

# LEANNA HICKS PUBLIC LIBRARY

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## 2012 Annual Report

**Fiscal Year 2011-2012**

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## Executive Summary

Fiscal Year 2011-2012 began with air conditioner problems which caused the Library to be closed for several weeks in July and August. However, after that rocky start, the Library had a very good year. A new Board of Directors was elected. The Library took control of its own finances. Community relations were strengthened.

Some of the highlights of the year include:

- **August:** welcomed Olivia Strong as a new Library Aide, and James Lenze as the new Director.
  - **September:** expanded its open hours to 40 per week; Director Lenze attended the New Director and Advanced Director workshops required by the Library of Michigan; Library's legal status recognized by Library of Michigan.
  - **November:** the following Inkster residents were elected to the Library Board of Directors: Paulette Dye, Dorothy Gardner, LaDon Gibbs, Sandra Markwart, Dosye Thompson, and Michael Wells. We also started an adult book club.
  - **December:** joined with Inkster Public Schools, Inkster Task Force, Josie Odum Morris Literacy Project, and Starfish Family Services to form the Inkster Family Literacy Coalition; opened an account with Charter One Bank; contracted with Basic HR for administration of payroll and health benefit services, and RPA for retirement plan administration.
  - **January:** an attempt was made to revive the Friends of the Library.
  - **February:** began working towards CIPA compliance.
  - **March:** opened two additional accounts with Charter One Bank: one for Accounts Payable, and one for the Building Fund.
  - **April:** joined TLN's Download Destination group to provide eBooks and other downloadable content; Director Lenze attended the Director's Summit; Fleming Financial Services was hired as the Library's accounting firm.
  - **May:** Olivia Strong attended the Beginning Workshop required by the Library of Michigan; eBooks became available for Library patrons.
  - **June:** began participation in the McDonald's Backpacks & Books program.
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# Financial Summary

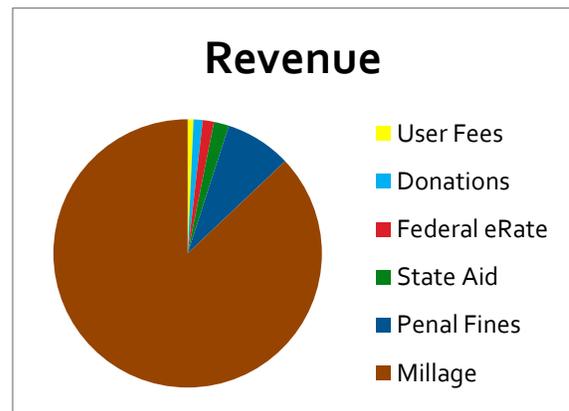
At the end of Fiscal Year 2010-2011, the Library Fund balance was \$410,494.30. Total revenues for Fiscal Year 2011-2012 were \$725,435, and total expenditures were \$240,921. Thus revenues exceeded expenditures by \$484,514, leaving the Library with a fund balance of \$895,007.73. The majority of this fund balance is reserved for a Building Fund.

## Revenues

### By Source

The Library millage was collected with the winter taxes, and made up the largest portion of the Library's revenue: \$631,518. Other sources of revenue included Penal Fines of \$57,872, State Aid in the amount of \$13,142, Federal E-Rate reimbursements of \$9,813, donations of \$8,000 chiefly from the former Friends of the Library, and various user fees and fines totaling \$5,088. Total revenue for the fiscal year was \$725,433.

Penal fines were much higher than expected. The reason is complicated. When the Library was re-established by a vote of the residents, the Library of Michigan was not formally informed. As a result, Inkster's share of the Penal Fines continued to go to the Wayne County Library. After this error was corrected, Wayne County distributed all of the monies which should have come to Inkster from November 2010 forward.



## Expenditures

Salaries, wages, and benefits made up the largest portion of our expenditures, totaling \$125,538. Total collection expenditures (books, DVD's, audio, magazines...) were \$22,764. All other expenditures combined for \$107,619.

Under "Administrative Services," there is a negative expenditure of \$15,000. This represents money returned to the Library Fund by the City of Inkster, to correct an error from the previous fiscal year.

### EXPENDITURES BY BROAD CATEGORY

	Budgeted	Expended
PERSONAL	\$ 150,473	\$125,538
OPERATING	\$ 24,600	\$ 11,528
PROFESSIONAL/TECHNICAL	\$119,450	\$ 94,720
CAPITAL OUTLAY	\$ 10,000	\$ 1,371
COLLECTIONS (BOOKS, AV ...)	\$ 30,000	\$ 22,764
ADMINISTRATIVE SERVICES	\$ 0	-\$ 15,000
<b>TOTAL EXPENDITURE</b>	<b>\$334,523</b>	<b>\$240,921</b>



## Reserve Funds

Our property tax revenue, which is the bulk of all our revenue, is collected with the Winter taxes, but our fiscal year begins in July, half a year before the tax revenue is collected. Therefore, a portion of the Fund Balance is needed for cash flow, at least during the first half of the following fiscal year. Most of the remaining fund balance is earmarked for a Building Fund. The Board formally established the Building Fund during FY2011-12. However, during the preparation of the Budget for FY2012-13, the Board also realized the need for a "Chargebacks Fund" – a fund from which to pay Wayne County for delinquent taxes chargebacks and it would be prudent to reserve some funds for Major Capital Improvements.

Based on the figures provided to me by the City Treasurer, the Library began FY2011-12 with a Fund Balance of \$410,494.30. \$306,415 has been committed to the Building Fund, leaving \$104,079.30 for the General Reserve (cash flow) Fund. Since the Library Board had not formally established the Building Fund as a "committed" reserve fund until December 2011, all of the funds were technically available (up to that time) to meet Library expenses before the tax revenue was collected. Going forward, we can no longer use Building Fund moneys to pay expenses.

Revenue in FY2011-12 exceeded Expenditures by \$484,513.43. To ensure plenty of ready cash to meet expenses, I have assigned the General Reserve Fund (from which we can draw for cash flow purposes) to be equal to, or greater than, 10 months of expenditures budgeted for the fiscal year. The remaining funds from FY2011-12 are committed to the Building Fund. Beginning with FY2012-13, additional funds will be assigned to the Chargebacks Fund and to a Major Capital Improvements Fund.

	COMMITTED	ASSIGNED			TOTAL
	Building Fund	General Reserve	Capital Improve	Chargebacks	
Beginning Balance July 2011	\$ 306,415.00	\$ 104,079.30	\$ -	\$ -	\$ 410,494.30
Increase/Decrease	\$ 311,926.06	\$ 172,587.37			\$ 484,513.43
Ending Balance June 2012	<b>\$ 618,341.06</b>	<b>\$ 276,666.67</b>	\$ -	\$ -	<b>\$ 895,007.73</b>



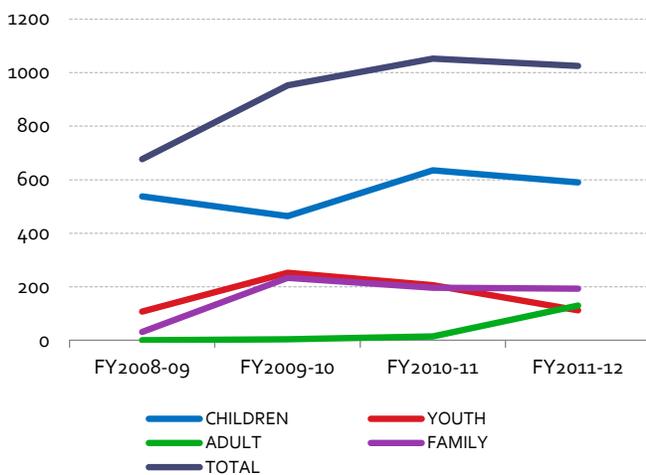
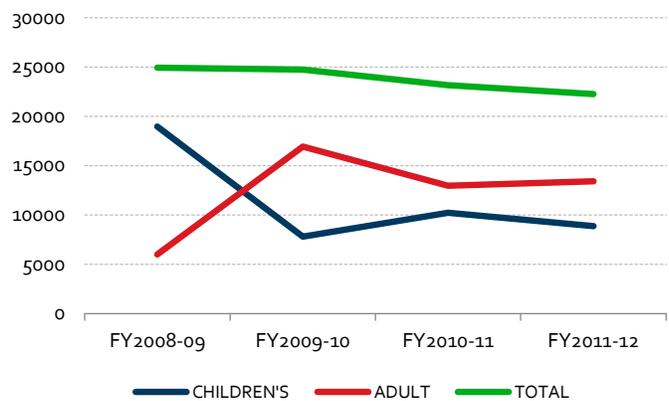
# Collections & Circulation

At the end of the Fiscal Year, the Library had a total of 43,286 physical items in its collections, plus 11,247 downloadable items. The majority of the physical items are books, accounting for 41,547 items. Our music compact discs, books on tape, books on CD, and other audio items totaled 923. The Library also had 752 videos (VHS and DVD). The remainder of the collections are magazines and other subscriptions.

During the year there were approximately 16,951 patron visits to the Library. The Library hosted 122 programs with a total attendance of 1,025. Library staff answered 8,053 reference questions. Patrons checked out 22,258 items and used the computers 19,827 times accounting for more than 11,236 hours of computer time.

## Circulation by Audience

Overall, our circulation figures dipped slightly from the previous year's figures. Most of this decline happened in the first two months of the fiscal year when the Library had extended periods of closure due to high temperatures.



## Program Attendance by Audience

Despite offering more programs this year than last, overall program attendance dropped slightly, but remained higher than earlier years. Our focus on providing more adult programming lead to a sharp increase from 15 to 130. Children and Teen programming attendance suffered from the Library closures in July and August. Typically, June and July have our highest program attendance due to Summer Reading Club.



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## Children and Youth Services

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During the Fiscal Year 2011-2012, we had some memorable programs. For Christmas, we had Phil Kaput come out and do a special program with fake snow, musical instruments, and Christmas songs; we celebrated Black History Month with Storyteller Miz Rosie, who shared stories with us about heroes during the Civil Rights Movement; and we had the Fur Angels come out a couple of times so young readers could practice their reading skills while reading to a therapy dog.

We began our Summer Reading Program in June 2012 and were proud to offer our teens a chance to participate for the first time. We had fantastic donations from many establishments throughout the neighboring communities. Places like Dairy Queen, Tim Horton's, Best Buy, Cherry Hill Lanes, Emagine Theatre, The Henry Ford/IMAX, and Sportway were more than happy to donate to the prizes for completion of the Summer Reading Program. We also received the Michigan Center for the Book grant to help cover the cost of performer, Joel Tacey, for the kids program.

We increased our programs and participants this past year by offering Story Time every week instead of in 6-week increments; teens were offered a chance to participate in a Crafternoon at the library where snacks were provided and they could make crafts, use laptops, play games, while watching a movie.

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## The Library Board

On November 8, 2011 the following Inkster residents were elected to four year terms as the Library Board of Directors: Paulette Dye, Dorothy Gardner, LaDon Gibbs, Sandra Markwart, Dosye Thompson, and Michael Wells. They have worked hard to establish a budget and building fund for the Library, and continuously oversee the financial management of the Library. They have approved several policy statements; established several committees; opened bank accounts; contracted with an accounting firm, a benefits administration firm, and a payroll firm; and have acquired appropriate insurance policies. Their tireless, hard work has set the foundation upon which the future Library service will be built. We applaud them and thank them.



