



Kentucky Public Libraries Return on Investment

Report prepared for
Kentucky Department for Libraries and Archives (KDLA)

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The Value of Kentucky Libraries

Public libraries play an important role in education, workforce development, and community well-being.



RETURN ON INVESTMENT

for every \$1 invested in public libraries,

Kentuckians received
\$3.01 in benefits.

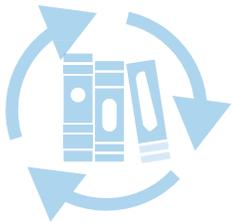
Return on investment is the ratio between the benefits of services provided and library spending.



\$549,330,807

The total market value of services & programs.

Top 5 library services based on market value:



MATERIALS
CIRCULATION



WIRELESS
INTERNET
ACCESS



PUBLIC
PROGRAMS



COMPUTER
USE



REFERENCE
SERVICES

REPORT PREPARED FOR



Kentucky Department
for Libraries & Archives

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Executive Summary

Public libraries in the Commonwealth of Kentucky provide substantial economic benefits for their communities. With 204 library buildings, 166 bookmobiles and outreach vehicles, and 11.1 million visits in fiscal year 2024 (FY2024), libraries provide access to knowledge, technology, and public services across all 120 counties. Furthermore, 75% of Kentucky's libraries are located in small towns and rural areas, underscoring their role in communities with limited access to other resources. This study assessed the return on investment of Kentucky's public libraries and builds upon other state-level ROI studies, adapting their methodology to Kentucky's data and context.

Data from KDLA for FY2024 were used to model economic impacts through IMPLAN and to calculate the market value of circulation, programs, and services.¹ Based on the IMPLAN model, library spending supported more than 3,100 jobs and produced \$189.8 million in economic activity across Kentucky. The market value of library circulation, programs, and services was estimated at \$549.3 million in FY2024.

Key Findings:

- 11.1 million people entered Kentucky libraries statewide.
- 28.6 million total items circulated, averaging more than six per resident, or a total value of \$410.4 million.
- 2.4 million attendees at almost 90,000 public programs offered across all ages, providing more than \$24.3 million in value.
- 6.5 million database searches completed at a total value of approximately \$13.0 million.
- 2.5 million reference questions answered by librarians, valued at \$17.5 million.
- 96,000 meeting room uses by community organizations, for a value of \$2.4 million.
- 48,000 hours of volunteer service, valued at \$1.4 million.
- 1.8 million computer terminal uses and 6.8 million wireless internet sessions, providing \$56.1 million in value.

A conservative approach was applied to these calculations to ensure the values represent minimum estimates rather than overstatements. Taken together, in FY2024, Kentucky's public libraries generated an estimated **\$739.1 million in benefits**, relative to **\$245.2 million in investment**, producing a **return on investment (ROI) of \$3.01** for each dollar invested. This equates to nearly **\$494 million in net benefits statewide**, or **more than \$107 in value per Kentuckian**, emphasizing that libraries in Kentucky generate more in economic and community benefits than the public dollars required to support them.

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Introduction

The Commonwealth of Kentucky often ranks low on nationwide economic indicators. For example, the *Louisville Courier-Journal* reported in 2024 that Kentucky ranked as the fourth-worst state for annual salary.² The nonpartisan Kentucky Center for Economic Policy reported that “in 2023, Kentucky had the fifth highest child poverty rate (21.0%) among states and the sixth highest poverty rate overall (16.4%).”³

The Commonwealth diligently strives to overcome these challenges. One unsung hero in this fight is the local public library. Every county in the Commonwealth has at least one public library, and several counties have multiple branches, with a total of 204 physical public library buildings statewide. In addition, Kentucky boasts more bookmobiles and outreach vehicles than any other state,⁴ providing access to library resources for people who are homebound, handicapped, living in residential homes, lacking transportation to libraries, or living in remote areas.

This return-on-investment (ROI) study highlights some of the ways that Kentucky public libraries contribute to the economic vitality of our Commonwealth. We have translated the value of public libraries' investments in their communities and staff, provision of circulating materials and public services, and other activities into simple dollar amounts. The core finding is that **every dollar invested in Kentucky's public libraries in fiscal year 2024 (FY2024) returned or created a return of \$3.01 in value to the people of the Commonwealth.**⁵ This includes an estimate of \$739.1 million in total benefit from library activities versus costs of \$245.2 million, meaning that **Kentucky's public libraries provided nearly half a billion dollars in net benefit in a single year.**

A secondary outcome of this project is the calculation of the ROI public libraries provide to each of Kentucky's 120 counties, with each of these reports being available through an [online dashboard](#).⁶

Part I: Methodology and Scope

The present study builds upon the 2017 report *Texas Public Libraries: Economic Benefits and Return on Investment*, which was completed by the Bureau of Business Research IC² Institute at the University of Texas at Austin.⁷ The authors of the prior study used data collected by the Texas State Library and Archives Commission in its annual survey of public libraries throughout that state as the starting point for their analysis. Each state conducts an annual survey of its public libraries, which the respective state library agencies use to provide data to the Institute for Museum and Library Services for its annual Public Libraries Survey.⁸ Our methodology is similar to this previous research, utilizing data from the Kentucky Department for Libraries and Archives (KDLA). Unless otherwise noted, public library statistics in this report came from KDLA using their FY2024 data set.⁹

The authors of the present study determined the positive economic value of Kentucky's public libraries through two means. First, we used the IMPLAN input-output model to determine the economic impact of Kentucky public libraries' operating and capital expenditures. IMPLAN uses the social accounting matrices (SAMs) to describe how money flows between industries, institutions, and households within a specific regional economy.¹⁰ This allows us to measure how the library's spending generates activity through direct effects (library spending), indirect effects (resulting from libraries' interaction with other businesses), and induced effects (household spending supported by library-related jobs). The economic impact framework captures measures of employment, labor income, value added, and output attributable to library spending within Kentucky. These impacts are detailed in Part II: Characteristics and Financial Data for Kentucky's Public Libraries.

Second, we determined the economic benefits of public libraries' circulation of materials, public programs, provision of internet-enabled computers and other technologies, and other library activities through an assessment of the market value of these services. In all cases except where otherwise noted, we used the American Library Association (ALA) Library Value Calculator, which was originally developed by the Massachusetts Library Association and Chelmsford Public Library.¹¹ The values for this model are based on the cost of equivalent items and services in most communities.¹² As an example, the creators of this calculator determined that the average purchase price for an adult book is \$17, while the average for a young adult book is \$12, so circulating an adult book and young adult book one time is equivalent to \$17 and \$12, respectively. These value calculations for public library circulation, services, and programs are presented in Part III: Kentucky Public Library Market Values.

In Part IV: Return on Investment, we use the findings from Part II and III to calculate the total ROI provided by Kentucky's public libraries. ROI is a calculation of the net benefits divided by the total financial investment in public libraries during a fiscal year. Thus, the ROI depicts how much value Kentuckians receive for every dollar invested in public libraries, capturing both the economic effects of library spending and the broader benefits of the services libraries provide.

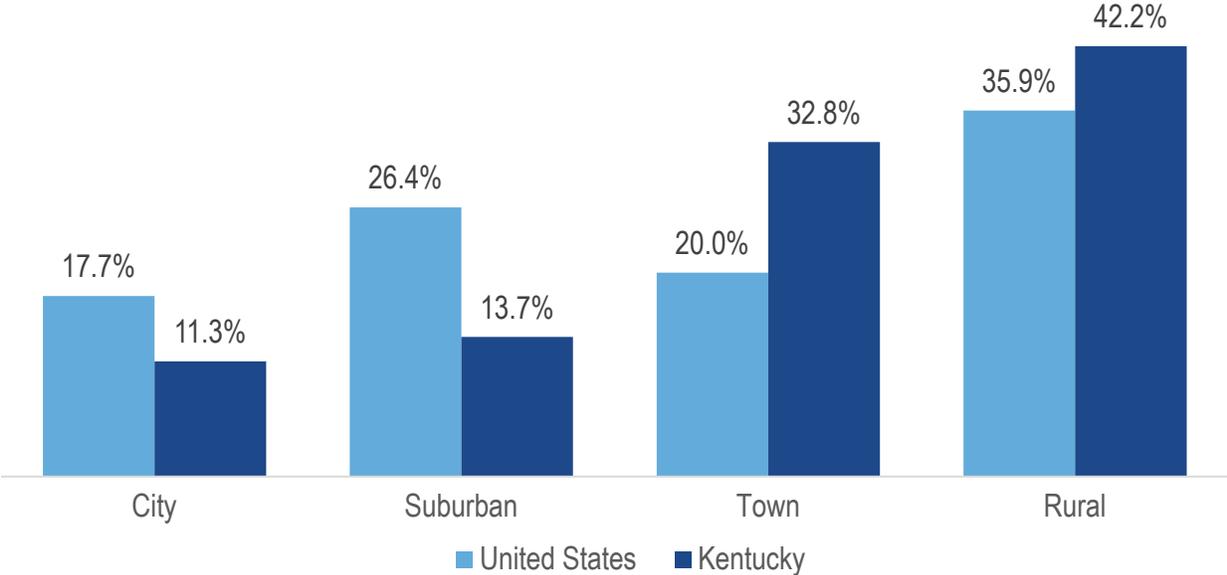
Finally, Part V: Limitations, Advocacy, and Action serves as a discussion for the calculations and overall findings. In this section, we acknowledge some of the limitations to the data we used to determine the return on investment or economic value of Kentucky's public libraries. The data limitations and a conservative approach likely resulted in our estimates of the value libraries bring to their communities being lower than reality, rather than higher. We also discuss why rural public libraries typically have a lower ROI than those in more populated areas, the fact that library operational costs are rising, and other factors that are important to understand when discussing the actual value public libraries bring to their community. The purpose of this section is to provide context that will help librarians and their allies to have clear conversations about the impacts of Kentucky's public libraries, using our ROI calculations as a starting point.

Part II: Characteristics and Financial Data for Kentucky’s Public Libraries

Kentucky has 120 public library systems, each of which has its own central library building. Additionally, there are 84 branch libraries throughout the Commonwealth, bringing the building total to 204, as well as 166 bookmobiles and outreach vehicles.

Following the locale coding system developed by the National Center for Education Statistics,¹³ 23 of the public library buildings in Kentucky are located in cities, 28 in suburbs, 67 in towns, and 86 in rural areas. Figure 1 breaks this down by percentage, showing that 75.0% of Kentucky’s public libraries are in small towns and rural areas.

Figure 1: Public Library Main Buildings and Branches, by Locale



Kentucky’s libraries reported 11,143,361 visits across their library buildings and bookmobiles in FY2024. Below, we describe the capital outlay, operating expenditures, and revenue of Kentucky’s public libraries, leading to a description of the statewide economic impact of these libraries.

Capital Outlay

Kentucky’s public libraries reported **capital outlays totaling \$44.1 million** in FY2024. These expenditures vary from system to system and often cover one-time or periodic expenses that do not recur annually. These costs can include the development of new library buildings; renovation of existing buildings; purchase of furniture and library shelving; acquisition or replacement of library vehicles, such as bookmobiles and outreach vans; the addition or replacement of computer systems; and more.

Operating Expenditures

Kentucky public libraries' **total operating expenditures equaled \$201.2 million in FY2024**. This includes labor costs for staffing; purchase of library collections, which includes books, periodicals, and audiovisual media, in both physical and digital formats; general supplies that support operations and programs; and more.

Employee Wages and Benefits

Wages and benefits totaled \$130.4 million, which comprised 64.5% of operating expenditures. This reflects the importance of librarians and library staff to the operation of their respective organizations and serves as a reminder of the amount of public service and engagement public libraries bring to their communities. Most library staff live in or near the communities they serve, so the wages often directly impact the local community. **Wages accounted for \$91.3 million**, constituting 70.0% of labor costs, while **benefits cost \$39.1 million**, or 30.0% of labor expenses. Kentucky public libraries' full-time equivalent (FTE) employment for credentialed librarians totaled 404 in FY2024, with an additional 2,027 FTE paraprofessionals and other staff, resulting in 2,431 FTE total employees across the Commonwealth of Kentucky.

Collections

Public library collections can include externally circulating materials like books, video discs, and audio books, regardless of whether these are in physical or digital form; reference materials, such as physical books and electronic databases; periodicals, newspapers, and other items that are typically used in house; and more. Libraries use a portion of their funds each year to add to their collections and replace items that have been "weeded" due to physical deterioration, outdated content, or lack of recent circulation.

In FY2024, Kentucky's public libraries spent more than **\$24.1 million in operating expenditures on collection development and circulating items**. This included \$10.8 million for print materials, \$2.5 million for other physical circulating items, and an additional \$10.8 million for electronic materials, such as eBooks and electronic audiobooks. The total cost of electronic materials for circulation grew by approximately \$4.6 million over the previous fiscal year, representing a 42.6% increase.

Other Operating Expenditures

Other operating expenditures refer to non-labor, non-collection library operations. These include building repairs, audit fees, insurance, bookmobile costs, electronic costs, and continuing education costs. **Other operating expenditures totaled \$46.6 million** in FY2024.

Library Revenue

For the public libraries in Kentucky, **operating revenues in FY2024 totaled \$254.9 million**, and **capital revenues totaled \$17.8 million**. Operating revenue refers to recurring funding sources used to support the day-to-day operation of public libraries, including personnel, collections, utilities, programming, and routine maintenance. Capital revenue refers to non-recurring or occasional funding sources designated to finance major, long-term investments such as building construction or renovation, major equipment purchases, and vehicle acquisition. In this study,

operating revenue is used as the ROI investment because it reflects the ongoing public funding required to operate libraries, while capital revenue is excluded due to its non-recurring nature. Because public libraries are nonprofit organizations, their revenues generally match their expenditures. Significant budget deficits are uncommon, and surpluses usually occur when funds are carried over to support ongoing capital projects. However, in FY2024, Kentucky's public libraries spent \$44.1 million in capital projects, with \$17.8 million in capital revenue; the difference is likely due to much of the funding for this having been acquired in the previous fiscal year.

Public libraries have various sources of revenue, but the most significant of these is government funding, provided through property taxes and other local tax streams. In FY2024, \$0.92 of every dollar in operating funding for Kentucky's public libraries came from local government sources, with most of this having been collected through county or municipal taxes. By comparison, in FY2019, the Institute of Museum and Library Services reported a national average of \$0.86 of every dollar for public libraries coming from local government sources.¹⁴ A significant reason for this difference is that state support for public libraries is lower in Kentucky than the national average, although KDLA and other government offices provide some in-kind services that are not fully reflected in the estimates presented in this study.

It should be noted that public library revenue is slightly higher than public library expenditures, which included \$44,063,710 in capital spending and \$201,167,522 in operational expenses for a combined total of \$242.2 million in expenditures. Considering the difference between revenues and expenditures, we decided to use total expenditures rather than revenue when calculating ROI. We used operating revenues as ROI investment, reflecting the recurring funding needed to sustain library operations. Capital revenues are excluded from the ROI investment, but capital expenditures are captured on the benefits side through economic impact modeling. Capital expenditures are included in the benefits because IMPLAN estimates economic impacts based on when and where spending occurs, not on how projects are financed. Capital revenues are excluded from the investment because they represent funding sources rather than economic activity and are often received in advance of, or after, the associated expenditures.

Statewide Economic Impact of Public Libraries

Spending by public libraries reverberates throughout Kentucky, as detailed in Table 1. The direct effect is the straightforward value of library spending in its community. The indirect effect refers to the estimated impact of Kentucky's public libraries' purchases and interaction with other businesses in the area. This spending supports jobs throughout the supply chain. The induced effect is the value created by the household spending of library employees and that of persons employed through the indirect effect of library operations.

Table 1: Spending by Kentucky Public Libraries and Economic Impacts

Impact	Employment (FTE)	Labor Income (Millions)	Value Added (Millions)	Output (Millions)
Direct Effect	2,431	\$129.8	\$99.1	\$103.1
Indirect Effect	31	\$1.6	\$2.3	\$4.4
Induced Effect	691	\$29.6	\$49.2	\$82.2
Total Effect	3,153	\$161.0	\$150.6	\$189.8

The direct, indirect, and induced effects of public library spending create what is known as a multiplier effect. Output is the total value of goods and services produced by an industry or economic entity; it is the sum of all sales or receipts of goods and services. For public libraries, output includes wages and salaries, operating expenditures, revenue, etc. In other words, it includes both the direct costs of providing services (labor, purchases, capital expenditures) and revenue that libraries receive through taxes, fees, and grants.

“Value added” refers to the net increase in values beyond the cost of inputs, created at each stage of production. It is calculated as the difference between the output and the costs of intermediate inputs (such as raw materials). This basically removes the cost of intermediate goods (e.g., cost of purchasing books, computers, office supplies, and other resources needed to deliver services and programs) and focuses on what the library has contributed beyond those costs (e.g., labor, taxes). The total value added impact also captures the estimated value associated with the increased or improved productivity and knowledge in the community because of the services, educational programs, and access to resources that the libraries offer.

Under this model, **the total positive economic impact from core public library spending in Kentucky comes to \$189.8 million.**

Again, this value is created in communities throughout Kentucky; with 75.0% of Kentucky’s public libraries located in rural areas or small towns, this value may be especially significant in these areas. In addition to the economic benefits, Kentucky’s public libraries provide services and resources that enhance the quality of life in their communities.

Part III: Kentucky Public Library Market Values

This section uses data collected by KDLA for its FY2024 annual public library survey to calculate the value of materials circulation, programs, and services offered by Kentucky’s public libraries.¹⁵ These calculations are based on practical market values, following ALA’s Library Value Calculator in most cases.¹⁶ In some instances, we rounded market values to whole numbers for simplicity - for example, we adjusted ALA’s suggested value of a music CD checkout from \$9.95 to \$10. We also had concerns about ALA’s assigned value for online databases being too high, so we instead used a more conservative model from *Texas Public Libraries: Economic Benefits and Return on Investment*.¹⁷

We chose to use external values for our calculations due to these being generally accepted within the professional field, but it is worth noting that ALA’s model and those from other sources are somewhat dated. Considering the impact of inflation and other factors in recent years, this likely means that some of our calculations of present values presented here are somewhat conservative, as we have attempted to avoid overstating the value of services.

Circulation of Materials

One of the first things that people associate with public libraries is the circulation of materials, especially books. While public library services have expanded far beyond this in recent decades, the lending of materials remains a vital service for every community. Table 2 shows that Kentucky’s public libraries circulated **28,090,892 physical and digital items** in FY2024, which translates to an average of over **6 items borrowed for every Kentuckian**.

Table 2: Market Value of Kentucky Public Libraries’ Material Circulation

Materials	Market Value	Circulation	Total Value
Adult Books	\$17	6,661,422	\$113,244,174
Young Adult Books	\$12	1,023,331	\$12,279,972
Children’s Books	\$17	7,562,226	\$128,557,842
Audiobooks	\$10	341,488	\$3,414,880
Audio - Other	\$10	206,054	\$2,060,054
Video	\$4	3,179,059	\$12,716,236
Audiovisual - Other	\$30	95,405	\$2,862,150
eBooks and Other Electronic Items	\$15	9,021,907	\$135,328,605
Total	-	28,090,892	\$410,463,913

ALA and other organizations have used average retail prices as the basis for the value of book circulation, since most library patrons do not have other options to borrow such materials in their communities. In other words, the only viable alternative for Kentuckians to access many of the materials borrowed from public libraries would be to purchase these materials, and this would often involve travel to another community or online ordering. The availability of these materials has a particularly notable impact on families, since Kentucky's public libraries circulated eight children's or young adult books per every person under the age of 18 in the Commonwealth.¹⁸

The category of "Audio – Other" refers primarily to music CDs and other recordings, while "Audiovisual – Other" is primarily physical video games. All digital items are captured in a single category, meaning that "eBooks and Other Electronic Items" includes eBooks, digital audiobooks, digital music albums, and more. Meanwhile, the value of a video – typically meaning a DVD or Blu-Ray – is calculated at \$4 rather than the average retail price for these items, since it was possible to rent physical discs in most communities in stores or by mail at the time this value model was created. This is no longer the case, due to the closing of most physical video disc rental businesses; yet more than three million discs were circulated in FY2024, which demonstrates that public libraries sometimes meet demands that are not fulfilled by the market.

Bookmobiles and Outreach Vehicles

Kentucky has more bookmobiles and outreach vehicles than any other state. The distinction between a bookmobile and outreach vehicle is minor, with the former being larger, custom vehicles that are capable of carrying a larger amount of circulating items, often allowing patrons to browse items. An outreach vehicle is typically a van or SUV that has been custom fitted to transport a smaller number of circulating items, many of which are directly requested by patrons. Bookmobiles and outreach vehicles visit nursing homes, preschools, individuals who cannot travel to libraries due to physical disabilities or other limitations, parts of rural communities that are simply distant from the nearest library building, and more.

Kentucky's 73 bookmobiles and 93 outreach vehicles provide more than just books, as personal connections and public engagement are core parts of their purpose. As examples, outreach librarians often answer reference questions, and visits to preschools include storytime sessions. However, circulation of physical items remains a core service for these vehicles, as **outreach librarians delivered 1,337,453 items to patrons in FY2024**. Although the value of these items is included in the overall circulation calculations above, ALA suggests that the personal delivery of these materials to people who have limited access to physical libraries justifies the addition of \$5 per item to compensate for the value of transporting them. As such, **Kentucky's bookmobiles and outreach vehicles provide an additional \$6,687,265 in circulating value** to people throughout the Commonwealth.

Interlibrary Loan

KDLA coordinates interlibrary loan (ILL) between public libraries throughout Kentucky and beyond. This allows patrons to order books and other specialized materials that are not available locally to be sent to their public library, typically without cost to the patron. Local libraries are often able to request these items from other public libraries throughout Kentucky, but for more

specialized requests, items can come from public, academic, and special libraries throughout the United States. ILL requests often include items that are out-of-print or that are cost prohibitive for a local library to purchase.

Due to the specialized nature of items requested through ILL and the cost of locating and shipping these items, ALA estimates the value of an ILL transaction at \$25 per item, which is in addition to the normal circulating value of the corresponding item. **Kentucky public libraries circulated 52,903 items through ILL in FY2024, creating an added value of \$1,322,575.**

In-Library Use

KDLA does not collect specialized data for in-house circulation of newspapers and magazines, and these data are explicitly not included in overall circulation data for Kentucky's public libraries. These types of materials are typically not cataloged and barcoded within library systems, because they can quickly become outdated and new issues are frequently released, meaning that newspapers and periodicals often do not have permanent value for public libraries. Libraries often limit the use of these materials to usage inside their building, at least upon initial release.

Kentucky's public libraries reported a total of 11,143,361 visits in FY2024. If 10% of these individuals read a magazine, estimated at \$5 each, this would equal a value of \$5,571,681. Likewise, if 10% of patrons read a newspaper, such as the *Wall Street Journal*, with a value of \$9.50 each, the total for this would be \$10,586,193. That brings **in-house periodical and magazine use to \$16,157,874.**

These estimates account for the fact that many individuals who read uncatalogued, recent issues of periodicals and newspapers within public libraries read more than one item when in the building. However, we have not included other types of uncatalogued materials in these estimates, such as inexpensive genre paperbacks. In other words, the value of the usage of materials within Kentucky's public libraries is likely a conservative estimate.

Electronic Database Access

Public, academic, and special libraries throughout the Commonwealth have access to the Kentucky Virtual Library (KYVL).¹⁹ In FY2024, KYVL hosted 22.9 million sessions, leading to 57.5 million searches and 3.9 million full text downloads. Public librarians and their patrons constitute a significant portion of KYVL users, completing 6.5 million searches and 521,733 full text downloads. Ancestry Library Edition was the most used database, followed by Britannica Academic, Academic Search Complete, and MasterFILE Premier.

Prior research has used several different means of estimating the value of database usage, either based on the number of total searches or the number of items downloaded. ALA has put this at \$19.95 per search, due to that being the approximate value of purchasing a copy of an academic journal article. However, the authors of this study have chosen to use a conservative estimate, from the 2017 study *Texas Public Libraries: Economic Benefits and Return on Investment*, which puts the value of each database search at \$2.00.²⁰ Following this, **the 6.5 million database**

searches completed by public librarians and their patrons through KYVL have a total value of approximately \$13.0 million.

Reference Questions

Public libraries help patrons with information queries that use specialized resources. Historically, these questions were answered using print resources, such as encyclopedias, almanacs, atlases, and other materials that constituted a library's non-circulating reference collection. Libraries also collect highly localized materials for these purposes, such as historical runs of newspapers, whether in print or on microfilm; genealogical resources, including historic documents; local planning and zoning documents; books of local statutes, and more. In the modern era, equivalents to many (but not all) of these materials are available online, either publicly or through subscription databases.

Public librarians may go beyond these resources in answering reference questions. However, the defining feature of a reference question is that it must constitute a request that requires the librarian to perform research. Simple queries that do not involve some form of specialized research do not constitute reference questions and are not included in the count below.

In FY2024, public library staff across the Commonwealth of Kentucky answered **2,497,346 reference questions**. ALA calculates the value of a reference transaction at \$7, putting the **value of this service at \$17,481,422**.

Volunteers

Public libraries throughout Kentucky make significant use of volunteers. KDLA has not collected data on volunteer service hours in its annual survey of public libraries in past years, but it has added a question about this to the FY2025 survey. To remedy this gap in information for the FY2024 data, the authors of this study launched a small-scale survey that they sent directly to public library directors throughout the Commonwealth.

We only counted volunteer hours that contributed to day-to-day public library services. For most libraries that used volunteers, this included shelving books, assisting with public programs, and other basic tasks. In some cases, libraries had volunteers assisting in specialized service areas, such as genealogy research rooms and maker spaces, while a small number of rural libraries used volunteers to provide services that would normally only be completed by paid staff in larger library systems, such as circulation and reference desk assistance.

These **volunteers provided 48,074 hours of their time in FY2024**. According to Serve Kentucky, the State Service Commission that is affiliated with AmeriCorps and the Kentucky Cabinet for Health and Family Services, **one hour of volunteer time has an economic value of \$28.53**.²¹ As such, **public library volunteers provided at least \$1,371,551** in value to the public in FY2024.

There are limitations to the volunteer data that are worth noting. Approximately 80% of the public libraries in the Commonwealth responded to the secondary survey on volunteers, meaning that

some data are simply missing. Many of the libraries did not maintain a record of their volunteer hours, and while most of the library directors felt comfortable making an estimate for this, some respondents simply reported zero hours served despite having used volunteers in their libraries. And finally, the number above only includes volunteer hours for day-to-day services. This estimate does not include time provided by each library’s board of trustees, who provide valuable service to public library governance, nor does it include volunteer hours for Friends of the Library organizations, which are typically independent nonprofits that run used book sales and perform other fundraising and support services for public libraries in their communities. As with other estimates used in this study, the number and value of volunteer hours is conservative.

Computer Terminals and Wireless Internet

ALA estimates the usage value of internet-enabled computers in libraries to be approximately \$12 an hour. This rate includes the value of the internet connection, along with the shared cost of the computer terminal and its maintenance. In fiscal year 2024, library patrons across Kentucky used computer terminals 1,841,691 times. If these sessions averaged one hour each, the authors estimate the **total value of computer usage as \$22,100,292.**

During this same period, there were 6,813,021 instances of patrons using their own devices to access public library Wi-Fi across Kentucky. At a value of \$5 per session, this brings the **value of Kentucky public library Wi-Fi sessions to \$34,065,105.**

Public Programs and Meeting Rooms

In recent decades, public libraries have considerably shifted to place greater emphasis on public programs. This includes storytime for children and other events targeting families with young children; teen and young adult programs, such as maker space events and group meetings centered around elements of popular culture, like comics and crafts; and events for adults, like book discussions and film screenings. In other words, public libraries typically strive to offer some form of public programming that is relevant to all ages and reaches a wide range of individuals in their respective communities.

Table 3 shows that Kentucky’s public libraries hosted **89,559 programs in FY2024**, resulting in **2,429,735 attendees** for an average attendance of just over 27 people per program.

Table 3: The Value of Public Programs in Kentucky’s Public Libraries

Type of Program	Number of Programs	Value per Program per Attendee	Total Attendance	Total Value
Children’s Programs	45,063	\$7	1,191,855	\$8,342,985
Young Adult Programs	8,878	\$12	157,637	\$1,891,644
Adult Programs	24,900	\$15	385,245	\$5,778,675
Other Programs	10,718	\$12	694,998	\$8,339,976
Total	89,559	-	2,429,735	\$24,353,280

Following ALA's estimates of public library program value, the authors have calculated the value of an individual children's program at \$7 per attendee, young adult programs at \$12 per person, and \$15 for each adult program attendee. ALA did not provide guidance on multi-age or general audience programs, so we have used the value of young adult programs as a proxy, due to it being in the middle of the range.

This brings the **total value of public library programs in Kentucky to \$24,353,280** in FY2024.

Meanwhile, many libraries across Kentucky offer meeting rooms that nonprofit organizations, local clubs, and other groups and individuals can use without cost. These rooms often double as the locations for the libraries' own events, making this dual purpose an efficient use of space and other resources. Library meeting spaces often include technology that is useful to local organizations, such as digital projectors and speaker systems.

Kentucky public libraries reported **96,276 meeting room rentals for community groups** in FY2024, which translates to an average of 472 meeting room usages per library building each year. ALA estimates the value of a meeting room usage at \$25 per session, resulting in **\$2,406,900 in meeting room usage** by community groups.

Part IV: Return on Investment

The basic calculation for ROI is the positive economic benefits provided by an organization or group of organizations divided by their costs. As detailed in Part II, the impact of public library expenditures on salary, capital investments, and purchases amounted to \$189.8 million in FY2024. This is in addition to the \$549.3 million value of public library circulation, programs, and services across Kentucky’s public libraries, which is explained in more detail in Part III and Table 4. This brings the **total benefit** derived from Kentucky’s public libraries to **\$739.1 million**.

Table 4: Total Value of Kentucky Public Library Services

Service	Value
Circulation of Materials	\$410,463,913
In-Library Use	\$16,157,874
Bookmobile and Outreach Services	\$6,687,265
Interlibrary Loan	\$1,322,575
Electronic Database Access	\$12,920,770
Reference Services	\$17,481,282
Public Programs	\$24,353,280
Meeting Rooms	\$2,406,900
Computer Terminals	\$22,100,292
Wireless Internet Access	\$34,065,105
Volunteers	\$1,371,551
Total All Services	\$549,330,807

Meanwhile, the operating revenues for public libraries throughout the Commonwealth were **\$245.2 million**. That figure serves as the divisor for the ROI calculation:

Economic Impact of Expenditures = \$189.8 million (salary + capital + purchases)

Total Benefit = \$189.8 million + \$549.3 million = \$739.1 million

Total Investment: \$245.2 million

ROI = Total Benefit / Total Investment = \$739.1 million / \$245.2 million = \$3.01

It is important to distinguish between accounting expenditures and the ROI investment used in this study. Operating revenues are used as the ROI investment, while capital expenditures are included in the benefits through economic impact estimates. This ROI reflects both the \$189.8 million in economic impact from operating and capital expenditures and \$547.8 million in the estimated market value of library services. **For every dollar invested in Kentucky's public libraries, the people of the Commonwealth received \$3.01 in benefits.** To put this another way, if we subtract the \$245.2 million in operating investment from the \$739.1 million in benefits provided by Kentucky's public libraries, **public libraries provided \$493.9 million in net benefits to Kentucky in FY2024.** For a state with a population of approximately 4.6 million,²² that translates to **an average of more than \$107 in net benefit per person.**

Part V: Limitations, Advocacy, and Action

Through this analysis, the authors discovered some limitations in the data and economic trends worth exploring. The discussion that follows is meant to help librarians and their allies understand how the value of library services goes beyond the ROI of \$3.01 for every dollar invested by public libraries.

Rural Public Libraries, Economies of Scale, and Usage Trends

Public library visits, circulation, and program attendance have declined nationwide in recent years.²³ The COVID-19 pandemic, which forced many libraries to temporarily close and impose access limitations upon reopening, was a contributor to this. However, when comparing FY2023 Kentucky public library survey data to FY2024, this problem seems to be correcting itself, as library visits have increased and it appears that communities are “rediscovering” public libraries. It is also important to note that public library usage generally increases at times of financial uncertainty, since libraries offer materials and services at no cost at the time of usage.²⁴ Unfortunately, present economic indicators suggest that public libraries may become more vital in the lives of Americans in the coming months and years.

With this said, rural public libraries are always at a disadvantage in showing purely economic value. These outlets operate at lower economies of scale, since less population density translates to fewer people to check out each book the library purchases, greater difficulty in promoting strong program attendance, and so forth. In addition to the statewide ROI of \$3.01, we also calculated the ROI for each of Kentucky’s 120 public library systems, and this ranged from a low of \$1.39 to a high \$14.85, as represented through a [dashboard](#) the research team developed for library systems throughout the state.²⁵ One library system was excluded from this range, due to some data quality issues making it an outlier in terms of ROI.²⁶ The results for Kentucky are within the values observed in other county or local ROI studies.²⁷

One of the ways to address lower economies of scale for rural public library is to invest in support systems that can perform services for multiple libraries. This has been achieved in other states through greater investment in state library agencies and the use of state funding to create and support regional library offices for rural areas that provide various forms of assistance to public libraries.²⁸ KDLA already provides a wealth of services for public libraries throughout Kentucky, and this includes advice and support that is specifically directed towards small and rural libraries in the Commonwealth.²⁹ However, as noted in this report, funding for KDLA is lower than the national average for peer organizations, and providing greater support would have a direct benefit for the Commonwealth’s rural communities and small towns.

Any discussion of the ROI for rural public libraries should also include the important context of the unique needs of their communities. The libraries in rural areas are more likely to be the only place where patrons can find certain materials or services, so while the ROI may be lower, the impact of services on patrons’ quality of life may be higher.

Value Beyond Dollars: Circulating Materials and Technology in Public Libraries

Some items and services that are popular among patrons have become increasingly scarce and less likely to be available through community businesses and organizations other than the local public library. As an example, a total of 11.3% of items circulated in Kentucky in FY2024 were physical videos, such as DVDs and Blu-Rays. This does not include streaming videos. The ALA Library Value Calculator uses an average of \$4 an item for video discs rather than the typical retail purchase price, since this was the average cost to rent a physical disc from Netflix at the time the calculator was created. However, Netflix no longer distributes physical media, Blockbuster and other rental chains have gone out of business, and Redbox ended its physical media kiosk services in 2024.³⁰ Streaming has taken the place of these physical items in much of the country and many households, but these services are often costly and are not practical for rural areas that lack viable broadband, which is still a significant issue throughout much of Kentucky. Likewise, some individuals cannot afford to subscribe to streaming services as costs increase, and many titles on physical media are not available to stream at all or without a direct digital purchase.

Meanwhile, the internet is far from ubiquitous in Kentucky homes. The Kentucky Office of Broadband Development used United States Census data to estimate that 16.1% of Kentucky households lack any form of internet connection, while an additional 13.0% had cellular service as the only internet connection in their homes.³¹ As such, nearly a third (29.1%) of Kentucky homes lack reliable internet connections that are suitable for basic computer usage and a wide range of tasks that are essential to modern life. Many companies have increasingly demanded that all job applicants fill out applications online, some government benefits are far more easily accessible through online systems than through other means, secondary education students are expected to access the internet and productivity tools for schoolwork, healthcare information is often shared through online portals, telemedicine is becoming increasingly common and is often the most practical way for persons in remote areas to talk to medical specialists, and so forth. Public libraries provide internet access, computer terminals, and librarian assistance, with the last of these being invaluable for patrons who are not accustomed to using a computer regularly.

The ALA Library Value Calculator suggests that a one-hour patron usage of an internet-enabled computer is worth \$12, since this was the typical cost of the same service at a FedEx or Kinkos when the calculator was last updated.³² However, many rural communities do not have office stores or other businesses that offer these services. Public libraries are essential to help fill this gap; librarians offer technical guidance and patience that is not typical in retail environments, and they do this without requiring direct payment per usage. Likewise, while wireless internet (Wi-Fi) has become readily available at many businesses, this typically comes with the expectation of a purchase, such as food or drink at cafés and restaurants with wireless internet. Kentucky's public libraries offer Wi-Fi connections, comfortable seating, and access to outlets for charging devices without expectations of purchases or fees.

In short, libraries are filling needs that have often been overlooked and that are not being met by private businesses, and even when retail alternatives are available, libraries offer better service with less stress and less cost to the patron. In some cases, alternatives for these materials and

services were previously available in communities, but businesses stopped meeting these needs because it was no longer profitable to do so. Common assumptions that everyone has internet and computer access, can afford multiple streaming services, and so forth show a lack of understanding of digital, cultural, and economic divides in Kentucky and throughout the United States. The values presented in this study should be a starting point for advocacy conversations, as librarians and their allies can provide context about the positive impacts of services on Kentucky families that go beyond simple dollar amounts.

Rising Costs of Materials and the Digital Collections Problem

Most of the dollar amounts used to quantify the value of public library circulation and services are taken from the ALA Library Value Calculator, which is based on financial values set in 2009 by the Massachusetts Library Association.³³ The United States has experienced significant inflation since that time,³⁴ so these estimates are likely low compared to actual values in the current market.

We have not adjusted library circulation and service values for inflation, but rising purchasing and operational costs are reflected in this study. One of the most striking examples is the cost of eBooks and other digital items, which climbed from \$6.2 million for Kentucky's public libraries in FY2023 to \$10.8 million in FY2024, translating to a 42.6% increase in cost. Circulation and usage of electronic materials by Kentucky public library patrons increased from approximately 7.7 million in FY2023 to 9.0 million in FY2024, representing 14.9% growth. These stronger circulation numbers for electronic materials are impressive, but the cost of providing these digital items to patrons is increasing faster than demand.

As public libraries deal with rising costs, it is important to remember that households are facing similar challenges. Maintaining support for public libraries will allow Kentuckians to access education and entertainment resources even in hard times.

Circulating Items and Services Not Included

One notable limitation of this study is the inclusion of certain new and innovative circulating items and services. Based on supplemental information public libraries provided to KDLA, libraries have loaned laptops, Chromebooks, Wi-Fi hotspots, board games, fishing poles and tackle, bicycles, and more to patrons across the Commonwealth. Many public libraries throughout the Commonwealth have developed "seed libraries," which provide free seeds to help patrons with home gardening projects and promote the growth of native plants. Likewise, makerspaces are becoming a common offering among public libraries, providing access to technologies and technologies that promote creativity.

These innovative services fill unique niches in their communities, but ALA and other studies have not developed clear models for determining their value. Additionally, the KDLA annual public libraries survey captures information about these types of services in a single, optional category. Disentangling these data would prove complicated to such a degree that it would have the potential to introduce inaccuracies into the findings of this study.

Considering that public libraries receive most of their funding from local government sources and operate under limited state or federal oversight, each public library system has the latitude to launch unique and innovative services for its community. As libraries adopt innovations from peer institutions, services become common practice throughout the field. However, these varying innovative services are difficult to capture in a study that attempts to use standardized data to calculate value, and any conversation about the ROI of individual library systems should be a starting point. Discussions for the purpose of advocacy and understanding of what a library actually does for its community should include these newer services and circulating items.

The Human Value of Public Libraries

Kentucky's public libraries had a total of 11,143,361 visits by patrons in FY2024. We assigned market values to services such as reference help from librarians, borrowing or using library materials, using library technology, and participating in programs, converting these interactions into estimated dollar amounts. In doing this, we have attached some form of financial benefit to most of those visits. We have also captured the value of public libraries' digital offerings, which significantly increases the number of times Kentuckians interact with their libraries above what physical visit counts alone reflect.

Our ROI of \$3.01 for every dollar spent by libraries tells a good story, but it is not the whole story. Patrons use libraries in ways that have meaningful impacts on their lives. When a member of the community uses a computer to successfully apply for a job, that financial and personal impact is far greater than the simple dollar amount we have attached to briefly using that computer terminal. Although books can be purchased from Amazon and other sources, students being able to find what they need from a wealth of sources in their own community – and at the last minute, as homework assignments often go – gives the library greater meaning in the lives of its users. Our calculations also do not capture the value of informal conversations between readers and librarians, the support that individuals facing financial or personal challenges gain from having a stable and welcoming place in the community, or the many other positive everyday interactions that occur in libraries.

Public libraries provide a net economic benefit to the people of Kentucky. They also reflect community strength, civility, and belonging in ways that transcend calculation.

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- ² Marina Johnson, "Which state has the highest average income? Kentucky ranks amongst worst for annual salary," *Louisville Courier Journal*, June 4, 2024, <https://www.courier-journal.com/story/news/2024/06/04/richest-places-in-united-states-kentucky-ranks-low-for-annual-income/73968472007/>.
- ³ Dustin Pugel, "New Census Data Shows More Is Needed to Cut Poverty and Improve Incomes," *Kentucky Center for Economic Policy*, September 12, 2024, <https://kypolicy.org/new-census-data-shows-more-is-needed-to-cut-poverty-and-improve-incomes/>.
- ⁴ Kentucky Department for Libraries and Archives, "Agency History," accessed February 6, 2026, <https://kdla.ky.gov/Pages/KDLA-History.aspx>.
- ⁵ This is technically fiscal year 2023-2024, referred henceforth as FY2024.
- ⁶ Kentucky Department for Libraries and Archives, "KY Public Library Services Return on Investment," accessed February 6, 2026, <https://kdla.ky.gov/Library-Support/Pages/Kentucky-Public-Library-Services-ROI.aspx>.
- ⁷ James Jarrett & Brian Lewandowski, *Texas Public Libraries: Economic Benefits and Return on Investment* (Austin, TX: Texas State Library and Archives Commission, 2017), https://www.tsl.texas.gov/sites/default/files/public/tslac/pubs/ROI_Final.pdf.
- ⁸ Institute of Museum and Library Services, "Public Libraries Survey," accessed February 6, 2026, <https://www.imls.gov/research-evaluation/surveys/public-libraries-survey-pls>.
- ⁹ Kentucky Department for Libraries and Archives, "Public Library Statistics," accessed February 6, 2026, <https://kdla.ky.gov/Library-Support/plssd/Pages/Public-Library-Statistics.aspx>. We have shared the link to Kentucky's public library statistics allow review of our findings, but it is important to note that the research team also relied on internal reports from KDLA.
- ¹⁰ IMPLAN, "Comprehensive Data Sets at Your Fingertips," accessed February 6, 2026, <https://implan.com/data/>.
- ¹¹ American Library Association, "Library Value Calculator," accessed February 6, 2026, <https://www.ala.org/advocacy/tools/library-value-calculator>.
- ¹² Swiss Army Librarian, "Library Value Use Calculator Explanation of Values," accessed February 6, 2026, https://www.swissarmylibrarian.net/librarycalculator/valuecalc_costs.html.
- ¹³ National Center for Education Statistics, "Locale Classifications," accessed February 6, 2026, <https://nces.ed.gov/programs/edge/Geographic/LocaleBoundaries>.
- ¹⁴ Institute of Museum and Library Services, *Characteristics of Public Libraries in the United States: Results from the FY 2019 Public Libraries Survey* (Washington, DC: Institute of Museum and Library Services, 2021), <https://www.imls.gov/sites/default/files/2021-08/fy19-pls-results.pdf>. At the time of this report, 0.3% of public library came from the federal level, 6.7% came from state sources, 85.9% was provided by local funds, and 7.2% came from other revenue streams, such as Friends of the Library fundraising, fines, and external grants.
- ¹⁵ Kentucky Department for Libraries and Archives, *Statistical Report of Kentucky Public Libraries, Fiscal Year 2023-2024* (Frankfort, KY: Kentucky Department for Libraries and Archives, 2025), <https://kdla.ky.gov/Library-Support/plssd/Documents/Statistics/KDLA2324.pdf>.
- ¹⁶ The authors did review and consider other library value calculation models for this, including one developed by the Capital Area District Libraries in Michigan and another developed by the Illinois State Library. However, we chose to rely primarily on ALA rather than developing a mixed model, both due to simplicity and because the ALA values were more conservative in most cases. Capital Area District Libraries, "Library Value Calculator," accessed February 6, 2026, <https://www.cadl.org/about/admin-funding/value-calculator>; Illinois State Library, "Values for Library Use Value Calculator," accessed February 6, 2026, https://www.ilsos.gov/departments/library/public/valuecalc_costs.html.
- ¹⁷ James Jarrett & Brian Lewandowski, *Texas Public Libraries: Economic Benefits and Return on Investment* (Austin, TX: Texas State Library and Archives Commission, 2017), https://www.tsl.texas.gov/sites/default/files/public/tslac/pubs/ROI_Final.pdf.

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- ¹⁸ United States Census Bureau, "Kentucky," accessed February 6, 2026, <https://data.census.gov/profile/Kentucky?q=040XX00US21>.
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- ²⁰ James Jarrett & Brian Lewandowski, *Texas Public Libraries: Economic Benefits and Return on Investment* (Austin, TX: Texas State Library and Archives Commission, 2017), https://www.tsl.texas.gov/sites/default/files/public/tslac/pubs/ROI_Final.pdf, p.6.
- ²¹ Serve Kentucky, "Volunteering in Kentucky," accessed February 6, 2026, <https://serve.ky.gov/volunteers/Pages/default.aspx>.
- ²² United States Census Bureau, "Kentucky," accessed February 6, 2026, <https://data.census.gov/profile/Kentucky?q=040XX00US21>.
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- ²⁵ Kentucky Department for Libraries and Archives, "KY Public Library Services Return on Investment," accessed February 6, 2026, <https://kdl.ky.gov/Library-Support/Pages/Kentucky-Public-Library-Services-ROI.aspx>.
- ²⁶ The outlier in this instance is the Ballard-Carlisle Public Library in western Kentucky, which had an exceptionally high ROI. Part of the reason for this is that the library primarily relied on volunteers for core library functions in FY2024, making its labor costs virtually nonexistent.
- ²⁷ LRS, "Summary of Recent Public Library Return on Investment studies," accessed February 6, 2026, <https://www.lrs.org/data-tools/public-libraries/return-on-investment/recent-studies/>
- ²⁸ Brian Real & R. Norman Rose, *Rural Libraries in the United States: Recent Strides, Future Possibilities, and Meeting Community Needs* (Chicago, IL: American Library Association, 2017), <https://www.ala.org/sites/default/files/advocacy/content/pdfs/Rural%20paper%2007-31-2017.pdf>, p. 12-14.
- ²⁹ Kentucky Department for Libraries and Archives, "Agency History," accessed February 6, 2026, <https://kdl.ky.gov/Pages/KDLA-History.aspx>.
- ³⁰ ALA's calculations of the value of video recordings are partially based on the value of comparable products at reasonable prices within communities. Since disc-based video rentals were common, this places the estimate at \$4 per video, rather than closer to the retail purchase price, as ALA calculated for books. However, this model for video items is becoming an outmoded concept, since the last remaining disc rental services closed operations in recent years, making this value a conservative estimate in our modern climate. Netflix, "Netflix DVD – The Final Season," April 18, 2023, <https://about.netflix.com/en/news/netflix-dvd-the-final-season>; Davis Giangulio, "Redbox set to close as DVD market withers in streaming's shadow," *NBC News*, June 11, 2024, <https://www.nbcnews.com/business/business-news/redbox-set-close-dvd-market-withers-streamings-shadow-rcna161407>.
- ³¹ *Five-Year Action Plan Commonwealth of Kentucky: Broadband Equity, Access, and Deployment Program (BEAD)* (Frankfort, KY: Kentucky Office of Broadband Development, 2023), <https://broadband.ky.gov/resources/Documents/KY%20BEAD%205-Year%20Action%20Plan.pdf>, p.7-8. The Kentucky Office of Broadband Development has also recommended a reasonable metric for reliable broadband, at 100 Mbps upload speed and 20 Mbps download speed. However, 3.3 percent of Kentucky homes have 25 Mbps download and 3 Mbps upload at the best available speed in their area, while 13.9 percent do not have access to these speeds or any form of broadband internet at all.
- ³² Swiss Army Librarian, "Library Value Use Calculator Explanation of Values," accessed February 6, 2026, https://www.swissarmylibrarian.net/librarycalculator/valuecalc_costs.html.
- ³³ Swiss Army Librarian, "Library Value Use Calculator," accessed February 6, 2026, <https://www.swissarmylibrarian.net/librarycalculator/>.
- ³⁴ United States Bureau of Labor Statistics, "Annual Inflation Rates," accessed February 6, 2026, https://data.bls.gov/timeseries/CUUR0000SA0L1E?output_view=pct_12mths.