

Ordinary Board Meeting

Agenda

Friday 3rd September 2021

11.30 am

Due to restrictions from COVID19 the September Board Meeting will be held entirely by video.

Meeting held via zoom

Notice of meeting

Notice is hereby given that an Ordinary Meeting of the West Gippsland Libraries Board will be held electronically via Zoom, on Friday 3rd September 2021 at 11.30 am.

Date of notice: Monday 30th August 2021

Leanne Williams

Chief Executive Officer





OUR VISION

Our vision is for connected, inclusive and resilient communities that are supported to grow and thrive.



MISSION SUPPORTING OUR COMMUNITIES IS OUR MISSION. WE HELP PEOPLE:



Connect
We are responsive and bring people together



Belong
We are inclusive and work with you



Learn
Our free resources allow minds to explore and create



OUR VALUES

Relationships
We build relationships with our stakeholders, communities and each other.

Excellence
We will deliver excellence in everything we do.

Bravery
We anticipate and bravely adapt with the changing needs of our communities.

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Required attendance:

Board Members

Rick Brown (South Gippsland Shire Council) Chairperson
Cr. Annemarie McCabe (Baw Baw Shire Council) Deputy Chairperson
Cr Leticia Laing (Bass Coast Shire Council)
Martin Hopley (Baw Baw Shire Council)
Jodi Kennedy (Bass Coast Shire Council)
Allison Jones (South Gippsland Shire Council)

WGL Officers

Leanne Williams (Chief Executive Officer)
Bernadette Kennedy (Deputy Chief Executive Officer)
Bec Noone (Manager Marketing & Strategy)

1. Statement of acknowledgement

We acknowledge the Traditional Custodians of the various lands on which we all live and work and welcome Aboriginal and Torres Strait Islander people who may be participating. We pay our respects to Elders past, present and emerging.

2. Our Child Safety Commitment

West Gippsland Libraries is committed to the safety and wellbeing of all children and young people.

3. Apologies

4. Declarations of interest/conflict of interest

5. Minutes of previous meeting

Recommendation

That the Board adopt:

- i. The minutes of the Ordinary meeting held 25th June 2021.
- ii. The correction to the Minutes of the meeting held on 7th May 2021. The resolution (a) for report 8.5 – Transition to a Not-For-Profit Entity should read “the Local Government Act 1989” and not “1983”.
- iii. The minutes of the Special Board meeting held 23rd July 2021.

Attachments

Attachment 5.1.1 – Minutes of the Ordinary Board meeting 25th June 2021

Attachment 5.1.2 – Confidential – Minutes of the Special Board meeting 23rd July 2021 (provided under separate cover)



6. Annual Audit and Financial Reports

6.1 Audit Overview and VAGO Closing Report 2020.21

Presented by: Rochelle Wrigglesworth, Director – DMG Audit and Advisory

The External Auditor (on behalf of the Victorian Auditor General's Office) will provide a verbal update on the results of the year-end audit and speak to the closing report.

Recommendation

That the Board adopt the VAGO Closing Report and note the update provided by the Auditor.

Attachments

VAGO Closing Report not yet received and will be circulated to the board upon receipt (in advance of the meeting).



6.2 Annual In Camera Session with the External Auditor (without management present)

Presented by: Rochelle Wrigglesworth, Director – DMG Audit and Advisory

Report Prepared by Chief Executive Officer

Executive summary

Each year the Board (in lieu of an Audit Committee) should meet with the External Auditor in camera without management being present. This is recommended in the 'Audit Committees - A Guide to Good Practice for Local Government'. This gives the Board an opportunity to ask the auditors questions pertaining to the controls of the organisation.

The Board last met in camera with the External Auditor in September 2020.



6.3 Annual Financial Report 2020.21

Presented by: Mark Zeldenryk (Senior Partner), Findex

Report Prepared by Chief Executive Officer

Executive Summary

This report presents the Annual Financial Report for the year ended 30 June 2021 for adoption.

West Gippsland Libraries has performed well for the financial year, achieving a surplus of \$487,016 (\$599K in 2019.20). Overall, there was a \$337K increase (\$142K in 2019.20) in cash held at the end of the financial year compared to the same time last year.

Income was up on the prior year by \$120,242 or 1.9% which is due to ordinary annual CPI increments in line with the rate cap. This year the organisation also received unbudgeted income from the sale of the truck and trailer (formerly South Coast Mobile) at auction of \$62,000. These increases were offset by a reduction in other income including user fees and charges and interest income of \$41,731. User fees and charges were down due to COVID-19 library closures resulting in less people able to use printing and copying facilities. Interest income was reduced due to declines in interest rates.

Employee costs were up by \$23,338 or 0.63% more than the prior year. This is mainly due to the required backfill on an employee on extended leave and a second employee that was phasing into retirement. This was partly offset by less staff hours from backfilling and casual programming due to COVID-19 closures.

The facilities reserve increased by \$406,887 at the end of the year. This is predominately due to a transfer of \$300,000 from accumulated surpluses for current and future facilities works and \$62,000 from the sale of the truck and trailer. The increase in the facilities reserve was not due to unspent annual maintenance contributions. There are also several projects planned in 2021.22 that the facilities fund will contribute towards including the Mirboo North refurbishment. The following works were funded from the facilities reserve during the year:

- New San Remo Community Library (\$80K)
- Inverloch furniture refresh (\$7K)

Depreciation continues to increase as more assets are purchased and invested into the service. In particular e-resources only have a useful life of 2 years due to the licencing agreements with publishers. As more e-resources are purchased, the depreciation expense will continue to increase. This year there was an increase of 5% in depreciation (19% in 2019.20).

A factor that does affect the 2020.21 Financial Statement is WGL's decision and transition to a Not-For-Profit from 1 July 2022. The change required a number of disclosure requirements in the Financial Report as well as accounting for all liabilities as current liabilities as they will be paid on on 30 June 2022 to the new entity. Further, at the writing of this report it is understood that there will be required disclosures in the VAGO Audit Report and it is not yet know to what extent. Nevertheless, and despite the disclosure requirements, the strong financial position of WGL remains. More information is outlined this report.

Recommendation

That:

- The Board adopt the Annual Financial Report for the year ended 30 June 2021 as presented; and
 - Rick Brown and Cr Annemarie McCabe be authorised to certify the Annual Financial Report for the year ended 30 June 2021 on behalf of West Gippsland Libraries.
-



Transition to Not-For-Profit Disclosures

Note (a) of the Financial Report outlines the following that explains the impact of the transition for WGL to the Not-For-Profit.

The Board Members, having regard for their intention to wind up the West Gippsland Regional Library Corporation within twelve months of year end and transition the operations, assets, and liabilities from West Gippsland Regional Library Corporation to a new entity called Myli – My Community Library Limited (effective 11:59pm on 30 June 2022), have prepared the financial statements on a basis other than as a going concern.

The Board considered the requirement to restructure the Library Corporation as a result of the Local Government Act 2020 (Vic) that requires Library Corporations to be wound up within 10 years from 1 July 2021. Consequently, the Board resolved on 25th June 2021 to recommend to its Member Councils that they participate in the formation of a new entity to be known as Myli – My Community Library Limited (Myli Ltd), and the West Gippsland Regional Library Corporation be wound up by 30 June 2022. The Member Councils will enter into a deed of novation and variation (Novation Deed) in relation to the existing West Gippsland Regional Library Corporation Agreement from 1 July 2022. The existing Library Agreement continues as an agreement between Bass Coast Shire Council, Baw Baw Shire Council, South Gippsland Shire Council and the new entity, Myli Ltd, on its current funding and commercial terms. The Member Councils will also enter into a gift and transfer deed between West Gippsland Regional Library Corporation and Myli Ltd. Member Councils will gift their interests, for no consideration, in the Library Corporation, and therefore their interests in the Library Corporation's business, assets and liabilities, to Myli Ltd. The transfer will occur in specie to the new entity Myli Ltd on 30 June 2022.

The Member Councils, subject to giving full effect to the Novation Deed and the Gift and Transfer Deed, agreed that its intention is that the original Library Agreement is taken to be terminated with effect on 30 June 2022. Therefore, Member Councils agreed to the dissolution and winding up of West Gippsland Regional Library Corporation, with the Gift and Transfer Deed constituting the distribution of assets and liabilities in full and final satisfaction of dissolution and winding up clause, 13.2, of the Library Agreement.

The Member Councils made their decisions, after year end, to transition on the following dates:

- South Gippsland Shire Council on 21 July 2021
- Bass Coast Shire Council on 21 July 2021
- Baw Baw Shire Council on 28 July 2021

The Board Members do not consider that the intention to wind up the Corporation by 30 June 2022 affects the recognition and measurement of the assets or liabilities of the Library Corporation at the end of the financial year and no adjustments have been made as a result of ceasing to prepare the financial statements on a going concern basis.

The Board Members are satisfied that West Gippsland Regional Library Corporation has sufficient resources to meet the expected costs of the transition and satisfy any liabilities as and when they fall due. West Gippsland Libraries remains in a strong financial position and the transition is not a result of financial concerns, rather the transition being imposed on the Corporation by changes to the Local Government Act 2020 (Vic).

As a result of the impending transition, all liabilities and commitments have been classified as current on the basis that the Corporation will be wound up on

Background

Each year West Gippsland Libraries is required to prepare an Annual Financial Report containing financial statements that are audited to Australian Accounting Standards.

The financial statements show our financial performance, financial position and cash flows against the previous year, and comprises

- A Comprehensive income statement;
- Balance sheet
- Statement of changes in equity



- Statement of cash flows; and
- Statement of capital works.

Policy and legislative implications

Section 131 of the *Local Government Act 1989* requires West Gippsland Libraries to prepare an annual report which contains audited financial statements.

Section 132 of the *Local Government Act 1989* requires West Gippsland Libraries to submit an annual financial report which is audited.

Part 3 of the *Audit Act 1994* requires West Gippsland Libraries auditors to prepare a report on the financial statements.

Conclusion

West Gippsland Libraries ended the financial year with a healthy surplus and maintains strong financial controls and budget management. The auditors advised there were no issues relating to the audit. It is recommended that the Board adopt the Annual Financial Report.

Conflict of interest

Under section 80C of the *Local Government Act 1989*, the CEO declares that there is no conflict of interest to disclose in providing this report.

Attachments

Attachment 8.4.1 – Annual Financial Report

7. Standing items

7.1. Business arising from the previous meeting

CEO Annual Review options report. Addressed at agenda item 12.

7.2. Update from the Community Advisory Committee

Purpose:

1. CAC Chairperson to provide verbal update to the Board on their recent meeting.
2. Provide the minutes of the last CAC Meeting held on 25th June 2021 .

Recommendation

That the Board note the Community Advisory Committee's meeting minutes from 25th June 2021.

Attachments

Attachment 6.2.1 – Minutes of CAC Meeting 25th June 2021

8. Questions on notice

Nil



9. Reports

9.1 Annual Report 2020.21

Report Prepared by Manager Marketing and Strategy

Executive summary

West Gippsland Libraries is pleased to present its Annual Report for the year ending 30 June 2021. This is a celebration of the achievements of the past 12 months and the future dynamic direction of the service.

A number of significant achievements are reflected in the Annual Report, including:

- Official launches of the Waterline and San Remo Community Libraries;
- The opening of the San Remo Community Library extending library services in the Bass Coast region;
- Production of a collection of more than 600 videos that cater to the needs and interests of our community; and
- Continue to overcome the COVID challenges and develop innovative ways to help members stay connected.

Recommendation

- i. The Board adopt the Annual Report for the year ended 30 June 2021.
 - ii. The Board delegate to the CEO the ability to make editorial amendments and typographical corrections to the Annual Report.
-

Policy and legislative implications

The Annual Report highlights the achievements of West Gippsland Libraries over the past year and the outcomes delivered as set out in the Library Plan. It contains the following statutory information:

- Report of library operations.
- Audited financial statements and Audit Report that will be included in the Annual Report once approved by the Board and Victorian Auditor General's Office.
- Other matters as required by the *Local Government (Planning and Reporting) Regulations 2014* and *Local Government (General) Regulations 2004*.

The Annual Report will be available to the public on the West Gippsland Libraries website.

Conclusion

West Gippsland Libraries has achieved significant outcomes over the past year even under the challenging times of COVID-19. The Annual Report is a celebration of the contributions from the Board, staff and community. It is recommended that the Board adopt the Annual Report 2020.21.

Conflict of interest

Under section 80C of the *Local Government Act 1989*, the author of this report declares that there is no conflict of interest to disclose in providing this report.

Attachments

Attachment 8.1.1 – Annual Report 2020.21



9.2 Delegations to undertake WGL Not-For-Profit Transition

Report prepared by: Chief Executive Officer

Executive Summary

The purpose of this report is for the Board to delegate functions to the CEO to enable and complete the transition of West Gippsland Libraries (WGL) to Myli – My Community Library Ltd (Myli). These delegations are consistent with the powers and functions delegated to each Council CEO under their resolutions passed in July 2021.

This resolution builds on the resolution made by the Board on 25 June 2021

Recommendation

The Board notes its previous resolution dated 25 June 2021 authorising the CEO to instruct Russell Kennedy Lawyers to prepare drafts of the Novation Deed and Gift and Transfer Deed to be entered into with each of the Member Councils. The Board further notes each of the Member Council's resolutions delegating authority to their CEOs to negotiate and execute the Novation Deed and Gift and Transfer Deed.

It is recommended that the Board resolves, in line with the Member Council resolutions, the CEO of WGL be delegated responsibility to negotiate and execute the:

- i. Novation Deed; and
- ii. Gift and Transfer Deed.

10. Presentations

Nil

11. General Business

- Last Meeting Before South Gippsland Election Period Commences at 12 noon on Tuesday 21st September and concluding at 6pm on Saturday 23rd October 2021.
- The South Gippsland Shire Council election period means this will be the last WGL Board meeting Rick Brown will attend.

Rick has provided a tremendous contribution to the WGL Board and Leadership Team in only a short 12 month period. His skills and knowledge and been a critical component of the not-for-profit due diligence work and the promotion of the WGL service. On behalf of the WGL Board and Leadership Team we would like to say a very big thank you to Rick for his support and time. A dinner to formally thank Rick once COVID-19 restrictions ease is being organised.

- The next Board Meeting will see Deputy Chairperson Cr Annemarie McCabe chair the meeting.

12. In camera session – CEO Annual Review

Recommendation

That pursuant to Section 89(2)(a) of the Local Government Act 1989, the board resolves that the meeting be closed to members of the public as it involves the CEO's annual review process.

Report provided under separate cover.

13. Next Meeting

Ordinary Board meeting Friday 3rd December 2021 at 11.30 am. The location is yet to be determined.

Meeting closed

14. For information

14.1 Meet Up 2021

Report Prepared by Manager Library Services

Executive summary

Meet Up is a Library Festival held annually for young people 12 -25 years. This year Meet Up 2021 was held in branch across the region and online. It provided some much-anticipated fun and community connection despite Covid restrictions. The festival maintained its online presence and delivered a variety of in branch programs. Meet Up also attracted grant funding from the Victorian Government as part of the Department of Families, Fairness and Housing (DFFH) Youth Week program. Library staff work with local business, schools, and youth to develop a variety of events and provide resources young people may not necessarily experience as part of everyday life. The festival is a favourite and attracts new membership from attendees not necessarily regular users of Library services.



Meet Up 2021 Update

Meet Up 2021 is held during Youth Week, 26th June – 2nd July. During this time young people are encouraged to visit West Gippsland Libraries (WGL) either in branch or online and experience new and different resources and services. Planning for the festival starts with local business and schools connecting with program staff to develop ideas and suggestions for the festival.

Local business is encouraged to participate by demonstrating goods and services available in the region and supply a range of materials for programs or facilitate events.

Schools are contacted and teachers provide WGL staff with feedback from students about events that will likely be popular for the festival. Students are also encouraged to volunteer and help facilitate programming on the day. The program is then promoted through WGL social media and added to school “what’s on” and newsletters.

Meet Up 2021 Events

West Gippsland Libraries

Meet Up 2021 Events

Youth Week 26th June – 2nd July

<p>Wonthaggi Library Sat 26th – Sphero Robots Thur 1st – WALA African Drumming Fri 2nd – Storm Surfers movie screening</p> <p>.....</p> <p>Warragul Library Mon 28th – Stop Motion Tue 29th – Minecraft party Wed 30th – Movies & Colouring Thur 1st – Drift Media Drone events Fri 2nd – Manga Drawing workshop</p> <p>.....</p> <p>Korumburra Library Fri 2nd – Upcycled Fashion</p> <p>.....</p> <p>Foster Library Mon 28th – Kick start your story Writing Workshop</p>	<p>Drouin Library Wed 30th – State of the Arts mural workshop (2 sessions) Thur 1st – Xbox party Thur 1st – Playstation Party Fri 2nd – Manga Drawing workshop</p> <p>.....</p> <p>Leongatha Library Mon 28th – Fantasy Writing Workshop with Narrelle M Harris Thur 1st – YA Author Talk with Sharon Postlewhite</p> <p>.....</p> <p>Inverloch Library Mon 28th – Sphero Robots & Pizza Thu 1st – African Groove Drumming</p>	<p>Mirboo North Library Tue 29th to Sat 3rd – Holding Up The Shelves Art Show</p> <p>.....</p> <p>Online Event via Zoom – Wed 30th – Roblox : Introduction to coding & game development</p> <p>.....</p> <p>MeetUp is a festival of fun and unique events for young people aged 12-25 held during Youth Week</p> <p style="text-align: center;"> VICTORIAN YOUTH WEEK </p> <p style="font-size: small;"> Bookings are essential. Scan the QR code or visit wgrlc.eventbrite.com to book your free tickets. </p>
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wgrlc.vic.gov.au

Event and Membership Summary

Total Number of Events (In Branch)	20
Total Number of Attendees (In Branch)	208
Most Popular Event – WALA African Drumming Inverloch – In Branch Attendees	50
Social Media stats	
Upcycled Fashion video -	
<ul style="list-style-type: none"> Vimeo: 71 plays Facebook: 419 3-second views 27-1-minute views Instagram (shorter version of full-length video) - 118 views 	
Aerosol Workshop -	
<ul style="list-style-type: none"> Instagram reel - 881 accounts reached with 924 plays 	



Drumming workshop - Inverloch <ul style="list-style-type: none"> • short 10 second video on Instagram • 347 accounts reached - 217 views 	
Grant Funding	\$2000
New Members 28 th June – 11 th July	303

Note: all events in Branch capped at 50 as per Covid Safe restrictions

Feedback Tracker: “Manga Drawing Amazing!” and “Drumming Absolutely Fantastic”

14.2 RSC Solar Update

Report Prepared by Manager Facilities

Executive summary

Following the installation of a 27kW solar unit at the Regional Support Centre in December 2020, we are very pleased to report that since connecting to the grid in February 2021, the system has:

- produced 14.79 MWh (mega watt hours) of electricity to be used onsite and exported to the grid.
- Of this 14.79 MWh we have:
 - exported 6.2 MWh to the grid (this is excess electricity we have generated but not used) and,
 - consumed 8.59 MWh (this is electricity consumed directly onsite)

Since February, we have saved over 14 tonnes of CO₂. This is the equivalent to charging 1,702,997 smart phones, 231 tree seedlings grown for 10 years or removing 3 passenger vehicles from the road per year.

The energy generated and consumed in day to day running of the building has also allowed us to save \$3283 in electricity costs since February 2021. This figure is expected to be higher in the next few months as we move in to warmer weather.

A key point to remember when considering solar, is that any amount of clean energy generated (ie - solar or wind power), no matter how small, results in less demand on the use of coal to create power and electricity, therefore less demand on the grid and reduces our reliance on fossil fuels.

14.3 Statewide Census

Report Prepared by Chief Executive Officer

Executive summary

Public Libraries Victoria in conjunction with State Library Victoria are conducting a Statewide survey and census in late September and October to gather data about the users of public libraries. A Statewide Library census was conducted back in 2006 and it is being undertaken again to refresh the data that will be used to assist with advocating for grant applications and increases to library funding.

The census was planned prior to covid and has been postponed once already. However, it will be proceeding despite current covid challenges. The questions for the census have been updated to reflect modern usage of libraries, such as in person and video programs.

More information will be provided on the outcomes of the census once it is completed.

