Category II Fees

The following fine adjustments are proposed: reduce the Overdue Materials Fine from \$0.50 per day/\$20 maximum per item to \$0.25 per day/\$5 maximum per item; eliminate the Held Materials Fine of \$3; and reduce the handling fee from \$20 to \$10 for Damaged Materials and Lost Materials and Equipment. A projected loss of revenue of \$135,000 related to these fine adjustments will be offset by a one-time reduction of \$65,000 to the Library non-personal/equipment budget and a one-time defunding of 1.5 Library Page PT positions responsible for general clerical assistance at the branches. This one-time reduction will allow time to assess the ongoing impact of the fines and fees adjustments. Fines are projected at 92.3% cost recovery with an estimated \$842,000 in Fine revenue, including impacts from the three fine adjustments.

The Pay-for-Print Fee is also proposed to decrease from \$1.00 to \$0.65 per color print to align with the printing costs at the San Jose State University where the Dr. Martin Luther King, Jr. library is jointly managed.

## **LIBRARY DEPARTMENT**

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### ***NOTIFICATION***

The Proposed Fees and Charges Report was released on May 6, 2016, allowing for a minimum of 10 days for public review. Public input on fee proposals will be heard by the City Council at public hearings held on Tuesday, May 17, 2016 at 1:30 p.m. and Monday, June 13, 2016 at 7:00 p.m. in the Council Chambers.

# DEPARTMENTAL FEES AND CHARGES

# LIBRARY

Service	2015-2016 Adopted Fee	2015-2016 % Cost Recovery	2016-2017 Proposed Fee	2016-2017 Estimated Cost	2016-2017 Estimated Revenue		2016-2017 % Cost Recovery	
					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>LIBRARY FEES - CATEGORY I</b>								
<b>1. Community Room Rental</b>								
1 Cancellation Fee (within 72 hours of event)	\$35 per cancellation		No Change					
2 Community Room Rental Fee	\$35 per use up to 4 hours; \$70 per use over 4 hours		\$37 per use up to 4 hours; \$70 per use over 4 hours					
<b>Sub-total Community Room Rental</b>		<b>99.8%</b>		<b>33,574</b>	<b>30,000</b>	<b>33,300</b>	<b>89.4%</b>	<b>99.2%</b>
<b>2. Filming on City Premises (Branch Libraries)</b>								
Note: The City Librarian is authorized to charge persons who desire to film on City's branch library premises and require staff assistance								
1 1-3 vehicles at site	\$100 per 8 hours		No Change					
2 4-5 vehicles at site	\$150 per 8 hours		No Change					
3 6 vehicles at site	\$200 per 8 hours		No Change					
4 Additional 4 hour period	\$250 per period		No Change					
5 Additional vehicles	\$30 each vehicle		No Change					
6 Commercial Filming (8 hours minimum)	\$500 per 8 hours		No Change					
7 Commercial Photography	\$560 per 8 hours		No Change					
8 Non-Commercial Filming	\$30 per 8 hours		No Change					
9 Staff assistance (requested or required)	Actual staff cost		No Change					
<b>Sub-total Filming on City Premises (Branch Libraries)</b>								
<b>SUB-TOTAL LIBRARY FEES - CATEGORY I</b>		<b>99.8%</b>		<b>33,574</b>	<b>30,000</b>	<b>33,300</b>	<b>89.4%</b>	<b>99.2%</b>

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>LIBRARY FEES - CATEGORY II</b>								
<b>1. Library Consulting - San José Way</b>								
1 Full-Day (at Client's Site); Includes Presentation, Tour(s), and Consultation	\$4,000 plus travel expenses		No Change					
2 Full-Day (in San José); Includes Presentation, Tour(s), and Consultation	\$2,500		No Change					
3 Half-Day (in San José); Includes Presentation, Q & A Session, and Consultation	\$1,500		No Change					
<b>Sub-total Library Consulting - San José Way</b>								
<b>2. Library Printing Fees</b>								
1 Pay-for-Print Fee	\$0.15 per black and white print; \$1 per color print		\$0.15 per black and white print; \$0.65 per color print					
<b>Sub-total Library Printing Fees</b>								
<b>3. Library Specialized Collections</b>								
1 Copying and Reproducing Photographs (Commercial Advertisement use)	\$150 per image scanned & copied; plus \$10 if burned to a CD and mailed		No Change					
2 Copying and Reproducing Photographs (For Profit Exhibits)	\$75 per image scanned & copied; plus \$10 if burned to a CD and mailed		No Change					
3 Copying and Reproducing Photographs (Non-Profit Exhibits) Note: Formerly titled "Copying and Reproducing Photographs"	\$10 per image scanned and copied		No Change					
<b>Sub-total Library Specialized Collections</b>								
<b>SUB-TOTAL LIBRARY FEES - CATEGORY II</b>								

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>LIBRARY FEES - CATEGORY III</b>								
<b>1. Fines</b>								
1 Collection Fee	\$10 per referral upon recovery of materials		No Change					
2 Damaged Materials	Price of material plus \$20 handling fee for materials costing more than the minimum database price (minimum database price adjusted as publication price increases occur)		Price of material plus \$10 handling fee for materials costing more than the minimum database price (minimum database price adjusted as publication price increases occur)					
3 Held Materials Fine	\$3 fee for failure to pick up held materials within 7 days		Delete					
4 Inter-Library Loan Service - Patron Requests	Late fine is \$1 per day with no maximum		No Change					
5 Lost Materials and Equipment	Price of material plus \$20 handling fee for materials costing more than the minimum database price (minimum database price adjusted as publication price increases occur)		Price of material plus \$10 handling fee for materials costing more than the minimum database price (minimum database price adjusted as publication price increases occur)					
6 Overdue Materials	\$0.50 per day; \$20 maximum per item		\$0.25 per day; \$5 maximum per item					
7 Replacement Cards	\$1 per card		No Change					
<b>Sub-total Fines</b>		<b>103.5%</b>		<b>911,994</b>	<b>977,000</b>	<b>842,000</b>	<b>107.1%</b>	<b>92.3%</b>
<b>SUB-TOTAL LIBRARY FINES - CATEGORY II</b>		<b>103.5%</b>		<b>911,994</b>	<b>977,000</b>	<b>842,000</b>	<b>107.1%</b>	<b>92.3%</b>

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Service	2015-2016 Adopted Fee	2015-2016 % Cost Recovery	2016-2017 Proposed Fee	2016-2017 Estimated Cost	2016-2017 Estimated Revenue		2016-2017 % Cost Recovery	
					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>TOTAL DEPARTMENT - GENERAL FUND</b>				<b>945,568</b>	<b>1,007,000</b>	<b>875,300</b>	<b>106.5%</b>	<b>92.6%</b>
<b>TOTAL DEPARTMENT - Category I</b>				<b>33,574</b>	<b>30,000</b>	<b>33,300</b>	<b>89.4%</b>	<b>99.2%</b>
<b>TOTAL DEPARTMENT - Category II</b>				<b>911,994</b>	<b>977,000</b>	<b>842,000</b>	<b>107.1%</b>	<b>92.3%</b>
<b>TOTAL DEPARTMENT</b>				<b>945,568</b>	<b>1,007,000</b>	<b>875,300</b>	<b>106.5%</b>	<b>92.6%</b>