Agenda - Executive Policy Committee - June 22, 2005

Report - Standing Policy Committee on Protection and Community Services - June 13, 2005

Item No. 1 2005 Fee Changes - Library Services
File L-1

STANDING COMMITTEE RECOMMENDATION:

On June 13, 2005, the Standing Policy Committee on Protection and Community Services concurred in the administrative recommendation and submits the following to Council:

1. That a wear and tear fee in the amount of $1.10 (plus GST) be implemented for adult DVDs as adopted in the 2005-2006 Operating Budget process.

2. That the non-resident membership fee be increased by 50% to $126.00 (plus GST) as adopted in the 2005-2006 Operating Budget process.

3. That the existing one-year, refundable visitor's fee in the amount of $84.00 (plus GST) be replaced with a new three month, non-refundable visitor's fee in the amount of $50.00 (plus GST) and be renewable upon request.

4. That new room rental fees as outlined in Appendix 1 to the Administrative report dated May 20, 2005, that would include the rental of equipment with the room, be established.

5. That all new and revised fees take effect on August 1, 2005.

6. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - June 22, 2005

Report - Standing Policy Committee on Protection and Community Services - June 13, 2005

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 13, 2005, the Standing Policy Committee on Protection and Community Services concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

RE: Community Services Department, Library Services Division 2005 Fee Changes

FOR SUBMISSION TO: Standing Policy Committee on Protection and Community Services

ORIGINAL REPORT SIGNED BY: Kelly Goldstrand, Acting Director Community Services Department

REPORT DATE: May 20, 2005

RECOMMENDATION(S):

- That the Library Services Division implements a $1.10 (plus GST) wear and tear fee on adult DVDs as adopted in the 2005-2006 operating budget process.
- That the Library Services Division raises the non-resident membership fee by 50% to $126.00 (plus GST) as adopted in the 2005-2006 operating budget process.
- That the Library Services Division replaces its existing one-year, refundable visitor's fee ($84.00 plus GST) with a new three month, non-refundable visitor's fee ($50.00 plus GST) that is renewable upon request.
- That the Library Services Division establishes a new set of room rental fees (see Appendix 1) that would include the rental of equipment with the room.
- That all new and revised fees take effect August 1, 2005.

REPORT SUMMARY:

Key Issues:

- The Library Services Division implemented a $1.00 (plus GST) videocassette wear and tear fee in 1999.
- The Library Services Division is gradually replacing its videocassettes with DVDs as they have become the format of choice for consumers.
- By charging a $1.10 (plus GST) wear and tear fee on adult DVDs the Library Services Division could raise approximately $5,000 in 2005 and $10,000 in 2006.

- The Library currently charges non-residents $84.00 (plus GST) per year per family to join Winnipeg Public Library. The Library Services Division defines a non-resident as any person who lives outside the of Winnipeg and does not pay business or property taxes to the City of Winnipeg, but wish to use City of Winnipeg library services.

- By raising the non-resident membership fee by 50% to $126 (plus GST), the Library Services Division estimates that it could raise an additional $10,000 in 2005 and $15,000 in 2006.

- The Library Services Division currently charges visitors to Winnipeg a one-year, refundable fee of $84.00 (plus GST) to use all library services. The Library Services Division defines a visitor as any person who is residing in Winnipeg for a temporary period of time and does not have identification with a Winnipeg address.
- The Library Services Division is recommending replacing its existing one-year, refundable visitor's fee ($84.00 plus GST) with a new three month, non-refundable visitor's fee ($50.00 plus GST) that is renewable upon request.

- The Library Services Division has historically charged the public for the use of program room space in library branches.
- The Library Services Division proposes establishing a new set of room rental fees at branches and the Millennium Library (see Appendix 1) that would include the rental of equipment with the room.
- The Library Services Division estimates that it could raise an additional $5,000 in 2005 and $25,000 in 2006 from the revised room rental fees at the Millennium Library and the library branches.

- The Library Services Division proposes that all new and revised fees take effect on August 1, 2005.

Implications of the Recommendation(s):

General implications:

- ☐ **None**
- ☐ **For the organization overall &/or for other departments**
- **x** **For the community and/or organizations external to the City**
- ☐ **Involves a multi-year contract**

Comment(s): The public will be required to pay new and revised library fees as a result of these proposed changes.

Policy implications:

- **x** **No**
- ☐ **Yes** **Comment(s):**

Environmental implications:

- **x** **No**
- ☐ **Yes** **Comment(s):**

Human Resources implications:
x No
☐ Yes Comment(s):

Financial implications:
x Within approved current and/or capital budget
☐ Current and/or capital budget adjustment required
Comments: The increased non-resident fee and adult DVD fee proposed in this report have been adopted in the 2005 Adopted Budget and 2006 Approved in Principle Budget. The approval of these fees will assist the Library Services Division in meeting its mill rate supported budget.

The proposed new room rental fees, based on the room rental rates of various venues in the City of Winnipeg, as well as other library systems across Canada, are more in line with current room rental rates.

REASON FOR THE REPORT:

Council approval is required to implement new fees and to increase existing fees more than the annual rate of inflation.

HISTORY:

The Community Services Department, Library Services Division implemented a $1.00 (plus GST) video wear and tear fee in 1999.

The Library currently charges non–residents $84.00 (plus GST) per year per family to join Winnipeg Public Library.

The Library Services Division currently charges visitors to Winnipeg a one-year, refundable fee of $84.00 (plus GST) to use all library services.

The Library Services Division has historically charged the public for the use of program room space in library branches.

DISCUSSION:

FEES IN 2005 BUDGET AND 2006 APPROVED IN PRINCIPLE BUDGET

Implement a New Adult DVD Wear and Tear Fee

The current videocassette wear and tear fee protects library users from incurring charges for videocassettes that are damaged in their possession, since it is difficult to establish responsibility for damage.

The Library Services Division is gradually replacing its videocassettes with DVDs as they have become the format of choice for consumers.

The implementation of a new adult DVD wear and tear fee will eliminate the need to charge the public for damaged DVDs as it is difficult to assess responsibility when they are damaged in their possession.

The Library Services Division estimates that it could raise approximately $5,000 in 2005, and $10,000 in 2006, if it charges a $1.10 adult DVD wear and tear fee.

Increase the Existing Non-Resident Membership Fee by 50%

The Library Services Division defines a non-resident as any person who lives outside the of Winnipeg and does not pay business or property taxes to the City of Winnipeg, but wish to use City of Winnipeg library services.

The Library Services Division currently charges non-residents $84.00 (plus GST) per year per family to use all library services. The charge is increased annually by inflation as set out in Council policy.

Currently, there are approximately 700 non-resident library memberships. The Library Services Division estimates that it could raise an additional $10,000 in 2005 and $15,000 in 2006 if it raised the non-resident membership fee by 50% to $126 plus GST.

ADDITIONAL PROPOSED CHANGES TO EXISTING FEES

Establish a non-refundable three month visitor fee

The Library Services Division defines a visitor as any person who is residing in Winnipeg for a temporary period of time and does not have identification with a Winnipeg address.

The Library Services Division currently charges visitors to Winnipeg a one-year, refundable visitor's fee to use library services. This fee is the same as the non-resident rate and increased on an annual basis by inflation as set out in Council policy.

In 2004, the refundable visitor's fee was $84.00 (plus G.S.T) and 6 people applied for a visitors card. The low number was due to the closure of the Centennial Library. It is very expensive for the library to refund this annual visitors fee. The Library Services Division is proposing eliminating the refundable part of the fee, and implementing a three-month visitor's fee of $50.00 that can be renewed upon request. It is anticipated that the Library will raise approximately $750.00 annually with fee.

Establish new room rental fees for branches and the Millennium Library

The Library Services Division currently charges the public to rent meeting rooms at library facilities (See Appendix 1).

The Division proposes revising the current room rental rates (see Appendix 1) that would include the rental of equipment with the room.

The Library Services Division has reviewed the room rental rates of various venues in the City of Winnipeg, as well as other library systems across Canada, in order to determine rates that are more in line with current room rental rates.

The Library Services Division estimates that it will raise an additional $5,000 in 2005 and $25,000 in 2006 from the revised room rental fees at the new Millennium Library and the library branches.

Timelines

The Library Services Division proposes that all of the above fees take effect on August 1, 2005.

FINANCIAL IMPACT STATEMENT:

The increased non-resident fee and adult DVD fee proposed in this report have been adopted in the 2005 Adopted Budget and 2006 Approved in Principle Budget. The approval of these fees will assist the Library Services Division in achieving its mill rate supported budget. The proposed new room rental fees, based on the room rental rates of various venues in the City of Winnipeg, as well as other library systems across Canada, are more in line with current room rental rates.

Financial Impact Statement

Date: May 20, 2005

Project Name:

Community Services Department, Library Services Division 2005 Fee Changes

First Year of Program 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	20,375	50,750	-	-	-
Net Cost/(Benefit)	$ (20,375)	$ (50,750)	$ -	$ -	$ -
Less: Existing Budget Amounts	(20,375)	(50,750)	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The establishment of a new adult DVD wear and tear fee, a non-refundable visitor's fee, new room rental fees, and an increase to the non-resident membership fee would provide an estimated $20,375 additional revenue to the Library Services Division in 2005 and $50,750 for the full year of 2006. The approval of these fees will assist the Library Services Division in achieving its mill rate supported budget as approved by Council.

"Original signed by"
Cindy Fernandes, B. Comm (Hon), CMA
Acting Manager of Finance & Administrative Services

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCY BY:

THIS REPORT SUBMITTED BY:

Community Services Department
Prepared by: Rick Walker, Arthur Cohen
File No.

APPENDIX 1

Existing room rental fees

The following are the current room rental fees at library branches:

- Room rental up to and including 3 consecutive hours: $34.00 (plus GST)
- Room rental over 3 hours to 6 consecutive hours: $54.00 (plus GST)
- Room rental over 6 hours to 11 consecutive hours: $76.00 (plus GST)
- Equipment rental, per piece: $24.00 (plus PST and GST)

Proposed New Room Rental Fees

The Library Services Division proposes the following new set of room rental rates at the Millennium Library and other library branches.

1) $15.00 per hour (plus GST) for each of the two Millennium Library meeting rooms, one computer training room, and all other library branch meeting rooms with a minimum three hour charge, and a maximum $100.00 (plus GST) per day charge.

2) $75.00 per hour (plus GST) for the Carol Shields Auditorium, with a three hour minimum, and a maximum $500.00 (plus GST) per day charge.

3) $100.00 per hour (plus GST) for the meeting room complex (two meeting rooms and the Carol Shields Auditorium), with a three hour minimum, and a maximum $650.00 (plus GST) per day charge.

4) The Library Services Division also proposes including the rental of equipment with the new room rental rates.