

MINUTES

ORDINARY MEETING GOULBURN VALLEY REGIONAL LIBRARY CORPORATION

Held on Thursday 7 May 2020
Commenced at 2:00pm
Finished 3:30pm
Remote via Zoom

BOARD MEMBERS in attendance

Cr Gary Cleveland, Moira Shire Council, Chairperson
Cr Bruce Giovanetti, Greater Shepparton City Council, Dty Chairperson
Cr Alistair Thomson, Strathbogie Shire Council
Ms Kaye Thomson, Greater Shepparton City Council
Mr David Roff, Strathbogie Shire Council
Ms Sally Rice, Moira Shire Council
Ms Amanda Tingay, Strathbogie Shire Council
Mr Derek Poulton, Greater Shepparton City Council
Ms. Alex Monk, Moira Shire Council

Chief Executive Officer – Kevin Preece

Vision

We connect, empower and inspire our communities.

Meeting opened at 2:00 pm

All members attended via Zoom.

Gary Cleveland and Kevin Preece attended via Zoom at 79 Benalla Road Shepparton.

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 : Bruce Giovanetti	Seconded : Kaye Thomson
That the Draft Minutes of the ordinary Board Meeting held on 20 February 2020, 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	May 2019	Investigate services that may be put in place to support staff and to provide an assessment of the current staff situation and report to the Board.	CEO	Health and Wellbeing program developed. Implementation pending.
2	June 2019	Review Risk Framework and appetite. Further comments received to be incorporated.	CEO	Complete
3	June 2019	Provide a presentation on the Collections Policy	CEO	Policy provided Feb 2020 - mtg
4	Nov 2019	CEO to meet with GOTAFE CEO to discuss potential collaboration opportunities. Discussions commenced.	CEO	Deferred to post COVID 19 shutdown
5	Feb 2020	Provide an analysis of traffic on Sundays and costs to increase opening hours for consideration	CEO	Complete
6				
7				

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 conflicts were declared.

6.0 Correspondence

There was no correspondence directly to and from the Board and / or of relevance to Board governance listed.

Moved : Alex Monk That the Correspondence report be noted. Carried	Seconded : Sally Rice
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7.0 CEO Report

The CEO reported on significant activities of the CEO and any salient items of specific operational and strategic interest.

Activities and priorities included;

- Management and Administration re structure
- Tatura Library Fundraising
- COVID-19 Response and Recovery

The CEO reported on his holiday to NZ that was cut short due to COVID-19 restrictions and the subsequent response and operational changes as a result of the pandemic.

The CEO complemented the acting CEO Jenny Wyllie on her management of the organisation during the initial stages of program shutdowns whilst he was on leave.

The CEO advised the board of the organisations COVID-19 response and recovery plans.

The CEO advised the Board that the Management and Administration re structure has been put on hold until the uncertainty around the COVID-19 impacts were more understood.

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

The Finance and Audit Committee met on 30 April 2020.

The Board reviewed the signed Financial Statements to 31 March 2020 received from our finance contractor, GSCC and variance reports.

The CEO presented the 30 April 2020 report that was received post development of the Agenda.

The 30 April statements show that with 83% of the year completed we have expended 83% of the recurrent expenditure budget and are \$27.4k under expended YTD.

The main improvement is a result of reduced employee costs, \$18.8k under YTD, particularly casual employment as part of the COVID-19 response.

Other expenses variance, \$6.7k, is primarily costs and rental for the temporary Tatura Library. GSCC has agreed to provide \$100 per week to help support this rental. This will be invoiced before the end of the FY.

Insurance costs have been \$13k higher than budget this year and depreciation remains \$12k over budget.

A summary of our insurance costs showing year on year increases was reviewed by the F&A committee. It was noted that our \$600m Public Liability insurance limit could be too high and should be reviewed. The Committee believes that we may achieve a better result by going to quotes to test our insurance costs in the market.

Revenue is ahead by \$16.75k with all major income from Councils and State Government YTD received. User fees, meeting room income, book clubs and lost book income are all ahead YTD but are beginning to be impacted by the shutdown of libraries. Additional grant revenue for programs \$8k has also been received.

Capex is \$31.4k under YTD primarily due to delays and deferment in equipment and library resources purchases.

We are holding \$1.54m cash that will now be drawn down over the last two months as all major income has been received.

Moved : David Roff

Seconded : Sally Rice

That the Board approves the Financial Report.

Carried

9.0 Draft 2020/21 Budget

A preliminary draft Revenue and Expense budget has been prepared and was reviewed by the Board.

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

1. Increased revenue requirement from each Municipality of 2.0%.
2. Assumed increase in State Govt grant revenue of 2.0%.
3. No increase in Book stock purchase. – remains at \$400k
4. Employee benefits increase by 1.5% (EBA 2018 approved.).
5. Maintain existing levels of staffing.
6. Increase in depreciation expense of 2% due to increased capital purchases for book stock.
7. Maintaining existing opening hours and programming activity.
8. Achieving a balanced budget.

The Board noted other items that could impact the final adopted budget include;

1. COVID-19 Response and Recovery – savings and increased costs.
2. Reduced or static State government and Council recurrent funding revenue.
3. The Management and Administration re structure has been put on hold.
4. Potential employee cost savings through Management and Administration restructure. Full outcomes will only be known later in FY.
Additional contract expenses to offset some employee activity (i.e. HR and IT functions). **This re structure has been put on hold.**
5. Impact of lost interest revenue due to reduced cash holdings due to restructure costs.
6. Timing of moving to Cloud based IT.

The date for submission to the minister has been extended to 31 August 2020 due to COVID-19 however the CEO advised that he will stick to the previous timetable to get a budget approved by 30 June 2020.

The Board noted the budget and the proposed program, noting that the June Board meeting would provide an opportunity to review the budget as impacts of COVID-19 become clearer.

Draft Budget approved	– 7 May Board Meeting
Incorporate feedback	- up to 13 May
Public Review	– 14 May – 11 June
F & A Committee review	– 18 June
Approve Budget	– 25 June Board Meeting

Goulburn Valley Regional Library Corporation
DRAFT Budget Income Statement
2020/21 Financial Year

	2019/2020 Budget	2020/21 DRAFT Budget	Variance (Fav./)Unfav.	
	\$	\$		
REVENUE				
User Fees	48,200	52,700	4,500	9.34%
Grants (Operating)	858,255	875,420	17,165	2.00%
Contributions (Monetary)	2,703,371	2,757,438	54,067	2.00%
Other Income	39,262	24,200	(15,062)	-38.36%
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Gain (Loss) on Sale of Plant	4,000	0	(4,000)	100.00%
TOTAL REVENUE	3,653,088	3,709,759	56,671	1.55%
EXPENSES				
Employee Costs	2,425,275	2,481,000	(55,725)	2.30%
Materials and Services	696,500	689,200	7,300	-1.05%
Depreciation	471,173	480,596	(9,423)	2.00%
Borrowing Costs	2,500	1,500	1,000	-40.00%
Other Expenses	57,200	57,200	0	0.00%
TOTAL EXPENSE	3,652,648	3,709,496	(56,848)	1.56%
Surplus/(Deficit) for the period	440	262	(178)	

Moved : Amanda Tingay	Seconded : Bruce Giovanetti
That the board adopt the Draft Budget for public review.	
Carried	

11.0 Risk Framework Review

The Board reviewed the amended Risk Framework and Draft Risk Appetite statement that was prepared by the CEO and reviewed at the previous Board meetings for consideration.

It was noted that the suggested amendments were included in the Appetite Statements

Moved : Derek Poulton

Seconded : Amanda Tingay

That the board adopts the amended Risk Framework including the Risk Appetite Statements.

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 reduction in Loans, Members and Visits were noted due to COVID-19. It was also noted that eResource use had increased significantly.

Moved : Alex Monk

Seconded : Amanda Tingay

That the Business Operations Report be accepted.

Carried

12.0 Collections Development Policy – This paper was removed as the policy was accepted at the previous meeting.

A subsequent paper addressing Action 5 – Costs of Opening Libraries

The Board requested an assessment of the costs that would be incurred to open libraries for increased hours on weekends.

This assessment was provided and showed the costs for Shepparton Library and a smaller single person library for an additional 3 hours on Saturdays and Sundays.

Saturday 1pm to 4pm		
Shepparton	Cost per week	Cost per year (51 weeks)
Band 5E Coordinator	\$215.34	\$10,982
Band 3A Assistant	\$196.90	\$10,042
	\$412.24	\$21,024
Single person library		
Band 5E Coordinator	\$215.34	\$10,982

Sunday 10am to 1pm		
Shepparton	Cost per week	Cost per year (51 weeks)
Band 5E Coordinator	\$258.41	\$13,179
Band 3A Assistant	\$236.28	\$12,050
	\$494.69	\$ 25,229

Single person library		
Band 5E Coordinator	\$258.41	\$13,178.91

The CEO advised that if a particular Council wished that its library adopt additional opening hours then the cost would be born by that Council on top of the existing population based contributions.

The Board noted this paper.

13.0 Library Projects

The Board reviewed a report on all current major Library projects, including Yarrawonga Library and Tatura Library.

Yarrawonga Library

Sally Rice reported that the Moira Shire Council has commenced a procurement process for the detailed design for the new Library at the Town Hall site.

Moira Shire has been offered First Right of Refusal to purchase the old School site and there is a vocal community group advocating for this site for the Library location. The assessment of this site will be delayed due to COVID-19 and normal processes.

Tatura Library

The CEO advised that Construction at the Casey Street site commenced during the week commencing 24 January and has progressed steadily.

The temporary site at 155A Hogan Street has proven very popular with patrons.

The Fundraising Committee was very active prior to COVID-19 with over \$20k committed with no activity since 13 March..

We have commenced the procurement process and have requested quotes from suppliers for Furniture and Shelving.

Mobile Library Review

The CEO advised that this review has been placed on hold but that when the Mobile service recommences after COVID-19 that we will look to implement the proposed timetable and program changes.

Derek Poulton advised that now is a good opportunity to bring in some wider changes including agency sites and alternate service arrangements for these remote communities.

Moved : Sally Rice

That the Board notes the Library projects report.

Carried

Seconded : Kaye Thomson

17.0 Information Items

The Board noted the items of interest provided including:.

- Regional Library Collaboration – Discussion Paper.

The Board discussed this paper and the timetable for moving to a new governance arrangement.

The CEO advised that there were a couple of Library Corporations that were actively pursuing options and that we would be able to learn from their experiences. If there was no compelling need to change at the moment it would be best to wait and see how the selection of a new model and transition goes for these larger and early adopters.

Derek Poulton posed the thought that maybe we should be looking at increasing our membership say to Campaspe, Gannawarra libraries or similar as part of the consideration of a new governance model.

Moved : Bruce Giovanetti

Seconded : Alex Monk

That the Information Items Report is noted.

Carried

18.0 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.

19.0 Other Business

It was noted that the Shepparton News had reported that the Shepparton Chamber of Commerce had mooted the idea of introducing a Library into the Maude Street Mall as part of the proposed concept plans currently being discussed.

20.0 Next Meeting

The next ordinary meeting of the GVRLC Board will be held on 25 June 2020 commencing 4444at 2pm at the Shepparton Library or remote via Zoom.

Board Meeting Planner

Date	Meeting	Agenda Items
18 June 2020	Finance & Audit Committee	Review Risk register
25 June 2020	Board	Approve Budget Review Risk Register
17 Sept 2020	Finance & Audit Committee	End of year financial report
24 Sept 2020	Board	Annual report
19 Nov 2020	Finance & Audit Committee	Review of Procurement Policy and delegations
26 Nov 2020	Board	Confirmation of chair, deputy, committees Review Code of Conduct

Meeting closed at 3:30pm

Kevin Preece
Chief Executive Officer