

The Corporation of the Town of Orangeville

Report to Library Board



To: Chair and Members of the Board
From: Darla Fraser, Chief Executive Officer
Date: September 27, 2023
Report #: 23-17
Subject: Elimination of Overdue Fines

Recommendations

That Report 23-17 Elimination of Overdue Fines be received;

And that the Board approve the permanent elimination of overdue fines on specified physical materials, effective 2024, based on one of the following options for the approach to notification:

Option A – Softer approach: Notification – prescribed number of reminders - Invoice sent as last resort.

Option B – Strong approach: Notification - Replacement costs added to account at first due date – removed once item is returned.

Purpose

To provide information and seek Board support on the guidelines for the permanent elimination of overdue fines on some library materials.

Background

Since it first opened in 1908, the Orangeville Public Library has been charging daily fines to all members for returning materials late (passed the due date). Orangeville is not alone; overdue fines have been a traditional policy among many public libraries throughout North America. It is also one of the few means of generating revenue that the Board has authority for, as set out in the [Public Libraries Act - R.S.O. 1990, c. P.44, s. 23 \(1\)](#).

A fine-free movement has been gaining momentum, which sees public libraries (and other library types) eliminating overdue fines. In January 2019, the American Library

Association passed a resolution that called for libraries to eliminate fines calling them “a major form of social inequity” and asserting that “imposition of monetary library fines creates a barrier to the provision of library and information services”.

By 2020 hundreds of libraries in the United States had eliminated overdue fines, as well as many throughout Europe and Australia. The trend is growing and more libraries around the world are expected to adopt a fine free model in the coming years.

In Canada, public libraries have recently started to adopt a fine free model. Most libraries stopped charging fines in 2020 temporarily when we were forced to close our facilities to the public due to the pandemic. See [Fine Free Canada](#) website for a current list of libraries that have fully or partially eliminated fines for overdue materials – many making the temporary suspension into official policy during the past few years. Removing fines removes barriers, but in doing so can impact budgets and collections.

Some libraries have been reluctant to eliminate fines as they are viewed as a source of valuable revenue. However, fines can be an unreliable source of income, fluctuating from year to year. Studies have shown that fine revenue is 1% or less of a library’s budget and is decreasing further in some libraries with increased popularity of electronic books with automatic returns (in Orangeville fine revenue accounts for .003% of the budget).

Incentive to return materials on time is also seen as a justification for fines. Optimal use of library items is ensured when they can be circulated. Books that are returned on time can be used by others in the community and frustration from unavailable overdue items avoided. Fines are a reminder of the importance of library materials and the consideration for others sharing this resource. There is no evidence that these fines have the intended result; rather, they encourage the very outcome they are intended to prevent - the loss of material. In addition, an unintended, negative consequence is the exclusion of many people, often the most vulnerable ones, from their library.

In the fine-free movement, these justifications for fines are being weighed against the library’s mandate to provide barrier-free access to information. Based on the 2022-2027 Strategic Plan, Orangeville Public Library services are grounded in our values including inclusivity, intellectual freedom (universal access to information), lifelong learning, curiosity, and trust. A past winner of the 2019 Angus Mowat Award of Excellence for “cultivating a culture of inclusion” emphasizes the commitment of the library to further support this mandate. Alternative sources of revenue generation are presented below, but perhaps the greater social benefits of a fine-free library outweigh any financial loss incurred.

2024 is the time to officially eliminate overdue fines for selected library materials. We are seeking board direction prior to finalizing the process for the administration of an overdue fine free environment and communication to staff and community.

Locally

The current circulation policy states (grants authority to): “the Chief Executive Officer may amend the Circulation Policy Schedule with a report to the Orangeville Public Library Board”.

Figure 1: Circulation policy schedule

Item	Loan Period	Limit per Card	Renewals	Daily Fine Rate	Maximum Fine Per Item
Book Club Kit	6 weeks	2	No renewals	\$2.00	\$25.00
Books, magazines	28* days	50	3	20¢	\$5.00
DVDs	7 days	5	3	\$1.50	\$5.00
DVD sets	28* days	5	3	\$1.50	\$5.00
Audiobooks on CD, CDs	28* days	10 each	3	20¢	\$5.00
* any of the above items with 2 or more requests will be subject to reduced loan periods	14 days		No renewals		
Total number of items per card		50			

With the unprecedented 2020 global pandemic and the resulting closure of the Orangeville Public Library on March 14, 2020, all overdue fines (daily rates) were suspended because members were asked to keep library materials until further notice. Once returns were permitted, the library had to quarantine materials for three days prior to processing.

This temporary suspension of overdue fines did result in a loss of revenue for the library. However, to add perspective, according to the Treasurers Report CPS-TF-2020-13 to council, Library Services represents approximately 5% of our [Town of Orangeville] annual operating budget and is primarily funded through taxation. Less than 10% of Library operating budget is funded through user fees, fines, and government grants.

Between 2020-2022, loss of this revenue estimate was mitigated with reduction to operating and compensation accounts due to closures of the facility and the need for curbside pick-up to circulate materials. In 2023, the suspension was extended to ease the impact to the community due to the service disruption (extended closure of Mill Street).

In future, to offset this loss of self-generated revenue (budget estimate \$ 5,789) we recommend that the library take on a still passive, yet more aggressive fundraising – Public Service Librarian has recommended the addition of link (box) on our website, as well as donation boxes on the service desks to make giving very easy. Many folks consider fines a ‘donation’ to the library and those with means are often happy to give.

The recommendation would be to work with a corporation such as [Canada Helps](#), which many libraries now use, to assist with the administrative tasks of managing donations.

We should also provide easy access and information on how to facilitate legacy giving. Bequests and legacy gifts are made as part of a will or trust; a bequest can be to a

person, or it can be a charitable bequest to a nonprofit organization, trust or foundation (such as a library). Not only does the library benefit, but charitable bequests combine philanthropy and tax benefits to the estate.

The ability to rent the program/meeting space independent of library hours of operation is being explored as a means of increasing self-generated revenue, in addition to the library continuing to seek funding opportunities and operational support by way of grants or partnerships.

In some cases, the cost of collecting fines can be greater than the fines themselves, in terms of staff time and fees for collection agencies. Eliminating overdue fines will not save the Orangeville Public Library in the cost of staff time significantly, but it would be better spent. Staff could use the time normally spent on explaining and processing fines to create more positive experiences for people. Many members have commented that staff are welcoming and caring. Eliminating fines would give them more time to build positive relationships, leading to increased use of the library, our collections, and services.

Overdue fines present a barrier for the residents of Orangeville who most need access to their library; especially in a post-pandemic world where training and reskilling will be critical to ensuring employment and economic security. Public Libraries are built on a model of trust: anyone can borrow a number of items and choose at any time not to return them, but we trust that they will. They may be denied service if they do not return borrowed items, but overdue fines will not prevent them from borrowing. The members of the Orangeville Public Library are residents of Orangeville, they are our neighbours and friends, and we should extend that trust through our Circulation Policy by eliminating overdue fines on books, audiobooks, magazines, and single/regular DVDs.

All members will continue to be responsible for items borrowed and will be charged replacement fees for any lost or damaged materials. Overdue fines will still be applied to all kits, DVD sets, Interlibrary Loan items and equipment as outlined in the Circulation Policy Schedule "A".

With a 2024 start date for this new policy, decisions regarding existing fees and fines will be considered. Further investigation is also required on the actual collection of funds invoiced for items not returned. These decisions in place will provide the foundation for the future handling of the financial impact of eliminating overdue fines on specific physical materials.

Of the two options presented below, the main difference comes down to when we provide the true cost of the materials – make no mistake – members are still responsible for the safe return of all library materials. Instead of overdue fines, members will be charged the replacement cost of each item not returned.

The following two sets of procedures are provided as a guide to demonstrate the different approaches. Actual operating procedures will be developed to meet the Board's wishes in the most efficient and effective means possible.

Option A – softer approach

Notification – Prescribed number of reminders - Invoice sent as last resort.

Under this model, the materials outlined will not accrue fines when they become overdue. Borrowing period for books and magazines is currently 4 weeks (28 days). If the item is not returned within 50 days, it will be assumed that the item will never be returned (either a member has lost it or chooses to keep the items).

Members who opt-in to electronic notices will receive the following notices, in order, regarding overdue materials:

- Pre-due notice: 3 days prior to due date – renew now (had it 25 days)
- Overdue Notice: on due date – now overdue – need a little longer? (had it 28 days)
- Overdue notice B: 7 days after due date – reminder (had it 35 days)
- Overdue notice C: 14 days after due date – request the safe return (had it 42 days)
- Lost notice (replacement fees included): 3 weeks after due date (had it 49 days)

Items not returned are marked lost (signaling that is no longer available in the collection and then delete it from the integrated library system (ILS) and the member will be responsible for the replacement fee. If the items are returned before they are 6 weeks late, replacement fees will be removed.

Members who do not have electronic notification set up will be notified by phone and mail:

- Phone call: 7 days after due date
- Phone call: Following due date
- Mailed notice: 6 weeks after due date



Option B – strong approach

Replacement costs added to account at first due date – Removed once item is returned.

Under this model, the materials outlined will not accrue fines when they become overdue and will automatically be marked as lost after a period of 3 weeks.

When an item is marked lost, the account will be blocked, and the member will not be able to borrow physical or digital materials until it is resolved.

When a lost item is returned within 6 weeks of the due date (3 weeks after being marked lost), the replacement fee will be waived at check-in and all privileges reinstated.

If the item is not returned within 6 weeks of becoming overdue, staff may delete it from the integrated library system and the member will be responsible for the replacement fee.

Members who opt-in to electronic notices will receive the following notices, in order, regarding overdue materials:

- Pre-due notice: 2 days prior to due date
- Overdue notice: 7 days after due date
- Overdue notice: 14 days after due date
- Lost notice (replacement fees included): 3 weeks after due date

Members who do not have electronic notification set up will be notified by phone and mail:

- Phone call: 21 days after due date
- Mailed notice: 6 weeks after due date

Communications

Staff will put together a comprehensive communications plan, with the goal of announcing the permanent move to a fine free model as of 2024.

Information will be posted on the library's social media channels and website about why overdue fines on most materials were eliminated, including an FAQ section answering questions such as:

- Won't people just stop returning things to the library?
- What happens if I have a long overdue item right now?
- Will there still be a due date?
- What happens if I return things late?
- Do I have to pay any old fines?
- What if I lose or damage something?
- Will this affect the library's budget?

To ensure a consistent message, public-facing staff will be provided with 3 to 4 key talking points to share with customers. It is possible some residents will object to the policy change, and staff need to be prepared to provide accurate information and respond in a way that demonstrates understanding of the concerns.

The tone of the fine free campaign will be friendly, positioning the library as a good neighbour in the community. A fine free policy will also demonstrate Orangeville Public Library's recognition of the hardships created by the COVID-19 pandemic and the service disruption of the past renovation.

This reiterates the Board's commitment to supporting the community.

Financial Impact:

The impact has been reflected in the 2024 operating budget estimates. Fines and fees estimated revenue was reduced by \$ 5,789.

Strategic Alignment:

Strategic Direction: Connect

Objective: Uphold equitable access to information (and services in a safe and welcoming environment).

Prepared and respectfully submitted by,
Darla Fraser,
Chief Executive Officer