PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Agenda Item#: 5.81

Meeting Date: February 1, 2022	[] Consent [] Ordinance	[X] Regular [] Public Hearing			
Department:					
Submitted By:	County Library/Administration				
Submitted For:	County Library/Administration				

I. EXECUTIVE BRIEF

Motion & Title: Staff recommends motion to approve the write-off of uncollectible lost/damaged library materials charges from library card accounts found in the Library Department's Integrated Library System (ILS) database for all lost/damaged charges dated prior to October 1, 2016 for a total of \$3,038,942.38.

Summary: Library card account holders are required to return library items in the condition they were borrowed with the expectation of minimal wear and tear. Account holders who fail to return library items by their due date are charged the full replacement amount as specified in the ILS record and their account is blocked from further borrowing if charges stand at \$25 or higher. Returning the item in good condition removes associated charges. Account holders who return items in a damaged condition are charged the full replacement amount as specified in the item record and their account is blocked from further borrowing if charges are restored when the account has fewer than \$25 in charges. The Library Department contracts with a collection agency to collect unpaid bills. The agency makes several attempts to contact the borrower. Unpaid charges referred to collections do not effect a borrower's credit.

The ILS contains all information on borrowers and items in the collection. The Library Department has never been authorized to implement a policy to remove potential uncollectable lost/damaged charges. The Library Department migrated to our current ILS provider in September, 2002. Based on an ILS report, as of January 18, 2022, the system contains 162,176 lost/damaged bills dated prior to October 1, 2016 spread across 59,884 user accounts. Obsolete item records cannot be removed when still attached to a borrower's record, which leads to database management concerns such as slower response times and increased storage charges.

Borrower records are considered expired and removed from the ILS if the account is dormant for seven years. Library card accounts with lost/damaged charges that would normally have expired cannot be removed from the database. Retaining this information increases the amount of storage required for the ILS which leads to database management concerns. (**Countywide**) (AH)

Background and Policy Issues: The Library circulates millions of items a year that are checked out by our members. Since the founding of the Palm Beach County Library System, borrowers have been held responsible for returning library items on time and in good condition. Library materials are considered fixed assets so the Library must make an effort to recover them through such tools as suspending borrowing privileges, assessing lost/damaged charges, and a collection agency. It is the assessment by Library Administration that charges over five years old are deemed uncollectable. Examples of reason why this debt may be uncollectable include:

- Account holder has moved out of the area
- Account holder is financially unable to pay the charges
- Account holder no longer uses the Palm Beach County Library System
- Account holder is deceased

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Recommended By	r:////	(Douglas Crane) (20, 22				
Department Director	0	Date				
	P	1/21/22				
Approved By:	Tue	(Todd Bonlarron)				

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	202 <u>2</u>	20 <u>23</u>	20 <u>24</u>	20 <u>25</u>	20 <u>26</u>	
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County)	0 0 0 0 0	0 0 0 0 0	0 0 0 0	0 0 0 0 0	0 0 0 0	
NET FISCAL IMPACT # ADDITIONAL FTE POSITIONS (Cumulative)	 0	<u>0_</u>	 0	<u>0</u>	_ <u>0</u> 0	
Is Item Included in Current Budg Budget Account No.:	get? Fund	Dept	Yes_ Unit	No <u>x</u> Source		
Does this item include the use of federal funds? Yes No X						

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Sources:

- Impact: There is no fiscal impact associated with this item. The approval of this item will authorize the Library department to record the necessary entries to remove these accounts from the financial records. As required under PPM CW-F-048, Library will continue to maintain a database of all lost/damaged charges on member accounts.
- C. Departmental Fiscal Review:

(Director, Library Finance and Facilities)

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Dev. And Control Comments:

1/19/22 OFMBAL 1.1922

MG 1/19/22

B. Legal Sufficiency:

Assistant County Attorney

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C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

1/20/22 0 Contract/Dev. And Control 1-20