

**JOINT POWERS AUTHORITY BOARD
FINES AND FEES COMMITTEE MINUTES**

Monday, August 11, 2014
1370 Dell Avenue, Campbell, CA 95008
Farrier Conference Room

APPROVED ACCEPTED PENDING
DENIED PRESENTED MODIFIED
BY THE SANTA CLARA COUNTY LIBRARY
DISTRICT JOINT POWERS AUTHORITY
BY: Cynthia Rios Garcia
DATE: 10/1/14 SECRETARY

CALL TO ORDER/ROLL CALL

Committee members present: Jason Baker, Campbell, Gilbert Wong, Cupertino, Jan Pepper, Los Altos, Joe Simitian, Supervisor and Burton Craig, Monte Sereno.

Staff in attendance: Nancy Howe, County Librarian, Carol Frost, Deputy County Librarian, Chuck Griffen, Financial and Administrative Services Manager, Derek Wolfgram, Deputy County Librarian, and Cynthia Rios Garcia, Secretary.

Chair Baker called the meeting to order at 12:06 p.m. There was a full subcommittee present. There were no deletions, deferrals or corrections to the agenda.

ORAL COMMUNICATION

None.

NEW BUSINESS

1. Review and discuss SCCLD Fines and Fees Policy

Possible actions:

- a. Make recommendations regarding the Fines and Fees Policy to the JPA Board
- b. Direct Library Administration to provide the Fines and Fees Committee or the JPA Board with a report on fines and fees
- c. Set future meetings of the Fines and Fees Committee to consider the Fines and Fees Policy

Staff Report. Nancy Howe, County Librarian. In 2008, the JPA approved a 5 Year Strategic Plan. The goal of the Strategic Plan was to have the highest number of residents in the nation with an active library card. Currently, the Library has approximately 50% of SCCLD residents of all ages with an active library card.

The charge for this committee is to review the fines and fees and make a recommendation to the JPA Board no later than January 22, 2015. There are many fees but only a small number of them will be recommended for review with the \$80 non-resident library card fee being the principal one for review.

In 2011, the \$80 non-resident library card fee went into effect as a result of the elimination of the State of California Transaction Based Reimbursement (TBR.) The Santa Clara County Library District was the highest recipient of TBR in the state receiving from \$1.2 to \$2.4 million annually.

Next, County Librarian Howe invited Darla Gunning, Acting State Library Bureau Chief, to join the meeting via teleconference to discuss with the committee the status of TBR. Chair Baker provided background as why the non-resident fee was instituted and asked Ms. Gunning to explain the State Library's vision for future funding for TBR.

Ms. Gunning commented that the State Library doesn't know what the State Legislature will do regarding TBR funding. The Governor's Budget for FY2015 allocated an additional \$2 million as one time funding to support California Library Services Act (CLSA) funding but not for TBR. One million dollars will support the Broadband Initiative, and the remaining \$1 million will support cooperative library systems with communication and delivery of equal access. In order to benefit from equal access, the Library must be part of a cooperative library system. Universal Borrowing extends direct loan privileges to all other libraries participating through CLSA. In order to fully fund TBR across the State, the funding would have to be about \$80 million. With no further questions, Ms. Gunning left the meeting.

The committee discussed the CLSA funding and Subcommittee member Simitian inquired about the cost to the District for non-eligibility due to not being part of a cooperative this fiscal year. This question will be answered in more detail at the next committee meeting.

Next, Deputy County Librarian Wolfgram showed a power point slide presentation with information about the Library's fines and fees including the \$80 non-resident Library Card fee. In 2014, \$940,000 or 3% of the budget was from fines and fees. The JPA Board previously had approved two exceptions to the \$80 fee in June 2012; the student limited card and the free library card for volunteers with 60 or more hours of volunteer service.

The committee members discussed at length the information presented in the comparison charts, specifically the "User Fee" line and how all other local library systems are not charging a non-resident fee and SCCLD is charging \$80. Non-resident library card purchases have steadily declined since they were first sold in FY2011-2012. In FY2011-2012, 4,994 cards were sold followed by 4,216 cards in FY2012-2013 and 3,653 in FY2013-2014. Before the fee was instituted in FY2011 there were 150,000 non-resident library card holders and 43% of circulation was to non-residents. During that time, surrounding libraries had reduced open hours and some have partially restored hours and opened new libraries. Also discussed was where the 150,000 people resided. If there were no non-resident fees the potential increase in circulation and borrowing would impact all libraries and projected increases were presented. There are ongoing requests for exemptions for the non-resident library card fee. Also discussed was the cost of staff time to issue the \$80 non-resident library cards which is about \$200,000 annually. Per capita funding of libraries in Santa Clara County was reviewed with San Jose Public Library spending \$3.10 on materials (books, eBooks, databases, etc.) versus SCCLD spending \$10.96.

Committee member Simitian asked staff to bring back a proposal to the next meeting to eliminate the \$80 fee in this next fiscal year and indicate what the implications would be for staff and for the District by eliminating the fee. He further commented that the administrative costs to issue the library cards are absorbing a large portion of the revenue, other library systems in the County are not charging non-residents, and San Jose City residents are not using the libraries as they were before because at that time the city's libraries were closed or hours reduced but have opened a few closed libraries due to dedicated funding. Committee member Simitian expressed

concern about the inequality of not sharing collections with the other library systems and expressed a request to pursue elimination of the fee.

Committee member Wong commented that an area that was not addressed in the presentation were the physical limitations around capacity, including the lack of seating and parking for library users and staff especially at the Cupertino Library where circulation is the highest. He was opposed to the \$80 when it was first proposed and only decided to give it a trial period. It actually has improved the Library experience for Cupertino residents. He was undecided with eliminating the fee now and suggested perhaps it could continue for another year.

Chair Baker commented that originally voting for the fee was hard for him and he strongly feels the State should support TBR but it is apparent that will not happen in the near future. He supports free and open libraries and is cognizant of the disparity of not sharing similar collections.

Some suggestions were to approach neighboring cities about a countywide TBR because some cities will be affected more than others with the elimination of the fee.

Committee member Pepper was in agreement with being equitable with other library systems but was concerned about the possible impact to circulation and staffing with additional usage and if the revenue would keep up to accommodate the change.

County Librarian Howe commented that since the \$80 fee was implemented staff has had more time to provide outreach, more programs have been added, and the number of holds was increased as well as holds on feature films. The Campbell Library has increased its hours and technology has increased throughout the District. Staff continues to work diligently to lower unit costs in order to find ways to be open more hours.

Committee member Wong asked staff if they could provide data on how many borrowers were San Jose residents using Campbell, Cupertino and Milpitas Libraries prior to implementing the \$80 library card fee.

Chair Baker asked if the fee were eliminated what would be the potential impact of returning non-residents and if this could be done without reducing hours. He asked staff to schedule another meeting in early October to continue with the discussions so the committee could make a recommendation to the full JPA Board meeting on October 30, 2014 for action.

County Librarian Howe commented that staff would need to plan implementation of elimination of fee, timeline, transitioning, and prorating cards, etc. Committee member Simitian asked if the action had to be tied to the budget and could the committee make the decision and take the action sooner.

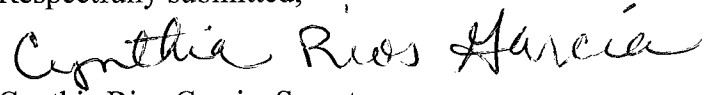
Staff will work on addressing the questions raised and report back at the next meeting.

It was the consensus of the committee to set a future meeting in late September or early October to continue review.

ADJOURN

Chair Baker adjourned the meeting at 1:41p.m. to the next meeting. The committee will be polled for a future meeting date.

Respectfully submitted,

A handwritten signature in black ink that reads "Cynthia Rios Garcia". The signature is written in a cursive style with a distinct flourish at the end of the name.

Cynthia Rios Garcia, Secretary

Library District Joint Powers Authority of Santa Clara County