

Board Meeting 22 June 2017

MINUTES

ORDINARY MEETING GOULBURN VALLEY REGIONAL LIBRARY CORPORATION

Held on Thursday 22 June 2017
Commenced at 2.02pm
Finished 3:49pm
At the Shepparton Library Meeting Room,
41-43 Marungi Street Shepparton 3630

BOARD MEMBERS in attendance

Cr Gary Cleveland, Chairperson, Moira Shire Council
Cr Seema Abdullah, Deputy Chairperson, Greater Shepparton City Council
Cr Debra Swan, Strathbogie Shire Council
Ms Kaye Thomson, Greater Shepparton City Council
Ms Georgia Hills, Moira Shire Council
Mr David Roff, Strathbogie Shire Council
Ms Fiona Blick, Moira Shire Council
Mr Derek Poulton, Greater Shepparton City Council
Ms Amanda Tingay, Strathbogie Shire Council

Chief Executive Officer – Kevin Preece

Vision

Contemporary libraries that connect, empower and inspire our communities.

Meeting opened at 2:02pm

Mr David Roff and Ms Amanda Tingay attended by teleconference.

1.0 Acknowledgement

The Chairperson read the acknowledgement of traditional owners.

“We acknowledge the traditional owners of the land where we now meet and pay respect to their elders past and present.”

2.0 Apologies

No apologies were received.

3.0 Confirmation of Minutes

Moved : Seema Abdullah	Seconded : Debra Swan
That the Draft Minutes of the Board Meeting held on 27 April 2017, as circulated, be confirmed.	
Carried	

4.0 Business arising from the previous meeting Minutes

4.1 Board Meeting Action List

The Board action list was reviewed and has been updated.

No	Meeting	Action	Responsibility	Status
1	24 Nov 16	Investigate eco friendly Library Bags.	CEO	Underway Sept 2017
2	27 April 17	Investigate options to promote Donations, Gifts and Bequests.	CEO	Sept 2017
3	27 April 17	Talk to Rotary Clubs about donations to East Timor. Investigate what Echuca library is doing to donate to East Timor.	Derek Poulton CEO	Underway Sept 2017
4	22 June 2017	Provide a presentation on Internet access and filtering policies	CEO	Sept 2017
5	22 June 2017	Provide an analysis report on the current stock levels, investment and usage across all categories to enable an informed discussion on stock investment balance	CEO	Sept 2017

Deb Swan advised that Wodonga Library also had a good eco friendly Library Bag/satchel.

Derek Poulton advised that the Rotary club at Shepparton are keen to help with taking books for East Timor along similar lines to the Echuca Rotary Club.

5.0 Declaration under acts, regulations, codes or local laws & declaration of any interest or conflict of interest

5.1 Meeting Declaration

The meeting declaration was read. Amanda Tingay declared that she may have a conflict with discussions around the Tatura Library.

6.0 Correspondence

The correspondence directly to and from the Board and / or of relevance to Board governance that was listed.

The CEO also noted and tabled the VAGO Audit Interim Management Letter for the 2017 Audit.

Moved : Debra Swan That the Correspondence inwards and outwards be noted. Carried	Seconded : Kaye Thomson
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7.0 CEO Report

The CEO provided a verbal report on activities of the CEO and any salient items of specific operational and strategic interest that the CEO deemed to be relevant not covered elsewhere in the Agenda.

This included specifically;

- CEO Activities and priorities.
- The CEO Performance Review Process

Moved : Georgia Hills That the CEO Employment Matters Committee be made up of Gary Cleveland, Seema Abdullah and David Roff and that the tabled Performance Review and Assessment process be adopted. Carried	Seconded : Fiona Blick
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- Related Party Disclosures – required for 2017 Annual reporting.
- An update on the People and Performance Project with work being undertaken by Brant Doyle.
- An update on the Procurement Australia contract for Library Collections, Furniture, Equipment & Associated Requirements.
- An update on Productivity Initiatives.

Moved : Fiona Blick That the CEO Report be accepted. Carried	Seconded : David Roff
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8.0 Financial Report

Signed Financial Statements to **31 May 2017** and variance reports were presented.

The Finance and Audit Committee meeting to be held on 15 June 2017 was cancelled due to member unavailability.

It was noted that the Interim Management letter was received and the Current Year Findings and Prior Year findings and Management Actions were noted.

The board discussed that the Chair of the Finance and Audit Committee has not been formally appointed.

Moved : Derek Poulton That the Board appoints David Roff as the Chairperson of the Finance and Audit Committee. Carried	Seconded : Kaye Thomson
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Signed Financial Statements to 31 May 2017 have been received from our finance contractor, GSCC and derived Functional Report Summary is attached.

The statements show that with 92% of the year completed we have expended 93% of the recurrent expenditure budget to be \$56.3k over YTD.

The primary drivers of the over expenditure YTD is the expenditure of recoverable funds for Moira and Strathbogie Shires for Cobram and Nagambie Library projects, higher than anticipated IT maintenance expenses and higher than budgeted stock depreciation expense. All other costs are within reasonable variances for this time of year.

Revenue is on track with all instalments from member councils received and all of the State Government Grant received. We have received revenue from Moira and Strathbogie Shires to cover expenses on Cobram and Nagambie Libraries.

Capital expenditure is under YTD by \$36.87k. This is due to \$41k of RFID expense being incurred in 2015/16 and computer and equipment purchases for Cobram and Nagambie library ahead of schedule.

We are holding \$1.416m cash and equivalents with an expected drawdown to \$1.075m at end of the financial year against a budget of \$1.044m.

Moved : David Roff That the Board approves the Financial report. Carried	Seconded : Derek Poulton
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9.0 Draft 2017/18 Budget

The CEO advised that a draft Revenue and Expense budget and Balance Sheet budget was prepared and endorsed at the 27 April 2017 Board meeting for public review.

- Public notification of adoption of the draft Budget was made by placing of Newspaper advertisements in the Public Notice section of the Shepparton News and Country News.
- Notice was also placed on the GVL website and made available for download via the website.
- Copies were placed at the GV Libraries Administration office.

Closing date for feedback was 5pm, 16 June 2017.

Any person may make a submission on a proposal contained in the draft Budget under section 223 of the Local Government Act.

No feedback from the community was received in any form by the due date and so no amendments were proposed.

Goulburn Valley Libraries Income Statement

30 June 2018 Draft Budget

	2016/17 Budget	2017/18 DRAFT Budget	Increase
	\$	\$	
Revenue			
Fees and Fines	2,557,022	2,618,598	2.4%
Grants	835,814	840,605	0.6%
Other Revenue	49,000	48,000	-2.0%
Total Revenue	3,441,836	3,507,204	1.9%
Expenses			
Employee Benefits	2,324,003	2,368,751	1.9%
Administration	588,832	579,646	-1.6%
Repairs and Maintenance	136,000	142,500	4.8%
Depreciation	383,000	418,000	9.1%
Finance Costs	7,000	5,300	-24.3%
	3,438,835	3,514,197	2.2%
Surplus (Deficit) for the Period	3,000	(6,994)	
Capital Expenditure			
Motor Vehicles	35,000	25,000	-28.6%
Furniture & Equipment	10,000	10,000	0.0%
IT & Computers	30,000	30,000	0.0%
RFID	218,000	0	-100.0%
Book Stocks	350,000	400,000	14.3%
Total Capex	643,000	465,000	-27.7%

Notes

1. Fees and fines – Council contributions, Overdue charges, Copy charges
2. Grants – State Government recurrent grant, Premiers Reading Challenge, Miscellaneous grants
3. Other Revenue – Investment interest, Donations, Diesel rebate, Book Club receipts
4. Employee benefits – Salaries and wages, Superannuation, Leave Loading, WorkCover premium, FBT

5. Administration – Shared admin and IT costs, Accommodation, utilities, training costs, periodicals and subscriptions
6. Repairs and Maintenance – Vehicle expenses, Equip servicing, rubbish removal, IT Maintenance
7. Depreciation – Vehicles, Book stock, Furniture and Equipment
8. Finance costs – Interest payments on loans
9. RFID – Radio Frequency IDentification technology investment to improve service and collection management at all Libraries

Goulburn Valley Libraries
Balance Sheet
30 June 2018 Draft Budget

	2016/17 Approved Budget \$	2017/18 Draft Budget \$
ASSETS		
Current Assets		
Cash and Cash Equivalents	1,045,063	1,001,519
Trade and Other Receivables	12,677	2,500
Total Current Assets	1,057,740	1,004,019
Non-Current Assets		
Cash and Cash Equivalents		
Property, Plant, Equipment and Infrastructure	2,227,080	2,242,213
Total Non-Current Assets	2,227,080	2,242,213
TOTAL ASSETS	3,284,820	3,246,232
LIABILITIES		
Current Liabilities		
Trade and Other Payables	70,719	50,000
Provisions	633,620	633,620
Interest-bearing Loans and Borrowings	14,875	14,875
Total Current Liabilities	719,214	698,495
Non-Current Liabilities		
Provisions	46,962	46,962
Interest-Bearing Loans and Borrowings	52,824	37,949
Total Non-Current Liabilities	99,786	84,911
TOTAL LIABILITIES	819,000	783,406
NET ASSETS	2,465,820	2,462,826
EQUITY		
Accumulated Surplus / Deficit	(439,927)	(442,921)
Member Contributions	2,905,747	2,905,747
TOTAL EQUITY	2,465,820	2,462,826

Moved : Fiona Blick

That the Board adopts the 2017/18 Budget.

Carried

Seconded : Seema Abdullah

10.0 Business Operations Report

The board reviewed the Business Operations Report that provides an update on all salient Operational Activity of the Goulburn Valley Libraries for the period to date.

The Board noted the positive trends with memberships and Visits and eBook/Audio loans.

The Board noted the incidents that were reported from Shepparton Library in particular the incident that involved a patron viewing inappropriate materials. The CEO advised that we do not filter or censor content as we adhere to the industry ALIA guidelines on internet filtering in Libraries. All patrons who access the internet in the Library are required to accept the Terms and Conditions of use that specifies that they should not access illegal materials or view offensive materials in public.

The Board were concerned about the inadvertent viewing by minors of inappropriate materials.

Action : Provide a presentation on Internet access and filtering policies. - CEO

Moved : Derek Poulton

That the Business Operations Report be accepted.

Carried

Seconded : Kaye Thomson

11.0 Library Plan 2015-19 and Strategic Resource Plan - 2017 Review

The Board were provided with a review of the Library Plan and Strategic Resource Plan undertaken to consider any changes in the status of projects, external and internal environments. Changes were highlighted in Green on the document.

Derek Poulton provided some feedback on wording and some inconsistency in detail around the compounding rate and total amounts for the Workcover premium assumed increases.

Derek also re iterated his view that we need to review our balance of investment in Book stock to ensure that we were not investing too heavily in areas that will have redundant technology and to support growth in eResource use.

Derek also highlighted the need to review the Collection target to reflect a focus on Quality rather than size.

Action : Provide an analysis report on the current stock levels, investment and usage across all categories to enable an informed discussion on stock investment balance. – CEO

Moved : Fiona Blick

Seconded : Kaye Thomson

That the Board adopts the 2017 Review of the Library Plan 2015-17 including the revised Strategic Resource Plan with amendments as proposed.

Carried

12.0 Risk Register - Management Plan Review

At the Board Meeting of February 2017 the Board adopted the Risk Matrix and Framework and requested that the existing register now be reviewed.

The Management Review was reviewed by the Board at the 27 April 2017 meeting.

The complete Risk Register was provided attached for information and the proposed treatments for the High and Moderate Risks identified were presented.

Risk Summary

Risk Summary	Number of Risks	Treatment Plans developed	Residual Risks
High	4	4	0
Moderate	15	15	2
Low	51	Accept current treatments	66
Very Low	5	Accept current treatments	5

The Board were informed that the High and Moderate Risks Management Plans status will be reported to the Board annually together with any significant changes in status of current or new risks.

Moved : Derek Poulton

Seconded : Georgia Hills

That the Board note the revised Risk Register.

Carried

Seema Abdullah left the meeting at 3:45pm

13.0 Library Projects

A report was provided on all current major Library project proposals, including Yarrawonga Library and Tatura Library.

The CEO advised that the target time for applying for Living Libraries grants will be May 2018 for both projects.

Moved : Kaye Thomson

Seconded : Fiona Blick

That the Board notes the Library projects report.

Carried

14.0 Motions on Notice

There were no Motions on Notice received at least 7 days prior to the meeting, accepted by the Chairman and circularised to all board members.

15.0 Other Business

There was no other business raised and accepted by the Chairperson.

16.0 Next Meeting

The next ordinary meeting of the GVRLC Board will be held on 14 September 2017 at Shepparton Library unless otherwise notified.

Board Meeting Planner

Date	Meeting	Agenda Items
7 September 2017	Finance & Audit Committee	Review Annual Financial Report
14 September 2017	Board - Shepparton	Review Annual Financial Report
26 October 2017	Special Board Meeting	Consider Annual Report
16 November 2017	Finance & Audit Committee	Confirmation of chair, deputy, committees Review Code of Conduct
23 November 2017	Board – Tatura	Confirmation of chair, deputy, committees Review Code of Conduct Board Christmas dinner 6pm
15 Feb 2018	Finance & Audit Committee	
22 Feb 2018	Board - Shepparton	
19 April 2018	Finance & Audit Committee	Review Asset Register
26 April 2018	Board - Nagambie	Draft Budget Library Plan & SRP Review
19 June 2018	Finance & Audit Committee	Risk Register Review
26 June 2018	Board – Shepparton	Adopt Budget and SRP

Finance and Audit Committee meetings will be held at least one week prior to a general Board meeting and scheduled to meet participant's availability and normally commence at 2pm.

Meeting closed at 3:59pm

Kevin Preece
Chief Executive Officer
26 June 2017