

## MINUTES

### ORDINARY MEETING GOULBURN VALLEY REGIONAL LIBRARY CORPORATION

Held on Thursday 23 June 2022  
via Zoom  
Commenced at 2:07pm  
Finished 3:45pm

#### **BOARD MEMBERS in attendance**

Cr Julie Brooks, Moira Shire Council (Chairperson) - remote

Mr Derek Poulton, Greater Shepparton City Council (Deputy Chairperson)

Ms Louise Mitchell, Greater Shepparton City Council - remote

Mr David Roff, Strathbogie Shire Council - remote

Ms Sally Rice, Moira Shire Council - remote

Ms Jessica Bonaddio, Moira Shire Council - remote

Observer – Ms Dawn Bray, Strathbogie Shire Council - remote

Chief Executive Officer – Kevin Preece

#### ***Vision***

*We connect, empower and inspire our communities.*

Meeting opened at 2:07pm

## 1.0 Acknowledgement

The Chairperson read the acknowledgement of the first nation's community.

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

## 2.0 Apologies

Reg Dickinson, Kym Bailey and Greg James submitted an apology prior to the meeting.

Julie Brooks advised the Board that this will be David Roff's last meeting and thanked David for his service and contribution to the Board and the Finance and Audit Committee.

Julie welcomed Dawn Bray as David's replacement and in an observer role for the meeting.

## 3.0 Confirmation of Minutes

**Moved : Jess Bonaddio**

**Seconded : David Roff**

That the Draft Minutes of the ordinary Board Meeting held on 19 May 2022, as circulated, be confirmed.

**Carried**

## 4.0 Business arising from the previous meeting Minutes

The CEO spoke to the James Bennet Sustainability Project that was a question to the Library Plan action from the last meeting and included in the minutes.

### 4.1 Board Meeting Action List

The Board action list was reviewed and has been updated.

No	Meeting	Action	Responsibility	Status
1	Feb 2022	Ensure further media coverage on LLIP funding for Euroa and Numurkah.	CEO	Waiting for agreements to be signed and approvals.
2	April 2022	Develop a process and timelines for CEO recruitment for review at the next Board meeting	CEO	Completed. Item 6

## 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.

The Chairperson reminded the Board members to complete the Key Management Personnel declaration for Audit purposes by 30 June 2022.

## 6.0 Correspondence

The Board noted the correspondence as listed.

## 7.0 CEO Report

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

Current Covid-19 Response and Recovery including the significant difficulty at the moment filling rosters as a result of staff absences.

The CEO also reported on the Enterprise Bargaining process to develop a new Enterprise Agreement before the current agreement expires on 30 June 2022 and advised that the key points agreed to date are;

- 3 year agreement
- 2% increase each year to salaries and allowances
- Inclusion of 10 days family violence leave each year (non accumulative)
- Removal of End of Band classification for new employees

The CEO advised that he has received advice from the Union organiser that the draft EA is acceptable to staff and that it will be checked by the Union and we can go to an access period prior to a vote very soon.

The CEO advised that he is taking leave from 20 July to 28 July inclusive and that Jenny Wyllie will act as CEO in this time.

The CEO presented a 12 step Draft CEO Recruitment Process and Timeline. This process will be supported by our HR contractors, Moira Shire.

No.	Task	Timing	Who
1	Develop PD , Draft Contract and Advertising Plan	August 2022	CEO
2	Approve PD, Draft Contract (pay scale), Advertising Plan	22 September 2022	Board
3	Advertise – Local Papers, Age, PLV, ALIA. – 3-4 weeks	October 2022	CEO
4	Shortlist candidates	November 2022	Board
5	1 <sup>st</sup> Interview	November 2022	Interview Panel
6	2 <sup>nd</sup> Interview if required Reference and background checks	November 2022	Board
7	Board meeting to endorse selection and offer.	24 November 2022	Board
8	Offer to candidate Contract negotiation	By 30 November 2022	Chair Board
9	Acceptance of offer by candidate	20 December 2022	Chair
10	Negotiate and finalise contract	31 January 2023	Board
11	New CEO commences employment on site. Handover	Mid March 2023	CEO
12	Incumbent ceases employment	31 March 2023	

The CEO also advised that the current CEO performance review needs to be undertaken and he will complete a Self Assessment against his Performance Plan and KPI's and distribute to all Board members for review and feedback to the Chairperson. The review meeting will be held in September prior to the Board meeting.

**Moved : David Roff**

**Seconded : Sally Rice**

That the Board approve the CEO report.

**Carried**

## 8.0 Financial Report

The Board reviewed the signed Financial Statements to 31 May 2022 received from our finance contractor, GSCC. The Finance and Audit Committee has met on 17 June 2022.

The CEO spoke to the reports and highlighted the following;

The statements show that with 75% of the year completed we have expended 69% of the recurrent expenditure budget and are \$305k under YTD.

Employee costs are under \$182k YTD primarily due to reduced employee costs due to Covid shutdowns, reduced CEO time fraction, lower redundancy costs and redundancy Long Service Leave costs of \$71k being removed to Provisions in the Balance Sheet.

Materials and Services is under \$83.7k YTD due to reduced consumable costs due to Covid shutdowns and delays in implementing HR and CIT contracts due to re structure and delays in paying telecoms and data bills due to billing issues.

Revenue is favourable \$10k YTD primarily due to receipt of a \$20k donation for the Euroa Library and profit of \$20.4k on the sale of a vehicle. User Fees and Charges are down \$7k due to Covid closures. We have also received \$202k from the Living libraries Infrastructure fund for Euroa and Numurkah refresh projects – this funding is not to be spent this Financial year and appears in the Balance Sheet.

Capex is underspent (\$22.9k) YTD due to delays in stock purchasing program. These programs will catch up and are expected to be on track by EOFY. We will also see purchases of equipment supporting the Avenel and Murchison projects coming in the next 3 months against \$120k received last Financial year.

**Moved : David Roff**

**Seconded : Sally Rice**

That the Board approve the 31 May 2022 Financial Report.

**Carried**

## 9.0 Adoption of 2022/23 Budget

A preliminary budget was reviewed at the Board meeting of 24 February and a Draft Budget was adopted for Public Review at the Board meeting of 28 April 2022.

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

No submissions have been received at close of business 14 June 2022.

The Budget varies from the Draft Budget only in that Living Libraries grant revenue is shown in 21/22 and 22/23 and Living Libraries project expenditure is shown in both Materials and Services (for expenditure on Council assets) and in Capex (for expenditure on GVL assets).

For convenience and efficiency the 4 year budget is shown consistent with the draft Library Plan 22-26 and Strategic Resource Plan.

**Moved : David Roff**

That the Board approve the 2022/23 Budget.

**Carried**

**Seconded : Louise Mitchell**

**Goulburn Valley Regional Library Corporation**  
**Income Statement**  
**Income Statement**

	<b>Adopted Budget 2021/2022</b>	<b>Draft Budget 2022/2023</b>	<b>Draft Budget 2023/24</b>	<b>Draft Budget 2024/25</b>	<b>Draft Budget 2025/26</b>
<b>Revenue</b>					
User Fees	48,200	50,200	50,702	51,209	51,720
Grants (Operating)	900,675	922,173	940,617	959,429	978,618
Grants (Capital)	120,000	232,000	0	0	0
Contributions (Monetary)	2,798,800	2,845,782	2,902,698	2,960,752	3,019,967
Other Income	42,000	23,000	3,000	3,000	3,000
Gain (Loss) on Sale of Plant	0	10,000	10,000	10,000	10,000
<b>Total Revenue</b>	<b>3,909,675</b>	<b>4,083,155</b>	<b>3,907,016</b>	<b>3,984,390</b>	<b>4,063,304</b>
<b>Expenses</b>					
Employee Costs	2,550,800	2,378,000	2,459,560	2,518,751	2,579,126
Materials and Services	794,400	1,013,700	875,874	893,391	911,259
Depreciation	544,895	509,796	519,992	530,392	541,000
Borrowing Costs	4,255	450	0	0	0
Other Expenses	10,000	59,419	60,607	61,820	63,056
	<b>3,904,350</b>	<b>3,961,365</b>	<b>3,916,033</b>	<b>4,004,354</b>	<b>4,094,441</b>
<b>Surplus (Deficit) for the Period</b>	<b>5,325</b>	<b>121,790</b>	<b>(9,017)</b>	<b>(19,965)</b>	<b>(31,137)</b>

**Capital Expenditure**

<b>Book stock &amp; resources</b>					
Physical Books and resources	189,000	225,000	227,250	229,523	231,818
PRC books and resources	27,000	27,000	27,000	27,000	27,000
eBooks & eAudiobooks	93,000	130,000	135,200	140,608	146,232
DVD's	38,000	40,000	40,400	40,804	41,212
Audiobooks	50,000	35,000	35,350	35,704	36,061
CD's	0	0	0	0	
<b>Vehicles</b>	43,000	50,000	30,000	40,000	45,000
<b>Equipment &amp; furniture</b>	5,000	5,000	5,100	5,202	5,306
<b>CIT</b>	30,000	35,000	35,700	36,414	37,142
<b>Avenel/Murchison Kiosks</b>	120,000	30,000			
<b>Numurkah/Eurua Upgrades</b>	0	47,000	0		
<b>Total Capital Expenditure</b>	<b>595,000</b>	<b>624,000</b>	<b>536,000</b>	<b>555,255</b>	<b>569,771</b>

## Balance Sheet

	JUNE Forecast 2021/22	Draft Budget 2022/2023	Draft Budget 2023/2024	Draft Budget 2024/2025	Draft Budget 2025/2026
	\$	\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	982,382	765,640	730,554	685,727	645,819
Trade and Other Receivables	31,738	31,738	36,738	41,738	46,738
Other Financial Assets	500,000	500,000	500,000	500,000	500,000
Other Assets	39	39	100	100	100
<b>Total Current Assets</b>	<b>1,514,159</b>	<b>1,297,417</b>	<b>1,267,392</b>	<b>1,227,565</b>	<b>1,192,657</b>
<b>Non-Current Assets</b>					
Property, Plant, Equipment and Infrastructure	8,772,856	9,340,856	9,964,856	10,500,856	11,056,111
(Depreciation)	(7,042,875)	(7,503,080)	(8,023,072)	(8,553,464)	(9,094,464)
CAPEX	568,000	624,000	536,000	555,255	569,771
Right of Use Assets	49,591	0	190,000	144,000	96,000
<b>Total Non-Current Assets</b>	<b>2,347,572</b>	<b>2,461,776</b>	<b>2,477,784</b>	<b>2,502,647</b>	<b>2,531,418</b>
<b>TOTAL ASSETS</b>	<b>3,861,731</b>	<b>3,759,193</b>	<b>3,745,176</b>	<b>3,730,212</b>	<b>3,724,075</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and Other Payables	272,171	70,171	50,171	40,171	50,171
Provisions	667,737	687,737	697,737	707,737	717,737
Interest-bearing Loans and Borrowings	0	0	0	0	0
Lease Liabilities	52,328	0	0	0	0
<b>Total Current Liabilities</b>	<b>992,236</b>	<b>757,908</b>	<b>747,908</b>	<b>747,908</b>	<b>767,908</b>
<b>Non-Current Liabilities</b>					
Trade and Other Payables	0	0			
Provisions	54,497	64,497	69,497	74,497	79,497
Interest-Bearing Loans and Borrowings	0	0	0	0	0
Lease Liabilities	0	0	190,000	144,000	96,000
<b>Total Non-Current Liabilities</b>	<b>54,497</b>	<b>64,497</b>	<b>69,497</b>	<b>74,497</b>	<b>79,497</b>
<b>TOTAL LIABILITIES</b>	<b>1,046,733</b>	<b>822,405</b>	<b>817,405</b>	<b>822,405</b>	<b>847,405</b>
<b>NET ASSETS</b>					
	<b>2,814,998</b>	<b>2,936,788</b>	<b>2,927,771</b>	<b>2,907,807</b>	<b>2,876,670</b>
<b>EQUITY</b>					
Accumulated Surplus / (Deficit)	(90,749)	31,041	22,024	2,060	(29,077)
Member Contributions	2,905,747	2,905,747	2,905,747	2,905,747	2,905,747
<b>TOTAL EQUITY</b>	<b>2,814,998</b>	<b>2,936,788</b>	<b>2,927,771</b>	<b>2,907,807</b>	<b>2,876,670</b>

## 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.

Items noted included;

The reduction in membership from December 21 to January 22. The CEO advised that this was due to the gradual reduction in membership experienced during Covid lockdowns being registered in one hit rather than month by month. The decline is due to people not being able to attend to renew memberships or join. This is a state wide trend.

The purchase of Hublet tablet borrowing and charging stations for Euroa (funded through a donation) and Shepparton.

**Moved : Jess Bonaddio**

**Seconded : Sally Rice**

That the Board approve the Business Operations Report.

**Carried**

## 11.0 Library Projects

### Yarrawonga Library

Sally Rice reported that there have been some unforeseen delays in construction commencement but Moira shire are hopeful of a start of works in early August.

Sally advised that Moira Shire will likely set a \$250k target for community fundraising for fit out of the Library and will ask GVL to facilitate this fundraising as was done at Cobram. Moira Shire will likely take the risk of a fundraising shortfall to ensure the fit out is completed.

### Tatura Library – Open Library

The CEO advised that delays with our electrical contractor has continued to cause some delays with this project. We are expecting works to be completed early in the new financial year to enable us to start the “Open Library”.

### Improving Mobile Library Services to small communities

Avenel – A Licence Agreement with the Jubilee Park Committee of Management for the occupation of the two front rooms at the “Neighbourhood House” has been signed and the NBN connected. Electrical and security works will be undertaken soon. The self serve kiosk and furniture and shelving deliveries are imminent.

Murchison – We have received Council approval and are developing an Agreement with the Murchison and District Historical Society for the placement of the Library Cabinet on the west wall. We have received advice from Council on electrical and access works to enable the cabinet placement and operation. The Library Cabinet will be delivered and installed in mid July.

### Numurkah and Euroa Re-refresh and modernisation projects

We will commence design works with staff and suppliers for these projects very soon.

Target for completion is late November 2022.



## 12.0 Draft Library Plan 2022-26

The Board has endorsed a process and timeline to develop a new Library Plan 2022-26.

A Board strategic workshop was held on 3 March 2022.

Two staff workshops were held, including an online survey on 30 March and 7 April.

A Draft Library Plan 2022-26 has subsequently been developed by management with the support of the consultant who facilitated the Board workshop, Karyn Seigman.

The Board adopted the draft Library Plan for Public Review at its meeting of 28 April and subsequent advertising took place for the review period that expires on 22 June 2022. No submissions were received at date of printing.

The draft Budget and four year projections were added as part of the Strategic Resource Plan.

In regards to the revenue projections and contributions strategy, while a 2% increase per year for Council Contributions has been assumed for the projections Louise Mitchell advised that this should state that this is still subject to Rate Cap and each Council's expenditure strategies. The CEO advised that while reasonable assumptions are made for the sake of projections and planning the budget revenue each year are subject to individual Council advised contributions. The CEO advised that he will make these changes in the document where they are noted.

David advised that CPI rate assumptions should also be included in the table on P15 "Matters that impact on the Strategies."

Kevin advised that the schedule of fees and charges has also been reviewed and included in the Library Plan.

**Moved : Louise Mitchell**

**Seconded : Jess Bonaddio**

That the Board adopts the Library Plan 2022-26 with amendments as discussed.

**Carried**

## 13.0 Review of Risk Register

As part of the Internal Audit Plan a review of the Risk Register and key financial risks was undertaken. The key risks were reviewed by the Finance and Audit Committee on 17 June 2022 and the following Risks were identified for assessment/review and inclusion in the Register.

- Risk of revenue growth not keeping pace with inflation impacting services/budget.
- Risk of a call top up funds by Vision Super impacting budget.
- Risk of detrimental economic/service/reputational outcomes due to change in Governance model.
- Risk of detrimental economic/service/reputational outcomes due to CEO recruitment.

The CEO showed the Risk Assessments for these risks and these were discussed by the Board.

In regard to the CEO Recruitment Risk the Board suggested additional mitigations could include;

- A Probationary period,
- Thorough reference and background checks,
- Drug & Alcohol checks,
- Birkman Personality Profiling for the preferred candidate/s.

**Moved : Jess Bonaddio**

**Seconded : David Roff**

That the Board notes the Review of the Risk Register and the four new and amended risks.

**Carried**

## 14.0 Delegations Schedule

The Delegations Schedule is a key instrument that supports governance, decision making and procurement for the organisation.

The Delegations Schedule is reviewed annually and signed by the Chairperson.

The Delegations Schedule was reviewed by the Finance and Audit Committee at its meeting of 17 June 2022.

The only change is the increase in the Authorising Officer Corporate Credit Card limit to \$8,000 in line with the new Credit Card limit and the Procurement Policy.

**Moved : Derek Poulton**

**Seconded : Sally Rice**

That the Board approve the amended Delegations Schedule and authorises the Chairperson to sign.

**Carried**

## 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

The Chairperson asked about Council briefings on the Governance changes and if the CEO could provide briefings to Councils or a background/options paper for discussion.

The CEO advised that Colin Morrison from Local Government Victoria is to meet with all Regional Library Corporation CEO's next week to give an update on this process.

The CEO advised that he will write to all Councils offering to provide a briefing and/or a paper on the issue as part of the commencement of the project.

## 10.0 Next Meeting

The next ordinary meeting of the Board will be held on 22 September 2022 commencing at 2pm.

## Board Meeting Planner

<b>Date</b>	<b>Meeting</b>	<b>Agenda Items</b>
14 September 2022	Finance & Audit Committee	End of year financial report
22 September 2022	Board	Annual report CEO Performance Review Approve PD, Draft Contract (pay scale), Advertising Plan for CEO position.
17 November 2022	Finance & Audit Committee	Review of Procurement Policy and delegations
24 November 2022	Board	Confirmation of chair, deputy, committees Review Code of Conduct Endorse new CEO selection and offer.

**Meeting closed at 3:45pm**

Kevin Preece

Chief Executive Officer