

Monroe County

***ROI estimate: \$4.97 return for every \$1 spent.**

Cost to library users or user investment:	\$11,100,942
Cost to use alternatives to library:	\$22,610,900
Community economic benefits lost:	\$4,399,545
Lost use benefits:	\$303,078
Total net benefit:	\$11,509,957
Economic return:	\$16,212,581



County Demographics:

Population:	70,157
Households:	22,524
Median Household Income:	\$53,558

Library Revenue:

Per capita revenue Monroe County:	\$38.68
Per capita revenue Florida:	\$36.35
Per capita revenue United States:	\$33.87

If public library revenue were redirected to other government entities, Monroe County would LOSE:

Gross County Product (npv):	\$17,816,311
Personal Income (npv):	\$86,166,435
Average annual jobs produced:	21
Gross County Product increase for every dollar spent:	\$7
Income increase for every dollar spent:	\$32

* based on state per capita survey data from surveys performed in the fall of 2009.

Demographic data from Alteryx, 2009 estimates.

Adult population for the state of Florida in 2008 used in per capita calculations.

Library services can be difficult to measure because many of their benefits are often intangible. There is often no way to quantitatively measure how important a piece of information is to a particular individual; even if participants agree the information was important, they cannot necessarily put a dollar value on how important it was. There are methods, however, for evaluating services that attempt to put a dollar value on the tangible and intangible benefits of services. Business methods used for evaluating customer service and service quality that can be applied to library services include measuring money saved or productivity gains in using libraries, or by using cost-benefit analysis. The 2010 Florida taxpayer return on investment study used contingent valuation – an economic method of evaluation for non-priced goods and services looks at the implications of not having the goods/services to examine this issue.

Library users, including individuals, businesses and educational institutions, were surveyed in an effort to quantify what time they invested in using library services and how much it would cost them to replace library services if they weren't available. Their answers were used to calculate a total economic return on library services that was then compared to the dollars spent by governments to maintain libraries. The ratio created by dividing the return (minus revenue investment) by the revenue investment represents the return on investment. Because the surveying was performed statewide, per capita averages for these amounts – user investment, cost to use alternatives, etc. - were calculated that allowed county level ROI to be estimated.

In addition to the ROI calculation, spending information was entered into an economic model to determine the economic impact on counties of redirecting public library spending to other branches of government. The effects of this redirection are expressed in terms of impact on gross regional product

Definitions

Revenue Investment: The revenues received by the public libraries including federal, state and local funds; fees and fines; cash gifts and donations; and funding for multi-type library cooperatives.

User Investment: The investment by users in their time, travel, purchases, etc., necessary to use public libraries or specific services.

Cost to Use Alternatives: The estimated costs to use alternatives to the public libraries should they cease to exist, and should users decide to pursue alternatives (measured in terms of time and other expenditures).

Total Net Benefits to Users: The added cost to use alternatives to the public library. This is equivalent to the cost to use alternatives minus the user investment.

Community Economic Benefits: These are benefits that flow from the public library such as library spending with vendors, contractors, etc. in the state; revenues generated by vendors and contractors in the library (e.g., copying, coffee shop, gift shop) and spending that occurs as a result of library use (e.g., restaurants, stores, coffee shops).

Lost Use Benefits: Benefits derived from use that would be lost if the public libraries did not exist.

Economic Return: The results of public library use that can be expressed in economic terms.

Return on Investment (ROI): The relationship between the total economic benefit and the total investment in public libraries.

Gross Regional or Gross County Product: An indicator of the economic well-being of an area measured in terms of the total economic output or the value of all goods and services produced.