

THE COUNCIL OF THE CITY OF NEW YORK

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Report to the Committee on Finance and the Committee on Cultural Affairs,
Libraries, International Intergroup Relations on the
Fiscal 2022 Executive Plan, the Ten-Year Strategy for Fiscal 2022-2031,
and Fiscal 2022 Executive Capital Commitment Plan for the

Libraries

May 10, 2021

Finance Division

Aliya Ali, Principal Financial Analyst
Crielhien Francisco, Unit Head

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director

Paul Scimone, Deputy Director
Nathan Toth, Deputy Director

Libraries Executive Budget Overview

This report presents a review of the Libraries' Fiscal 2022 Executive Budget. The section below provides a summary of the changes in the Executive Budget for the Libraries introduced in the Financial Plan. Topics covered include the response to the COVID-19 emergency, Council's Budget Response and changes to the Expense Budget. Analysis and highlights of Libraries' Capital Strategy and Fiscal 2021 to Fiscal 2025 Capital Commitment Plan and Capital Budget follows the discussion of the expense budget. Appendix 1 reports the changes made to the Fiscal 2021 and Fiscal 2022 Budgets since Adoption of the Fiscal 2021 Budget.

For additional information on the Department's budget and its various programs, please refer to the Fiscal 2022 Preliminary Budget Report at <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/035-039-Libraries.pdf>

Below is a summary of key funding changes by program area and source when comparing the Libraries' Fiscal 2022 Executive Budget to their Fiscal 2021 Adopted Budget.

Table 1: Libraries Financial Summary

<i>Dollars in Thousands</i>	FY19	FY20	FY21	Executive Plan		Difference
	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Budget By Library System						
Research Libraries	\$28,458	\$31,021	\$30,930	\$30,518	\$29,609	(\$1,321)
NYPL	146,015	157,377	155,958	158,192	148,858	(7,100)
BPL	111,706	119,335	117,475	117,909	111,000	(6,475)
QBPL	115,808	123,714	122,220	121,730	115,745	(6,475)
TOTAL	\$401,988	\$431,448	\$426,582	\$428,349	\$405,212	(\$21,370)
Funding						
City Funds			\$425,984	\$421,598	\$405,212	(\$20,772)
Intra City			599	6,751	0	(599)
TOTAL	\$401,988	\$431,448	\$426,582	\$428,349	\$405,212	(\$21,370)

**The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Executive Budget.*

The Fiscal 2022 Executive Plan proposes a \$405.2 million subsidy for the library systems in Fiscal 2022, which represents a decrease of \$21.4 million or five percent, when compared to the Fiscal 2021 Adopted Budget of \$426.6 million. This net decrease is due to the absence of Council discretionary funds in Fiscal 2022 and a one-time reduction to the subsidy provided by the Administration.

Funding Sources

The budget for the New York Public Library (NYPL) is approximately 59 percent City funded. Other sources of funding include New York State, the federal government, private contributions, endowments drawn for operations, and earned revenue. NYPL received \$19.8 million in Fiscal 2021 and 2022 in State aid, which has been flat year-over-year. Additionally, the system received \$1 million in federal funding in Fiscal 2021 and \$600,000 in Fiscal 2022.

The budget for the Queens Borough Public Library (QBPL) is approximately 90.5 percent City funded. Other sources of funding include New York State, federal government and private contributions. QBPL received \$5.6 million in New York State operating funding and \$3 million in New York State grants. Additionally, the system received \$2.5 million in federal funding. State and federal funding have remained level over the last two fiscal years.

The budget for the Brooklyn Public Library (BPL) budget is approximately 84 percent City funded. Other sources of funding include New York State, federal government, private contributions, investment and earned revenue. For BPL year over year the State revenue was reduced by 3 percent from \$7.5 million in Fiscal 2021 to \$7.3 million in Fiscal 2022. Concurrently, year over year the federal revenue was reduced by 10 percent from \$1.4 million in Fiscal 2021 to FY21 \$1.2 million in Fiscal 2022.

Headcount

NYPL's overall headcount is 2,024, of which 70 percent are union jobs. Due to the COVID-19 pandemic and the closure of the library branches, the system made the budgetary decision to furlough most of its part-time non-union hourly staff (455 employees) in July 2020, many of whom could not do work to which they had been assigned given the revised public service model and public health guidance to reduce building density. Additionally, a small number of full-time non-union staff whose duties had either significantly declined or had been placed on hold as a result of the pandemic were furloughed. Subsequently, in January 2021, the Library made the decision to lay off all of the part-time hourly staff who were furloughed and 2 of the full-time non-union staff. The system has also suspended hiring for most positions with the exception of those that are considered critical for current operations.

QBPL's overall headcount is 956, of which 872 workers or 91.2 percent are union jobs. Due to the COVID-19 pandemic and the closure of the library branches, the system was only able to keep all staff on payroll until July 2020, after which QBPL had to furlough hourly staff. Currently, excluding health and safety positions, there is a hiring freeze in effect at QBPL.

BPL's overall headcount is 1,144, of which 85 percent are union jobs. BPL has implemented a stringent hiring freeze to cope with budget cuts, and are evaluating the impact on service levels, particularly as the libraries move toward reopening more services. The system has established an alternating A/B team model for branches to reduce the impact on building capacity and promote social distancing. The system expects that the resumption of expanded in-person service and full-service hours will require more staffing than its current operating model. Specifically, the system expects to require additional special officers and custodians to support new social distancing and hygiene norms. Meeting the needs of the communities during this transition to a post-pandemic environment will require staff to manage space that extends beyond the walls of the buildings into surrounding exteriors and other outdoor public space.

Fiscal 2022 Executive Plan Highlights

Table 2: Fiscal 2022 Budget Actions since Fiscal 2021 Adoption

<i>Dollars in Thousands</i>	FY21			FY22		
	City	Non-City	Total	City	Non-City	Total
NYPL Research	\$30,620	\$0	\$30,620	\$29,312	\$0	\$29,312
NYPL	154,218	3,726	157,944	147,381	0	147,381
QBPL	120,838	895	121,733	115,540	0	115,540
BPL	116,226	1,516	117,742	110,938	0	110,938
Libraries Budget as of the Fiscal 2022 Preliminary Budget	\$421,902	\$6,137	\$428,039	\$403,171	\$0	\$403,171
New Needs						
NYPL Charleston Operating Support	\$0	\$0	\$0	\$686	\$0	\$686
Subtotal, New Needs	\$0	\$0	\$0	\$686	\$0	\$686
Other Adjustments						
Research DC37 Collective Bargaining	18	0	18	18	0	18
Research Heat, Light and Power	(120)	0	(120)	280	0	280
NYPL DC37 Collective Bargaining	126	0	126	126	0	126
NYPL ExCEL Round 2	0	376	376	0	0	0
NYPL FY20 CEN FINAL	0	30	30	0	0	0
NYPL Heat, Light and Power	(285)	0	(285)	665	0	665
BPL Intra-City Culture Pass	0	150	150	0	0	0
BPL DC37 Collective Bargaining	89	0	89	89	0	89
BPL ExCEL Round 2	0	58	58	0	0	0
BPL Heat, Light and Power	(130)	0	(130)	(27)	0	(27)
QBPL DC37 Collective Bargaining	109	0	109	109	0	109
QBPL Heat, Light and Power	(112)	0	(112)	96	0	96
Subtotal, Other Adjustments	(\$304)	\$614	\$310	\$1,355	\$0	\$1,355
TOTAL, All Changes	(\$304)	\$614	\$310	\$2,042	\$0	\$2,042
Libraries Budget as of the Fiscal 2022 Executive Budget	\$421,599	\$6,751	\$428,350	\$405,212	\$0	\$405,212

The Executive Budget includes no new needs in Fiscal 2021 and \$686,000 in Fiscal 2022. Other adjustments total \$310,000 in Fiscal 2021 and \$1.4 million in Fiscal 2022.

New Needs

- **NYPL Charleston Operating Support.** The Fiscal 2022 Executive Plan includes \$686,000 in Fiscal 2022, for New York Public Library's Charleston branch operations.

Other Adjustments

- **BPL Intra-City Culture Pass.** The Fiscal 2022 Executive Plan includes \$150,000 in Fiscal 2021 for BPL Culture Pass, which is a program for cardholding patrons of New York City's public libraries. This program provides free entrance and programming at NYC cultural institutions, targeting underserved communities. Funding paid for 3 part-time staff. The contract ends in June 2021.
- **Heat, Light and Power.** The Fiscal 2022 Executive Plan includes an adjustment in energy costs at all the branches. The reductions include:
 - A reduction of \$119,792 in Fiscal 2021 and an increase of \$279,717 in Fiscal 2022 through 2025 at Research Libraries;
 - A reduction of \$284,783 in Fiscal 2021 and an increase of \$664,973 in Fiscal 2022 through Fiscal 2025 at NYPL;

- A reduction of \$130,002 in Fiscal 2021 and a reduction of \$26,770 in Fiscal 2022 to 2025 at BPL; and
- A reduction of \$111,629 in Fiscal 2021 and an increase of \$95,600 in Fiscal 2022 through 2025 at QBPL.
- **ExCEL Program.** The Fiscal 2022 Executive Plan includes \$375,832 for NYPL, \$58,410 for BPL in Fiscal 2021 for DCAS' ExCEL (Expense for Conservation and Efficiency Leadership) Program. This program uses PlaNYC expense funding for energy conservation initiatives such as LED lighting upgrades, development of HVAC design standards and cooling system designs.
- **Collective Bargaining Increase.** The Fiscal 2022 Executive Plan includes the following amounts for Collective Bargaining agreements:
 - For Research Libraries \$17,618 in Fiscal 2021 through 2025;
 - For NYPL \$126,299 in Fiscal 2021 through Fiscal 2025;
 - For BPL \$88,879 in Fiscal 2022 through Fiscal 2025; and
 - For QBPL \$109,053 in Fiscal 2021 through Fiscal 2025

COVID-19 Operations Update

Currently, 50 of NYPL's locations, 39 of QBPL's locations and 47 of BPL's locations are open for Grab and Go Service, which allows customers to place holds for on-site checkouts. For NYPL, the Andrew Heiskell Braille and Talking Book Library operating as a 54th specialized service and fulfillment center. BPL has also partnered with DYCD and 6 of their branches are serving as Learning Bridges sites and 1 branch is temporarily serving as a Test & Trace distribution site.

On May 10th, NYPL, BPL and QBPL will move to Phase 2 which will allow patrons to visit and spend time at 26 of NYPL, 13 of BPL and 14 of QBPL's branches providing expanded service. The remaining branches will follow later in May. Phase 2 includes computer and internet access, printing, and limited browsing. Limited space within Research libraries will also open to those patrons who have completed virtual consultations and made appointments.

The criteria for which branches to open depends on a range of factors, including health and safety standards set by experts, staff availability, ADA accessibility, and location, among others. The systems regularly reevaluate and adjust reopening plans. As vaccine rates climb higher and COVID cases decline the systems' expect to continue expanding services at additional branches

Budget Response

The Fiscal 2022 Preliminary Plan does not adequately fund the City's library systems as they recover from the economic impacts of the COVID-19 pandemic. To ensure that the City is well equipped to manage the recovery from this pandemic, the Council called on the Administration to support the library systems by increasing their expense and capital budgets.

The Fiscal 2022 Executive Budget does not include the additional \$22.2 million in expense funding and the additional \$156.4 capital funding in Fiscal 2022 recommended by the Council in its Preliminary Budget Response.

Enhance Expense Funding

The Council urged the Administration to restore the \$10.3 million subsidy cut in Fiscal 2022 for the library systems and baseline the \$11.9 million added at adoption in Fiscal 2021 by the Council. For the systems, reduction in earnings from waived fines, cancellation of fundraising events, and closure of space rentals and retail shops is happening concurrently with increased COVID-19 related spending. This funding was needed to support the libraries so that they could manage the year-over-year increase in programing and circulation expenses, and cover the rise in cost of materials, staff, and operating expenses. The funds would also have allowed the systems to maintain physical spaces and cover repairs and upkeep that are not capitally eligible.

Enhance Capital Funding

The Council urged the Administration to add \$156.4 million in additional capital dollars in Fiscal 2022 for library repair and maintenance to bridge the current gap in capital funding for the system’s ongoing infrastructure needs.

Capital Plan Overview

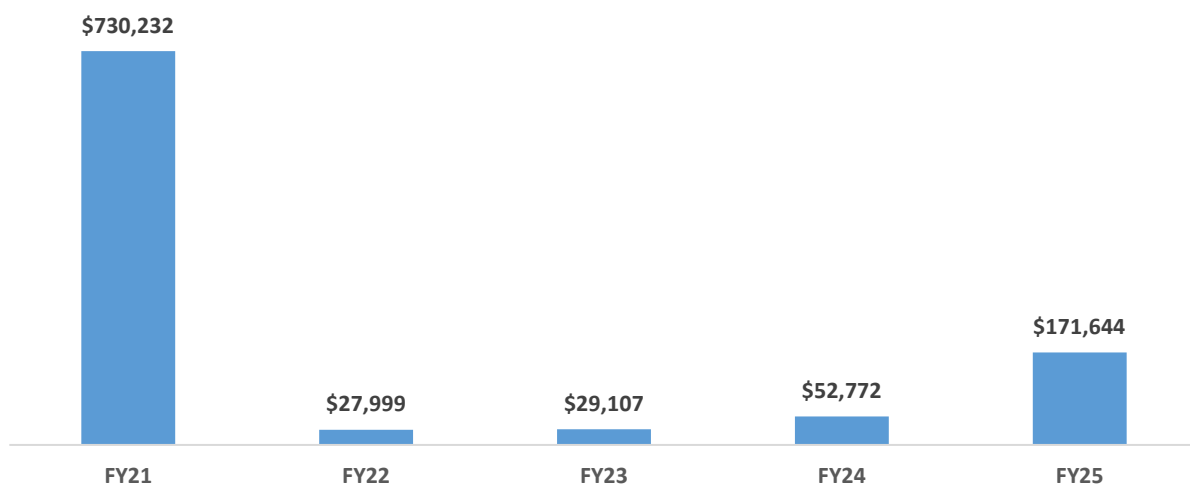
On April 26, 2021, Mayor Bill de Blasio released the Executive Capital Commitment Plan for Fiscal 2021-2025 (the Commitment Plan), the Fiscal 2022-2025 Executive Capital Budget (the Capital Budget) and the Fiscal 2022-2031 Ten-Year Capital Strategy (the Strategy).

This section will provide an overview of the Capital Budget, the Commitment Plan, and the Strategy for the Libraries. Each one of these documents should support and be well integrated with one another to properly execute the City’s capital projects, as well as meet its infrastructure goals.

Fiscal 2022-2025 Executive Capital Budget

The Capital Budget provides the estimated appropriations needed for Fiscal 2022 through Fiscal 2025. Appropriations represent the legal authority to spend capital dollars and are what the Council votes on at budget adoption. The Commitment Plan, which is a five-year spending plan, is the plan to spend those appropriations. The Capital Budget is significantly less than the Capital Commitment Plan because it does not include the current appropriations for Fiscal 2021 or the amount of funding that may be added in the Adopted Budget.

Figure 1: Libraries Fiscal 2021 Available Appropriations and FY22-FY25 Capital Budget (000)

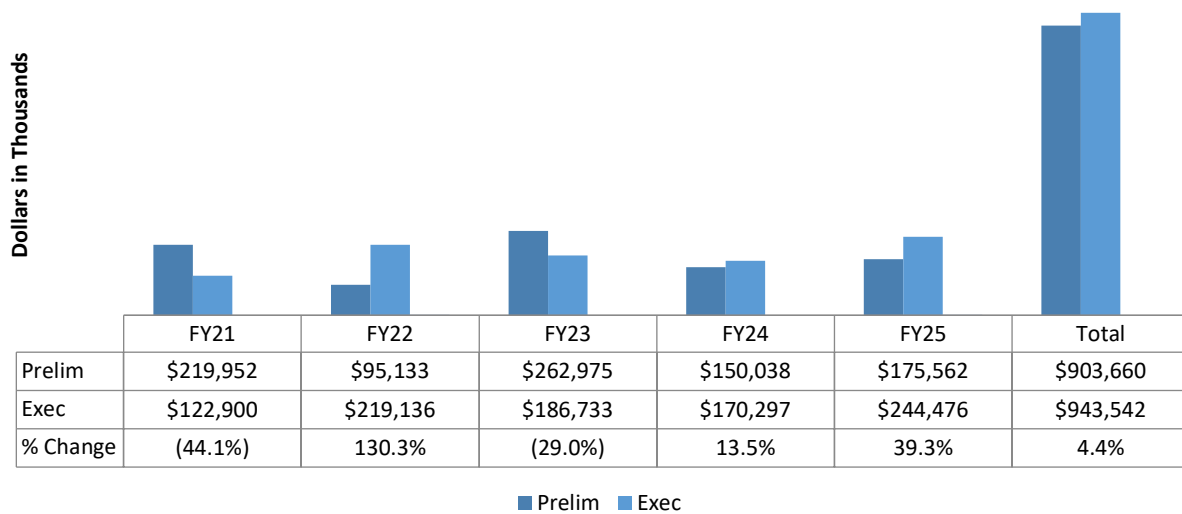


As shown in the chart above, Libraries’ Fiscal 2022 Executive Capital Budget includes \$281.5 million in Fiscal 2022-2025 Libraries’ Fiscal 2022 Executive Capital Budget is an estimate of the additional appropriations needed on top of the projected re-appropriations for Fiscal 2021 to fully fund the Libraries’ capital projects planned for next year. As of February 28 2021, Libraries’ had \$730.2 million in available appropriations for Fiscal 2021. The Executive Budget proposes additional appropriations in Fiscal 2022 of \$27.9 million for Libraries.

Fiscal 2022 Executive Capital Plan for Fiscal 2021-2025

The Fiscal 2022 Executive Capital Commitment Plan, which covers Fiscal Years 2021-2025, includes \$943.5 million for the Library Systems (including City and Non-City funds). This represents less than one percent of the City’s total \$93 billion Executive Plan for Fiscal 2021-2025. Libraries’ Preliminary Commitment Plan for Fiscal 2021-2025 is \$39.9 million less than the Adopted Commitment Plan.

Figure 2: Libraries Commitment Plan



There is \$310.6 million (including City and non-city) in the Fiscal 2021-2025 Executive Capital Plan for the NYPL branches. There is \$1.9 million (including city and non-city) in the Fiscal 2021-2025 Executive Capital Plan for Research Libraries.

There is \$316.5 million (including City and non-city) in the Fiscal 2021-2025 Executive Capital Plan for QBPL.

There is \$314.5 million (including City and non-city) in the Fiscal 2021-2025 Executive Capital Plan for BPL.

Commitment Rates

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. However, this also makes it difficult to track when projects were originally scheduled to be completed. In Fiscal 2019 the systems had a commitment rate of 74.2 percent committing \$146.5 million from planned commitments of \$197.4 million. Comparatively in Fiscal 2020, the systems had a much lower commitment rate of 18.6 percent committing \$33.6 million from planned commitments of \$180.5 million. The lower commitment rate can be partially attributed to COVID19 which caused a temporary halt to Capital projects. The City’s Office of Management and Budget (OMB) has

restarted the Capital Plan and the three systems continue to have regular conversations with OMB as well as the Department of Design and Construction (DDC) and the New York City Economic Development Corp (NYCEDC) on its projects.

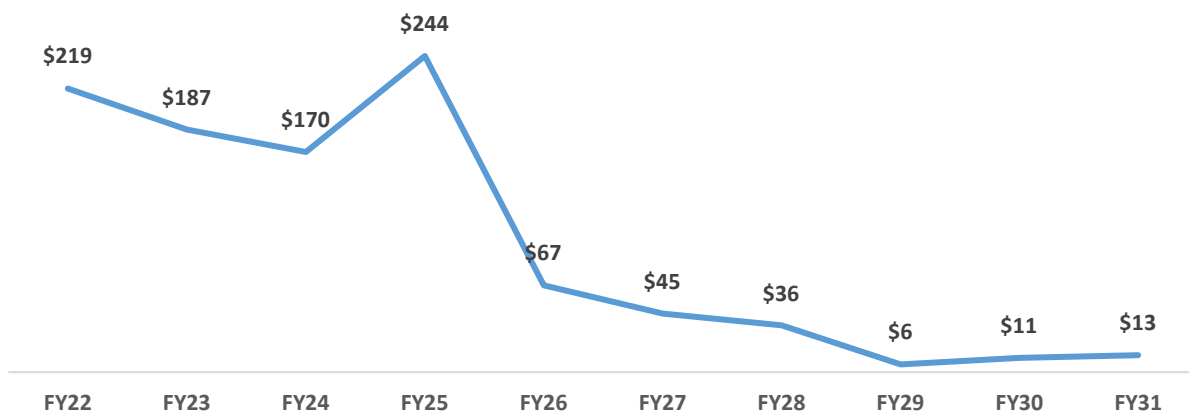
Executive Ten-Year Capital Strategy Fiscal 2022-2031

The Ten-Year Strategy is the City’s long term capital planning document which provides a framework for capital spending by agency. The Strategy is released every two years as mandated by the City Charter. The Ten-Year Strategy provides information on the comprehensive infrastructure planning that the City undertakes explains the connection between capital investment and strategic priorities. It is designed to help prioritize investment decisions across all capital agencies and to communicate to the public an integrated approach to capital planning across infrastructure types, in line with the growth of the City.

Executive Ten-Year Capital Strategy (TYCS)

For the Libraries, the Ten-Year Capital Strategy provides \$996.5 million in Fiscal 2022–2031 for capital construction and reconstruction projects.

Figure 3: Executive Ten-Year Capital Strategy (in Millions)



As illustrated in the chart above, the Ten-Year Capital Strategy contains almost all of its capital spending in the first four years. Unfortunately, this planning pattern is repeated in many other City agencies Ten-Year Strategies. The above spending plan essentially cuts capital spending to almost nothing for six out of the ten years of the plan. It is unlikely that this Ten-Year Strategy accurately reflects how the funds will be used.

Highlights of the Executive Ten-Year Capital Strategy

In their Executive Ten-Year Capital Strategy, the libraries focus on the protection of the growing collection of library materials, reconstruction of branches, increasing accessibility for people with disabilities and upgrading the technology infrastructure to improve online and computer access.

Brooklyn Public Library

The Executive Ten-Year Capital budget for BPL \$308.3 million. Of the \$308.3 million funded in the Strategy, \$127.5 million is allocated for the comprehensive renovation of branches and is distributed among five libraries (Brownsville, Canarsie, Eastern Parkway, New Lots, and New Utrecht) designated as most critical by BPL. Additionally, \$19.7 million is also allocated for the exterior and interior rehabilitation of the Borough Park branch. Funding for other branches

focuses on public service enhancements, cyclical replacements of building components (roofs, HVAC systems, and boilers), and Americans with Disabilities Act (ADA) compliance.

New York Public Library and Research Libraries

The Executive Ten-Year Capital budget for the NYPL and Research Libraries is \$289.5 million. Of that, \$234.3 million is allocated for the comprehensive renovation and outfitting of branches including five Carnegie branches (125th Street, Fort Washington, Melrose, Hunts Point, and Port Richmond) for a total of \$71.2 million, in addition to \$30.5 million in 2021, Westchester Square for \$28.4 million, in addition to \$1 million in 2021, and Castle Hill for \$7.7 million. Another \$47.9 million is also allocated for improvements to existing facilities, including Woodlawn Heights branch for \$8 million, in addition to \$0.4 million in 2021. Additional funding for other branches focuses on maintaining and upgrading facilities, including roof, window, and door replacements, and Americans with Disabilities Act (ADA) compliance.

Queens Borough Public Library

The Executive Ten-Year Capital budget for QBPL is \$398.7 million. Funding totaling \$289.2 million is allocated to QBPL for comprehensive renovations, new construction, outfitting, and expansion of branches, which includes \$27.8 million allocated for the expansion and renovation at the Jackson Heights branch library as well as \$25 million for an expansion and renovation at Corona branch. Additional funding for other branches focuses on renovations, rehabilitations, systems upgrades, and cyclical replacements of building components including roofs, windows, and doors.

Appendix 1: Fiscal 2022 Budget Actions since Fiscal 2021 Adoption

<i>Dollars in Thousands</i>	FY21			FY22		
	City	Non-City	Total	City	Non-City	Total
NYPL Research	\$30,930	\$0	\$30,930	\$30,064	\$0	\$30,064
NYPL	155,734	224	155,958	151,160	0	151,160
QBPL	121,979	241	122,220	118,503	0	118,503
BPL	117,342	133	117,475	113,783	0	113,783
Budget as of the Fiscal 2021 Adopted Budget	\$425,985	\$598	\$426,583	\$413,510	\$0	\$413,510
New Needs						
NYPL Charleston Operating Support	\$0	\$0	\$0	\$686	\$0	\$686
Subtotal, New Needs	\$0	\$0	\$0	\$686	\$0	\$686
Other Adjustments						
NYPL Energy Personnel	\$0	85	\$85	\$0	\$0	\$0
NYPL ExCEL Projects	0	3,066	3,066	0	0	0
FY21-NYCCC	0	351	351	0	0	0
BPL Energy Analyst	0	57	57	0	0	0
BPL Energy Personnel	0	24	24	0	0	0
BPL FY21 NYCCC	0	730	730	0	0	0
BPL Solar PV Installation	0	572	572	0	0	0
QBPL FY21 NYCCC	0	654	654	0	0	0
NYPL CC Member Items Reallocation	43	0	43	0	0	0
BPL CC Member Items Reallocation	58	0	58	0	0	0
QBPL CC Member Items Reallocation	83	0	83	0	0	0
Research DC37 Collective Bargaining	18	0	18	18	0	18
Research Heat, Light and Power	(120)	0	(120)	280	0	280
NYPL DC37 Collective Bargaining	126	0	126	126	0	126
NYPL ExCEL Round 2	0	376	376	0	0	0
NYPL FY20 CEN FINAL	0	30	30	0	0	0
NYPL Heat, Light and Power	(285)	0	(285)	665	0	665
BPL Intra-City Culture Pass	0	150	150	0	0	0
BPL DC37 Collective Bargaining	89	0	89	89	0	89
BPL ExCEL Round 2	0	58	58	0	0	0
BPL Heat, Light and Power	(130)	0	(130)	(27)	0	(27)
QBPL DC37 Collective Bargaining	109	0	109	109	0	109
QBPL Heat, Light and Power	(112)	0	(112)	96	0	96
Subtotal, Other Adjustments	(\$122)	\$6,153	\$6,031	\$1,355	\$0	\$1,355
Savings Program						
Research: One time reduction to the operating subsidy	(\$310)	\$0	(\$310)	(\$752)	\$0	(\$752)
NYPL - One time reduction to the operating subsidy	(1,558)	0	(1,558)	(3,779)	0	(3,779)
BPL: One time reduction to the operating subsidy	(1,173)	0	(1,173)	(2,845)	0	(2,845)
QBPL One time reduction to the operating subsidy	(1,223)	0	(1,223)	(2,963)	0	(2,963)
Subtotal, Savings Program	(\$4,264)	\$0	(\$4,264)	(\$10,339)	\$0	(\$10,339)
TOTAL, All Changes	(\$4,386)	\$6,153	\$1,767	(\$8,297)	\$0	(\$8,297)
Budget as of the Fiscal 2022 Executive Budget	\$421,599	\$6,751	\$428,350	\$405,212	\$0	\$405,212