



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: March 25, 2009

REPORT NO: 09-034

ATTENTION: Budget and Finance Committee
Agenda of April 1, 2009

SUBJECT: Library Fee Schedule

REQUESTED ACTION:

Adopt the resolutions ratifying the Library Department's revised Fee Schedule.

STAFF RECOMMENDATION:

Approve the revised Library Department's Fee Schedule.

SUMMARY:

Administrative Regulation 95.25 provides that the Library Director shall have the authority to establish fees for the use of library facilities and services, subject to the approval of the City Manager. The Library Department has reviewed its fines and fees and is proposing one change. The last revision to Library fines and fees was in 2005, but not all fines and fees were changed.

Total adopted FY 2009 General Fund budget for the Library Department is \$37,013,557. Total budgeted General Fund revenue is \$1,745,548. Total revenue generated for FY 2008 was \$1,629,349, of this \$1,159,171 was from 39 fines and fees. The Library Department Business Process Reengineering Study (BPR) was approved by City Council in FY 2009.

A 5-cent increase is proposed for the Adult Library Fine. The proposed change is based on several factors including: Philosophy and goal of library service, length of time since the fine was increased, deterrent value of library fines, and comparisons with other agencies.

Cost Recovery Discussion

Library fines are not seen as cost recoverable; fines are meant to encourage the prompt return of library materials for enhancing availability and circulation. Library fines need to be meaningful as a deterrent, but not so costly that the fine quickly equals the cost of a book or discourages future library use. Typically libraries consult neighboring jurisdictions regarding fine levels, so fines tend to be similar in a region. In San Diego County most jurisdictions charge \$0.25 per day for an adult

overdue item; Coronado charges \$0.20 and Chula Vista charges \$0.30 per day. The City of San Diego raised the adult overdue fine in 1993 to \$0.25 with a maximum of \$10.00; in 2005 the maximum was increased to \$20.00. Overdue fines make up two-thirds of department fines and fees revenue. The majority of Library fines and fees are less than \$2.00.

Fees charged by the Library which are considered cost recoverable include the Meeting Room Fee and Lost Item Processing Fee. Total cost recovery for the use of Library meeting rooms has been difficult to determine. The majority of Library meeting room use is by Library-sponsored groups: Friends of the Library, Town Councils, etc. Library-sponsored groups do not pay a fee for the use of Library meeting rooms. Meeting rooms are available in 23 of the 35 branch libraries. Branch staff varies between branches in both number and classification. There is typically no single person or classification assigned to tasks related to reservation, set-up and management of the meeting rooms. In most branches the tasks fall to the Library Clerk or Library Assistant. In estimating cost recovery an average of these two classifications was used for determining personnel expense. Total cost recovery for Library meeting rooms was calculated as \$171,689 annually. This is a 186% increase over the current meeting room revenue budget of \$60,000. If current meeting room fees were raised at this rate the current \$50 per hour charge for private and religious groups will increase to \$93 per hour. For the same groups in the large capacity meeting rooms the rate will increase from \$100 per hour to \$186. For commercial groups the rates will increase from \$100 to \$186, and \$200 to \$372 for the large capacity rooms. Staff does not recommend increasing meeting room fees. When the last meeting room fee increase was passed in 2004, meeting room revenues decreased and have not met the \$60,000 budget since that increase.

The processing fee for lost items is based on the total cost of cataloging and processing a new or replacement item for the collection. In FY07 total costs including Personnel and Non-Personnel expense for processing were \$1,437,250 and total number of items processed were 147,846 for a per item cost of \$9.72. Fiscal Year 2008 processing costs were \$1,148,763 and items processed were 115,994 for a per item cost of \$9.90. Based on this staff recommends no change to the current Lost Item Processing fee of \$10.00.

FISCAL CONSIDERATIONS:

For FY 2009 the Adult Fine revenue budget is \$685,000, but actual revenue of \$565,000 is projected. Lower revenues are likely the result of a newly instituted email system to alert borrowers that their library materials are due and also notifying borrowers of overdue materials. Together with the economic downturn, the result is materials being returned more promptly and lower fines. The increase to the adult overdue fine is expected to enable the Library to meet its current \$685,000 adult fines revenue budget.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

The Budget and Finance Committee discussed a General Fund User Fee Policy at its February 25, 2009 meeting.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

In addition to the public noticing for City Council meetings on fines and fees revisions, the Library notifies the public of revised fees through our web site, newsletters, information at each library

location, borrowing rules listed on the library card application, and special methods such as bookmarks.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Library fines serve as a deterrent and are meant to encourage the prompt return of library materials and this may, especially in difficult economic times, result in fewer items borrowed or lowered revenue as borrowers are more careful about returning books on time. As a result of the Library Business Process Review (BPR), borrowers can be notified by email three days prior to the item due date or renew an item online or by phone—these service enhancements may have the impact of reducing fine revenues. Patrons can minimize fines by returning library materials on time. In recognition of the difficult financial times and the concern that parents would limit children's borrowing of books it is not proposed to increase the fine for juvenile materials at this time. The fine for Juvenile materials was increased from \$0.05 per day to \$0.10 per day and the maximum increased from \$1.00 to \$5.00 in 2004.

If Library meeting room fees are increased to be cost recoverable it is anticipated that meeting room revenue and use by fee paying users will decrease significantly. This was seen after the last meeting room fee increase in 2004.

Respectfully submitted,



Deborah Barrow
Library Director



Jay M. Goldstone
Chief Operating Officer

Attachment

Barrow: MS

Library Department Fines & Fees Schedule
Proposed Fees for July 1, 2009

Fee Title	Fee Purpose	Current Fee	Proposed Fee
Library Copying fees	For making copies from (microfiche reader/printer, computer printing, photocopier - per copy)	\$0.15 per copy	\$0.15 per copy
Color copier	Fee per copy for using color photocopier in the library.	\$1.00 per copy	\$1.00 per copy
Adult Library Fines	Overdue Fines are meant to encourage the prompt return of library materials.	\$0.25 per day - \$20 maximum	\$0.30 per day - \$20 maximum
Juvenile Library Fines	Overdue Fines are meant to encourage the prompt return of library materials.	\$0.10 per day - \$5 maximum	\$0.10 per day - \$5 maximum
Library Audio/Visual Fines	Overdue Fines are meant to encourage the prompt return of library materials.	\$2.00 per day	\$2.00 per day
Damaged	To encourage the proper treatment and safekeeping of library materials.	\$0.50 per page	\$0.50 per page
Damaged binding	To encourage the proper treatment and safekeeping of library materials.	\$1.00	\$1.00
Adult lost: cost of item +\$10 processing fee	To replace unusable item with same or similar item.	\$10.00	\$10.00
Juvenile lost: cost of item +\$5 processing fee	To replace unusable item with same or similar item.	\$5.00	\$5.00
Book jacket	To encourage the proper treatment and safekeeping of library materials.	\$0.25	\$0.25
Music	To encourage the proper treatment and safekeeping of library materials.	\$1.00	\$1.00
Pamphlet	To encourage the proper treatment and safekeeping of library materials.	\$0.25	\$0.25
Pamphlet envelope	To encourage the proper treatment and safekeeping of library materials.	\$0.50	\$0.50
Pictures - Mounted	To encourage the proper treatment and safekeeping of library materials.	\$1.00	\$1.00
Pictures - Unmounted/envelopes	To encourage the proper treatment and safekeeping of library materials.	\$0.50	\$0.50
Cassette case/record cover	To encourage the proper treatment and safekeeping of library materials.	\$0.75	\$0.75
Carry bag/envelope	To encourage the proper treatment and safekeeping of library materials.	\$0.50	\$0.50
Videocassette / DVD case	To encourage the proper treatment and safekeeping of library materials.	\$2.00	\$2.00
Per page (staff) - plus \$5.00 per requested item.	For photocopies made by staff for library patron.	\$0.20	\$0.20
Mail/Fax Fee	For mailing or faxing materials photocopied by staff to patron.	\$3.00	\$3.00
Library Card replacement - adult	To encourage safekeeping of library Cards.	\$2.00	\$2.00
Library Card replacement-juvenile	To encourage safekeeping of library Cards.	\$1.00	\$1.00
Barcode labels	To encourage the proper treatment and safekeeping of library materials.	\$1.00	\$1.00
Non-resident Card (annual)	This fee is based on the per capita cost of providing library service for residents of San Diego County.	\$30.00	\$30.00
Interlibrary Loan	Based on the standard rate charged by libraries for this service.	\$5.00	\$5.00
Messenger Collection Fee	Applied if Delivery is required outside of normal Delivery methods.	\$2.00	\$2.00
Test/Monitoring (per Test)	For staff to required to monitor and provide certification of examination results.	\$20.00	\$20.00
Re-stocking fee (if item is not picked up)	To discourage ordering reserves and not picking them up.	\$1.00	\$1.00
Open Hours Use	This fee is charged for the use of general meeting rooms.	Library Sponsors : \$0	Library Sponsors : \$0
Open Hours Use	This fee is charged for the use of general meeting rooms.	Commercial : \$100 per hour	Commercial : \$100 per hour

Library Department Fines & Fees Schedule
Proposed Fees for July 1, 2009

Fee Title	Fee Purpose	Current Fee	Proposed Fee
Open Hours Use	This fee is charged for the use of general meeting rooms.	Other: \$50 per hour	Other: \$50 per hour
Open Hours Use	This fee is charged for the use of general meeting rooms.	All are subjected to additional 10% of net receipts if applicable	All are subjected to additional 10% of net receipts if applicable
Open Hours Use	This fee is charged for the use of general meeting rooms.	Group Fee is double for rooms w/ 100 capacity	Group Fee is double for rooms w/ 100 capacity
Closed Hours Use	This fee is charged for the use of general meeting rooms.	Open Hour Rate + \$50 per hour or part thereof (non-Library sponsored group)	Open Hour Rate + \$50 per hour or part thereof (non-Library sponsored group)
Refundable Cleaning Deposit	Required when food or beverages will be served. Refundable unless extraordinary cleaning or maintenance required after use.	General room: \$100 deposit 100 capacity room: \$200	General room: \$100 deposit 100 capacity room: \$200
Overtime Charge	Staff are required to open and close meeting rooms for groups. This is to cover staff time and encourage groups to complete activities and vacate meeting rooms on-time.	double the room rate (min \$50 per hour)	double the room rate (min \$50 per hour)



City of San Diego

Library

Proposed User Fees

April 1, 2009



Library- Proposed User Fees

Introduction to department fees:

- Total department revenues (FY08): \$1,629,349
- Revenue generated from user fines & fees: \$1,159,171
- Total number of user fees in department: 39 - majority of fines or fees under \$2.00
- Year of last revision: 2005
- Number of user fees proposed to increase: 1
- Potential increase in revenue if proposed user fine is approved: \$110,000
- Majority of Library revenue from fines for overdue materials.
- The Library BPR Study was approved in FY 2009.



Library- Proposed User Fees

Fee Description	Current Fee	Proposed Fee	Current Revenue	Proposed Revenue	Change (\$)	Change (%)	Current Cost Recovery	Proposed Cost Recovery
Category I								
Category II								
Category III								
Adult Library Fine	\$ 0.25	\$ 0.30	\$ 550,000	\$ 660,000	\$ 110,000	20%	n/a	n/a



Library– Proposed Fine Revision

- Library fines are reviewed and discussed regionally.
- Currently Chula Vista Library at \$0.30 per day for Adult fines; County at \$0.25
- Implementation anticipated start of FY10
- Potential issues
 - Fines serve as a deterrent to returning items late and could decrease revenue
 - Could decrease circulation of materials



Library– Proposed Fine Revision

- Impact on community
 - Overall impact estimated to be minimal
 - Borrowers can avoid fines by returning items on time
- Communication to affected parties
 - Library web site, newsletters and bookmarks
 - City Council agenda and minutes



Stakeholder Meetings

- Public informed through the following:
 - Library Commission
 - Library web site
 - Library newsletters
 - Notices at Library facilities
 - Alternative methods such as bookmarks
 - Library card applications



City of San Diego

Library Proposed User Fees

Questions?