

OPERATING BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:

1/23/14

CONTACT DEPARTMENT(S):

Library

FUND(S):

General

SUBJECT: Approve an ordinance waiving up to \$2,280 in Library Department photo/digital scan reproduction and publication fees for Arcadia Press, Inc., in exchange for an agreement by Arcadia to pay the City of Austin royalty payments for use of certain Austin History Center historical photos in a book to be published by Arcadia.

CURRENT YEAR IMPACT:

Unrealized Revenue (Library):

\$1,140 Prints Reproduction Grade Fee - Regular Reproduction

\$1,140 Publication/Display Book Fee (1-5,000 copies)

\$2,280 Total Unrealized Revenue

FIVE-YEAR IMPACT:

| | <u>FY 2014</u> | <u>FY 2015</u> | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2018</u> |
|--------------------|----------------|----------------|----------------|----------------|----------------|
| Unrealized Revenue | <u>(2,280)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Requirements | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Budget Impact | <u>(2,280)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |

ANALYSIS / ADDITIONAL INFORMATION: The total amount of fees waived for this item are estimated at \$2,280, with a maximum amount of fee waivers set at \$2,280. Though the waiver of these fees reduces potential revenue in FY 2014, the Austin History Center will receive, over the life of the publication, a royalty payment of 4% directly from Arcadia Press.

Over a five year period, the Austin History Center expects to receive no less than \$2,000 (based on the publication having low to average sales figures based on the average sales of Arcadia titles). Arcadia Press keeps its titles in print for at least five years, and sales figures average 2,500 to 10,000 for each title. If this agreement is not approved, the book will not be published and the Austin History Center will not receive any fee revenue from this project.