

Board Meeting 27 April 2017

## MINUTES

### ORDINARY MEETING GOULBURN VALLEY REGIONAL LIBRARY CORPORATION

Held on Thursday 27 April 2017  
Commenced at 2.07pm  
Finished 4:15pm  
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

Chief Executive Officer – Kevin Preece

Manager Library Services - Jenny Wyllie

#### ***Vision***

*Contemporary libraries that connect, empower and inspire our communities.*

## Meeting opened at 2:02pm

The Chairperson welcomed Ms Georgia Hills to her first meeting and Ms Jenny Wyllie, Manager Library Services.

Mr David Roff 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

An apology was received by Ms Amanda Tingay prior to the meeting.

### 3.0 Confirmation of Minutes

**Moved : Derek Poulton**

**Seconded : Seema Abdullah**

That the Draft Minutes of the Board Meeting held on 16 February 2017, as circulated, be confirmed and,

That the Draft Minutes of the Special Board Meeting held on 24 March 2017, as circulated, be confirmed.

**Carried**

**Cr Deb Swan arrived at 2:09pm.**

Seema Abdulla, Kaye Thomson and Debra Swan advised that they would prefer not to receive hard printed copies of the board papers in future and will rely on the electronic version.

### 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 June 2017
2	27 April 17	Investigate options to promote Donations, Gifts and Bequests.	CEO	June 2017
3	27 April 17	Talk to Rotary Clubs about donations to East Timor.	Derek Poulton	June 2017

The CEO advised that a supplier was sourcing bags and quotes for the eco friendly bags.

## **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. No interests were declared.

## **6.0 Board Membership and Office Bearers**

### **Board membership - Georgia Hills**

The Board noted and welcomed Ms Georgia Hills attending her first meeting as the Executive Officer nomination from Moira Shire.

<b>Moved : Fiona Blick</b>	<b>Seconded : Kaye Thomson</b>
That the nomination for Board membership for Ms Georgia Hills be confirmed.	
<b>Carried</b>	

The Chair and Board members congratulated Ms Hills on her appointment.

## **7.0 Correspondence**

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

<b>Moved : Debra Swan</b>	<b>Seconded : Kaye Thomson</b>
That the Correspondence inwards and outwards be noted.	
<b>Carried</b>	

## **8.0 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 Leave from 1 May to 29 May 2017 and that Jenny Wyllie will act as CEO in this period.

An update on the People and Performance Project with work being undertaken by Brant Doyle.

<b>Moved : Seema Abdullah</b>	<b>Seconded : Kaye Thomson</b>
That the CEO Report be accepted.	

## 9.0 Financial Report

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

The Finance and Audit Committee met on 20 April 2017 and reviewed the Financial Statements.

The statements show that with 75% of the year completed we have expended 61% of the recurrent expenditure budget to be \$68.5k 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 third 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 \$11.7k. 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 \$1.835m cash with an expected drawdown to \$1.075m at end of the financial year against a budget of \$1.056m.

**Moved : David Roff**

That the Board approves the Financial report.

**Carried**

**Seconded : Fiona Blick**

## 10.0 Draft 2017/18 Budget

The CEO expanded on the Draft Budget presented in the papers.

Two options have been prepared for consideration.

**Option 1 – Status Quo** (maintenance of current service levels and capital expense)

The key influences and assumptions in relation to this draft budget are;

1. Increased revenue requirement from each Municipality of 2%.
2. Assumed increase in State Govt grant revenue of 1.3%.
3. Book stock purchase remains at 16/17 levels.
4. Employee benefits increase by 3% due to approved EBA 2014.
5. Increase in depreciation expense of 7% due to increased capital purchases for RFID and book stock.
6. Maintenance of greater than \$1m in retained cash to provide for financial risk.

This budget has been prepared based on an increase from Council Fee for Service revenue of 2% and retaining the status quo in regard to and Library business and services at 2016/17 levels.

This provides for a balanced Revenue/Expense budget for 2017/18 and Capital investment in accordance with Strategic Resource Plan levels.

**Option 2 – Increase book stock (Option 1 + \$50k CapEx)**

A further option can be considered to ensure that the strategic objective of continuing to improve our book stock quality and range can be achieved. Capital investment in our book stock collection could be increased by \$50k to ensure that we continue to improve our physical and eResource collections.

The impact on the budget is shown below in Option 2 and is summarised as;

1. Reduced investment expenditure of approx.. \$1k
2. Increase depreciation expense of approx.. \$6k
3. Reduced Cash and Cash equivalents holding at the 30 June 2018 of approx..\$50k

The Board discussed both options and questioned the CEO in regard to the service outcomes likely from the additional Capital expenditure.

The CEO advised that Goulburn Valley Libraries is at the lower end of the scale when compared with other comparable Victorian Libraries in regard to the Book stock spend and this has impacted on our collection quality. Our Library Plan targets are dependant on continuing to improve our collections.

The Board discussed the need to continue to increase eResources to meet growing demand and ensuring the collection purchases were targeted to meet community needs.

The Board also discussed the role of donations in improving the collection.

**Action : That the CEO investigate options to promote Donations, Gifts and Bequests.**

The Board also discussed how the organisation could fund further Library Plan and organisation development initiatives.

The CEO advised that further initiatives would have to be funded through Productivity improvements to ensure that we do not run deficits and draw down the cash account.

The Board discussed potential productivity proposals that could be implemented in the future to help fund these initiatives.

**Moved : Debra Swan**

**Seconded : Fiona Blick**

That the Board adopts the draft 2017/18 Option 2 Budget for Public Review.

That the Board notes the preliminary Productivity Plan.

**Carried**

## 11.0 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 in regard to vandalism of the water cooler and threats to staff at Shepparton.

The Chair also noted the successful author talk event held at the Cobram civic centre.

**Moved : Fiona Blick**

That the Business Operations Report be accepted.

**Carried**

**Seconded : Seema Abdullah**

## 12.0 Library Plan 2015-19 - 2017 Review

The Board were provided with a review of the Library 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 of the update in relation to the Statewide eResource platform and the update on active membership targets.

David Roff questioned the collection item per capita target of 1.5 when the ALIA target is 2? The CEO advised that the lower target was adopted to better match current trends in high performing libraries and to help create space in our space limited libraries.

The Board also discussed disposal of weeded items policy and it was suggested that more effort could be made to look for off shore homes such as East Timor?

**Action : Derek Poulton to talk to Rotary Clubs about donations to East Timor.**

The CEO advised that the Strategic Resource Plan will be updated to project out financials for four years and will be available next meeting.

**Moved : Derek Poulton**

That the Board note the Library Plan 2015-19 mid year status report.

**Carried**

**Seconded : Debra Swan**

## 13.0 Fraud Control Policy

The VAGO Audit for 2015/16 included a finding that the Fraud Management Control Policy had not been reviewed when scheduled in January 2015.

Management committed to review this policy for board approval in early 2017.

The Draft Fraud Control Policy was provided and reviewed by the Finance and Audit Committee on 20 April 2017 and endorsed for Board approval.

**Moved : David Roff**

**Seconded : Derek Poulton**

That the Board adopt the revised Fraud Control Policy.

**Carried**

## 14.0 Risk Register 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 has now been completed and the 4 High and 15 Moderate Risks were provided for review.

The Board discussed the risks, the methodology and next steps.

Several comments were received including that Risk 9.9 Difficult Customers could be rated higher as the likelihood and severity seems low.

Risks 1.13 and 1.14 were also discussed with the view that these risks probably shouldn't be on the register for routine reporting as there would be sufficient lead time to identify and treat if required.

Management will now prepare management plans and treatments for each High and Moderate Risks for the Board to review.

It is proposed that the Register and status of Management Plans will be reviewed by the Board annually.

**Moved : Derek Poulton**

**Seconded : David Roff**

That the Board note the revised Risk Register.

**Carried**

## 15.0 Library Projects

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

**Moved : Fiona Blick**

That the Board notes the Library projects report.

**Carried**

**Seconded : Debra Swan**

**Debra Swan and David Roff left the meeting at 4pm.**

## 16.0 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.

## 17.0 Other Business

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

## 18.0 Next Meeting

The next ordinary meeting of the GVRLC Board will be held on 22 June 2017 at Nagambie Library unless otherwise notified. .

### Board Meeting Planner

Date	Meeting	Agenda Items
15 June 2017	Finance & Audit Committee	
22 June 2017	Board – Nagambie	Adopt Budget and SRP
7 September 2017	Finance & Audit Committee	Review Annual Financial Report
14 September 2017	Board	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/Nathalia	Confirmation of chair, deputy, committees Review Code of Conduct Board Christmas dinner 6pm

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 3pm.

**Meeting closed at 4:15pm**

Kevin Preece  
Chief Executive Officer  
28 April 2017