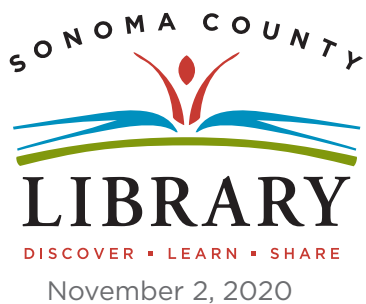


Measure Y

Oversight Committee
2019 | 2020 Report



In November 2016, voters of Sonoma County approved Measure Y, a one-eighth of a cent sales tax to support the Sonoma County Library. The ordinance stipulated that the Library Commission establish a citizen oversight committee to annually review expenditures and appropriations of the tax revenues to ensure that all such revenue is spent or appropriated for purposes and uses set forth in the expenditure plan of Measure Y. The revenues shall be used only to supplement existing revenues collected for the Library and shall not be used to supplant existing Library funding.

This report from the Measure Y Oversight Committee examines the expenditures to ensure that they conform to the spirit and letter of the ordinance. Based on the expenditure plan of the Measure Y ordinance, the additional sales tax revenues should be used only for the following purposes:

- Support library collections, educational programs, and classes for Sonoma County's pre-school and school-age children as well as adults and seniors
- Improve access to local libraries
- Maintain aging library facilities

Supporting Library Programs, Collections And Services

Measure Y funding constituted 38% of Sonoma County Library's total budget in fiscal year 19/20. With these additional funds, libraries were able to expand the variety and number of programs offered. Over \$4.5 million was spent on services, supplies, books and programs in 19/20.

- The Education Initiative Librarian was paid for with Measure Y funding. Her efforts resulted in more than 50,000 students signing up for the Student OneCard program through local school districts. This allows students to access library resources using their student ID number.
- Libraries continued to offer their distinguished speaker series. Library patrons were treated to several New York Times bestselling authors. These included Lisa See, Susan Orlean, Tommy Orange, Ibram X. Kendi, and Firoozeh Dumas as well as several other local authors.
- All adult programs in fiscal year 19/20 were paid for with Measure Y funds.
- In its ongoing effort to support education, libraries provided early learning workshops and learning with presenters like Animal Music and Colors of Spanish.
- School-age youth participated in STEAM activities that included Ozobots, LegoWeDo, Cubelets, Keva, Snap Circuits and much more.
- SAT intensive workshops were once again provided for teens, as well as coding classes, creative writing workshops and 21st century skill building games and events.
- Youth book clubs and summer reading events were offered to encourage reading in our youth.

- Lifelong learners were not forgotten. An Emergency Preparedness series was offered along with American Sign Language classes. Learning to play the guitar and ukulele proved to be popular classes.
- A series of classes was offered in Healthy Living. Tamale making workshops were well attended, as were workshops to improve job skills.
- The library celebrated Sonoma County's diverse cultural heritage with music concerts featuring artists Jean-Paul Buongiorno, Pine Needles, Brazilian Duo Benji & Rita, Eki Shola, and many more.
- Asian Pacific Heritage month was celebrated with Aloha Polynesia, as well as an African Village celebration with Onye Onyemaechi.
- In its ongoing effort to provide updated technology, libraries offered an opportunity for teens to experience virtual reality with library provided headsets. Seniors were not overlooked, and an iPad digital video workshop was held.
- Basic computer literacy classes continued, in English and Spanish.
- Hotspots and Chromebooks were purchased with grant and sales tax funds, and Measure Y funds paid for the data plans for both. With online learning in Sonoma County, this was vital to the educational success of students.

“Sixteen of the 40 school districts in Sonoma County have enrolled in the Student One Card partnership, a great beginning step in improving access to local libraries.”

- Measure Y funds allowed the library to extend its outdoor WiFi in Windsor, benefiting people who park or sit outside. This pilot program will be extended to more branches in the future.
- These funds were also used to temporarily increase checkout limits to hoopla, Kanopy and OverDrive during the COVID-19 Shelter in Place order in March through June of 2020.
- Prior to the shelter orders, the library was able to expand Lucky Day, Playaway and Juvenile Book and Media Collections.
- This year the library added the National Geographic Archive online, access to state fire maps via Fire Insurance Maps Online, and digitized historical photographs and other local documents.
- Measure Y funding supports a subscription to Tutor.com, an educational platform that provides one-on-one tutoring, resume review, and much more.
- The library also subscribed to Code Combat, a game-based coding curriculum for youth. This platform supported coding classes for youth.
- A subscription to services that provide educational programming through public performances of educational films and movies was made possible with Measure Y funds.
- In 2015, before the passage of Measure Y, the library had 1-2 librarians dedicated to supporting teen services. Thanks to Measure Y, the library has added staff to provide teen librarians in every branch who serve youth ages 12-18. This allows the library to have staff with expertise in working with youth who are then able to provide instruction, outreach, enrichment and support to middle school and high school students and teachers.

With the closure of all libraries in mid-March due to COVID-19, all in-person classes and programs were discontinued or postponed. Despite the closure, an amazing number of programs and activities were provided to the patrons of the Sonoma County Library system thanks to Measure Y funding.

Libraries are for Everyone



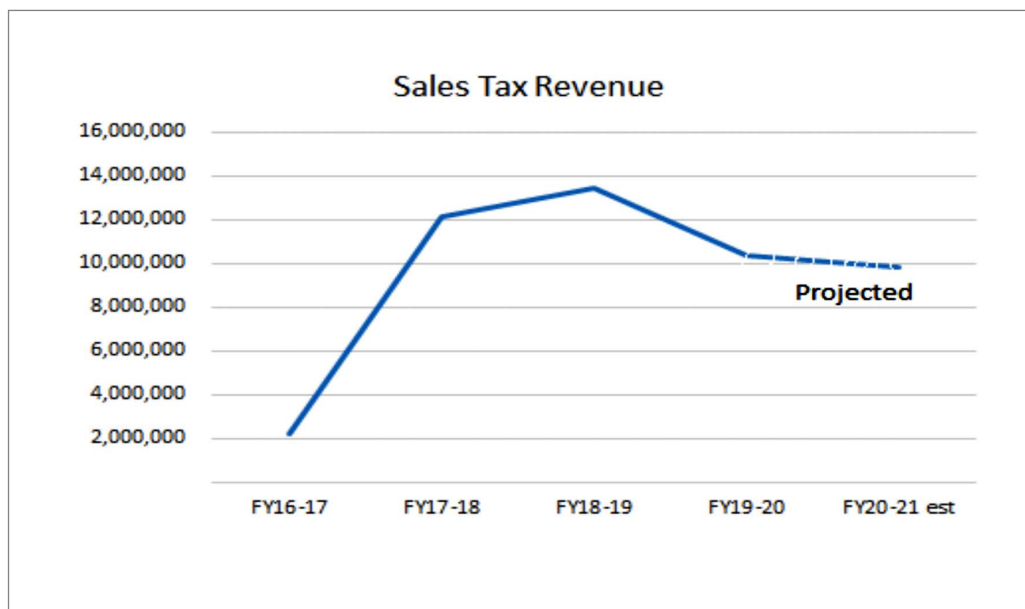
Curbside pickup of books and materials in the time of COVID-19

The following comments apply to the financial summary:

- The figures are based on financial reports from the library as the oversight committee does not audit the figures
- The income figures include only sales tax revenues and interest income; they do not include unrealized gains and losses or other minor items
- The figures for FY18-19 are subject to minor changes due to audit adjustments (the audit is not yet complete)
- The figures for FY19-20 are unaudited and subject to revision
- Salary and benefits figures are based on a percentage of total salary and benefits costs (about 26%) rather than on the actual costs for slots designated as covered by Measure Y

As discussed in section 2, fiscal year 19-20 was a difficult year for the library. When the pandemic struck, economic activity slowed significantly, seriously impacting taxable sales in the county, and thus the revenue from Measure Y.

Figure 1 shows the dramatic reduction in Measure Y revenues.



Revenue decreased by more than 20% from the previous year. Part of that is because the state withheld transfers of tax revenues at the end of the year (there is normally about a two-month lag time in receiving sales tax revenue but there was more of a delay this year). That revenue will be paid later and will be counted in the next fiscal year. The Library Commission is projecting that overall revenue will decrease again in FY20-21. During the financial crisis of 2008-09, taxable sales in the county fell by 20% and it took five years to regain the previous level of revenue.

Even with the drop in revenue, the library managed to stay ‘in the black’ for the fiscal year because expenditures were also reduced, as shown in table 1. The largest part of expenses (about 40%) is for salary and benefits; the library continued to pay salaries to staff during the shutdown. Many staff worked from home during that period. Several of the capital projects planned for the year were put on hold, but work has continued on the Roseland branch. The surplus was much lower than in the previous two years, approximately \$650,000 versus \$4 million per year.

“ The Sonoma County Library system continues to provide programming that enlightens and engages its patrons. With Measure Y funding, so much more has been possible. ”

The library uses an outside agency to prepare the payroll. The total charges are first transferred to the General Fund, then a percentage of that figure is transferred to the Sales Tax fund. Salaries and benefits account for approximately 40% of total expenditures, but it is not possible for the oversight committee to determine if the figure is accurate due to the manner in which the charges are made. The administration has since found a way to report actual numbers in the future.

Table 1

2019-20		
	<u>Budget</u>	<u>Actual</u>
Revenues		
Sales Tax	12,600,000	10,145,615
Interest	<u>15,000</u>	<u>212,089</u>
Total Revenue	12,615,000	10,357,704
excluding unrealized gains/losses and miscellaneous		
Expenses		
Salaries and Benefits	5,065,256	4,001,405
Materials	1,928,500	1,800,777
Events and Programs	677,000	346,699
Services /Supplies	3,119,244	2,556,859
Capital Expenses	<u>3,165,000</u>	<u>988,512</u>
Total Expenses	13,955,000	9,694,252

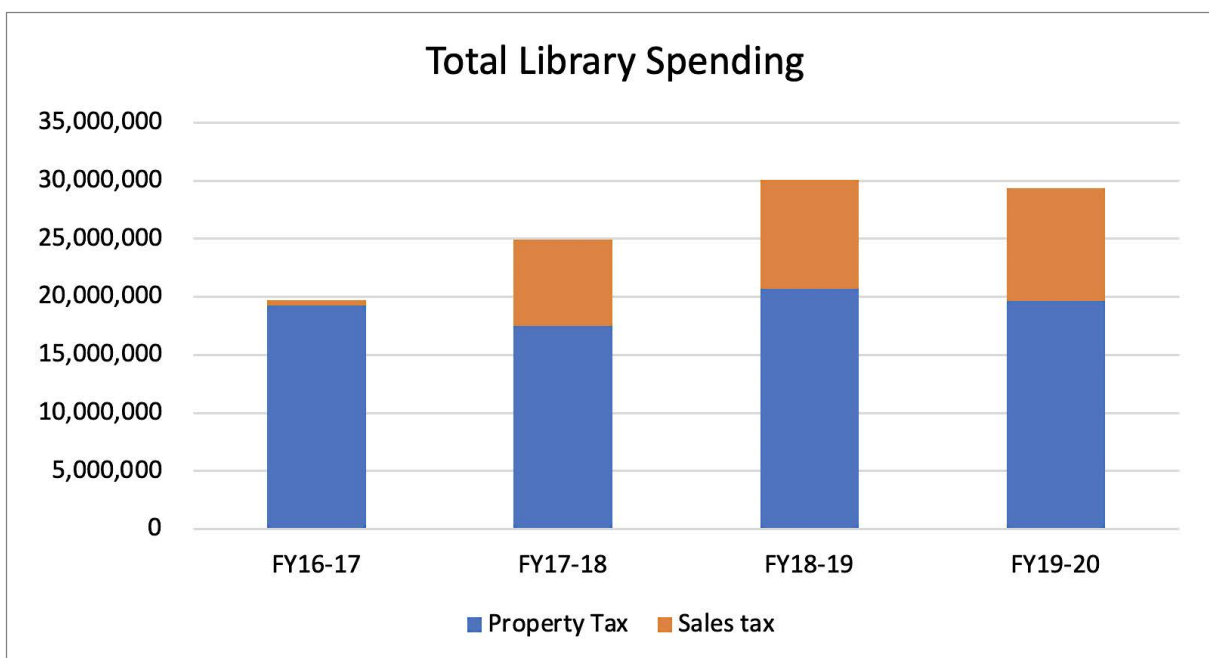
In total, Measure Y has provided more than \$38 million in resources since its inception with revenues exceeding expenses by about \$11 million. That excess is planned for future capital projects.

Table 2

Sales Tax Fund	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	since inception
	2016-17	2017-18	2018-19	2019-20	Total
Revenues					
Sales Tax	2,235,270	12,110,478	13,265,637	10,145,615	37,757,000
Interest	<u>(719)</u>	<u>43,021</u>	<u>155,048</u>	<u>212,089</u>	<u>409,439</u>
Total Revenue	<u>2,234,551</u>	<u>12,153,499</u>	<u>13,420,685</u>	<u>10,357,704</u>	<u>38,166,439</u>
excluding unrealized gains/losses and miscellaneous					
Expenses					
Salaries and Benefits	-	2,936,129	3,724,881	4,001,405	10,662,415
Materials	85,746	1,140,970	1,882,844	1,800,777	4,910,337
Events and Programs	-	299,867	483,411	346,699	1,129,977
Services/Supplies	351,103	1,340,385	1,911,105	2,556,859	6,159,452
Capital Expenses	<u>-</u>	<u>1,669,016</u>	<u>1,434,646</u>	<u>988,512</u>	<u>4,092,174</u>
Total Expenses	<u>436,849</u>	<u>7,386,367</u>	<u>9,436,887</u>	<u>9,694,252</u>	<u>26,954,355</u>
Surplus/(Deficit)	<u>1,797,702</u>	<u>4,767,132</u>	<u>3,983,798</u>	<u>663,452</u>	<u>11,212,084</u>

Measure Y has allowed the Library Commission to expand spending for the library significantly. Figure 2 shows combined spending of property tax revenue and sales tax revenue since the beginning of Measure Y.

Figure 2



The Measure Y Citizens' Oversight Committee had a unique year overseeing the expenditures related to the Measure Y ballot measure. With COVID-19, we met virtually multiple times and reviewed the finances associated with the measure. The pandemic has had immense impacts on all aspects of the government in Sonoma County – the library is no exception.

Fortunately, Measure Y funding has assisted the library in hiring staff and maintaining services during this unprecedented time. Since the tax measure is a dedicated sales tax revenue generator, the pandemic's toll on the economy is affecting the Measure Y revenue for the library system.

As demonstrated in the financial overview in Section 3, revenues are 20% lower in FY19-20 than the previous fiscal year.

One of the main areas of concern for the committee is work towards refurbishing and updating library facilities. Given the pandemic, this work has predictably slowed down. Another challenge is how library services for the community have changed due to COVID-19. We urge the commission to assess how Measure Y funds can still be used to support library facilities while adhering to the voters' intent with the 2016 measure.

Overall, we applaud the commission and library administration for supporting staff during the pandemic with Measure Y funds and maintaining services for the community during this difficult period.

Janis Brokaw, Chairman, on behalf of the Measure Y Oversight Committee

Committee Members

<i>Scott Alonso</i>	Appointed by Commissioner Paul Heavenridge/Petaluma
<i>Janis Brokaw</i>	Appointed by Commissioner Barbara Mackenzie/Rohnert Park
<i>Linda Clapp</i>	Appointed by Commissioner Reece Foxen/Cloverdale
<i>Walt Frazer</i>	Appointed by Commissioner Joel Neuberg/Sebastopol
<i>Judy Glenn</i>	Appointed by Commissioner Karen Schneider/Santa Rosa
<i>Irene Hodes</i>	Appointed by Commissioner Andy Elkind/Healdsburg
<i>Barbara Hughes</i>	Appointed by Commissioner Thomas Haeuser/Sonoma Valley
<i>Evette Minor</i>	Appointed by Commissioner David Cahill/Santa Rosa
<i>Mike Neely</i>	Appointed by Commissioner Randall Neff/Windsor
<i>Nace Nickel</i>	Appointed by Commissioner Deborah Doyle/Sonoma County

LIBRARIES
TRANSFORM

The Measure Y Oversight Committee would like to express its appreciation to the Sonoma County Library Graphics Department for its help in preparing this report; to Jodi Frost for support with financial data; to Ray Holley for his knowledge of programs and collections; and to Jane Klickman for all her logistical support.

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