

LIBRARY DEPARTMENT

Impact Analysis Report

OVERVIEW

The Library Department levies fines for overdue, lost and damaged materials, and collects fees for various services such as community room rentals and providing materials through other library systems. Fines generate 99% of the Department's revenue.

Overdue fines are set at a level to encourage borrowers to return materials by the due date. The cost to collect a fine bears no direct relationship to the amount of the fine itself or to the value of the materials recovered. The City Council has directed that three of the six 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 three categories (Miscellaneous Revenue, Community Room Rental, and Filming on City Premises) are set at a full cost recovery level.

Total Library Department revenues for 2009-2010, including both fines and fees, are projected to be \$1,850,500 with costs of \$1,115,968 for a cost recovery rate of 165.8%.

SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS

Existing Fees

In 2009-2010, the Library Department recommends increasing fines for overdue materials by 100%. Currently,

these fees are \$0.25 per day with a maximum of \$10.00 per item, however, it is recommended to increase the fine to \$0.50 per day with a maximum of \$20.00 per item. It is anticipated this fee increase would result in an additional \$600,000 in revenue, which is included in the 2009-2010 Proposed Operating Budget.

Additional fee changes recommended in the Library Department in 2009-2010 include: Damaged Materials, Lost Materials, Pay-for-Print, Replacement Cards, Community Room Rental, Commercial Photography on City Premises, and San José Way Half-Day Consultation (in San José). In addition, although there has been no fee revision to the Collection Fee, the 2009-2010 Proposed Operating Budget includes an increase in the estimate for revenue from this fee of \$62,000 due to the Library Department expanding the current efforts to recover overdue materials.

New Fees

The Library Department recommends two new fees in the San José Way Program; Full-Day Consultation Fee (at Client's Site) for \$4,000 plus travel expenses and Full-Day Consultation Fee (in San José) for \$2,500. Previously, the Department had only one fee for a full day consultation, regardless of the location. However, due to the cost of staff time to prepare and travel to client sites, and the market rate for library consultation fees, this fee is recommended to be increased and divided into two separate fees; consultation in San José and consultation at the client's site.

LIBRARY DEPARTMENT (CONT'D.)

SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS (CONT'D.)

Deleted Fees

The Library Department is recommending to eliminate the Miscellaneous Revenue category (commissions from microfilm reader/printers and restroom dispensers) as this fee is no longer collected. Also recommended to be eliminated is the San José Way 1.5 Hour Mini-Module Fee, as the Library Department no longer offers this service. Finally, the Wedding/Portrait Photography Fee at branch libraries is recommended to be eliminated, as this fee can be collected under the Commercial Photography Fee.

NOTIFICATION

This Proposed Fees and Charges Report was released on May 1, 2009, 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 scheduled for Tuesday, May 12, 2009 and Monday, June 15, 2009 at 7:00 p.m. in the Council Chambers.

DEPARTMENTAL FEES AND CHARGES

LIBRARY

Service	2008-2009 Adopted Fee	2008-2009 % Cost Recovery	2009-2010 Proposed Fee	2009-2010 Estimated Cost	2009-2010 Estimated Revenue		2009-2010 % Cost Recovery	
					Current Fee	Proposed Fee	Current Fee	Proposed Fee
LBRRARY FINES - CATEGORY II								
1. Fines								
1 Collection Fee	\$10 per referral upon recovery of materials		No Change					
2 Damaged Materials	Price of material plus \$10 handling fee for materials costing more than the minimum database price		Price of material plus \$20 handling fee for materials costing more than the minimum database price					
3 Inter-Library Loan Service - Patron Requests	Late fine is \$1 per day with no maximum		No Change					
4 Lost Material	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)		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)					
5 Overdue Materials	\$0.25 per day; \$10 maximum per item		\$0.50 per day; \$20 maximum per item					
6 Pay-for-Print Fee	\$0.15 per print		\$0.15 per black and white print; \$1 per color print					
7 Replacement Cards	\$1 per card (waived for children)		\$1 per card					
Sub-total Fines		119.5%		1,092,768	1,226,500	1,826,500	112.2%	167.1%
SUB-TOTAL LBRRARY FINES - CATEGORY II		119.5%		1,092,768	1,226,500	1,826,500	112.2%	167.1%
LIBRARY FEES - CATEGORY I								
1. Community Room Rental								
1 Cancellation Fee (within 72 hours of event)	\$35 per cancellation		No Change					

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee	
LIBRARY FEES - CATEGORY I									
1. Community Room Rental									
2 Community Room Rental Fee	\$35 per use		\$35 per use up to 4 hours; \$70 per use over 4 hours						
Sub-total Community Room Rental		100.0%		14,000	14,000	14,000	100.0%	100.0%	
2. Filming on City Premises (Branch Libraries)									
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	\$500 per 8 hours		\$560 per 8 hours						
8 Filming on City Premises (Branch Libraries)	The City Librarian is authorized to charge persons who desire to film on City's branch library premises and who require staff assistance		No Change						
9 Non-Commercial Filming	\$30 per 8 hours		No Change						
10 Staff assistance (requested or required)	Actual staff cost		No Change						
11 Wedding/Portrait Photography	\$120 per 8 hours		Delete Fee						
Sub-total Filming on City Premises (Branch Libraries)									

DEPARTMENTAL FEES AND CHARGES

LIBRARY

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
LIBRARY FEES - CATEGORY I								
3. Miscellaneous Revenue								
1 Miscellaneous Revenue	Commission from microfilm reader/printers and restroom dispensers		Delete Fee					
Sub-total Miscellaneous Revenue								
SUB-TOTAL LIBRARY FEES - CATEGORY I		100.0%		14,000	14,000	14,000	100.0%	100.0%
LIBRARY FEES - CATEGORY II								
1. Library Consulting - San José Way								
1 1.5 Hour Mini-Module	\$400		Delete Fee					
2 Full-Day (at Client's Site); Includes Presentation, Tour(s), and Consultation			\$4,000 plus travel expenses					
3 Full-Day (in San José); Includes Presentation, Tour(s), and Consultation			\$2,500					
4 Full-Day; Includes Presentation, Tour(s), and Consultation	\$1,500		Delete Fee					
5 Half-Day (in San José); Includes Presentation, Q & A Session, and Consultation	\$750		\$1,500					
Sub-total Library Consulting - San José Way		108.7%		9,200	10,000	10,000	108.7%	108.7%
2. Library Specialized Collections								
1 Copying and Reproducing Photographs	\$10 per image scanned and copied		No Change					
Sub-total Library Specialized Collections								
SUB-TOTAL LIBRARY FEES - CATEGORY II		108.7%		9,200	10,000	10,000	108.7%	108.7%

DEPARTMENTAL FEES AND CHARGES

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Service	2008-2009 Adopted Fee	2008-2009 % Cost Recovery	2009-2010 Proposed Fee	2009-2010 Estimated Cost	2009-2010 Estimated Revenue		2009-2010 % Cost Recovery	
					Current Fee	Proposed Fee	Current Fee	Proposed Fee
TOTAL DEPARTMENT - GENERAL FUND				1,115,968	1,250,500	1,850,500	112.1%	165.8%
TOTAL DEPARTMENT - Category I				14,000	14,000	14,000	100.0%	100.0%
TOTAL DEPARTMENT - Category II				1,101,968	1,236,500	1,836,500	112.2%	166.7%
TOTAL DEPARTMENT				1,115,968	1,250,500	1,850,500	112.1%	165.8%