Date: December 14, 2020  
To: Rapid City Public Library Board of Trustees  
From: Terri Davis, Director  
Re: Revenue review

Recommendation: Make no changes at this point, but continue to monitor revenue streams.

Summary: From 2016 through November of 2020, fines and non-resident fee revenues have declined. Revenue from replacement library cards has also dropped off, as that fee was eliminated in November 2019. Based on extrapolated figures for a 'normal' 2020, revenue from makerspace fabrications has increased. Revenue from meeting room fees and printing has remained approximately the same.

Review details:
Fines:
- 3.5% decrease from 2016 to 2017
- 42% increase from 2017 to 2018
  - Use of a library-focused collection agency began in late 2018
- 33% decrease from 2018 to 2019
  - However, 2019 fines revenue was on par with 2017
  - Automatic renewals were implemented in April 2019
  - Fines were removed from children’s materials June 1, 2019
- 75% decrease from 2019 to 2020
  - During the Covid-related closure, due dates on materials were extended as a convenience
  - If extrapolated for a ‘normal’ year in terms of service hours and visitor numbers, the decrease would be 50%
- Outstanding fines (not including lost item charges) are:

<table>
<thead>
<tr>
<th>Year</th>
<th>Adult</th>
<th>Teen</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$680</td>
<td>$100</td>
</tr>
<tr>
<td>2016</td>
<td>$5,981</td>
<td>$769</td>
</tr>
<tr>
<td>2017</td>
<td>$7,851</td>
<td>$693</td>
</tr>
<tr>
<td>2018</td>
<td>$15,524</td>
<td>$1,617</td>
</tr>
<tr>
<td>2019</td>
<td>$14,322</td>
<td>$1,758</td>
</tr>
<tr>
<td>2020</td>
<td>$9,613</td>
<td>$1,063</td>
</tr>
<tr>
<td>Total</td>
<td>$53,970</td>
<td>$5,999</td>
</tr>
</tbody>
</table>
Non-resident fees:

- 2016 and 2017 non-resident fees were combined with replacement cards, and cannot be identified separately
- 2018 non-resident fees were just over $18,000, likely an all-time high
  - Use of vouchers for Ellsworth personnel non-resident fees began in June 2018; this increased the numbers of non-resident registrations and fee payments
- 2019 non-resident fees dropped to just over $11,100, a 38% decline
  - The reciprocal borrowing agreement with Sturgis began April 2019
  - Per request from Ellsworth, vouchers were still accepted, although in reduced numbers
- 2020 non-resident fees totaled approximately $4,200 through November
  - Non-residents continued to purchase accounts throughout the pandemic
  - No Ellsworth vouchers have been used this year
  - An adjustment to non-resident fees is recommended, based on the per-capita costs for city residents

Library card replacement fees:

- It was determined that replacement library cards cost $0.25; some people, especially children, were unable to pay the $2 replacement card fee and therefore were unable to use library services
- 2018 replacement card revenue was $2,100
- 2019 revenue was $1,600
  - The replacement fee was removed in November 2019

Makerspace fabrications

- Revenue has steadily increased:
  - 2016, $1,700
  - 2017, $2,000
  - 2018, $3,800
  - 2019, $4,375
  - 2020, $2,625
    - If extrapolated for a normal year, 2020 revenue would be projected at $5,250
- The increasing revenue reflects the interest in the increasingly diverse services offered in the makerspace