

Board Meeting 26 April 2018

MINUTES

ORDINARY MEETING GOULBURN VALLEY REGIONAL LIBRARY CORPORATION

Held on Monday 26 April 2018
Commenced at 10:06am
Finished 12noon
At the Park Lake Motel

Wyndham Street, Shepparton

BOARD MEMBERS in attendance

Cr Seema Abdullah, Chairperson, Greater Shepparton City Council

Cr Gary Cleveland, Deputy Chairperson, Moira Shire Council

Ms Kaye Thomson, Greater Shepparton City Council

Ms Sally Rice, Moira Shire Council

Mr David Roff, Strathbogie Shire Council

Ms Amanda Tingay, Strathbogie Shire Council

Mr Derek Poulton, Greater Shepparton City Council

Chief Executive Officer – Kevin Preece

Vision

Contemporary libraries that connect, empower and inspire our communities.

Meeting opened at 2:pm

Sally Rice attended via phone link.

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

Cr Debra Swan and Alex Monk submitted apologies for the meeting.

Kaye Thomson arrived at 2:03pm.

3.0 Confirmation of Minutes

Moved : Gary Cleveland

Seconded : Derek Poulton

That the Draft Minutes of the Board Meeting held on 26 February 2018, 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	20 Nov 17	Collection data and depreciation rates to be reviewed by external expert to advise on appropriate depreciation rates for each category to be applied in 2018/19.	CEO	Deferred until after PLVN review of rates.
2	26 April 18	Colin Morrisons Local Government Act Review presentation to be distributed to Board members.	CEO	May 2018

Derek Poulton raised an item for Other Business. He advised that he would like to have a discussion on the future of the mobile library and its services.

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

The Moira Shire has nominated Alex Monk as the new community representative for Moira Shire.

Moved : Gary Cleveland That the nomination for Board membership for Alex Monk be confirmed. Carried	Seconded : David Roff
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7.0 Correspondence

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

8.0 CEO Report

The CEO provided a 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 including a meeting with the SAM Director.
- The CEO to present at an industry mini conference in Melbourne on 8 May on “Community Funding for a Library Project – Cobram Library case study.
- CEO attendance at the ALIA Conference held on the Gold Coast from 30 July to 1 August 2018.
- An update on the progress with Enterprise Bargaining 2018.
- An update on the CIT review currently being undertaken.

Moved : Derek Poulton That the CEO report be accepted. Carried	Seconded : Kaye Thomson
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9.0 Financial Report

Report to 31 March 2018

The Finance and Audit Committee met on 19 April 2018 and reviewed the financial report.

The statements show that with 75% of the year completed we have expended 75% of the recurrent expenditure budget to be \$17k over YTD.

Employee costs are under \$59k primarily due to non accrual of \$41k of budgeted compulsory superannuation contributions.

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 the Shepparton Friends for the purchase of the SCANPRO for the Shepparton Library.

Capital expenditure is over YTD by \$30.1k. This is primarily due to the bringing forward of the changeover of the iLoad Van into this financial year (\$35.9k) and deferring the changeover of one of the smaller vehicles (\$25k budget).

We have also expended an unbudgeted \$27k on the replacement of our outdated WiFi infrastructure at all libraries with a new system with better customer access and improved management tools.

Books and AV materials are also under expended by \$33.8k for this time of year, however we are on track to expend the budget.

We are holding \$1.53m cash which will be drawn down towards the end of the financial year.

Variances with the YTD Budgets and Actuals for Corporate expenses are a result of charging to new Work Order accounts where expense should fall rather than charging to accounts where the preliminary budget rests.

This anomaly will continue for the current financial year and be correct with the 2018/19 budget and phasing.

Moved : David Roff

That the Board approve the Financial report.

Carried

Seconded : Kaye Thomson

10.0 Draft 2018/19 Budget

The Board adopted a preliminary draft budget at the meeting of 26 February 2018 based on revenue from member Councils at 2.25% and delayed productivity savings.

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

1. Increased revenue requirement from each Municipality of 2.25%.
2. Assumed increase in State Govt grant revenue of 1.3%.
3. Book stock purchase levels to remain at \$400k.
4. Employee benefits increase by 1.5% (EBA 2018 currently under negotiation).
5. Increase in depreciation expense of 2% due to increased capital purchases for book stock.
6. Increased investment in Training and Development \$35k.
7. Increased investment in CIT systems \$20k recurrent.
8. Increase in opening hours and programming activity.
9. Maintenance expense of \$28k for RFID equipment will commence in 2018/19 following expiration of 18 month warranty period.
10. Decrease in Capital Expense of \$5k due to change to photocopier/printer hire.
11. Maintenance of greater than \$1m in retained cash to provide for financial risk.
12. Productivity of \$127k in recurrent Management & Administration expenditure to be achieved.

This budget provides for a small surplus of \$0.848k in 2018/19.

Budget 2018/19 program

Draft Budget approved	– 26 April Board Meeting
Incorporate feedback	- up to 7 May
Public Review	– 11 May – 8 June
F & A Committee review	– 14 June
Approve Library Plan	– 21 June Board Meeting

Draft 2018/19 Budget

Income Statement

	Adopted Budget 2017/18	Draft Budget 2018/19	Change
Revenue			
User Fees	45,200	49,200	8.85%
Grants (Operating)	824,884	835,607	1.30%
Contributions (Monetary)	2,579,398	2,637,435	2.25%
Other Income	57,222	55,000	-3.88%
Gain (Loss) on Sale of Plant	500	500	0.00%
Total Revenue	3,507,204	3,577,742	2.01%
Expenses			

Employee Costs	2,306,980	2,233,162	-3.20%
Materials and Services	700,406	827,963	18.21%
Depreciation	443,873	452,597	1.97%
Borrowing Costs	5,300	4,000	-24.53%
Other Expenses	57,640	59,172	2.66%
	3,514,199	3,576,894	1.78%
Surplus (Deficit) for the Period	(6,995)	848	

Capital Expenditure

Book stock & resources			
Physical Books and resources	233,000	233,000	0.00%
PRC books and resources	27,000	27,000	0.00%
eBooks & eAudiobooks	55,000	60,000	9.09%
DVD's	49,000	47,000	-4.08%
Audiobooks	35,000	33,000	-5.71%
CD's	1,000	0	100.00%
Vehicles	25,000	25,000	0.00%
Equipment & furniture	10,000	5,000	-50.00%
CIT	30,000	30,000	0.00%
Total Capital Expenditure	465,000	460,000	-1.08%

The Balance Sheet budget and cash flow will be developed and finalised from the adopted P&L and distributed to the Board for review prior to advertising.

Moved : David Roff

Seconded : Kaye Thomson

That the Board adopts the updated draft 2018/19 Budget for public review.

Carried

11.0 Draft Library Plan and Strategic Resource Plan 2018-22

The Board held its Strategic Workshop on 26 February and reviewed the organisational Vision, Mission, Values and Strategic Objectives.

These have been reviewed by the leadership, socialised with staff and further consultation held on potential actions to meet the objectives have been developed.

This now forms the basis of the new draft Library Plan.

A strategic resource plan for the draft four year Library Plan has been developed that incorporates financial assumptions and impacts for the implementation of the Library Plan.

The Board reviewed the Draft Library Plan and SRP.

Board members have provided comments on content directly to the CEO via email. Two Board members advised that they will forward their comments through in the next two days.

David Roff queried the Accumulated Surplus/Deficit figure shown as there appears to be an anomaly from 17/18 budget to the new SRP.

CEO agreed to review and advise board via email of any variation or correction.

These will be incorporated a new updated Draft will be circulated before advertising for public review.

Draft Library Plan & SRP – 26 April Board Meeting
Incorporate feedback - up to 7 May
Public Review – 11 May – 8 June
Approve Library & SRP Plan – June 21 Board Meeting

Moved : Kaye Thomson

Seconded : David Roff

That the Board adopts the updated draft Library Plan 2018-22 and Strategic Resource Plan for public review.

Carried

12.0 Local Government Act Review

Colin Morrison, Director Infrastructure, Local Government Victoria DEWLP attended the meeting to present this item.

Colin gave a presentation and advised that ;

- The State Government has instigated a review of the Local Government Act 1989.
- A discussion Paper was released September 2015.
- A directions paper was released in June 2016.
- An Exposure Draft Bill was released in December 2017.
- It is expected that the Bill will go to Parliament some time in 2018.

The new Bill has potential implications for how Regional Library Corporations (RLC's) are governed into the future.

The new Bill will provide a framework to enable resource sharing between Councils.

Councils will have the option to stay as a RLC under provisions of the existing Act or move to a new governance model that will be enabled under the new legislation.

Action : Colin Morrisons Local Government Act Review presentation to be distributed to Board members.

Moved : Gary Cleveland

Seconded : Amanda Tingay

That the Board notes the status of the Local Government Act review.

Carried

13.0 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 increase in WiFi use and Website hits that have occurred as a result of the recent upgrades to these systems.

Moved : David Roff

Seconded : Amanda Tingay

That the Business Operations Report be accepted.

Carried

14.0 eSmart Libraries - Cybersafety

The Board received a presentation by Alex Andrew (CIT Manager) and Jenny Wyllie (Library Services Manager) on our approach to Cybersafety and our journey to eSmart accreditation.

Goulburn Valley Libraries is in the process of becoming accredited as an eSmart Library.

Being an eSmart Library means that we are fully equipped to connect library users with the skills they need for the smart, safe and responsible use of technology.

Moved : Kaye Thomson

Seconded : Derek Poulton

That the Board notes the eSmart Libraries project and GV Libraries approach to Cyber safety.

Carried

15.0 Surveillance Policy

At the Board meeting of 26 February the Board was advised that the Greater Shepparton City Council is to install CCTV at the Shepparton Library to improve security.

The Board were advised that Goulburn Valley Libraries will need to establish a policy for the use and access to data from the CCTV system to ensure proper operation and access to data from the system.

The draft policy was provided to the Board and reviewed.

Moved : David Roff

Seconded : Gary Cleveland

That the Board adopts the Surveillance Policy.

Carried

13.0 Library Projects

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

Yarrawonga Library

The three site options have been the subject of a Community Consultation process by the Moira Shire to gain input into the proposals at the Town Hall precinct site listed below.

This process is due to close on 27 April and has now been extended a week to allow further input.

Sally Rice reported that Option A – Greenfield site behind the Town Hall was the option that seemed to be most favoured at this stage. Most comments were generally positive around the need for a new Library at the precinct.

Tatura Library

Council have been consulting with other site occupants at the Tatura site and propose to develop and submit an application for funding based on the current concept plan when the grant round opens in May 2018.

Moved : Sally Rice

That the Board notes the Library projects report.

Carried

Seconded : Gary Cleveland

14.0 Information Items

The Board noted the items of interest provided including:

- The Value of Public Libraries in Victoria – report

Moved : Amanda Tingay

That the Information Items Report is noted.

Carried

Seconded : Gary Cleveland

15.0 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.

16.0 Other Business

There was one item raised by Derek Poulton earlier in the meeting and accepted for discussion by the Chairperson.

Mobile Library future

Derek Poulton advised that he believes that we should be looking at options for the future of the Mobile Library.

The CEO provided information that showed;

- Declining patronage over the last six years
- Cost of operating the mobile service and cost per visit and loan

Discussion ensued around possible alternative service options.

The CEO advised that a Mobile Library Service Review was included in the draft Library Plan and a project plan would be put to a future meeting to progress the review.

Kaye Thomson advised that Greater Shepparton has Community Planning groups in most centres and that these groups would be good to consult on their future service needs.

17.0 Next Meeting

The next Board meeting is scheduled for 21 June 2018 at the Shepparton Library.

Kaye Thomson advised that she will be an apology for the next meeting.

Board Meeting Planner

Date	Meeting	Agenda Items
14 June 2018	Finance & Audit Committee	Risk Register review
21 June 2018	Board – Location to be determined	Adopt Budget. Library Plan and SRP
13 September 2018	Finance & Audit Committee	Review Annual Report & Financial Standard Statements
20 September 2018	Board	Consider and adopt Annual Report & Financial Standard Statements Consider CEO Performance Review
15 November 2018	Finance & Audit Committee	
22 November 2018	Board – Location to be determined	Confirmation of chair, deputy, committees Review Code of Conduct

Meeting closed at 4:23pm

Kevin Preece
Chief Executive Officer
4 May 2018