



Salem-South Lyon District Library

Friends of the Library

ANNUAL  
REPORT

F/Y 2016-2017

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## Introduction

The following is the Salem-South Lyon District Library Friends annual report beginning September 2016, ending August 2017. The Friends of the Library is a non-stock, not for profit 501 (c) (3) corporation (incorporated in 1962) whose purpose is to support and advocate the Salem-South Lyon District Library. The Friends Board consists of seven (7) membership elected members, with officers including President, Vice President, Secretary, and Treasurer. The Friends Board is bound by its Bylaws, and meets at a minimum of six times a year in accordance with its Bylaws. Our mission is to establish and maintain financial and volunteer resources in support of the Salem-South Lyon District Library. Our Bylaws were last reviewed and updated in September 2016.



## Friends Board Members

Left to right: Rachael Perry Showerman, Jean Schneider, Mary Podsiad, Amber King, Janet Kaiser, and Karen Weber

- **Jean Schneider** President
- **Janet Kaiser** Vice President
- **Rachael Perry** Secretary
- **Karen Weber** Treasurer
- **Amber King** Trustee
- **Mary Podsiad** Trustee

## President's Report

This year we have donated \$ 22,300.00 to the library. A complete list is included in the Contributions to the Library Section. The Friends have more than 14 volunteers manning the book room and 32 maintaining the Library gardens. We also represent the Library at community events such as local events (parades, farmers' markets, etc.) and the Chamber of Commerce.

August 19, 2017 was the Friends' 55th anniversary. We plan to celebrate the event with the community with a "Friends 50's Celebration on Sunday, September 10, 2017 featuring Steve King and the Dittilies, a 50's Costume Contest, Games with prizes, 50/50 Raffle, refreshments and family fun.

The Friends purchased outdoor seating with recognition plaques for Doreen Hannon's many years of service to the Friends, Library, and community.

An internal Audit of our Finances was performed in October for the fiscal year September 1, 2015 through August 31, 2016.

Board meetings are scheduled the second Thursday every other month in September, November, January, March, May and July at 7:00PM. The public is invited to attend.

Membership in the SSLDL Friends runs from January 1<sup>st</sup> to December 31<sup>st</sup>. Information for joining or renewing membership is on the Salem-South Lyon Library website along with the proper forms.

Like us on Facebook: <https://www.facebook.com/ssldlfriends>

## Contributions to the Library

### From Friends:

\$5000.00 annual gift – applied to the \$15,000 cost to create and mail the Library's three print newsletters

\$2000.00 advocacy gift – applied to the \$15,000 cost to create and mail the Library's three print newsletters

\$300.00 special gift – outdoor seating with plaque in honor of D. Hannon

\$15000.00 large gift - outdoor seating to be integrated by architect at time of expansion

**\$22,300.00 total**

### From the Friends Club:

\$2175.00 – Storywalk® upgrade, Norbert

\$600.00 – Literacy tools for Youth Department

\$272.27 – Little Free Library Grand Opening

\$132.00 – Little Free Library 1st Birthday Bash

**\$3,179.27 total**

## The Library Gardens

32 Garden Volunteers worked an average of 1 hour per week each, April through October, to care for the gardens around the Library. Total hours worked for the season ending in October 2016 were 489. The gardens are greatly appreciated by the community with frequent compliments and thanks. The gardens combine annuals, perennials, and bulbs. Each gardener has a specific garden to care for and plant; some gardeners maintain multiple gardens. Gardeners get together three times a year to open in spring, plant annuals at the end of May, and plant bulbs in the fall. Expenses are covered by the Friends.

## Book Shoppe and Book Sales

Used book sales continue to be a major source of funding for the Friends. The Book Shoppe is open all hours that the Library is open. Half-off sales are held nine times a year. A large yearly sale is held in August. A holiday sale takes place from mid-November until after December 25<sup>th</sup>.



In addition to our Book Shoppe located within the Salem-South Lyon District Library, we have two online sales venues: one we manage via Amazon and a second managed by JMJ Consignments. Book sale revenue is shown below:

\$17,476.59 SSLDL Book Shoppe Revenue

\$ 3,284.31 Online – Nontaxable Revenue

\$ 462.64 Online – Taxable Revenue

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**\$ 21,223.54 Total Book Sales**

New this year are improved shelf labels. These will help customers more easily find what they are looking for in the Book Shoppe.

Fourteen volunteers worked 2802 hours to keep books organized, priced, and out for sale.

## Friends Membership

Currently, we offer five types of memberships: individual \$10, individual (62 and older) \$5, family \$12 patron, and business \$25 (reinstated from prior years), along with life memberships that have been carried over from years past. The dues for membership were not changed from the prior year, and were found to be quite favorable compared to nearby Friends organizations.

This year we transitioned from a rolling 12 month membership to an annual calendar year based membership to facilitate better administration and communication with our members. This has turned out quite well.

We started with 69 members, but by the end of the fiscal year we were up to 122, primarily due to 67 new memberships.

The breakdown of our memberships by category is shown below:

MEMBER TYPE	START TOTAL 8/31/2016	2017 RENEWALS	CHANGE FROM	CHANGE TO	EXPIRED 8/31/2017	CANCELS	NEW MEMBERS	END TOTAL 8/31/2017
Individual	11	6	5	3	3	0	13	19
Individual, 62+	26	25	2	6	2	2	31	56
Family	14	11	2	1	3	0	12	23
Patron	15	10	4	3	4	0	11	21
Business	0	0	0	0	0	0	0	0
Life	3	3	0	0	0	0	0	3
<b>TOTAL</b>	<b>69</b>	<b>55</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>2</b>	<b>67</b>	<b>122</b>

Additionally, we kicked off our 2018 Membership Drive coincident with our annual book sale. 71 of our 2017 members have already submitted their 2018 memberships, as shown below.

MEMBER TYPE	2017 START TOTAL	2017 END TOTAL	2018 RENEWALS
Individual	11	19	8
Individual, 62+	26	56	34
Family	14	23	14
Patron	15	21	12
Business	0	0	
Life	3	3	3
<b>TOTAL</b>	<b>69</b>	<b>122</b>	<b>71</b>

Our membership has been very generous this year.

2017 MEMBERSHIP DUES PD 2016/2017:	\$1,061.00	DONATIONS:	\$849.00
2018 MEMBERSHIP DUES PD 2016/2017:	\$602.00	DONATIONS:	\$351.00
<b>TOTAL DUES:</b>	<b>\$1,663.00</b>	<b>TOTAL DONATIONS:</b>	<b>\$1,200.00</b>

## **Financial Report**

The transition to electronic accounting software has been completed. A second bank account was opened to handle electronic transactions and is isolated from our main account, as a precaution to protect our main account from hackers. This second account handles our ACH transactions from Amazon sales, Amazon Smile donations, and other donation sites.

All state and use tax reporting is up-to-date and is now conducted online as mandated by the State of Michigan Treasury, including prior fiscal years. It should be noted, while investigating the State's notice of approximately \$1500 tax delinquency and interest assessment, it was determined that the State couldn't match our prior year paper returns with our payments because incorrect forms were used. Once each of these quarterly and annual submissions were completed online, the delinquency matter was resolved without cost to the Friends. However, while doing that it was noticed that errors were made; primarily because we didn't report use tax (although it was included as a normal sales transaction) and secondly, because we didn't take the allowed credit for making timely payments. Amendments for 2015 and 2016 CY sales and use tax reporting were submitted to the State, via their online amendment filing requirement. As a result, we received \$72.00 back from the State for overpayment of 2015 CY taxes (with .49 interest) and \$28.68 for overpayment of 2016 CY taxes (with .49 interest). The overpayments were booked as negative tax expenses for this fiscal year. Reporting of all 2017 CY sales and use tax were completed on line and included the necessary sales and use tax differentiation and credit for timely submissions, so we shouldn't have a problem going forward.

The Friends continue to receive large amounts of donations from our generous community. This year \$4,006.34 was received from the public, along with an additional \$3183.48 from the Friends Club.

Based on our bank balance on 2/28/2017, the board unanimously committed gifting the SSLDL \$19,300 as its annual gift for the Friends 2017/2018 FY to be payable mid-March 2018.

## Budget vs. Actual

	Approved Budget 2016-2017	Audited Final Budget 2016-2017	Approved Budget 2017-2018
<b>Revenues</b>			
Book Sales, Taxable	17100.00	17476.59	14500.00
Fund Raisers	3200.00	674.60	1000.00
Online Book Sales, Non taxable	2500.00	3746.95	2000.00
Membership Dues	800.00	1688.00	800.00
Donations/Grants	0.00	4006.34	0.00
Friends Club	500.00	3183.48	300.00
Miscellaneous	0.00	7.09	0.00
<b>Total Revenues</b>	<b>24100.00</b>	<b>30783.05</b>	<b>18600.00</b>
<b>Expenses</b>			
Book Room	1000.00	261.79	600.00
Book Room Tax (6% of Book Sales)	1026.00	943.20	798.00
Contingency	1000.00	0.00	500.00
Garden	2500.00	1935.54	2500.00
Membership	400.00	296.88	400.00
Meetings	250.00	91.69	250.00
Gift to Library from Friends Club	500.00	3179.27	300.00
Gift to Library- Advocacy	2000.00	2000.00	0.00
Gift to Library- xx% of bal. on Feb. 28, 201x (1)	5000.00	5300.00	19300.00
Lg Gift to Library (2)	8619.85	8619.85	3333.00
Carry Over large item gift	6380.15	6380.15	0.00
Administrative Expenses, Add'l Advocacy	2000.00	1795.57	1200.00
Advocacy/Fund Raisers	2200.00	2065.08	500.00
Miscellaneous			
<b>Total Expenses</b>	<b>32876.00</b>	<b>32869.02</b>	<b>29681.00</b>

2016/2017 FY Start Bal: \$27,808.59

2016/2017 FY Revenue: \$30,783.05

2016/2017 FY Expenses: \$32,869.02 (\*)

2016/2017 FY End Bal.: \$25,722.62

(\*) Note: 90% was for gifts to Library and advocacy, including maintenance of the Library's gardens)

Revenue and expenses varied each month, as shown in the two month intervals below:

Date:	09/01/2016 10/31/2016	11/01/2016 12/31/2016	01/01/2017 02/28/2017	03/01/2017 04/31/2017	05/01/2017 06/31/2017	07/01/2017 08/31/2017	09/01/2017 08/31/2017
Start Balance:	27808.59	25541.70	29014.63	33655.88	36206.36	36355.61	27808.59
Revenue:	5210.24	3905.43	4919.06	4859.99	4473.50	7414.83	30783.05
Expenses:	7477.13	432.50	277.81	2309.51	4324.25	18047.82	32869.02
End Balance:	25541.70	29014.63	33655.88	36206.36	36355.61	25722.62	25722.62

## 2016/2017 FY - Year End Treasurer Report

9/1/2016 through 8/31/2017

Category	9/1/2016- 8/31/2017
<b>INCOME</b>	
Book Sales	
Book Room - Taxable	17,476.59
Online - Nontaxable	3,255.49
Online - Taxable	491.46
TOTAL Book Sales	21,223.54
Cash Donation	3,836.34
window cling	170.00
TOTAL Cash Donation	4,006.34
Friends Club	3,183.48
Fundraisers	
Nontaxable Events	674.60
TOTAL Fundraisers	674.60
Interest Inc	7.09
Membership Dues	
Family, 12	408.00
Individual- Non Senior, 10	230.00
Individual- Senior, 5	375.00
Patron, 25	675.00
TOTAL Membership Dues	1,688.00
Other Inc	0.00
<b>TOTAL INCOME</b>	<b>30,783.05</b>
<b>EXPENSES</b>	
Administration	0.00
Add'l Advocacy	985.38
Bonding Insurance	100.00
Liability Insurance	475.00
Membership Fees	125.00
Miscellaneous	109.93
Sq Credit Card Reader	-9.64
TOTAL Administration	1,785.67
Advocacy and Fundraising	
50s Themed Celebration	2,065.08
TOTAL Advocacy and Fundraising	2,065.08
Book Room	261.79
Federal tax	9.90
Friends Club Gift to SSLDL	3,179.27
Garden	1,935.54
Gifts	
Advocacy	2,000.00
Large Gifts to SSLDL	15,000.00
Other Gifts to SSLDL	5,300.00
TOTAL Gifts	22,300.00
Meetings	91.69
Membership	133.94
Miscellaneous Expenses	162.94
TOTAL Membership	296.88
Sales Tax	943.20
<b>TOTAL EXPENSES</b>	<b>32,869.02</b>

## **SSLDL Board Committees Participation:**

### **Advocacy/Fund Raising**

This year so far, we have had the Coral Sash event, in which members received a 5% discount for shopping that day. We also used this opportunity as a sign-up event. It all went off pretty well. We are planning another event with Coral Sash this fall.

### **Friends Club**

In December 2016, the Friends Club was selected by the Michigan Center for the Book to receive the 2016 Michigan Literacy Award for its significant contributions to early childhood literacy, in particular its role in creating the Little Free Library at McHattie Park. The award carried with it a \$1,000.00 prize.

In recognition of receiving the Michigan Literacy Award, on January 21, 2016, State Representative Kathy Crawford presented the Friends Club with a framed copy of the state seal signed by every member of the 99<sup>th</sup> Michigan Legislature.

The Friends Club of the SSLDL had another amazing year of service! The Little Free Library at McHattie Park continues to be a very popular destination within the community, and the kids took turns throughout the year acting as responsible stewards, straightening its shelves and keeping it stocked. On holidays, they decorated it and snuck little treats in – candies for Halloween, presents for Christmas, pencils for back-to-school supplies. And on August 18, they threw the LFL a big birthday party, complete with cake, games, activities and books! They have been wonderful, diligent volunteers and we are very proud and grateful for them.

In addition to their duties with the LFL, the Friends Club continued its work with the children's department this year, raising money to purchase toys and books for the Library's new early literacy initiative, and attending events and programs at the Library and adding excitement and activity to the day's theme. They also continued their community outreach by helping to make lunches and pass out books at the Summer Lunch Program, hosted by the First United Methodist Church.

# Friends of the Salem-South Lyon District Library

## Constitution and Bylaws

### Article I

#### ORGANIZATION NAME

The name of this organization shall be *Friends of the Salem-South Lyon District Library, Inc.*

### Article II

#### PURPOSE

##### Section 1

This organization shall be a Corporation, with the following purposes:

1. To maintain an association of persons interested in supporting and advocating for the Salem-South Lyon District Library, its collections, services, facilities and needs.
2. To raise money through book sales and other means for the benefit of the Library.
3. To sponsor programs and public outreach projects to strengthen community ties to the Library.

##### Section 2

This Corporation is a non-stock, non-profit 501(c) 3 Corporation.

### Article III

#### MEMBERSHIP AND DUES

##### Section 1

Any individual, organization, business or industry interested in the objectives of this Corporation may become a member upon payment of annual dues in one of the following categories, which constitute the type of membership:

1. Friend: Standard membership for an individual.
2. Senior: A member that is a minimum of 62 years of age.
3. Patron: Elevated level of support for the Library, requiring raised membership dues.
4. Family: Household membership with multiple related members.

Additional categories may be created by the Board.

##### Section 2

Each adult member present has one vote at all General Membership meetings concerning election of directors, approval of annual budget and revisions of bylaws.

### Section 3

All membership renewal dues are payable each year in the member's anniversary month.

## Article IV

### BOARD OF DIRECTORS

#### Section 1

General management of the Corporation shall be vested in a Board of Directors. General management is defined as the Corporation's routine business with the exception of approval of budget, annual report, bylaw revisions and election of Directors.

#### Section 2

The Board of Directors shall be composed of seven (7) members of the Corporation elected as hereinafter provided.

#### Section 3

The Board shall elect its own officers at their first meeting following the Annual Meeting of the Corporation. Directors can hold more than one (1) position. They shall elect a President, Vice President, Secretary, and Treasurer. Their term of office is one year.

#### Section 4

Four (4) members of the Board shall constitute a quorum at any meeting. A simple majority of the Board is needed to pass any motion.

#### Section 5

The Board of Directors shall meet a minimum of Six (6) times a year upon call of the President. Notice of the time and place to be posted one week prior to the meeting. Posting will be coordinated through the Library staff.

#### Section 6

The President of the Board of Directors, with the assistance of the Board, shall prepare and approve a prior year annual report and operating budget for the coming fiscal year to be submitted to the Corporation's membership at its first general meeting of the new fiscal year.

#### Section 7

In the event of a vacancy on the Board, the Board shall appoint a replacement whose term shall extend to the end of the term of the former member.

#### Section 8

Each Director is expected to:

1. Attend Board and General Membership meetings.
2. Be available to become an Officer.
3. Serve on at least one of the Board's Committees.

## Article V

### DUTIES AND LIABILITY OF OFFICERS

#### Section 1

The President shall preside at all meetings of the Board and General Membership, appoint committees authorized by the Board, prepare an annual report for the annual meeting, update Corporation papers with the state yearly and act as the Friends' spokesperson with the Library staff and public. The President may delegate an officer to act as spokesperson for specific programs or activities.

#### Section 2

The Vice President shall assume the duties of the President in his/her absence.

#### Section 3

1. The Secretary shall keep minutes of all Board and Membership meetings.
2. The Secretary is responsible for posting of meeting notices through the Library staff.

#### Section 4

The Treasurer shall administer all funds of the Corporation and is accountable under the duties described under Article VI.

#### Section 5

The liability of directors and officers is expressly limited to the greatest extent permissible under prior law.

## Article VI

### FUNDS

#### Section 1

All funds are invested or deposited in the name of the Friends of the Salem-South Lyon District Library, and are disbursed by the Treasurer or President in compliance with the Budget prepared by the Board of Directors and approved by the membership.

#### Section 2

1. The Treasurer shall deposit all funds of the Corporation to an account established for the Friends of the Salem-South Lyon District Library, a Michigan non-profit corporation, in such depository and under such conditions as the Board of Directors may, from time to time, direct.
2. The Treasurer shall collect all monies due to this Corporation and shall keep an account of all monies received by and expended by or on behalf of this Corporation. The Treasurer shall make disbursements for budgeted items, reimbursement of expenses for said budgeted items, and/or upon order of the Board of Directors.
3. The Treasurer or designee shall file federal taxes and pay state sales tax as required.
4. On leaving office for any reason, the Treasurer shall deliver to their successor all monies, books, papers and other property belonging to the Corporation which may then be in their possession or

under their control. In the absence of a successor, the Treasurer shall deliver the same to the Secretary.

5. In case of the absence or the inability of the Treasurer to act, the Board of Directors shall authorize the President or any other Director of the Corporation to issue checks or perform such other duties of the Treasurer as may become necessary. All books, papers and other Corporation property in the custody of the Treasurer are kept by the authorized substitute.
6. The Treasurer's accounts are audited annually by an audit committee of no less than two (2) people or as often as deemed necessary by the Board of Directors.

### Section 3

Electronic banking and access to funds by the Treasurer and President are allowed, as is other Friends and third-parties acting on the behalf of the Friends after authorization by the Board. Authorization of debit/credit card transactions by and on the behalf of the Friends is allowed, as authorized by the Board.

### Section 4

The Corporation's financial fiscal year is from September 1 to August 31.

### Section 5

A Fidelity Bond will be required for all Board members having signature authority and having access to funds.

### Section 6

The President shall have authority to approve expenditures of \$300 or less without Board approval.

## Article VII ELECTIONS

### Section 1

The election of Directors shall be held at the General Membership Meeting of the Corporation. A simple majority of members present and voting in each instance shall be necessary for election.

### Section 2

Four (4) Directors are elected in even numbered years and three (3) Directors are elected in odd numbered years.

### Section 3

Term of office for an elected Director is two (2) years, commencing with the first Board meeting following the Annual Membership Meeting, with no limitation on number of terms served.

### Section 4

Termination of Directors—The Board shall use just discretion in declaring an office vacant based on a conviction of any felony, failure to attend meetings without just cause or any other justifiable reason.

## Article VIII

### MEETINGS

#### Section 1

The General Membership Meeting of the Corporation is held during the month of September at a time and place determined by the Board of Directors. The agenda will include the President's Annual Report, proposed budget for the new fiscal year, and approval of any bylaw revisions.

#### Section 2

A special meeting of the Corporation may be called at any time by the President.

## Article IX

### REVISING/AMENDING THESE BYLAWS

#### Section 1

These bylaws will be reviewed annually by the Friends Board of Directors to assure they are consistent with the operations of the Corporation.

#### Section 2

These bylaws may be amended or revised at any regular meeting of the Corporation by a simple majority of the members present.

#### Section 3

Amended bylaws will be provided to the Library Board of Trustees for informational purposes after final membership approval.

## Article X

### RECORD RETENTION

The following records are to be permanently retained:

- Articles of Incorporation
- Audit reports, from independent audits
- Corporate resolutions
- Checks
- Determination Letter from the IRS, and correspondence relating to it
- Financial statements (year-end)
- Insurance policies
- Minutes of board meetings and annual meetings of members
- Real estate deeds, mortgages, bills of sale
- Tax returns

All other records will be kept for 3 years.

Article XI  
DISSOLUTION

Upon dissolution of the organization, assets will be distributed to the Salem-South Lyon District Library.

**Revised September 2016**