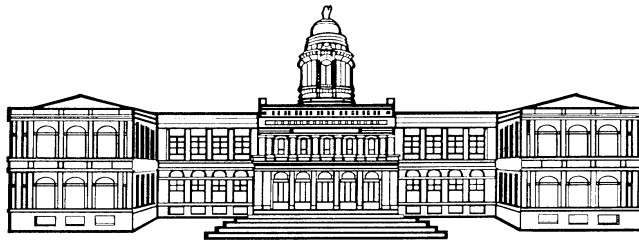


New York City Council



BUDGET NOTE

Finance Division

November 2008

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin
Chair, Committee on Finance

Hon. Domenic M. Recchia, Jr.
Chair, Committee on Cultural Affairs, Libraries
and International Intergroup Relations

Hon. Vincent Gentile
Chair, Select Committee on Libraries

Preston Niblack, Director
Jeffrey Rodus, First Deputy Director

LIBRARIES (035-039)

Library services in New York City are provided through three independent systems: the Brooklyn Public Library, the New York Public Library and the Queens Borough Public Library. These systems operate 209 local library branches throughout the City and four research library centers in Manhattan. The libraries offer free and open access to books, periodicals, electronic resources and non-print materials. Career services, internet access, along with educational, cultural and recreational programming for adults, young adults and children, are also provided. The total collection of the three systems include 400 electronic databases and more than 65 million books, periodicals and other circulating and reference items. The city provides for both direct operating support and energy in all facilities.

AGENCY FUNDING OVERVIEW (in \$000s)

Library Systems	Fiscal 2009 Adopted Budget	Fiscal 2009 November Plan	Fiscal 2010 Plan at Fiscal 2009 Adoption	Fiscal 2010 November Plan
New York Public Research Library	\$24,841	\$24,220	\$23,583	\$22,404
New York Public Library	\$119,146	\$116,167	\$112,898	\$107,253
Brooklyn Public Library	\$88,605	\$86,390	\$83,941	\$79,744
Queens Borough Public Library	\$86,940	\$84,769	\$82,534	\$78,239
Total	\$319,532	\$311,546	\$302,776	\$287,640

Fiscal 2009 November Plan Action Analysis

In September, the Mayor's Budget Director ordered each agency head to submit proposed Programs to Eliminate the Gap (PEGs) equal to 2.5% in Fiscal 2009 and 5% in Fiscal 2010 and each of the outyears of the agency's City tax-levy budget. The Fiscal 2009 November Plan presents the results of this budget exercise.

Programs to Eliminate the Gap are Financial Plan actions that reduce the City's budget gap by either reducing an agency's City tax-levy Expense Budget or increasing City revenues. It should be noted that some PEGs involve increases in Expense Budget costs that lead to increased revenues. For example: An agency may increase expenses by hiring 20 inspectors, with the expectation that those inspectors will generate additional revenue, ultimately saving City tax-levy dollars.

The chart below indicates the PEG amount the agency is proposing to implement in Fiscal 2009 based upon the Fiscal 2009 Adopted Budget and the amount in Fiscal 2010 based on the 2010 forecast at the time of adoption.

NOVEMBER PLAN PEGS (in \$000s)				
		Fiscal 2009 Adopted Budget and Forecast	Fiscal 2009 November Plan PEGs	PEG as percentage of Adopted Budget and Forecast
	Fiscal 2009	311,546	(7,989)	-2.5%
	Fiscal 2010	302,776	(15,139)	-5.0%

NOVEMBER PLAN ACTIONS (\$000)						
Description \$(000)	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Adopted Plan						
NYPL Research	24,841	0	24,841	23,583	0	23,583
NYPL	119,146	0	119,146	112,898	0	112,898
BPL	88,605	0	88,605	83,941	0	83,941
QPL	86,940	0	86,940	82,354	0	82,354
Total Budget as per the Adopted Plan	319,532	0	319,532	302,776	0	302,776
PEGS						
NYPL Research	(621)	0	(621)	(1,179)	0	(1,179)
NYPL	(2,979)	0	(2,979)	(5,645)	0	(5,645)
BPL	(2,215)	0	(2,215)	(4,197)	0	(4,197)
QPL	(2,174)	0	(2,174)	(4,118)	0	(4,118)
Total PEGS	(7,989)	0	(7,989)	(15,139)	0	(15,139)
Other Adjustments						
Collective Bargaining (QPL)	3	0	3	3	0	3
Total Other Adjustments	3	0	3	3	0	3
Agency Budget Changes per the November Plan						
NYPL Research	(621)	0	(621)	(1,179)	0	(1,179)
NYPL	(2,979)	0	(2,979)	(5,645)	0	(5,645)
BPL	(2,215)	0	(2,215)	(4,197)	0	(4,197)
QPL	(2,171)	0	(2,171)	(4,115)	0	(4,115)
Total November Plan Budget Changes	(7,986)	0	(7,986)	(15,136)	0	(15,136)
Agency Budget as per the November Plan						
NYPL Research	24,220	0	24,220	22,404	0	22,404
NYPL	116,167	0	116,167	107,253	0	107,253
BPL	86,390	0	86,390	79,744	0	79,744
QPL	84,769	0	84,769	78,239	0	78,239
Total Budget as per the November Plan	311,546	0	311,546	287,640	0	287,640

Programs to Eliminate the Gap (PEGs)

- **Subsidy Reduction.** This action represents a \$7.9 million decrease in Fiscal 2009 and a \$15.1 million decrease in Fiscal 2010 in baseline, lump-sum funding to each library system. These reductions would reduce six-day library service throughout the city and reduce staff positions in Fiscal 2009. In addition, six-day library service would be eliminated in most boroughs and increased staff reduction would occur in Fiscal 2010.

Library System	Fiscal 2009 PEG	Fiscal 2010 PEG
NYPL-Research	(\$621)	(\$1,179)
NYPL-Branches	(\$2,979)	(\$5,645)
BPL	(\$2,215)	(\$4,197)
QBPL	(\$2,174)	(\$4,118)
TOTAL	(\$7,989)	(\$15,139)

Other Adjustments

- **Collective Bargaining.** This represents increased baseline funding of \$3,000 for employee salaries due to recent collective bargaining agreements at Queens Borough Public Library system.

Capital Budget

FY09 Executive Capital Plan vs. FY09 Adopted Capital Budget (in \$000s)

Libraries

	FY09	FY10	FY11	FY12	FY13	Total
May	3,610	0	63	0	0	3,673
Sept	20,155	0	38	0	3,637	23,830
Variance	16,545	0	-25	0	3,637	20,157

New York Public Library

	FY09	FY10	FY11	FY12	FY13	Total
May	12,519	950	998	1,299	1,336	17,102
Sept	52,184	760	798	1,039	5,878	60,659
Variance	39,665	-190	-200	-260	4,542	43,557

Brooklyn Public Library

	FY09	FY10	FY11	FY12	FY13	Total
May	22,438	726	8,887	992	1,021	34,064
Sept	25,385	581	7,110	794	6,221	40,091
Variance	2,947	-145	-1,777	-198	5,200	6,027

Queens Public Library

	FY09	FY10	FY11	FY12	FY13	Total
May	6,451	842	9,197	1,041	1,071	18,602
Sept	15,974	674	7,358	833	5,335	30,174
Variance	9,523	-168	-1,839	-208	4,264	11,572

As part of the formulation of the FY09 Adopted Capital Budget agencies were required to reduce their capital plans by twenty percent in each year from FY09-12. The funds pushed-out from these four years could roll into the fifth year of the plan, FY13. As such, even with the inevitable roll of projects from FY08 which had yet to be committed, the FY09-13 plan is significantly less than the plan presented in May 2008.

The Libraries FY09-13 Adopted Capital Plan is \$80.7 million greater than the Executive Capital Plan released in May. When taking into account the \$51.4 million of uncommitted projects rolled from FY08 the increase of \$80.7 million is actually a decrease of \$29.4 million over the five years of the plan.

Capital Plan Highlights

- **Brooklyn Public Library – Central Branch Elevator Repairs.** \$1.9 million push out from FY09 to FY13.
- **New York Public Library – Macomb’s Bridge New Branch.** \$6 million push out from FY09 with \$1.25 million in FY13 and the remaining \$4.75 million not in the plan.
- **Queen Public Library – Far Rockaway Branch, Replacement Facility.** \$4.7 million push out from FY09 to FY13.

Prepared by:

Shadawn Smith, Legislative Financial Analyst

Latonia McKinney, Deputy Director