

PUBLIC LIBRARIES – A WISE INVESTMENT

RANGEVIEW LIBRARY DISTRICT



Rangeview Library District recently participated in a Return on Investment study conducted by the Library Research Service at the Colorado State Library. This study found a substantial return for taxpayers when investing in their local library. **For every \$1.00 invested in Rangeview Library District, \$4.81 of value is returned to the community.**¹

Returns on Investment Rangeview Library District²

- 60%** Three out of five of Rangeview Library District patrons come to the library over 25 times per year.
- 52%** Over half of Rangeview Library District patrons said they would have spent \$20 or more getting their information from another source if the library did not exist.
- 438,800** Patrons came to Rangeview Library District specifically to check out books nearly a half-million times in the previous 12 months.
- 50%** Half of Rangeview Library District patrons connected to a Colorado public library from a home computer in the previous 12 months.
- 69%** More than two out of three Rangeview Library District patrons have used a library computer.

¹ Data was compiled from surveys of the individual libraries, the 2006 Colorado Public Library Report (accessible at www.LRS.org), and a survey in which library users were asked to estimate their cost of using alternative sources to meet their library-related needs, as well as their non-library expenditures.

² Based on responses to the ROI patron survey.

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Why Return on Investment?

In the spring of 2006 a need was identified in Colorado to describe the variety of benefits delivered by public libraries to their patrons and to quantify the return on investment to taxpayers for monies invested in public libraries. To provide this data, the Library Research Service (LRS) undertook “What’s It Worth to You? A Return on Investment Study of Selected Colorado Public Libraries” (ROI) in May 2006. Using a multiple case study approach, this research was designed to create such information for eight public libraries, representing geographically diverse regions of Colorado. Data were gathered using a combination of questionnaires, key informant interviews, and available data sources.

ROI Methodology

This study follows a model of contingent valuation that has been used in similar studies to determine ROI for public libraries. Contingent valuation is an economic technique often used for the valuation of non-market resources. This figure was calculated by examining the ramifications of not having a public library for the communities served. It includes:

- **Cost to Use Alternatives:** The estimated amount of money that would have been spent using an alternative information source.
- **Lost Use:** The estimated value of the lost information for users who would not have tried to attain the information elsewhere.
- **Direct Local Expenditures:** Contributions made by the library to community businesses and individuals in the form of purchasing goods and services.
- **Compensation for Library Staff:** Library staff would not receive compensation and unemployment would be a factor for at least some period of time.
- **Halo Spending:** Purchases made by library users from vendors and business that are located close to the library. A recent study found that approximately 23 percent of these purchases would not occur if the library did not exist.³

Table 1

Return on Investment Factors – Rangeview Library District ⁴	
Cost to Use Alternatives	\$15,781,526
Lost Use	\$446,891
Direct Local Expenditures	\$243,252
Compensation for Library Staff	\$2,877,485
Halo Spending	\$1,481,713
Total Return on Investment	\$20,830,867
Total Local Investment	÷ \$4,330,322
Return per Dollar Invested	\$4.81

³ Proctor, Richard, Bob Usherwood, and Gill Sobczyk. *What Happens When a Public Library Service Closes Down?* Library Management 18, no. 1 (1997): 59-64.

⁴ Data were compiled from surveys of the individual libraries, the 2006 Colorado Public Library Report (accessible at www.LRS.org), and a survey in which library users were asked to estimate their cost of using alternative sources to meet their library-related needs, as well as their non-library expenditures. Estimates for alternative costs are conservative, as they do not include the value of extra time that might have been necessary to meet their needs elsewhere.

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Rangeview Library District at a Glance

Rangeview Library District is located on the Rocky Mountain Front Range. It is organized as a library district to serve residents of Adams County, Colorado and has a legal service area population of 302,907.⁵ Rangeview Library District consists of six branches throughout the county and one bookmobile. The collection includes over 230,000 print volumes, 11,600 audios, 9,500 videos, and 600 periodicals. To access the many electronic resources, it also has 38 public access computers.

Table 2
Selected Statistics for
Rangeview Library District⁶

Description	Total	Ratio⁷
Circulation	680,538	2.3 per capita
Visits	560,080	1.9 per capita
Library Programs	1,275	75 Program attendees per 1,000 served
Public Access Computers	38	.13 per 1,000 served

Funded primarily through local revenue (94.6%), Rangeview Library District receives \$4.3 million in district mill levy funds and \$246,171 in other operating revenue.⁸ Local revenue per capita is \$14.30. Because this study examines the return on investment for each library's community⁹, only local revenue is used in calculating the monetary contribution of community members to each library.

⁵Metropolitan status, legal basis, and geographic area are defined by the Federal-State Cooperative System for Public Library Data and the National Center of Education Statistics (accessible at <http://nces.ed.gov/surveys/libraries/public.asp>). These definitions are also used in the Colorado Public Library Annual Report (accessible at www.LRS.org).

⁶ 2006 Colorado Public Library Annual Report (accessible at www.LRS.org).

⁷ Per capita is figured using legal service area (LSA) population (accessible at http://www.lrs.org/pub_stats.php).

⁸ 2006 Colorado Public Library Annual Report. "Other operating revenue" refers to funds not reported under local, state or federal revenue and may include, but are not limited to, monetary gifts, donations, and grants (accessible at www.LRS.org).

⁹ A library's community is defined as the legal service area as specified in the library's establishment documents.

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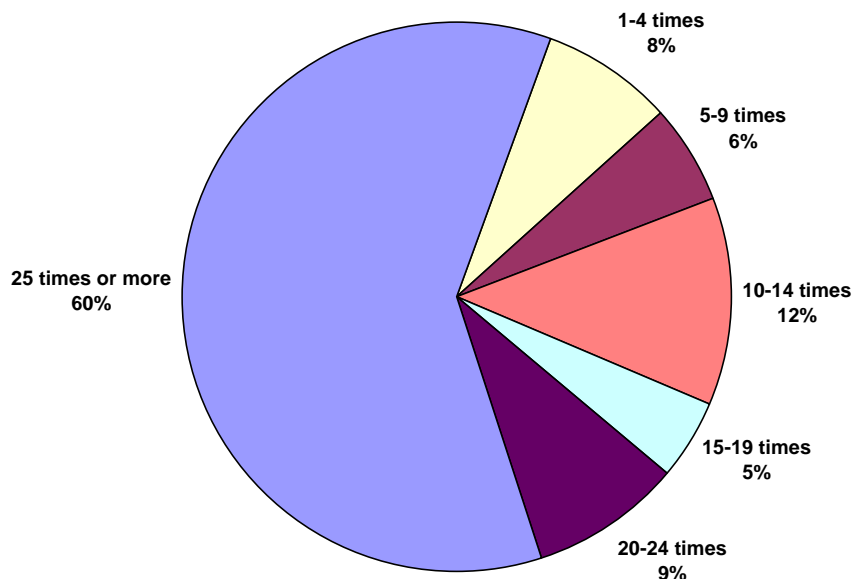
SURVEY RESULTS

Library Use

Once through the doors, visitors to Rangeview Library District tend to be heavy users of library resources. Of the library visitors who responded to the ROI survey, three out of five of them had visited the library 25 times or more over the last twelve months; essentially, these patrons come to the library at least every other week (see Chart 1). One in four had visited on about a monthly basis over the previous year - between 10 and 24 times. Less than 1 in 10 respondents said that they visited the library fewer than 5 times in the previous 12 months.

Chart 1

**Return on Investment - Rangeview Library District:
Respondent's Number of Visits to the Library in the Last 12 Months**



Rangeview Library District Serving the Community

Georgia Neilsen is the Coordinator of the Perl Mack Genealogy Group in the Rangeview Library District. The group, free and open to all who are interested, began in September 2002 when some of the Perl Mack library patrons wanted more intensive assistance with their genealogy research. There are currently 28 active members. In 2004 Georgia and the group created their Genealogy and Western History Collection containing several hundred volumes of books and magazines, along with a continually developing "how-to" file of information on doing research.

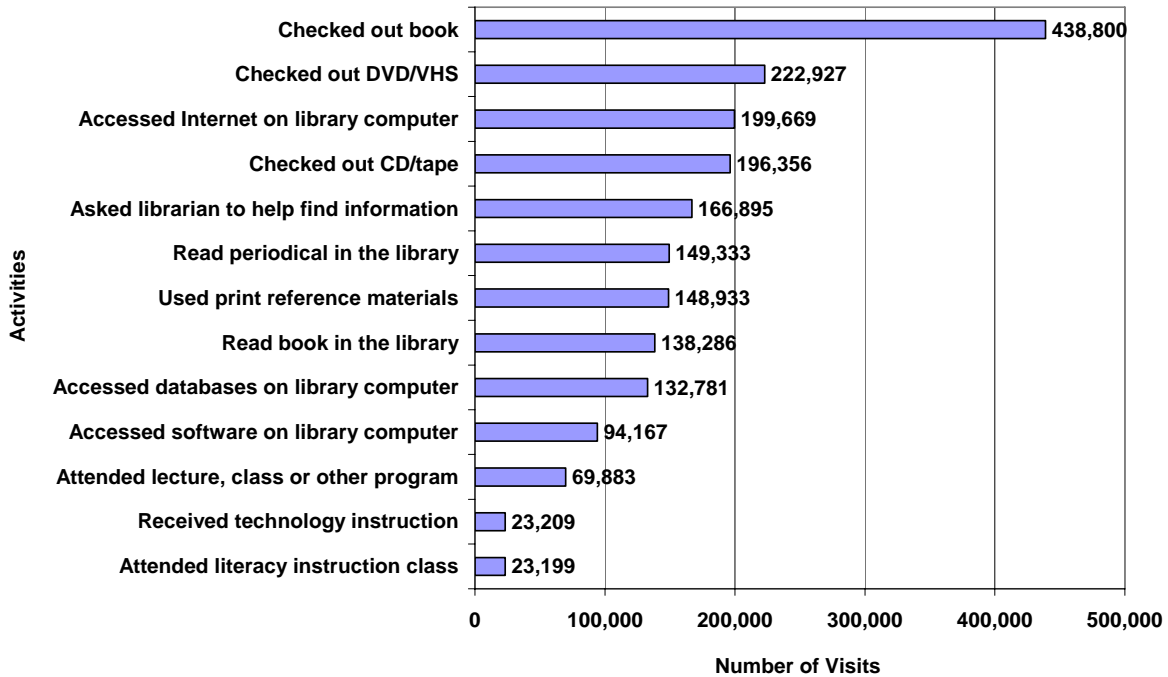
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In 2006, there were 560,080 visits to the Rangeview Library District. Despite the changing ways in which the public uses libraries, checking out materials remains the primary reason for library visits. Over three-quarters of these visits (438,800) resulted in the library user checking out a book (see Chart 2). Additionally, the concept of “library as place” remains strong. One-quarter of respondent visits included reading a book (25%) or periodical (27%) in the library, and programs and instruction still draw a considerable number of people into the library. However, for many of these visits, library use patterns are changing, as computer use has grown to encompass a large part of the library user’s experience. Based on responses to the survey, during 36 percent of these visits the visitor accessed the Internet on a library computer. Accessing databases and software via library computers is a large part of use as well.

Chart 2

Return on Investment - Rangeview Library District:
Number of Visits During Which Users Performed Specific Activities



Rangeview Library District Serving the Community – Quotes from the Genealogy Group

The genealogy group “gives me a chance to get more information, share with others and help work out problems in obtaining more data, it is my psychiatrist”.

“The group is a source if information that novices like us have a hard time finding on our own...The group meets my needs by providing a growing collection of books, materials, sources on the internet and the information Georgia has at each meeting.”

“The group has as many diverse objectives as it has members, but Georgia uses the programs at the meetings as a way to give some enlightenment to everyone.”

“Georgia puts her heart and soul into each presentation, doing lots of research, giving hand outs and has books displayed that are about the topic of each presentation.”

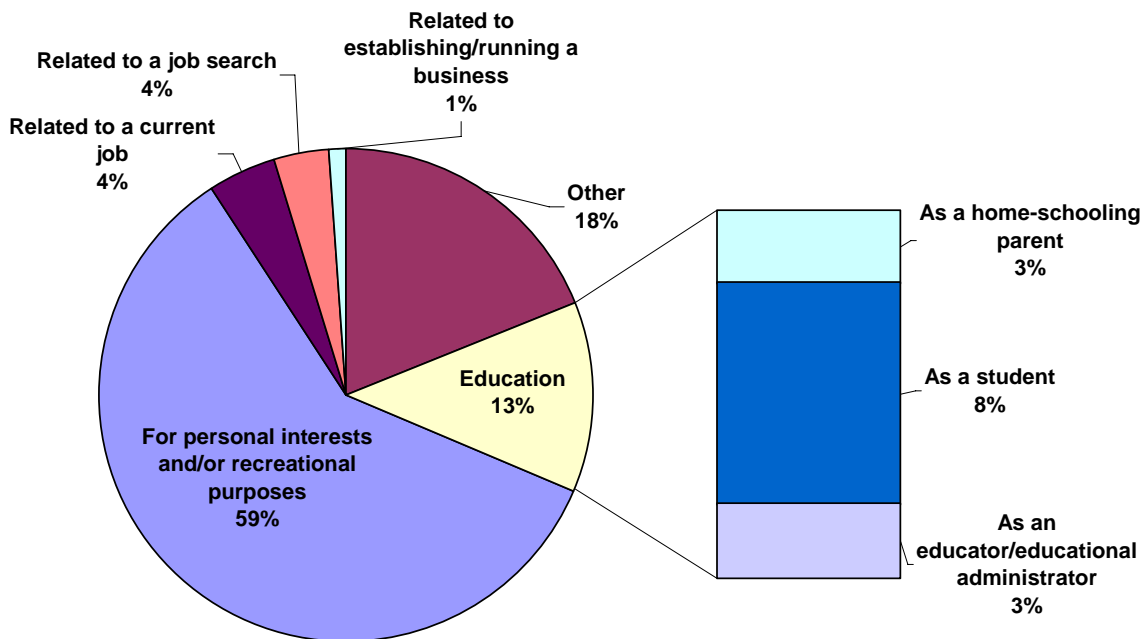
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The majority of respondents (59%) reported coming to the library primarily for personal interests and/or recreational purposes (see Chart 3). In addition, a large percentage of respondents came to the library for educational purposes (13%), meeting their needs as students, educators, and home-schooling parents. Job-related reasons also attracted visitors to the library (9%).

Chart 3

**Return on Investment - Rangeview Library District:
Primary Reason for Respondent's Trip to Library**



Note: Due to rounding, percentages may not add up to 100%.

Rangeview Library District Serving the Community

Ed Stephen has been the Literacy Coordinator for the Rangeview Library District since 1987. The program began with a primary focus to help adults who had problems reading. About ten years ago, the program was expanded to include English as a Second Language (ESL) which has quickly become the most prominent component of the program. In 2006 approximately 200 people were involved either as students or tutors in the ESL and adult literacy programs. This number should increase significantly when the ESL classes are expanded to the Northglenn and Thornton branches in September 2007. Several former adult literacy students went on to receive full high school diplomas.

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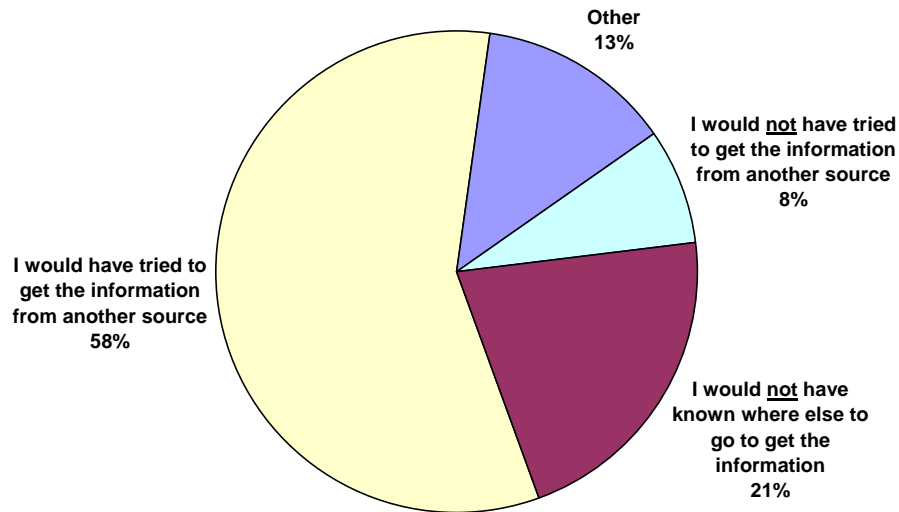
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Alternatives to Library Use

When asked what they would do to meet their information needs if the library did not exist, a majority of respondents (58%) said that they would have tried to get the information elsewhere (see Chart 4). However, 21 percent would not have known where else to go to get the information they received at the library, and another 8 percent would not have tried to get the information from another source. Without the library, the information needs of these users would not have been met.

Chart 4

**Return on Investment - Rangeview Library District:
Respondent's Alternative Strategy for Meeting Information Needs
If Library Did Not Exist**



Rangeview Library District Patron Comments

“It is the best source for almost any information to be researched, read, heard or anything else.”

“We love it and don't ever want to lose it. It is a great resource to our community. We are a small farm community and would have to drive miles to another library. I don't have a computer.”

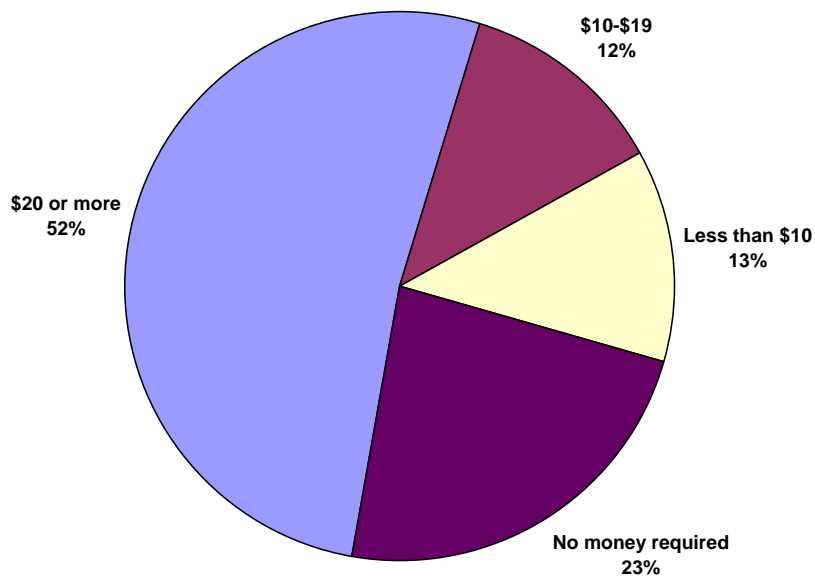
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Obtaining the information received during library visits would be expensive if acquired through alternative means. Respondents who would have tried to meet their information needs using an alternative source were asked to estimate how much money they would have spent using the other source. Over half (52%) of Rangeview Library District respondents said that they would have spent at least \$20 to have their information needs met elsewhere (see Chart 5).

Chart 5

**Return on Investment - Rangeview Library District:
Respondent's Estimated Cost of Alternatives to Library Resources**



Rangeview Library District Patron Comments

“It is the best place to go. You can read, study, research and enjoy yourself without having to pay money.”

“We love our public library at the Northglenn branch. We attend every week for the circle time activity...We also check out new books each week and it is vastly increasing my son's vocabulary!”

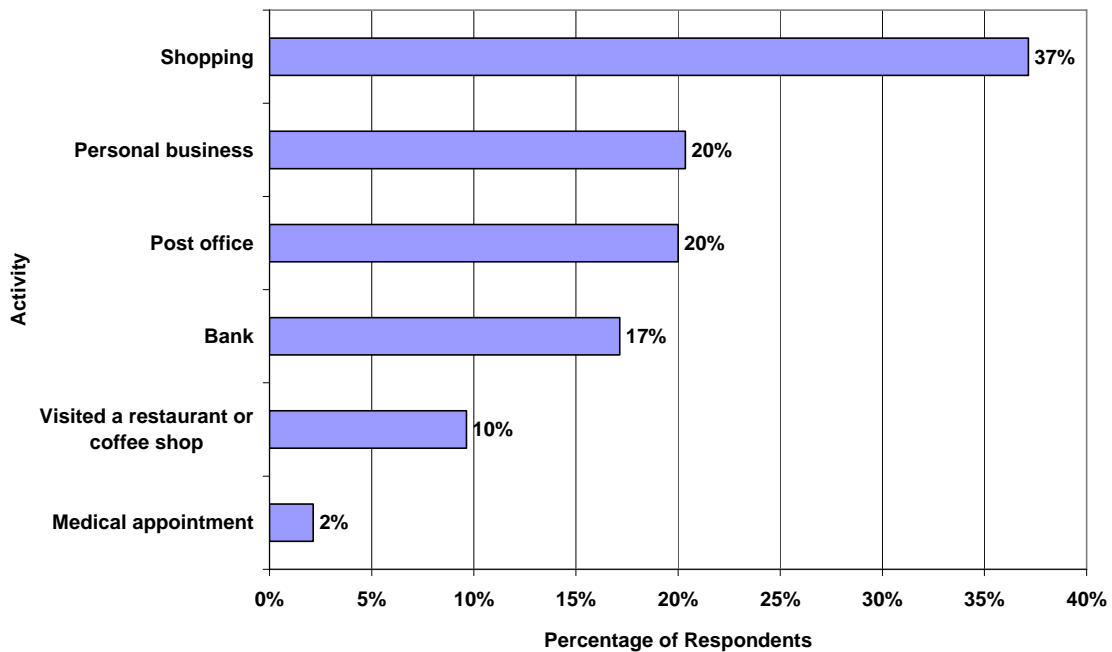
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Many respondents to the survey reported doing other activities or errands during the same trip as their visit to the library. The most likely peripheral activity, with 37 percent of respondents, was shopping (see Chart 6). One in five respondents also reported attending to personal business or going to the post office (20% each). At least one in ten said they went to the bank (17%) or visited a restaurant or coffee shop (10%).¹⁰

Chart 6

Return on Investment - Rangeview Library District:
Activities Performed by Respondent on the Same Trip as Library Visit



Rangeview Library District Patron Comments

"I love this library district. If you can't find something, they will find it for you. If they don't have it, eventually they will. Very convenient!"

"I have been frequenting public libraries for more than fifty years and can't imagine life without them!"

¹⁰ As noted in the section on methodology, a U.K. study reported that a portion of the spending on these "halo" activities would not have occurred if the library were not available.

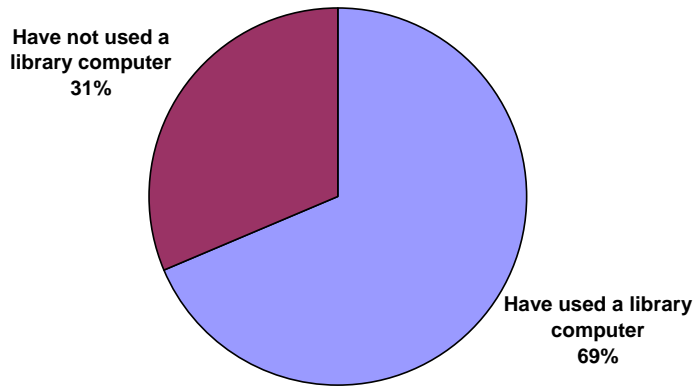
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Rangeview Library District's computers are extremely popular with their users. More than two out of three respondents (69%) reported having used a library computer at some point (see Chart 7). The fact that so many patrons are using computers suggests that Rangeview Library District is serving as a location to bridge the digital divide.

Chart 7

**Return on Investment - Rangeview Library District:
Percentage of Respondents Who Have Used a Library Computer**



Rangeview Library District Patron Comments

"I use the Northglenn library a lot for school research, personal fulfillment and job searches."

"I believe our library is a valuable asset to our community."

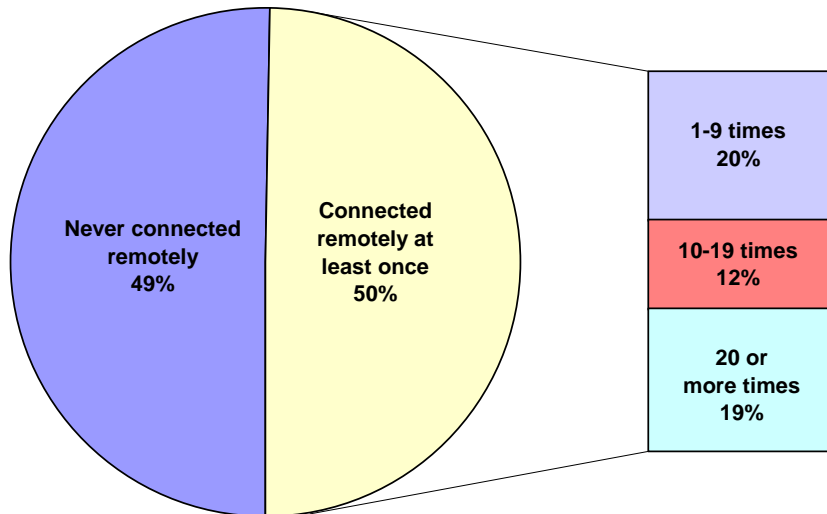
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In addition to in-library use, Rangeview Library District's users appear to frequently connect to libraries from home. Half of the respondents to this survey (50%) had connected to a Colorado public library from a home computer in the past twelve months (See Chart 8). As with visits, many that connect do so often. Nearly one-fifth of the respondents (19%) had connected to a public library from home at least 20 times within the last year. Not only is the library a place to visit in the community, it is a place to visit in cyberspace as well.

Chart 8

**Return on Investment - Rangeview Library District:
Number of Times Respondent Connected to a Colorado Public Library
from a Home Computer in Last 12 Months**



Note: Due to rounding, percentages may not add up to 100%.

Rangeview Library District Patron Comments

“I would be lost without a library. It is one of my favorite places to be.”

“I visit my local public library with my kids quite frequently and feel that it plays a huge role in nurturing the love of books and knowledge in children and adults alike.”

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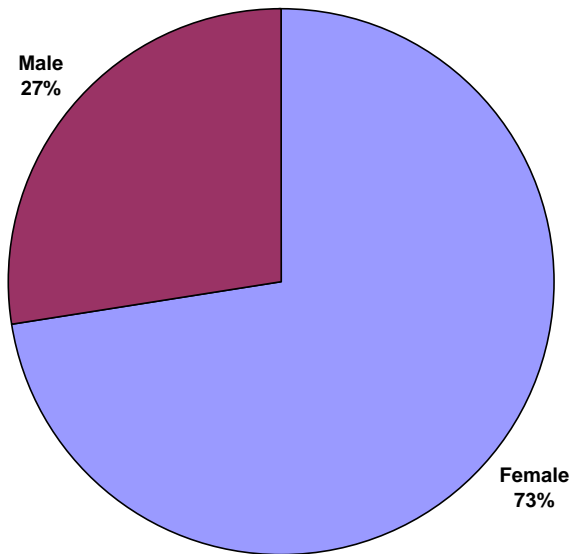
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Demographics

The following five charts illustrate the demographics of the respondents to the Rangeview Library District ROI patron survey. Demographic data includes gender, age, highest level of education, race and ethnicity, and personal and household income.

Chart 9

**Return on Investment - Rangeview Library District:
Respondents by Gender**



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Chart 10

**Return on Investment - Rangeview Library District:
Respondents by Age**

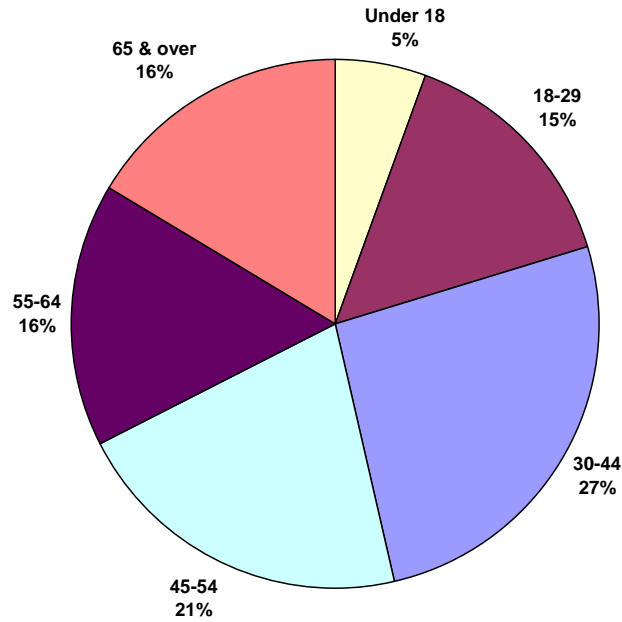
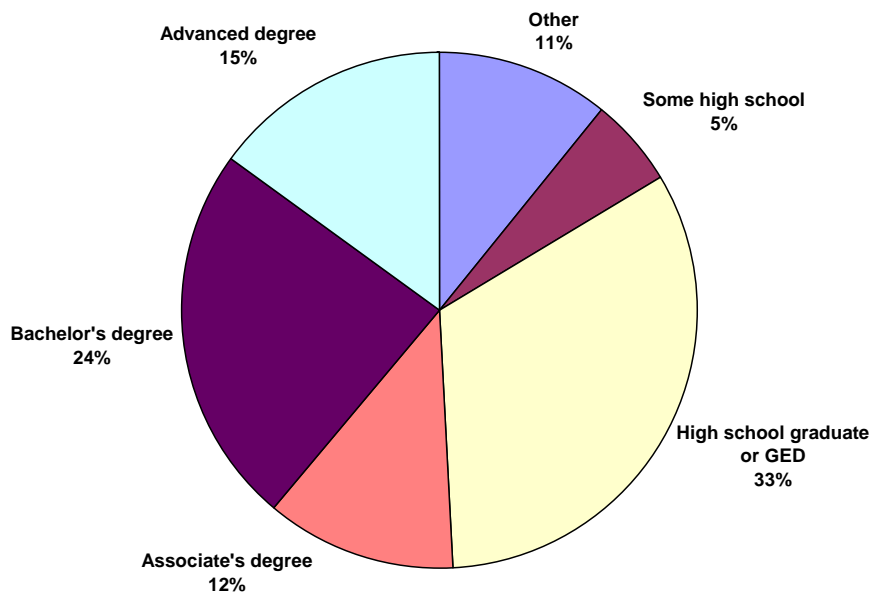


Chart 11

**Return on Investment - Rangeview Library District:
Respondents by Highest Level of Education**

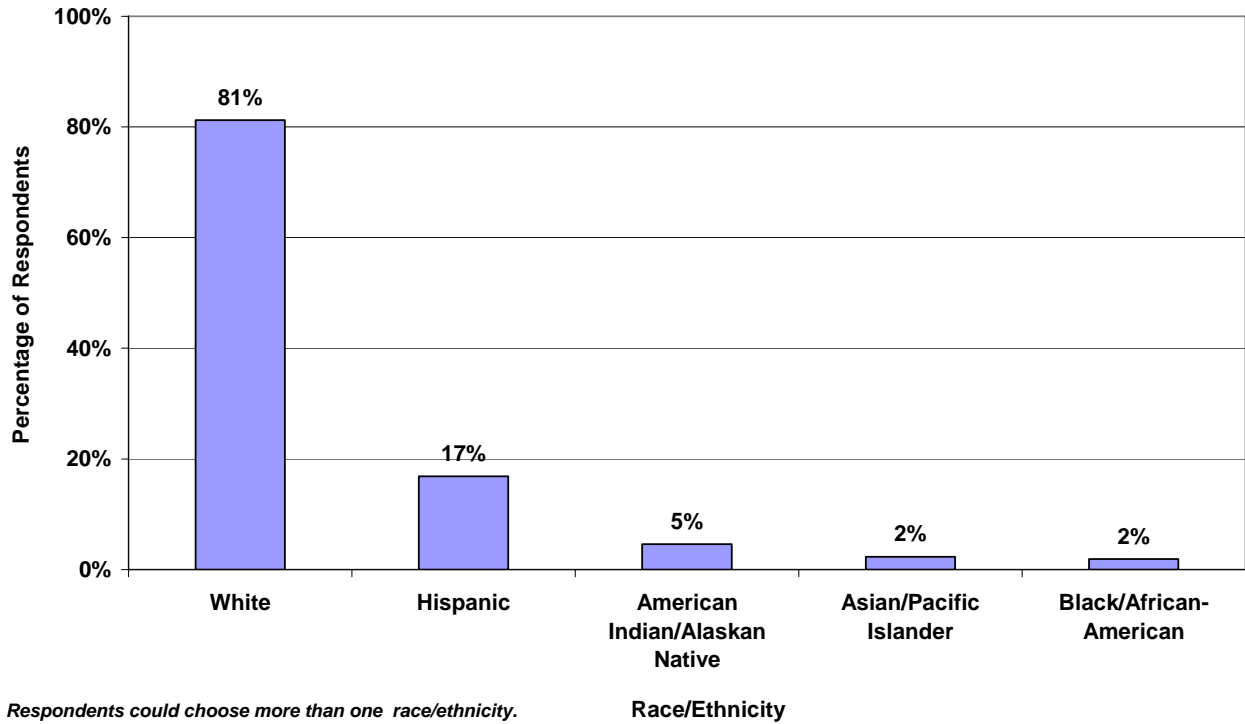


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Chart 12

Return on Investment - Rangeview Library District:
Respondents by Race and Ethnicity



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Chart 13

Return on Investment - Rangeview Library District:
Respondent's Personal and Household Income

