



Goldfields  
Libraries

NORTH CENTRAL GOLDFIELDS REGIONAL LIBRARY  
CORPORATION TRADING AS  
**GOLDFIELDS LIBRARY CORPORATION**

# 2017 - 2018 BUDGET



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## 1: INTRODUCTION

The North Central Goldfields Regional Library Corporation (trading as Goldfields Library Corporation [GLC]), was established in January 1996 to provide library services for the City of Greater Bendigo (CoGB), Loddon Shire Council (LSC), Macedon Ranges Shire Council (MRSC) and Mount Alexander Shire Council (MASC).

The GLC is a Library Corporation under section 196 of the Local Government Act 1989.

Based along the Calder Highway, the service covers an area of 12,979 square kilometres and is one of the largest library regions in the state of Victoria. GLC has approximately 52.6 EFT (including casuals) and reaches a population of approximately 180,000. There are almost 300,000 items in the collection including an increasing number of electronic resources. The Corporation's libraries support more than 1.44 million visitors per year, 1.75 million collection utilisations, 80,000 public internet sessions, 55,000 wireless internet session and more than 120,000 information enquiries.



The GLC comprises ten libraries - Bendigo, Castlemaine, Eaglehawk, Gisborne, Heathcote, Kangaroo Flat, Kyneton, Romsey and Woodend. The Corporation also provides Library Agency services to small town in; Axedale, Boort, Dingee, Elmore, Inglewood, Pyramid Hill, Tarnagulla and Wedderburn. A Home Library Service for housebound patrons is provided across the region.

The Corporation is governed by a Board that sets the strategic direction. The four member Councils Board have two representatives each, one councillor and one officer. The Chief Executive Officer reports to the Library Board and is responsible for the management of the Corporation.

The Corporation is funded by the four member Councils (approximately 75%), the State Government (approximately 20%) and other (approximately 5%). Council funding is based on an agreed per capita amount. The State Government funding is calculated primarily on a per capita basis. The State Government specifies a number of conditions of the subsidy including annual reporting requirements, free core library services and reciprocal membership of all other Victorian public libraries.

The Corporation explores alternative sources of funding and endeavours to make Governments aware of the importance of funding for libraries.

The budget is presented in a format which demonstrates the proposed 2017/18 Operating result and forecast Operating result for the 2016/17 Budget. A Budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Capital Works and Statement of Human Resources are provided.

## 2: BUDGET INFLUENCES, ORGANISATIONAL CHALLENGES & CURRENT ENVIRONMENT

Two benchmarking data sets are available from the state government, 'Know Your Council' that has data by council and the more extensive Public Library Victoria (PLVN) indicators by library service (ie corporations). The two data sets are congruent and demonstrates that GLC funding is significantly lower than other Victorian public libraries and that GLC library usage is higher.

The following limitations apply to both data sets;

- Active members only includes members borrowing physical materials, it does not include use of the eresources, computer or wifi use or people attending programs, reading or studying in the libraries.
- Visits doesn't include visits to the eLibrary which is the second busiest GLC library.

### **State Government: Know Your Council Indicators**

The ['Know Your Council'](#) benchmarking is produced from data collected quarterly from the 79 Victorian councils. The benchmarking for similar councils is most applicable when the council has a mid-range population and less reliable when it isn't. For example City of Greater Bendigo's group of similar councils, with two exceptions, have substantially smaller populations.

The table below is the 'Know Your Council' data for the member councils and includes the overall GLC figures that have been calculated using equivalent data.

Know Your Council Indicators 2015/16			
	Number of times a Library resource is borrowed	Cost of Library service per visit	Active members in municipality
City of Greater Bendigo	4.61	\$3.96	15.67%
Similar to CoGB	4	\$6.76	16.32%
Loddon Shire	2.05	\$24.54	8.24%
Similar to Loddon	2.46	\$8.20	17.98%
Macedon Ranges	5.2	\$4.03	18.93%
Mount Alexander	6.26	\$3.18	28.98%
Similar to MRSC & MASC	4.31	\$6.04	18.04%
GLC	6	\$3.96	16.4%
All Councils	4.62	\$6.70	17.78%

The State Government benchmarking indicators 'Know Your Council' demonstrate;

- Low cost of visits with the exception of Loddon which is very high and limited to mobile library visits, it doesn't account for Loddon residents use of other GLC libraries
- 'Cost of library service per visit' data doesn't include the 300,000 visits to the eLibrary
- Both MRSC and MASC have higher than average percentage of 'active members'
- Of greatest concern is the very low 'active members' in Loddon. The new service model launched in February 2017 has been designed to improve services in small towns and increase membership.

#### Public Libraries Victoria Network (PLVN) Indicators

The [2015/16 PLVN Library Performance Indicators](#) are produced from data that is collected annually from the 46 organisations that provide library services in Victoria.

Library performance indicators 2015/16	GLC (1)	Vic (46)	Metro Municipality (21)	Metro Corp (4)	Regional Municipality (13)	Regional Corp (8)
Active library members	16%	17%	18%	16%	16%	16%
Attendance at programs per '000 capita	272	316	307	307	328	313
Turnover rate – physical collection items	5.2	5.3	5.2	7.8	2.7	4.3
Physical quality of collection	52%	67%	70%	79%	47%	60%
Cost of library service per capita	\$32	\$41	\$47	\$33	\$43	\$38
Cost of library service per visit	\$3.91	\$6.43	\$7.13	\$6.06	\$6.19	\$5.61
Staff EFT per '000 capita	0.29	0.31	0.35	0.23	0.34	0.31
Public internet access devices per '000 capita	0.56	0.69	0.65	0.59	0.96	0.73

The PLVN benchmarking indicators demonstrate;

- That GLC is aligned to the following state-wide average indicators;
  - Active library membership
  - Turnover rate of physical collection items

- That GLC is below or significantly below the following average indicators;
  - Attendance at programs per '000 capita
  - Physical quality of collection
  - Cost of library service per capita
  - Cost of library service per visit
  - Public internet access devices per '000 capita
  - Staff EFT per '000 capita

**Benchmarking 2015/16 Funding Indicators;**

Further analysis of council / local government funding indicators for 2015/16 demonstrates GLC's funding is;

- 19% below the average council funding for Victorian rural & country libraries is \$29.67 per capita which is **\$4.61 higher** than GLC funding (based on 2015/16 population data)
- 48% below the average council funding for Victoria of \$32.65 per capita which is **\$7.59 higher** than GLC funding (based on 2015/16 population data)

In 2015/16 **GLC member Councils** contributed \$25.67 per capita based on 2013/14 population data (PLVN indicators use 2015/16 population data which reduces the per capita investment to \$25.06)

In addition to this funding gap library services that are delivered by council based services (ie not corporations) do not include the cost of corporate services.

**Benchmarking 2015/16 Performance Indicators**

The following are examples of GLC's strong efficient performance;

- Library visits per '000 expenditure – ranking 1<sup>st</sup>
- Loans per '000 expenditure – ranking 5<sup>th</sup>
- Physical visits per staff EFT – ranking 5<sup>th</sup>
- Visits per capita – ranking 10<sup>th</sup>
- Loans per staff EFT - ranking 9<sup>th</sup>

These strong indicators have been achieved even though the per capita funding is significantly below average funding levels. However the demand for services and high usage levels combined with the low investment creates organisational pressure.



### 3: STATISTICAL OVERVIEW

The three year statistical overview demonstrates that the number of loans per effective full time staff member has increased by 11% and the number of visits per effective full time staff member has increased by 35%. This is a significant reduction in the time available to support library customers.

<b>Statistical Overview 2013/14 – 1015/16</b>					
<b>Indicator</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>% change since last year</b>	<b>% change over last 3 years</b>
Population - Regional (ABS ERP)	172,203	172,609	174,867	1%	2%
Opening Hours Weekly	364.5	364.5	364.5	0%	0%
Library Floor Space (m2)	5,846	5,846	5,846	0%	0%
Staff EFT	54	52	52	0%	-3%
Collection Items	304,964	315,078	303,583	-4%	0%
Public Access Internet Computers	49	51	100	96%	104%
<b>Activity</b>					
Visits	1,102,498	1,282,467	1,445,837	13%	31%
Members	62,664	71,172	67,143	-6%	7%
Collection Utilisation	1,631,480	1,615,104	1,755,739	9%	8%
Computer Bookings	72,264	84,108	80,183	-5%	11%
Wireless Internet Access	N/A	52,150	55,553	7%	
Program Attendance	34,140	45,015	48,654	8%	43%
Number of Programs	N/A	2,146	1,971	-8%	
Collection Turnover	5.0	5.0	6.0	20%	20%
<b>Expenditure</b>					
Total Operating Expenditure	\$5,209,779	\$4,788,804	\$5,004,297	4%	-4%
Total Capital Expenditure	\$1,697,456	\$1,253,359	\$1,051,284	-16%	-38%
Capital Expenditure on Collections	\$1,005,082	\$960,167	\$911,778	-5%	-9%
Total Collections Expenditure	\$1,138,270	\$1,014,397	\$1,165,223	15%	2%
<b>Cost of Service</b>					
Cost Per Loan	\$ 3.19	\$ 2.97	\$ 2.85	-4%	-11%
Cost Per Visit	\$ 4.73	\$ 3.73	\$ 3.46	-7%	-27%
<b>Activity Per Capita</b>					
Loans Per Capita	9.5	9.4	10.0	7%	6%
Visits Per Capita	6.4	7.4	8.3	11%	29%
<b>Activity Per Staff member</b>					
Loans per EFT Staff Member	30,495	31,060	33,764	9%	11%
Visits per EFT Staff Member	20,607	24,663	27,805	13%	35%
<b>Activity Per Opening Hour</b>					
Loans Per Operating Hour	86	85	93	9%	8%
Visits Per Operating Hour	58	68	76	13%	31%

#### 4: BUDGET PROCESS

This section describes the budget processes undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, the Corporation is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the fees and charges that the Corporation intends to levy as well as a range of other information required by the Regulation which support the Act.

The 2017/18 Budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The budget includes the following financial statements; Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Human Resources and Statement of Capital Works.

These statements have been prepared for the year ending 30 June 2018 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the fees and charges, the capital works program to be undertaken, the human resources required, and other financial information the Corporation requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officer's first review and update the Corporation's long term financial projections. Financial projections for at least four years are ultimately included in the Corporations Strategic Resource Plan, which is the key medium-term financial plan produced by the Corporation on a rolling basis.

The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during January and February. A 'proposed' budget is prepared in accordance with the Act and submitted to the Finance Subcommittee in February and to the Board meeting in March whereby the Library Board approves the draft budget, in principle.

The draft budget is placed on public exhibition seeking submissions from the community. Any person has a right to make a submission on any proposal contained in the Budget under Section 221 of the Act.

The final step is for the Board to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted and a copy submitted to the Minister by 30 June 2017.

The key dates for the budget process are summarised in the table below.

	<b>Budget process</b>	<b>Timeline</b>
1	Budget Prepared by Corporation & Senior Accountant	Nov 2016 – Feb 2017
2	Budget Position Paper presented to Finance Subcommittee	18 Nov 2017
3	Budget Position Paper presented to Library Board	Dec 2nd



4	Draft Budget Presented to Finance Subcommittee	9 February 2017
5	Draft Budget for Advertising Presented to Finance Subcommittee	23 March 2017
6	Councils Consider Percentage Increase	March 2017
7	Draft Budget presented to Library Board	31 March 2017
8	Draft Budget Advertised for Public Comment / Submissions	April/May 2017
9	Submission Received in 28 day period from date of advertising	May 2017
10	Submissions Considered/ Heard (Special Board meeting if required)	May 2017
11	Board meeting to consider submissions and to adopt budget	May 2017
12	Adopted budget submitted to the Minister	June 2017

## 5: LINKAGE TO STRATEGIC LIBRARY PLAN

The Library Plan 2017-2021 defines the strategic objectives of the Corporation over a four year period. The budget for 2017/18 supports the achievement of the Library Plan objectives articulated in the action plan.

Vision: Explore, Engage and Create with Goldfields Libraries

Mission: We will enrich our communities by providing;

- Welcoming and inclusive spaces
- Friendly helpful and knowledgeable staff
- Access to information, collections and technology
- Programs for learning, creativity and recreation

## 6: BUDGET PRINCIPLES

The 2017/18 budget has been prepared incorporating the following principles:

- A balanced cash budget – ie operating and capital budgets have been framed so that there is a minimum surplus
- Expenditure budget has been thoroughly reviewed based on previous budgets and forecast.
- Ongoing reduction of expenditure areas over many years has resulted in the Corporations tight financial position and there is very limited opportunity to identify further saving within the operating budget.
- Retention of service levels at existing libraries and library agencies.
- Operating income has been reviewed to ensure accuracy in relation to fees, charges and fines.
- Allocation of budget to address areas of organisational risk.

## 7: BUDGETED COMPREHENSIVE INCOME STATEMENT

### Comprehensive Income Statement For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
<b>Income</b>					
Member Contributions	4,613,119	4,950,044	5,256,372	5,581,656	5,927,070
Grants - Operating	1,326,961	1,312,456	1,340,017	1,368,158	1,396,889
Grants - Capital	38,961	-	-	-	-
User Fees, Charges and Fines	285,695	238,841	246,893	255,258	263,950
Interest	70,000	72,800	75,712	78,740	81,890
Other Income	795	816	836	857	878
Assets Received Free of Charge	2,000	2,000	2,000	2,000	2,000
Net Gain / (Loss) on Disposal of Assets	(150,000)	-	(13,004)	(40,000)	-
<b>Total Income</b>	<b>6,187,531</b>	<b>6,576,957</b>	<b>6,908,826</b>	<b>7,246,669</b>	<b>7,672,677</b>
<b>Expenses</b>					
Employee Costs	4,356,871	4,376,178	4,615,438	5,062,344	5,013,941
Plant and Equipment Costs	361,761	334,575	350,376	406,326	422,501
Depreciation	2,330,665	1,193,387	1,181,841	1,172,527	1,180,350
Administration and Maintenance Charges	438,504	467,043	474,709	493,368	512,856
Other Expenses	347,815	364,006	378,621	394,086	410,467
<b>Total Expenses</b>	<b>7,835,616</b>	<b>6,735,189</b>	<b>7,000,985</b>	<b>7,528,651</b>	<b>7,540,115</b>
<b>Surplus/(deficit) for the year</b>	<b>(1,648,085)</b>	<b>(158,232)</b>	<b>(92,159)</b>	<b>(281,982)</b>	<b>132,562</b>
<b>Total Comprehensive Result</b>	<b>(1,648,085)</b>	<b>(158,232)</b>	<b>(92,159)</b>	<b>(281,982)</b>	<b>132,562</b>

## 8: ANALYSIS OF COMPREHENSIVE INCOME STATEMENT

This section of the budget analyses the expected revenue and operating expenditure of the Corporation for the 2017/18 year.

### Income / Revenue

Income is made up of the following; Member Council Contributions, grants – operating (state government), grants – capital (state government), user fees, charges and fines, interest, other income and assets received free of charge.

### I. Member Council Contributions

The Budget is prepared on a base contribution of \$ 27.63 per capita from the four member Councils for the provision of library services. Member Councils cover maintenance and utility costs directly associated with operating the library buildings. Population figures are based on ABS statistics and estimated population growth at June 2015.

Member Council	2016/17 at \$ 26.31 per capita	2017/18 at \$ 27.63 per capita	ABS ERP Population 30/6/2015
City of Greater Bendigo	\$2,814,813	\$2,996,059	108,437
Loddon Shire	\$193,801	\$201,226	7,283
Macedon Ranges Shire	\$1,176,622	\$1,251,837	45,308
Mount Alexander Shire	\$476,332	\$500,923	18,130
<b>Totals</b>	<b>\$4,661,569</b>	<b>\$4,950,044</b>	<b>179,158</b>

### II. Grants - State Government

The State Government grant estimate is based on ABS' estimated population figures, with minor adjustments for areas with a growing or declining population. State Government funding is distributed based on population percentages throughout the member Councils. State Government Funding for 2017/18 has been calculated based on the actual funding received from the State Government the previous year with a 2.1% increase which is the equivalent of the 2016/17 increase.

The State Government grant is allocated to the collection and internet services.

Grant - State Government (estimate based on previous years)	2016 -2017	2017 -2018
Core funding & Local Priorities	1,285,461	1,312,456

### III. User Fees, Charges and Fines:

Forecast income of \$ 238,841 which includes; revenue from fines on overdue collection resources, charges for printing, photocopying, book recovery (lost and damaged collection items), Room Bookings at the Bendigo Library and interlibrary loans. It also includes \$84,050 from the City of Greater Bendigo for the operation of the Bendigo Regional Archives Centre at the Bendigo Library.

The Bendigo Regional Archives Centre (BRAC) is located within the Bendigo Library's and the Nolan street repository and commenced operation in 2009. The Corporation manages and operates the BRAC through funding provided by the City of Greater Bendigo and services provided the Public Record Office Victoria.

#### **IV. Interest**

Forecast income of \$ 72,800 in interest on investments including interest on available cash throughout the year and interest on bequests. Interest on bequests build the funds available for specified projects only and is not available as general library revenue. Cash funds and cash requirements are reviewed on a regular basis to identify funds available and required to meet the Corporation's obligations and surplus cash funds are identified for investment availability.

#### **V. Other Revenue / Income**

Forecast income of \$ 816 from sundry charges and materials

#### **VI. Assets Received Free of Charge**

Forecast income of \$ 2,000 from donated collection items / resources.

#### **Operating Expenditure**

Operating expenses are made up of the following; Employee Related Costs, plant and equipment cost, depreciation, administration and maintenance and other expenses.

#### **I. Employee Related Costs**

\$ 4,376,178 - Covers salaries, leave loading, sick leave, public holidays, employer superannuation contributions, Long Service Leave, WorkCover premium, Fringe Benefit Taxes and staff training and travel allowances.

The total staffing costs include Enterprise Agreement (EA) increments and the movement of staff within their Bands. The staffing level will be approximately 54 Effective Full Time (EFT) which restores staff hours to 2013/14 staffing levels.

There has been no increase in staff hours to support the additional loans and visits, (refer to data on page 6). The number of loans per EFT has increased by 11% and the number of visits per EFT has increased by 35% in 3 years. This is a significant reduction in the time available to support library customers.

The staffing allotment allows for the delivery of library services and corporate services such as; information technology support for the extensive network of computers etc, collection acquisition and management, community engagement and programming, communications and promotion, governance and human resource support. The Budget also contains an allocation for relief staff (approximately 4 EFT) to cover annual leave, sick leave, long service leave and staff training.

## Statement of Human Resources

### For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
<b>Staff expenditure</b>					
Employee costs - operating	4,356,871	4,376,178	4,615,438	5,062,344	5,013,941
Employee costs - capital	-	-	-	-	-
<b>Total staff expenditure</b>	<b>4,356,871</b>	<b>4,376,178</b>	<b>4,615,438</b>	<b>5,062,344</b>	<b>5,013,941</b>
	EFT	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Employees	52.62	53.89	55.42	55.42	56.81
<b>Total staff numbers</b>	<b>52.62</b>	<b>53.89</b>	<b>55.42</b>	<b>55.42</b>	<b>56.81</b>

#### II. Plant and Equipment Cost

\$ 334,575 includes; vehicle operating expenses, automated systems maintenance, general equipment purchases, ABN cataloguing, general maintenance, photocopier lease and operating expenses.

#### III. Depreciation

\$ 1,193,387 includes; the depreciation of collection resources, plant and vehicles, information technology equipment and furniture and equipment. Depreciation is a non-cash item which is included in operating expenditure and then removed from the budget to obtain the cash result. Depreciation has no cash impact on the budget.

#### IV. Administration and Maintenance

\$ 467,043 includes; finance and administration charges, insurances, headquarters lease, eresources, consultant fees and human resources. Eresources have historically be included in this budget as per accounting practices.

Eresources costs have increased and now include the purchase of all electronic resources including emagazines, eAudio and eBooks. Demand for these resources is growing in conjunction with internet use and improvements to the eLibrary. E-resources are funded from the allocation received from the State Government.

#### V. Other Expenditure

\$ 364,006 includes; postage, advertising, marketing and promotions, children's and adults programs, printing and stationary, newspapers and magazines, internet expenses, processing supplies, freight, travelling, library agency, inter library loans, audit fees, bank charges, cleaning, first aid, recycling.

## 9: ANALYSIS OF CAPITAL WORKS BUDGET

This section of the budget analyses the expected capital expenditure of the Corporation for the 2017/18 year.

### Expenditure Capital

#### **I. Capital Resources: \$ 878,406**

Expenditure under this item is the library collection resources component of the budget. Loan and non-loan materials that are subject to depreciation are included in this area. In addition to Capital Expenditure, the Corporation expects to receive resources valued at \$2,000 free of charge from public donations.

New, current and popular titles have a significant impact in all the Goldfields Libraries, reflected in the strong circulation figures and visits over recent years.

Capital Resources include books, audio-visual resources and devices and DVDs. Excluded are non-capital items such as newspapers, periodicals and e-resources. The Corporation continues to focus on improving the collection via regular evaluation and upgrading whilst maintaining the collections unique to the Goldfields area. The amount allocated for Capital Resources is funded from the allocation received from the State Government.

#### **II. I.T. Capital Expenditure: \$146,000**

Information Technology capital expenditure includes; network infrastructure, major computer hardware, servers, some minor hardware and other associated equipment.

The wide area network consists of over 160 computers and a complex array of associated equipment. The replacements this year will continue the rollout of solid state hard drives with Windows 10 installed and other network equipment. This allows for fast reboots of computers after each public use clearing all personal information from the previous session. As more users access government, financial and business information online privacy and security continues to be a major consideration when planning our network upgrades.

#### **III. Furniture and Equipment: \$ 80,600**

In the 2017/18 year there are two components of purchasing for furniture and equipment as follows;

- \$ 30,600 is allocated to update furniture and equipment in the libraries. Smaller items of furniture and equipment are covered in the Operating Budget under Minor Equipment Purchases.
- \$ 50,000 for projects funded through the Bendigo Library Local History Bequest.

#### **IV. Plant and Vehicles: \$ 0.00**

There will be no plant and vehicle expenditure in the 2017/18 year.



## Statement of Capital Works For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
Resources	916,002	878,406	883,381	887,596	890,972
Plant and Vehicles	60,000	-	40,000	70,000	-
Information Technology	163,600	146,000	278,520	346,090	153,712
Furniture and Equipment	30,000	80,600	31,212	51,836	72,873
<b>Total Capital Works Expenditure</b>	<b>1,169,602</b>	<b>1,105,006</b>	<b>1,233,113</b>	<b>1,355,522</b>	<b>1,117,557</b>
Represented by:					
Renewal	1,109,602	1,105,006	1,193,113	1,285,522	1,117,557
Upgrade	-	-	-	-	-
Expansion	-	-	-	-	-
New Assets	60,000	-	40,000	70,000	-
<b>Total Capital Works Expenditure</b>	<b>1,169,602</b>	<b>1,105,006</b>	<b>1,233,113</b>	<b>1,355,522</b>	<b>1,117,557</b>

### 10: ANALYSIS OF BUDGETED STATEMENT OF CASH FLOWS

This section of the budget analyses the expected cash flows from the operating, investing and financing activities for the 2017/18 year, that constitute the budgeted cash flow position. Budgeted cash flows is a key factor in ensuring the Corporation can meet its strategic and financial commitments and provides a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

**Cash Flows from Operating Activities** refers to the cash generated by or used in the normal service delivery functions of the Corporation. It excludes capital purchases.

**Net Cash Provided by (Used In) Investing Activities** is the attribution of capital purchases (ie non-operational) and the sale of capital items, if any.

**Cash and Equivalents at the End of the Year** is the anticipated cash held at the end of the 2017/18 year.

## Statement of Cash Flows

### For the four years ending 30 June 2021

	Strategic Resource Plan				
	Forecast	Budget	Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
<b>Cash Flows from Operating Activities</b>					
Employee Related Costs	(4,151,433)	(4,314,061)	(4,528,219)	(4,924,540)	(4,974,293)
Plant and Equipment Costs	(397,937)	(362,533)	(379,914)	(452,459)	(448,251)
Administration and Maintenance Charges	(482,354)	(513,747)	(522,180)	(542,705)	(564,141)
Other Expenses	(568,771)	(405,980)	(420,967)	(433,494)	(449,831)
GST paid on Investing Activities	(85,952)	(107,992)	(121,848)	(105,548)	(138,390)
GST submitted to the ATO	(611,494)	(650,271)	(686,397)	(722,593)	(762,665)
Member Contributions	5,074,431	5,445,049	5,782,009	6,139,822	6,562,095
Grants - Operating	1,459,657	1,443,701	1,474,019	1,504,973	1,536,578
Grants - Capital	42,857	-	-	-	-
User Fees, Charges and Fines	313,616	263,330	271,424	280,784	289,678
Interest	70,000	72,800	75,712	78,740	81,890
Other Revenue	875	896	921	944	966
GST Received from Investing Activities	(15,000)	-	2,000	2,000	-
GST received from the ATO	217,685	224,562	242,126	235,426	271,319
-	866,180	<b>1,095,754</b>	1,188,686	1,061,350	1,404,955
<b>Cash Flows from Investing Activities</b>					
Proceeds from Sale of Assets	(150,000)	-	20,000	20,000	-
Payment for Plant, Resources and Equipment	(859,520)	(1,079,924)	(1,218,481)	(1,055,477)	(1,383,899)
<b>Net cash provided by/(used in) Investing Activities</b>	<b>(1,009,520)</b>	<b>(1,079,924)</b>	<b>(1,198,481)</b>	<b>(1,035,477)</b>	<b>(1,383,899)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>					
Cash & cash equivalents at the beginning of the financial year	2,109,720	1,966,380	1,982,210	1,972,415	1,998,288
<b>Cash &amp; cash equivalents at the end of the financial year</b>	<b>1,966,380</b>	<b>1,982,210</b>	<b>1,972,415</b>	<b>1,998,288</b>	<b>2,019,344</b>

\*the statement of cash flows includes GST, the other statements do not.

**Restricted Funds and Working Capital** in relation to the cash flow statements show that the Corporation is estimating at 30 June 2018 it will have cash and cash investments of \$1,899,312 which are restricted as follows:

Employee benefits, Long Service Leave \$ 805,711.

These funds are separately identified as restricted to ensure there are sufficient funds to meet the Corporation's obligations as set out in the former Local Government (Long Service Leave) Regulations 2002 as determined by the Library Board.

Restricted cash includes monies received from two bequests as follows;

- \$ 78,244 Castlemaine Art Books bequest which includes interest on the original bequest
- \$ 357,439 Bendigo Library Local History bequest which includes interest on the original bequest and the removal of \$50,000 from restricted cash for projects in 2017/18.

Restricted cash includes monies set aside in a reserve account to assist with the purchase (replacement) of capital items as follows;

- Development Initiative \$ 280,000 for ICT equipment such as the Radio Frequency Identification (RFID) equipment and system and server and communication equipment with major equipment replacement scheduled for 2018/19 and 2019/20
- Plant Replacement for \$ 77,918 for vehicles and other equipment.

Defined Benefits \$ 300,000

The Corporation has set aside \$ 300,000 for future Defined Benefits payment as previously determined by the Library Board. The last decade a call for payment was made and the Corporation was required to pay approximately \$750,000.

## Balance Sheet

### For the four years ending 30 June 2021

	Forecast 2016/17 \$	Budget 2017/18 \$	Strategic Resource Plan		
			2018/19 \$	Projections 2019/20 \$	2020/21 \$
<b>Assets</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	1,966,380	1,982,210	1,972,415	1,998,288	2,019,344
Trade and Other Receivables	6,300	5,750	5,894	5,894	6,500
Other Assets	175,000	170,000	165,000	170,000	155,000
<b>Total Current Assets</b>	<b>2,147,680</b>	<b>2,157,960</b>	<b>2,143,309</b>	<b>2,174,182</b>	<b>2,180,844</b>
<b>Non-Current Assets</b>					
Plant, Resources and Equipment	4,297,650	4,186,188	4,191,824	4,016,774	4,222,322
<b>Total Non-Current Assets</b>	<b>4,297,650</b>	<b>4,186,188</b>	<b>4,191,824</b>	<b>4,016,774</b>	<b>4,222,322</b>
<b>Total Assets</b>	<b>6,445,330</b>	<b>6,344,148</b>	<b>6,335,133</b>	<b>6,190,956</b>	<b>6,403,166</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade and Other Payables	132,613	127,546	145,467	160,000	165,000
Provisions	1,133,523	1,190,199	1,249,709	1,362,183	1,430,293
<b>Total Current Liabilities</b>	<b>1,266,136</b>	<b>1,317,745</b>	<b>1,395,176</b>	<b>1,522,183</b>	<b>1,595,293</b>
<b>Non-Current Liabilities</b>					
Provisions	108,820	114,261	119,974	130,772	137,310
<b>Total non-current liabilities</b>	<b>108,820</b>	<b>114,261</b>	<b>119,974</b>	<b>130,772</b>	<b>137,310</b>
<b>Total Liabilities</b>	<b>1,374,956</b>	<b>1,432,006</b>	<b>1,515,150</b>	<b>1,652,955</b>	<b>1,732,603</b>
<b>Net Assets</b>	<b>5,070,374</b>	<b>4,912,142</b>	<b>4,819,983</b>	<b>4,538,001</b>	<b>4,670,563</b>
<b>Equity</b>					
Member Contributions	2,466,638	2,466,638	2,466,638	2,466,638	2,466,638
Asset Revaluation Reserve	1,306,784	1,306,784	1,306,784	1,306,784	1,306,784
Plant & Equipment Reserve	377,918	77,918	72,918	37,918	77,918
Bendigo Local History Bequest Reserve	399,939	357,439	364,539	371,789	379,189
Castlemaine Art Book Bequest Reserve	78,344	78,244	78,144	78,044	77,944
Development Initiative Reserve	-	280,000	190,000	35,000	85,000
Defined Benefits	300,000	300,000	300,000	50,000	125,000
Accumulated (Deficit) / Surplus	140,751	45,119	40,960	191,828	152,090
<b>Total Equity</b>	<b>5,070,374</b>	<b>4,912,142</b>	<b>4,819,983</b>	<b>4,538,001</b>	<b>4,670,563</b>

## Statement of Changes in Equity

### For the four years ending 30 June 2021

	Total	Member Contributions	Accumulated Surplus	Revaluation Reserve	Other Reserves
<b>2016/2017 Forecast</b>	\$	\$	\$	\$	\$
Balance at beginning of the financial year	6,718,459	2,466,638	1,753,236	1,306,784	1,191,801
Surplus/(deficit) for the year	(1,648,085)	-	(1,648,085)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(64,400)	-	64,400
Transfer from other reserves	-	-	100,000	-	(100,000)
<b>Balance at end of the financial year</b>	<b>5,070,374</b>	<b>2,466,638</b>	<b>140,751</b>	<b>1,306,784</b>	<b>1,156,201</b>

#### 2017/2018 Budget

Balance at beginning of the financial year	5,070,374	2,466,638	140,751	1,306,784	1,156,201
Surplus/(deficit) for the year	(158,232)	-	(158,232)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(309,400)	-	309,400
Transfer from other reserves	-	-	372,000	-	(372,000)
<b>Balance at end of the financial year</b>	<b>4,912,142</b>	<b>2,466,638</b>	<b>45,119</b>	<b>1,306,784</b>	<b>1,093,601</b>

#### 2018/2019 Strategic Resource Plan

Balance at beginning of the financial year	4,912,142	2,466,638	45,119	1,306,784	1,093,601
Surplus/(deficit) for the year	(92,159)	-	(92,159)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(104,000)	-	104,000
Transfer from other reserves	-	-	192,000	-	(192,000)
<b>Balance at end of the financial year</b>	<b>4,819,983</b>	<b>2,466,638</b>	<b>40,960</b>	<b>1,306,784</b>	<b>1,005,601</b>

#### 2019/2020 Strategic Resource Plan

Balance at beginning of the financial year	4,819,983	2,466,638	40,960	1,306,784	1,005,601
Surplus/(deficit) for the year	(281,982)	-	(281,982)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(154,150)	-	154,150
Transfer from other reserves	-	-	587,000	-	(587,000)
<b>Balance at end of the financial year</b>	<b>4,538,001</b>	<b>2,466,638</b>	<b>191,828</b>	<b>1,306,784</b>	<b>572,751</b>

#### 2020/2021 Strategic Resource Plan

Balance at beginning of the financial year	4,538,001	2,466,638	191,828	1,306,784	572,751
Surplus/(deficit) for the year	132,562	-	132,562	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(194,300)	-	194,300
Transfer from other reserves	-	-	22,000	-	(22,000)
<b>Balance at end of the financial year</b>	<b>4,670,563</b>	<b>2,466,638</b>	<b>152,090</b>	<b>1,306,784</b>	<b>745,051</b>

13: SCHEDULE OF FEES & CHARGES

<b>Schedule of Fees &amp; Charges</b>		
Fees and Charges inclusive of GST, as it applies.		
<b>Products and Services</b>	<b>2017/2018</b>	
Overdue material Per Item Per Day (Up to a maximum of \$7.00 per item)	\$0.25	
Lost Items	Replacement cost plus \$6 administration & processing	
Replacement Cards	\$3.00	
Printing Per Page	\$0.20	
Photocopying - Colour (A4) and (A3) - B&W (A4) and (A3)	\$0.50 and \$1.00 \$0.20 and \$0.50	
Inter Library Loan (per item) Items ordered but not collected will still be charged the ILL fee.	ILLs from Victorian Public Libraries cost \$3.00 ILLs from the Victorian State Library cost \$3.00 and must be read in the library ILLs from NSW Public Libraries cost \$15.00, including postage ILLs from University and Special Libraries including The National Library of Australia start at \$16.50, plus \$10.00 postage Items returned after the due date incurs a fine. The overdue fine for ILLs is \$1.00 per day, per item	
<b>Bendigo Library Room Hire</b>		
<u>Community Rate</u>	<u>Full Day (9am – 6pm)</u>	<u>Session Rate (2 hour )</u>
Activity Room 1	\$150.00	\$52.00
Activity Room 2	\$120.00	\$40.00
Activity Area 1 & 2	\$240.00	\$64.00
Meeting Room 1	\$120.00	\$48.00
Meeting Room 2	\$100.00	\$40.00
Meeting Room 3	\$100.00	\$40.00
Video/ Teleconference Setup	Flat Rate \$200.00	Flat Rate \$200.00
Performance Space	Variable	Variable
Meeting Room 4	Variable	Variable
<u>Commercial Rate</u>		
Activity Room 1	\$250.00	\$70.00
Activity Room 2	\$200.00	\$50.00
Activity Area 1 & 2	\$400.00	\$100.00
Meeting Room 1	\$220.00	\$60.00
Meeting Room 2	\$200.00	\$50.00
Meeting Room 3	\$200.00	\$50.00
Video/ Teleconference Setup	Flat Rate \$200.00	Flat Rate \$200.00
Performance Space	Variable	Variable
Meeting Room 4	Variable	Variable





## Goldfields Library Corporation Core Services Plan 2017-21

The full 2017-21 Plan will be completed by 30/6/2017

**Vision:** Explore, Engage and Create with Goldfields Libraries

**Mission:** We will enrich our communities by providing;

- Welcoming and inclusive spaces
- Friendly helpful and knowledgeable staff
- Access to information, collections and technology
- Programs for learning, creativity and recreation

Goals	Core Services Priorities Indicators / Performance measures
<p><b>Collections:</b> A collection that encourages learning, enjoyment, imagination and enriches our culture.</p> <p><b>Strategies</b> We will achieve this:</p> <ol style="list-style-type: none"> <li>1. By providing equitable access to quality collections,</li> <li>2. With collections that meet local needs, and</li> <li>3. Through skilled staff maximising access to collections and information.</li> </ol>	<p>Effective management of collections through the implementation of the Collection Plan</p> <hr/> <p>Collection access;</p> <ul style="list-style-type: none"> <li>○ Total collection utilisation</li> <li>○ Number of e-utilisations</li> <li>○ Collection turnover</li> <li>○ Number of reference enquiries</li> </ul> <hr/> <p>Assessment of first year of new service model for 'Collection Delivery to Institutions and Housebound Individuals'</p>

Goals	Core Services Priorities Indicators / Performance measures
<p><b>Programs:</b> Programs that support enjoyable opportunities for social connection, creativity and learning opportunities.</p> <p><b>Strategies</b> We will achieve this through:</p> <ol style="list-style-type: none"> <li>1. Partnerships that expand benefit and reach,</li> <li>2. Providing equitable access to programs,</li> <li>3. Contributing to our learning and creative communities, and</li> <li>4. Hosting community events that support progressive social inclusion.</li> </ol>	<p>Partnerships that focus on early years learning, digital literacy, creativity, health and community capacity building.</p> <hr/> <p>Impact evaluation – skill development, engagement and knowledge building of participants</p> <hr/> <p>Number of attendances at programs</p> <ul style="list-style-type: none"> <li>○ Early years learning</li> <li>○ Digital literacy</li> <li>○ Reading culture</li> <li>○ Creative and healthy communities</li> </ul>
<p><b>Technology:</b> Innovative infrastructure and digital services that inspire and excite our community and enhance service provision.</p> <p><b>Strategies</b> We will achieve this:</p> <ol style="list-style-type: none"> <li>1. By maintaining an efficient and innovative ICT network,</li> <li>2. With systems that support operational efficiency for staff workflows and procedures, and</li> <li>3. By enhancing the customer experience with technology.</li> </ol>	<p>Facilitate self-service for the effective circulation of collections</p> <ul style="list-style-type: none"> <li>• Percentage of loans self-service</li> </ul> <hr/> <p>Implement the IT plan that includes projects funded in 2017/18 budget</p> <hr/> <p>Provide access to the internet through bookable computers and wi-fi</p> <ul style="list-style-type: none"> <li>• Number of computer sessions</li> <li>• Number of internet enabled devices</li> </ul>

Goals	Core Services Priorities Indicators / Performance measures
<p><b>Spaces:</b> Welcoming and functional spaces.</p> <p><b>Strategies</b> We will achieve this:</p> <ol style="list-style-type: none"> <li>1. With an eLibrary that has ease of access to collections and library information, and</li> <li>2. By providing welcoming and flexible physical spaces that enable people to work, connect, learn and relax.</li> </ol>	<p>Effective management of the eLibrary through the implementation of the eLibrary Plan;</p> <ul style="list-style-type: none"> <li>• Number of visits to the eLibrary</li> <li>• Increased usage of eLibrary resources</li> </ul> <hr/> <p>Well utilised libraries;</p> <ul style="list-style-type: none"> <li>• Number of physical visits</li> </ul> <hr/> <p>Assessment of first year of new service model for Library Agencies.</p>
<p><b>Our people:</b> Engaged and motivated staff that enable our communities to benefit from our collections, technology, programs and spaces.</p> <p><b>Strategies</b> We will achieve this:</p> <ol style="list-style-type: none"> <li>1. With a culture of continuous learning and improvement,</li> <li>2. By engagement of our staff in planning for the future, and</li> <li>3. With plans, policies and communications that provide clarity and direction.</li> </ol>	<p>Our people will be able to deliver on the vision and mission into the future through the implementation of the Our People plan;</p> <ul style="list-style-type: none"> <li>• Work planning for all staff that provides clarity and direction</li> <li>• Ensure skills match requirements of Library Plan through the implementation of a staff development plan that includes two professional development days</li> </ul>

Goals	Core Services Priorities Indicators / Performance measures
<p><b>Governance:</b> The Board and staff work collaboratively to ensure organisational sustainability and equity of access.</p> <p><b>Strategies</b> We will achieve this:</p> <ol style="list-style-type: none"> <li>1. With strategic planning in the context of financial sustainability,</li> <li>2. By implementing systems that support operational effectiveness, and</li> <li>3. By actively promoting and building a culture of good governance.</li> </ol>	<p>Effective communications to maximise participation in library services and programs through the production of collateral, social media updates and media releases;</p> <ul style="list-style-type: none"> <li>• Promotion of library programs by publishing seasonal programs guide</li> <li>• Percentage increase in library membership</li> <li>• Publication of the electronic newsletter</li> </ul>
	<p>Expand services and programs by accessing grants and other funding opportunities.</p>
	<p>Support the implementation of the BRAC Corporate Plan</p>
	<p>Develop and review governance policies</p>
	<p>Undertake reporting to meet statutory requirements</p> <ul style="list-style-type: none"> <li>• Publication of the Annual Report</li> <li>• Local Government Reporting Framework</li> </ul>

<p align="center"><b>Libraries Empowering Communities: Delivering Council Vision</b></p>
<p><b>GLC Libraries</b>                      Services are delivered through the eLibrary, 9 branches, and 8 library agencies with more than 67,000 registered library members and many more use the service, resulting in more than 1.45 million visits in the 15/16 financial year. All this at a cost of \$25.67 per capita and with a return on investment of \$3.56 worth of community benefits for every dollar invested.</p>
<p><b>Building Community</b>                      Libraries provide a physical manifestation of investment in communities and buildings such as Bendigo Library are a point of pride, are places to connect and help create a strong sense of community.</p>
<p><b>Technology Hotspots</b>                      Libraries provide internet access through Wi-Fi and 50 bookable computers in a safe, friendly community space. Staff provide informal help and some training courses are provided to empower people to develop the skills they need to engage digitally to; socialise, gain employment and engage with the world.</p>
<p><b>Economic Prosperity</b>                      Job seekers are supported by access to the internet and free newspapers. Libraries provide resources and facilities for people interested in starting their own business, for teleworks, people running small businesses and meeting rooms and spaces for the business community.</p>
<p><b>Creative Communities</b>                      Libraries provide valuable support for community creativity with collections and programs that inspire and support lifelong learning and creativity. Libraries play a key role in supporting local authors in promoting and showcasing their work and importantly purchase the creative works of authors who are self-employed.</p>
<p><b>Literacy and Reading for all</b>                      Libraries support reading from birth with 1,170 children’s programs delivered with an attendance of more than 33,500 parents and children (2015/16) and 1.7 million loans of books, ebooks etc.</p>
<p><b>Informal Learning</b>                      From story-times for babies and toddlers through to digital literacy skills for senior’s libraries take a cradle to grave approach to supporting lifelong learning. People of all ages can</p>

participate in free training to update their skills, explore their interests and broaden their knowledge of the world. Libraries support the many forms of literacy required to succeed in this complex world; cultural literacy, information literacy, financial literacy, language literacy, digital literacy etc.

**Formal Education**

Libraries support formal education from primary school to tertiary including home schooling with; facilities, exam supervision, programs, study spaces, partnerships and resources.

**Equity**

Libraries reach out to all members of their communities and provide special services to people who are housebound and Ebooks have improved the range of material available to people with print disabilities.

**Local History**

Libraries create valuable and engaging digital content using items from historic collections and link communities with national and international content through projects such as Trove. Writers, researchers and students benefit from access to these collections.

16: PUBLIC NOTICE IN RELATION TO BUDGET PROCESSES

In accordance with Section 129 (1) of the Local Government Act 1989 the Corporation must prepare a budget for each financial year commencing 1<sup>st</sup> July.

As soon as practicable after the Corporation has prepared its Budget, the Corporation must advertise via a public notice that the budget has been prepared. The notice must:

- (a) contain the prescribed particulars.
- (b) advise that copies of the budget are available for inspection on the library website and at the Corporation’s libraries during normal business hours for at least twenty eight days after the publication of the public notice;

The public notice will also include the date on which the Board will meet to adopt its Budget. A person may make a written submission on any proposal contained in the Budget, not less than twenty eight days after the date on which the public notice is published.

After the Corporation has complied with this procedure under the Act, the Corporation may adopt the Budget. The Corporation must then give public notice that it has adopted the Budget. The Budget must be adopted by 30<sup>th</sup> June, 2017.



### **Proposed Public Notice of Preparation of Budget.**

Notice of intention to adopt a budget pursuant to Section 129 (1) of the Local Government Act 1989. Copies of the Draft 2017-2018 Budget are available for inspection on the library website and at the libraries in; Bendigo, Castlemaine, Eaglehawk, Gisborne, Heathcote, Kangaroo Flat, Kyneton, Romsey and Woodend. Any person may make a written submission to the Board on any proposal contained in the Budget by Friday 5<sup>th</sup> May 2017 and sent to the address below. Submitters may request to present at the meeting of the Board to be held at the Bendigo Library, 251-259 Hargreaves Street Bendigo, Friday, 26<sup>th</sup> May 2017, at 3.00pm.

#### **Chris Kelly**

CHIEF EXECUTIVE OFFICER  
North Central Goldfields Regional Library Corporation,  
PO Box 887,  
Bendigo, 3552.

### **Proposed Notice of Motion to Adopt the Corporation Budget**

That the 2017-2018 Budget be adopted by the Corporation and the Chief Executive Officer be authorised to give public notice of this decision to adopt such Budget, in accordance with Section 130(2) & (3) of the Local Government Act 1989.

### **Proposed Public Notice of Adoption of Budget**

In accordance with Section 130(9) of the Local Government Act 1989 notice is given that the Goldfields Library Corporation at its meeting held on Friday, 26th May 2017 at 3.00 pm adopted its Budget for the year July 1, 2017 to June 30, 2018.

#### **Chris Kelly**

CHIEF EXECUTIVE OFFICER  
Goldfields Library Corporation