

**BREAKDOWN  
VALUE OF  
DIRECT BENEFITS**

Items Circulated  
\$1 795 275

Resources Used  
\$363 875

Reference Services  
\$54 000

Programs  
\$79 160

Internet  
\$55 185

**Total \$2 347 495**

Municipal  
Contribution / Value  
= Economic Return

**\$103 195 / \$2 347 495  
=\$4.40  
return for each  
municipal dollar  
invested**

**SOME INDIRECT  
BENEFITS**

Workshops on survival skills like job hunting, test preparation, resume writing, word processing and spreadsheet programs prepare people for the workforce, affecting the long term economic health of the community.

Children attending summer programs have greater success when returning to school. Libraries contribute to the literacy levels of a community helping to create future voters that can make informed decisions.

# Olds Municipal Library

## ECONOMIC BENEFIT

### Direct and Indirect Benefits to the Community

Libraries have been around for centuries. Through their many years in existence we have seen many benefits to society and to communities that have libraries. This document will lay out for you some of the direct and indirect benefits a library and most importantly Olds Municipal Library bring to the community.

**Item's circulated (\$25.00/item):**

In today's market place, the cost of books, videos, magazines, audio books, and other materials can range anywhere from \$10.99 for a mass market paperback to \$35.99 for a hardcover new release. Non fiction items and audio books can range anywhere from \$30.00 to \$120.00. **Using the average list price of books purchased by the library, a \$25.00 value was given to each item borrowed.** This means that if the service was not available in the community consumers would have to purchase these items themselves. The borrowing of books also has indirect benefits to the community. Since not all items are available for purchase in the Town of Olds, the consumers would often be forced to spend their money outside the community in order to obtain the materials they wanted. Instead, the money stays in the consumer's pocket and allows them the choice of whether to spend the money within the community or not.

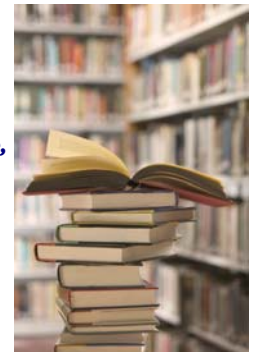
In the Olds Municipal Library in 2007, 71 811 items were circulated to our patrons. **Therefore, the direct benefit to users and indirect benefit to the community is \$1 795 275.**



**Resources Used in the Library (\$25.00/item):**

Not all members of the community check books out when they come into the library. Many users come into the library and use the resources without taking them home. The same formula as above can be used to find the value of this service per item.

In 2007, 14 555 items were returned to the shelves after patrons used them. **Therefore, the direct benefit to users and indirect benefits to the community is \$363 875.**



**Reference Services (\$30.00/transaction):**

This benefit is a lot harder to place a value on since the benefits of the service are not as easily measured. According to the *St. Louis Public Library Cost Benefit Analysis* the value in 1997 of this service was valued at \$50.00 per hour. The Olds Municipal Library keeps track of number of transactions instead of tracking of hour, Therefore it is important to try and come up with a value per transaction. The type of questions the librarians are asked in Olds range from computer technical/troubleshooting help, (in the library and over the phone), answers to medical questions, readers advisory services, researching topics for school and business, job searches/resumes, tutoring and much more. Some transactions take days of research to complete and some only minutes, but the value to the researcher is abundant no matter the amount of time spent. The average cost of a computer technician, teacher, business consultant, etc. varies substantially. After much discussion it was decided that a conservative \$30.00 per transaction was the estimated value of a reference transaction to the patron.

In 2007, 1 800 reference transactions took place. **Therefore, the direct benefit to users and indirect benefits to the community is \$54 000.**

## Direct and Indirect Benefits to the Community (Continued)



### SOME MORE INDIRECT BENEFITS

The value of real estate may go up in the vicinity of a library or a new branch.

Crime and unruly behavior may go down if kids have access to library programs and services to ward off boredom.

Parents can know that their children have a safe place to be in a community with a library available to them.

Libraries offer ESL and Literacy training for new citizens and adult learners increasing their ability to be contributing members of society.



**Internet (\$5.00/session):** An average Internet Café in Alberta costs around \$5.00 per hour. Federal and provincial government grants allow libraries to offer internet services at no charge to their users. Being able to use the computers at no cost evens the playing field and allows people who are unable to use the internet at home access. It is beneficial to business people in town for a short

while, tourists visiting the community, students, or people who are trying to keep in touch with friends and family members. The information highway has become a huge part of daily life for almost everyone in today's society and it is hard to measure just how valuable the service is. The stations in the library are almost always in use. In order to meet the demand there have been three new stations added. We con-

tinue to have our stations filled during peak times and our statistics continue to go up in this area

In 2007, 11 037 sessions of internet time were logged at the library. **Therefore, the direct benefit to users and indirect benefits to the community is \$55 185**

### Programs

**(\$40.00/participant):** This item is also very hard to assign a value to. The programs that run at the library include Story Hour for preschool aged children, after school programs and Homework Help for youth, to computer courses and many other programs for adults. The courses at the library are kept at low cost to assure they remain barrier free. This means that the value obtained from the program is usually much higher

than the cost paid. Tax dollars help in the provision of these programs allowing lower registration fees. With the average computer course at other organizations ranging from \$100 to \$300, it is easy to see how this service can quickly add up to great value for the community. People taking courses at the library become prepared for the workforce and the world. This also has abundant indirect benefits to the community. Story Hour along with other programs help raise the literacy levels

in the community. Looking at all these factors it is easy to say that the value of library programs ranges from \$20 to \$100 in value. To this end, a conservative average value of \$40.00 per participant was placed on library programs.

In 2007, 1 979 people took part in library programs. **Therefore, the direct benefit to users and indirect benefits to the community is \$79 160.**

Direct Benefits of the Olds Municipal Library to the Community			
Benefit	Cost	Amount Used	Total Value
Items Circulated	\$25.00/item	71 811	\$ 1 795 275
Resource Used	\$25.00/item	14 555	\$ 363 875
Reference Services	\$30.00/transaction	1 800	\$ 54 000
Programs	\$40.00/participant	1 979	\$ 79 160
Internet	\$5.00/session	11 037	\$ 55 185
		Total	\$2 347 495

The contribution from the Town of Olds in 2007 to the Olds Municipal Library was \$96 000. The total appropriation from the county in 2007 was \$7 195. Together the contribution from our municipalities was \$103 195.

Contribution	/	Value	=	Economic Return
\$103 195	/	\$2 347 495	=	\$4.40 returned for each dollar invested.