



ANNUAL REPORT

The New York Public Library

2010



Letter from the Chairman



Catherine Marron

Photo: Mike DiVito

This year, as The New York Public Library looks forward to commemorating the Centennial of its landmark Stephen A. Schwarzman Building, 100 isn't the only number to celebrate. The fiscal year that ended June 30, 2010, was one marked by record-breaking figures and numerous accomplishments, large and small.

During the past year, the Library faced harsher budget cuts than ever before, and the citizens of the city rose to meet the challenge by joining our advocacy campaign in overwhelming numbers. As you'll read in the Year in Review section, NYPL's "Don't Close the Book on Libraries" campaign was so successful that very few cuts in Library hours and staff were necessary.

More than 130,000 concerned Library users from across the city wrote letters to their elected officials protesting the deep cuts that would have decimated hours, resources, and staff. In addition, NYPL's loyal supporters donated \$144,000 online.

We thank them for their generosity, and we thank Mayor Michael R. Bloomberg, City Council Speaker Christine C. Quinn, and members of the City Council for recognizing the importance of the Library in New Yorkers' lives; as a result, NYPL has been able to keep all 90 locations open for the millions of patrons who rely on us every day.

As always, we also thank the ongoing generosity of the Library's steadfast Trustees. This year, we welcomed three new Trustees to the Board: Evan R. Chesler, Susan Morgenthau, and Luis A. Ubi-as. Evan R. Chesler, a presiding partner at Cravath, Swaine & Moore LLP, serves on the Board's Library Policy Committee. Susan Morgenthau, a former teacher and longtime NYPL volunteer, is a member of the Campaign Steering Committee. Luis A. Ubi-as is President of the Ford Foundation and was a member of our Presidential Search Committee. I'm sure their dedication and talents will be assets to the Board and NYPL for years to come.

And, of course, we want to thank the cadre of individual, foundation, and corporate donors whose kindness allows NYPL to continually add services and programs, and who have generously supported our campaign to "Create the Library for the Future." Many of the Library's Trustees, their family members, and other friends have provided leadership support for the campaign; they include Timothy R. Barakett, Lewis B. Cullman, Roger Hertog, the Hess Corporation, Kevin W. Kennedy, Scott D. Malkin, Donald B. Marron, The Andrew W. Mellon Foundation, Carl H. Pforzheimer, Jr., Katharine J. Rayner, Elizabeth Rohatyn, the Estate of Katharine S. Rosin, Stephen A. Schwarzman, The Starr Foundation, Joshua L. Steiner, Edgar Wachenheim III, Sue Ann Weinberg, Robert W. Wilson, and two anonymous benefactors.



Paul LeClerc will discuss many of the year's highlights in his Letter from the President. For me, two particularly special additions were the Library's first Wi-Fi Reading Room in the Schwarzman Building's handsome Edna Barnes Salomon Room and the debut, with thanks to the McGraw-Hill Companies for its support, of Financial Literacy Central at the Science, Industry and Business Library, which offers patrons an invaluable source of information about budgets, investments, and taxes. Indeed, as New Yorkers continue to face record levels of unemployment, NYPL has stepped up job-search resources and workshops to help those in need.

Not surprisingly, unsurpassed numbers of children, teens, and adults flocked to Library programs (some 825,905 people attended 43,065 events), while the number of books, CDs, DVDs, and other materials borrowed hit an all-time high of more than 24 million items. The 740,000 items in the Digital Gallery received an impressive 123.4 million views, while website traffic and visits to NYPL remain among the highest of any public library in the country, at 25,369,022 and 17,744,619, respectively.

In the coming year, as NYPL reaches even more milestones — from the Centennial Celebration in May 2011 to the retirement of exceptional longtime President Paul LeClerc in the summer — I look forward to expanding the Library's services to still more people and to facing the challenges that will arise. As was the case last year, budget cuts will be a major concern as the city continues to face lost revenue and competing demands for limited funds.

Despite the challenges, I know The New York Public Library will continue to fulfill its mission — to inspire lifelong learning, advance knowledge, and strengthen our communities — and serve as a beacon to New Yorkers in good and tough times alike.

Catherine Marron

May 2011



Letter from the President



Paul LeClerc

Photo: Mike DiVito

This is the 17th letter I've penned for The New York Public Library's Annual Report, and as I step down as President of this magnificent organization, I'd like to use this occasion to begin thanking the millions of people who have supported the Library, and my efforts here, during these momentous years.

It's no doubt a cliché — at this point to say that this has been a transformative period for our Library, because the digital revolution that changed us also swept through virtually every corner of global society, altering how information is created and distributed, how business is conducted, how people learn, and how they connect with one another.

Our choice at the Library, I believe, was not simply to adapt to the digital environment. Rather, it was to wholeheartedly embrace its potential to energize our staff and expand our services and our outreach. Our choice was also to deliberately exploit digital advances so as to become an authentic leadership library in this new era.

That we have succeeded is without question. NYPL's website, nypl.org, is now the second most popular library website in the world — after the Library of Congress's — and is the leading website among New York City cultural organizations.

More than 25 million readers are now visiting us virtually each year, coming from 230 countries and territories. In 2010, the content of just one of our many digital products — the Digital Gallery, consisting of 740,000 images, all free of copyright — was viewed 123 million times. In addition, we pioneered in creating highly innovative, educationally oriented, interactive versions of our exhibits, experimenting with *Candide* at 250: *Scandal* and *Success* as a notable example of our new orientation to on-line exhibits.

We have also leveraged the power of social media to bring the Library and its resources to local and global audiences. Our hugely successful LIVE from the NYPL programs can be seen on YouTube, for example, and images from our exceptional photography collections are featured on Flickr. Some 50 of our librarians are now blogging about our collections and services for a global audience, and we proudly boast that we have more Facebook friends and Twitter followers than any other public library.

At the same time, our commitment to the traditional functions of libraries — to collect physical objects and to preserve and make them accessible to the public — is unshakeable. In the past year, our system of neighborhood libraries became the highest circulating library in America, with more



than 24 million items being borrowed by the public. Physical visits reached nearly 18 million, participation in programs system-wide reached 825,905, and there were 4.4 million computer sessions.

Notable acquisitions in our four research libraries included the papers of Maya Angelou, a cache of correspondence by Jack Kerouac, the Hubert's Museum Archive containing 27 previously unknown Diane Arbus photographs, and an extremely rare map of New York State from 1829 (the only other known copy is at the Library of Congress).

Our commitment to high-quality library facilities is also undiminished. In the past year, we opened a new location in Battery Park City, completed the full renovation of a historic one, St. Agnes, on the Upper West Side, made major progress on the restoration of the facade and roof of our historic library at Fifth Avenue, the Stephen A. Schwarzman Building, and broke ground for a new library at Mariners Harbor on Staten Island.

Credit for all of these accomplishments, and many others, is widely shared. The Library's wonderfully engaged and supportive Trustees; our extraordinarily creative and responsive staff members and volunteers, led with authentic brilliance by our Senior Management Group; deeply committed elected officials at the City, State, and Federal levels; and our extraordinarily generous private-sector donors — individuals, foundations, and corporations — have all been instrumental in making 2010 a highly successful year for the Library, in spite of the economic downturn.

To all of them, I am immensely grateful, as I am to all who over the past 17 years have been my colleagues, friends, counselors, and supporters. If The New York Public Library is the best of all possible libraries, it is because of them.

Paul LeClerc

May 2011

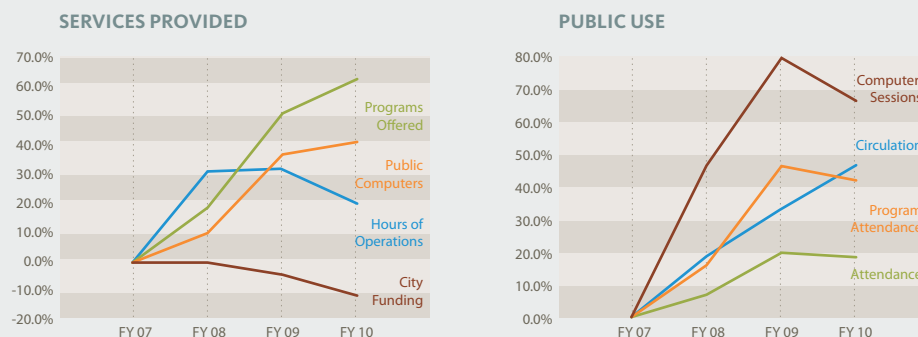


Report of the Treasurer

REPORT OF THE TREASURER

While The New York Public Library, like most other organizations, has weathered the worst of the extraordinary financial downturn of late 2008, the aftermath and nascent recovery continue to pose challenges. Library operating revenues for the year ended June 30, 2010, were down \$19 million, or 7%, from the prior fiscal year due to declines in public funding, private donations, and investment income. Furthermore, the City has indicated it will reduce the Library's revenue even more for the current fiscal year and, likely for the year beginning July 1, 2011.

Against this dreary fiscal backdrop, Library staff has responded admirably, demonstrating resilience, even cheerfulness, and a commitment to continuing to improve service to our users. As shown in the chart below, despite a discouraging arc of decline in City funding over the past four fiscal years, virtually every metric of service provided, and user demand, has shown significant increases:



The Library is understandably proud of these achievements, but it is also true that the Library cannot continue to provide greater service with fewer resources. Fortunately, thanks to the success of the Library's Campaign and improved investment results, its endowment value has rebounded to approximately \$811 million as of March 31, 2011, from a low of \$490 million following the 2008 financial crisis. Private donations have also begun to rise again as the economy recovers. Although the fiscal outlook for the City remains gloomy, it is as clear as ever that New Yorkers love their libraries – so longer-term, we can be optimistic that City funding will rebound too.

David G. Offensend

Treasurer

May 2011



FIGURE 1

Neighborhood Libraries: Operating Support and Revenue (\$139,819,000)

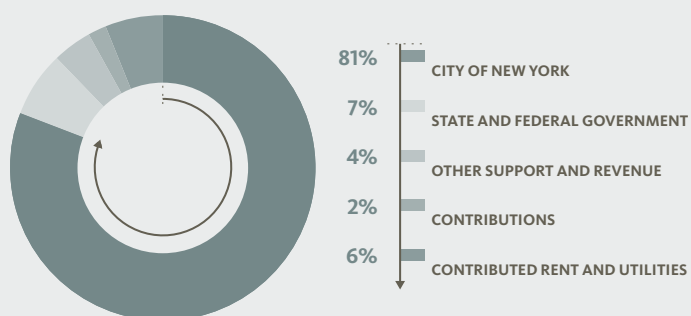


FIGURE 2

Research Centers and Librarywide Programs: Operating Support and Revenue (\$105,518,000)

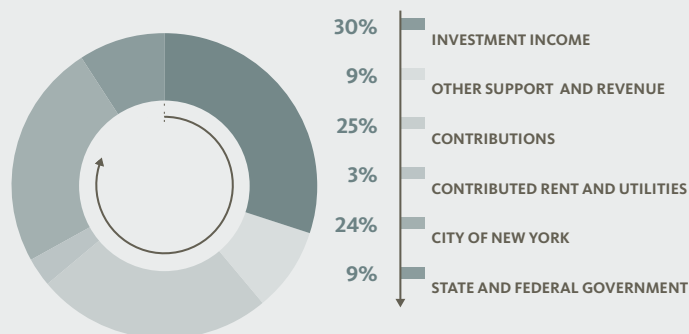


FIGURE 3

Neighborhood Libraries: Operating Expenses (\$149,789,000)

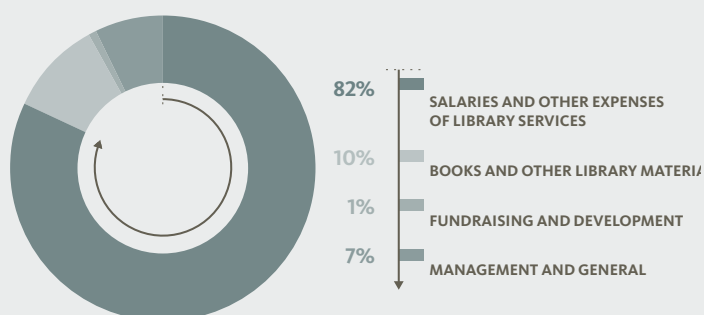


FIGURE 4

Research Centers and Librarywide Programs: Operating Expenses (\$105,542,000)

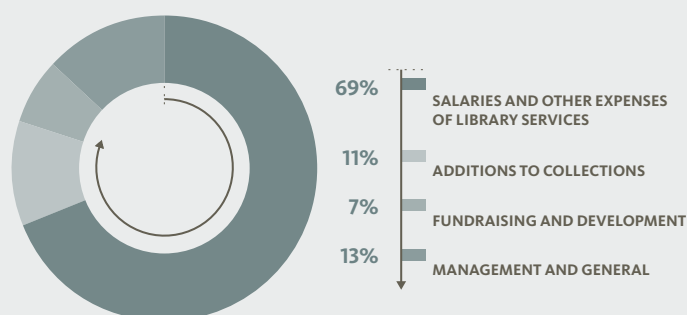
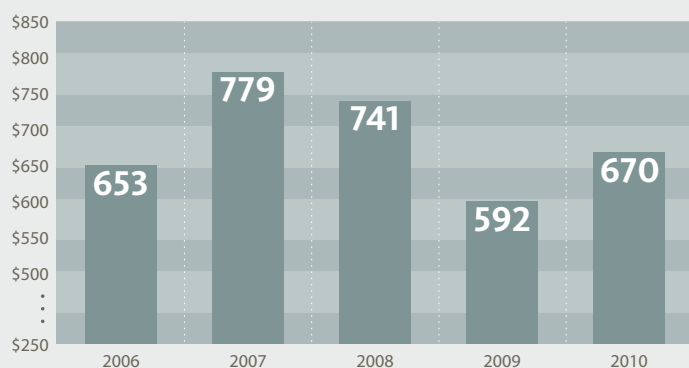


FIGURE 5

Change in Endowment (in millions)
Market Values as of June 3, 2010*



*Excludes real estate investment used in operations.



Balance Sheets

as of June 30, 2010

In thousands of dollars

2010

ASSETS

Cash and cash equivalents	\$85,481
Government and other receivables	29,018
Contributions receivable, net	107,756
Other assets	3,037
Funds held by bond trustees	3,849
Investments	678,390
Real estate investment used in operations	1,084
Fixed assets, net	306,501
Collections	—
TOTAL ASSETS	\$1,215,116

LIABILITIES

Accounts payable and accrued liabilities	\$58,903
Deferred revenue—City of New York and other	93,178
Long-term debt	92,295
Interest rate swaps	13,501
Accrued postretirement benefits	151,600
TOTAL LIABILITIES	409,477

NET ASSETS

Unrestricted	202,889
Temporarily restricted	202,775
Permanently restricted	399,975
TOTAL NET ASSETS	805,639

TOTAL LIABILITIES AND NET ASSETS

\$1,215,116



Financial Activities

as of June 30, 2010

In thousands of dollars

	Neighborhood Librarie	Research Centers and Librarywide Programs	Total
OPERATING REVENUES			
City of New York	\$113,239	\$25,175	\$138,414
State of New York	9,495	9,143	18,638
Federal government	328	599	927
Contributed rent and utilities	8,068	2,634	10,702
Private contributions and grants	3,134	26,596	29,730
Investment return appropriated for spending	718	31,770	32,488
Fines, royalties, and other revenue	4,837	9,601	14,438
TOTAL OPERATING REVENUES	139,819	105,518	245,337
OPERATING EXPENSES			
Library services	137,777	73,128	210,905
Fundraising and membership development	814	7,152	7,966
Management and general	11,198	14,153	25,351
TOTAL OPERATING EXPENSES	149,789	94,433	244,222
Additions to research collections	—	11,109	11,109
Total operating expenses and additions to research collections	149,789	105,542	255,331
Change in net assets from operating activities	(9,970)	(24)	(9,994)



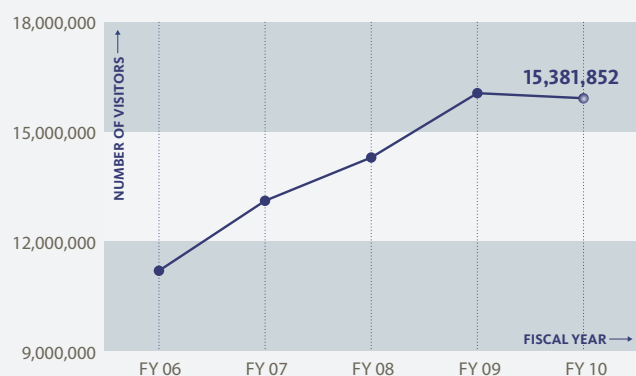
In thousands of dollars	Neighborhood Libraries	Research Centers and Librarywide Programs	Total
NON-OPERATING ACTIVITIES			
Endowment contributions	2,907	9,344	12,251
Funds designated for long-term investment	—	26,490	26,490
Capital appropriations—City of New York	8,946	14,181	23,127
Capital appropriations—State of New York	4,955	4,223	9,178
Capital contributions	2,034	—	2,034
Depreciation and amortization	7,651	10,919	18,570
Investment return, net of amounts appropriated	1,138	23,544	24,682
Postretirement benefits changes other than net periodic benefit cost	2,275	1,551	3,826
Change in value of interest rate swaps	—	(2,077)	(2,077)
Change in donor designation	2,510	(2,510)	—
Change in net assets from nonoperating activities	17,114	63,827	80,941
Change in net assets	7,144	63,803	70,947
NET ASSETS AT BEGINNING OF YEAR, AS RESTATED	19,846	714,846	734,692
NET ASSETS AT END OF YEAR	\$26,990	\$778,649	\$805,639



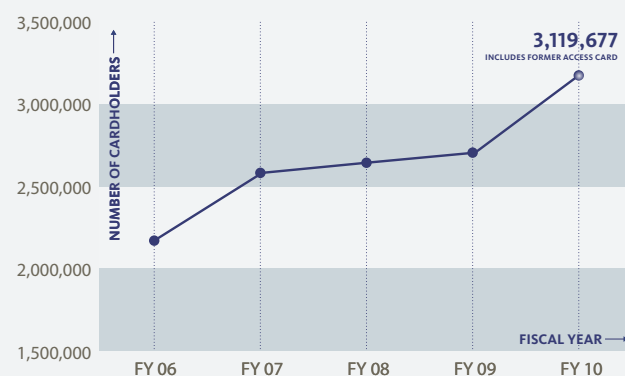
Visitors

as of June 30, 2010

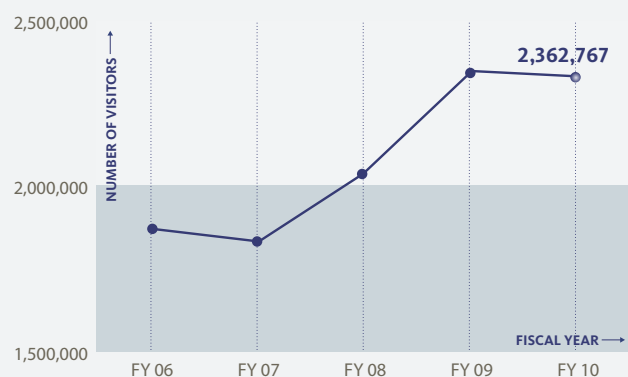
NEIGHBORHOOD LIBRARY VISITORS



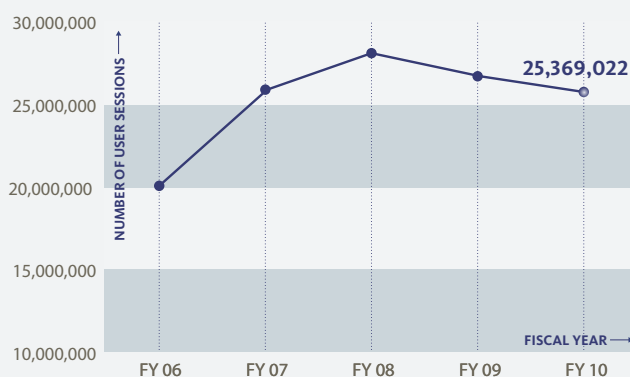
NEIGHBORHOOD LIBRARY CARDHOLDERS



RESEARCH CENTER VISITORS



VISITS TO NYPL WEBSITE

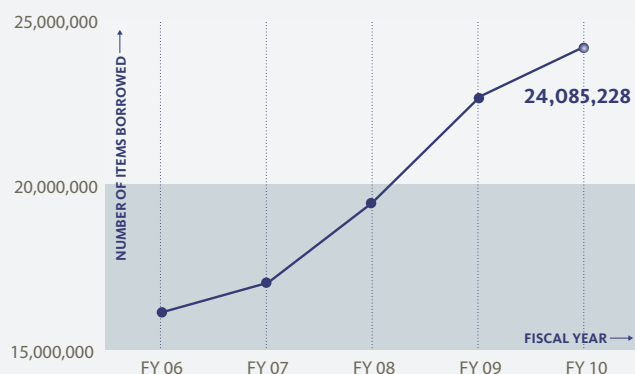




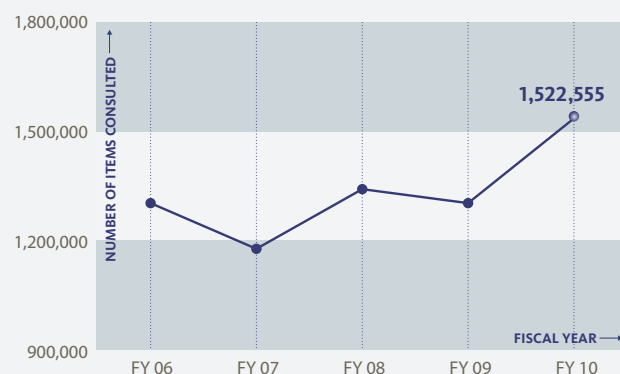
Usage of Materials / Resources

as of June 30, 2010

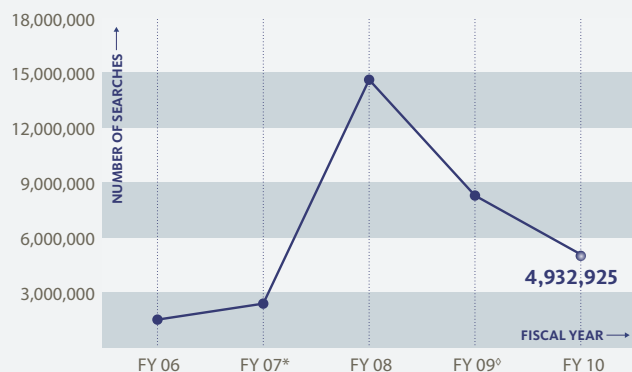
NEIGHBORHOOD LIBRARY MATERIALS CIRCULATED



RESEARCH CENTER MATERIALS USED



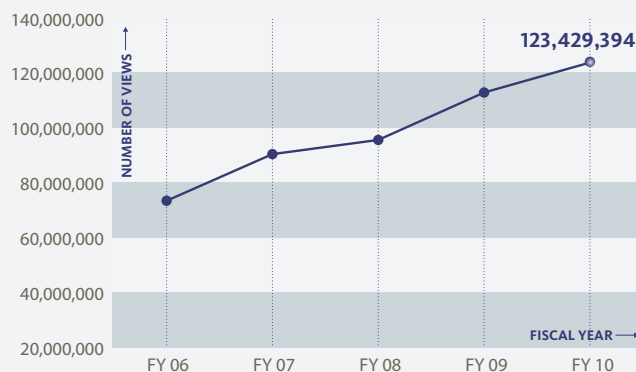
ELECTRONIC RESOURCES ACCESSED



* Collection of data from neighborhood libraries began

° 8,257,132 - Yearly estimate based on latest six months of data due to reorganization

DIGITAL GALLERY IMAGES VIEWED



HOLDINGS

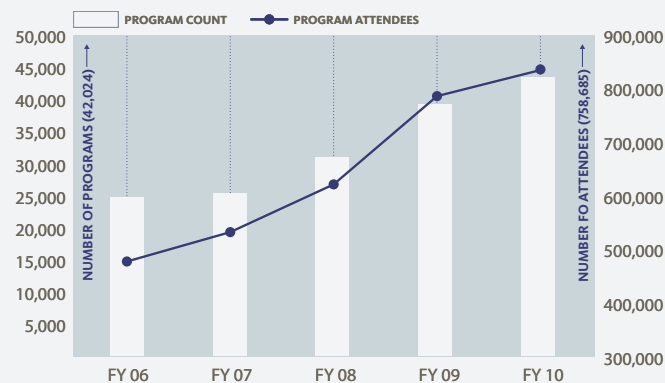
FISCAL YEAR	BRANCH COLLECTION HOLDINGS	RESEARCH COLLECTION HOLDINGS	# OF ELECTRONIC DATABASES OFFERED
FY10	8,438,775	44,507,623	339
FY09	8,708,869	44,356,334	414
FY08	7,565,579	44,160,825	480
FY07	7,299,286	43,975,362	456
FY06	7,055,138	43,773,335	347



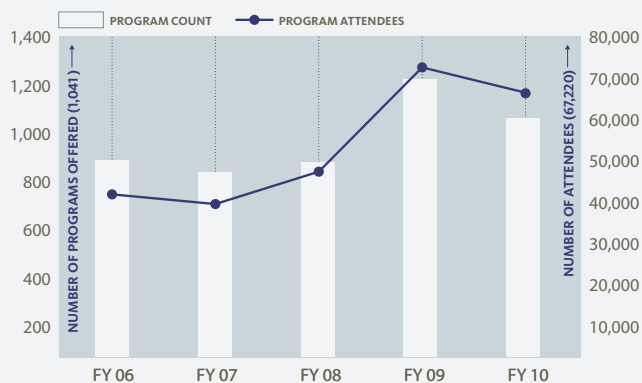
Programs and Services

as of June 30, 2010

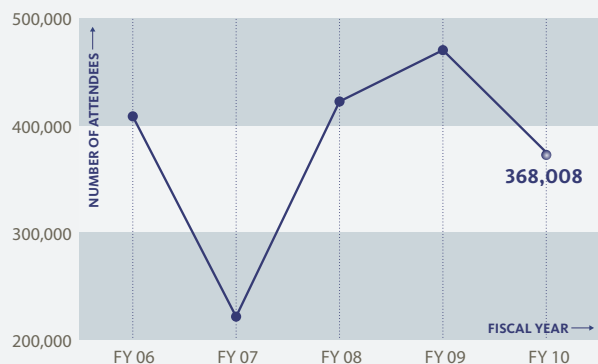
NEIGHBORHOOD LIBRARY PROGRAMS AND ATTENDANCE



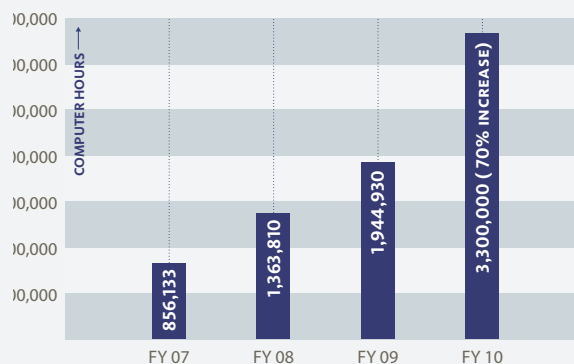
RESEARCH CENTER PROGRAMS AND ATTENDANCE



EXHIBITION ATTENDANCE



PUBLIC COMPUTER USE



REFERENCE TRANSACTIONS

FISCAL YEAR	TELEPHONE	E-MAIL	CHAT	QUESTIONPOINT	BRANCH ON-SITE INQUIRIES	RESEARCH ON-SITE INQUIRIES
FY10	64,323	20,835	15,816	714*	13,822,073	300,514
FY09	46,769	9,245	11,337	—	14,211,795	452,948
FY08	37,628	9,753	7,479	—	14,060,250	615,986
FY07	47,234	12,951	8,429	—	15,644,180	615,967
FY06	44,813	13,353	7,858	—	12,477,756	556,820

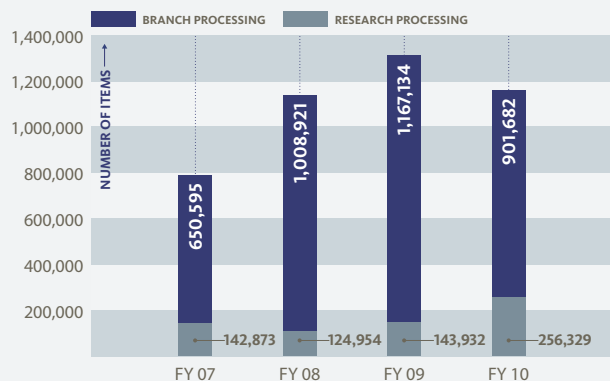
* Questionpoint is new for FY10



Behind the Scenes

as of June 30, 2010

CATALOGING AND PROCESSING



MATERIALS PRESERVED

FISCAL YEAR	PRINT MATERIALS & PRINTS	AUDIOTAPES & CDS (HOURS)	MOTION PICTURE (FOOTAGE)	VIDEOTAPE (HOURS)	ITEMS ADDED AT OFFSITE CLIMATE-CONTROLLED FACILITY (RECAP)
FY10	25,197	364	38,901	1,045	93,647
FYo9	133,961	224	73,555	1,183	91,138
FYo8	156,433	884	7,138	1,796	111,419
FYo7	162,161	253	6,000	1,105	138,324
FYo6	145,249	770	1,775	3,351	131,099

STAFF

FISCAL YEAR	EMPLOYEES		VOLUNTEERS	
	NEIGHBORHOOD LIBRARIES	RESEARCH CENTERS	NEIGHBORHOOD LIBRARIES	RESEARCH CENTERS
FY10	1,724	812	1,397	497
FYo9	1,997	940	1,002	397
FYo8	2,128	1,016	1,036	394
FYo7	2,151	1,004	1,175	342
FYo6	2,121	1,026	1,105	350