



Goldfields
Libraries

NORTH CENTRAL GOLDFIELDS REGIONAL LIBRARY
CORPORATION TRADING AS
GOLDFIELDS LIBRARY CORPORATION

2021 / 2022 BUDGET FOR PUBLIC COMMENT



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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 almost 1.4 million visitors per year, 1.65 million collection utilisations, 80,000 public internet sessions, 86,000 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 towns in; Axedale, Boort, Dingee, Elmore, Inglewood, Pyramid Hill, Tarnagulla and Wedderburn. A Home Library Service for housebound patrons is being progressively rolled out across the region.

The Corporation is governed by a Board that establishes 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 income sources (approximately 5%).

Council funding is based on an amount collectively agreed to as part of the Service and Funding Agreement. The State Government funding is calculated primarily on a per capita basis. The State Government specifies a number of conditions on the grant, 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 2021/22 Operating result and forecast Operating result for the 2020/21 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: [THE LIBRARY PLAN](#)

The Library Plan provides a series of key priorities that are based around the outcomes of our Member Council Plans and State Government Regional Partnership Priorities. The link is noted in the diagram below.

Priorities

Library Priorities

The Library priorities are aligned to the priorities of the councils and the regional partnership.

- Sense of **community** and **liveability** of the region
- **Economic prosperity** and **employment**
- **Literacy, learning** and **education**
- Community **health, wellbeing** and **fairness**
- Responsible **governance** and sustainable **decision making**

Council's Priorities

Macedon Ranges

Promote **Health and Wellbeing**

Improve the **Built Environment**

Enhance the **Social and Economic Environment**

Deliver Strong and **Reliable Government**

Mount Alexander

Our People: Health, Wellbeing, Resilience, Partnerships

Our Place: Buildings, Sport and Recreation facilities

Our Economy: Business, Jobs, Education, Creativity, Culture, Events

Loddon

Liveability: Develop attractive, vibrant and well serviced communities

Economic Prosperity: Support the development of a **prosperous and diverse economy**

High Performance Organisation: Frameworks which enable **sound decision making**

Population: Grow and invigorate Loddon population

Greater Bendigo

Creating the world's most **liveable** community:

Wellbeing and fairness

Presentation and managing growth

Strengthening the economy

Council will **lead and govern for all**

Embracing our **culture and heritage**

Regional Partnership Priorities

- Create the best possible start for every child (*Support vulnerable children, Create work ready school leavers*)
- Be the healthy heart of Victoria (*Creating healthier citizens*)
- A growing economy
- Connectivity (*All people....benefit from digital connectivity*)

3. SERVICE PERFORMANCE OUTCOME INDICATORS

The Victorian Auditor General’s Office (VAGO) released an audit report on public libraries in 2019.

The report introduction notes that in delivering library services,

“Councils find it challenging to meet these expectations in a financially sustainable way. Under Victoria’s Local Government Act 1989 (the Act), Councils must use their resources efficiently and effectively, and services they deliver must meet community needs. The introduction of rate capping in 2015, which restricts councils’ ability to increase revenue, adds to the challenge.

Councils may contribute to their obligation by sharing library services. The Act allows two or more councils to do this by forming regional library corporations (RLC).

This audit examines whether councils and RLCs deliver services efficiently and effectively. We used library data to identify whether shared services are more efficient, and assessed how well selected councils plan, monitor and review their library services to ensure maximum efficiency and effectiveness.”

Outcomes of the audit included the following key points:

1. Goldfields Libraries is ranked as the most efficient library service in the State, delivering services and programs at the lowest possible cost per use of all 47 services (see table)
2. The RLC model is noted as being generally superior in efficiency to the stand-alone Council model. The audit noted the following:

“We analysed council library efficiency using data on library staff numbers, collection size, loan numbers and opening hours. We did not cover additional services that libraries provide such as home library visits, computer access or customer service. Our analysis showed that:

- *RLCs and co-operative models are, overall, more efficient than standalone council libraries, because their longer opening hours and high volume of loans offset their larger investments.*

Results

Figure D4 shows the efficiency scores for all library services across the two DEA combinations. An efficiency score of one means the library service is the most efficient of the group, but does not mean it could not become more efficient.

Figure D4
Data envelopment analysis results, Victorian libraries 2017-18

Library	Service delivery model	Core library services	Programs and events
Goldfields Library Corporation	RLC	1.00	1.00
Glenelg Shire	Council	1.00	1.00
East Gippsland Shire	Council	1.00	1.00
Towong Shire	Council	1.00	1.00
Indigo Shire	Council	1.00	1.00
ERLC ^(a)	RLC	1.00	1.00
Whitehorse Manningham Regional Library Corporation	RLC	0.90	0.90
Yarra Plenty Regional Library	RLC	0.87	1.00

- *Rural standalone councils tend to be more efficient than metropolitan ones. They have found ways to deliver core library services to their communities with less financial investment, for example, by sharing facilities with other council or community services.”*

3. The Library Collection Service provided by State Government (LibraryLink) is no longer funded - this impacts all library services, with specific impact to the 25 library services that are not currently part of the Library Victoria shared collection service (formerly known as SWIFT).

GLC is currently not part of this shared collection service, based on the inefficiencies inherent in this system that were highlighted by the audit as noted below:

“Although SWIFT increases community access to collection items, libraries need to weigh these benefits against potential costs and limitations. For example, users can request items from Swift libraries in a distant location—increasing courier costs—even when their home library has that item. In 2018–19, this occurred for 8 per cent of Swift ILL requests.

In addition, members may not collect items that libraries have moved across the state. In 2018–19, members failed to collect 48 600 items—9 per cent of all ILLs through Swift.

In part because of these issues, ERLC withdrew from Swift in 2015 following an internal review. The review noted that though the cost of Swift membership was low, processing ERLC’s Swift ILLs created an internal cost of approximately 2.4 FTE staff.”

The report notes therefore, that up to 17 percent of all activity within the system is wasted on delivering books that already exist within a collection or deliver collection that is never collected.

Both Eastern Regional Library Corporation *and* Yarra Plenty Regional Library Corporation exited the service due to the inefficient use of resources they were allocating to being part of the system, the environmental impact of transporting collection around the State that was then not used and the inflexibility/suitability of the library management system for public libraries.

Goldfields Libraries has opted to be part of a nationwide service that provides access and delivery of collection for patrons at a small fee whilst maintaining control of our library management system quality and delivery to patrons, along with 25 other library services. This service remains a more “boutique” service approach that reduces environmental impact.

In terms of the Goldfields Library Corporation, the VAGO report reflects a highly active and efficient service delivery across a range of activities and services.

The challenge in maintaining this high level of service in a rate capped environment is one that the board and the Corporation is planning for as consideration is given to future funding requirements.

Our key services areas and performance outcome indicators are provided on the following page.

Goldfields Library Corporation Core Services 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

Goals	Core Services Priorities Indicators / Performance measures
<p>Collections: A collection that encourages learning, enjoyment, imagination and enriches our culture.</p> <p>Strategies We will achieve this:</p> <ol style="list-style-type: none"> 1. By providing equitable access to quality collections, 2. With collections that meet local needs, and 3. Through skilled staff maximising access to collections and information. 	<p>Effective management of collections through the implementation of the Collection Plan</p> <p>Collection access;</p> <ul style="list-style-type: none"> ○ Total collection utilisation ○ Number of e-utilisations ○ Collection turnover ○ Number of reference enquiries <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>Programs: Programs that support enjoyable opportunities for social connection, creativity and learning opportunities.</p> <p>Strategies We will achieve this through:</p> <ol style="list-style-type: none"> 1. Partnerships that expand benefit and reach, 2. Providing equitable access to programs, 3. Contributing to our learning and creative communities, and 4. Hosting community events that support progressive social inclusion. 	<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"> ○ Early years learning ○ Digital literacy ○ Reading culture ○ Creative and healthy communities
<p>Technology: Innovative infrastructure and digital services that inspire and excite our community and enhance service provision.</p> <p>Strategies We will achieve this:</p> <ol style="list-style-type: none"> 1. By maintaining an efficient and innovative ICT network, 2. With systems that support operational efficiency for staff workflows and procedures, and 3. By enhancing the customer experience with technology. 	<p>Facilitate self-service for the effective circulation of collections</p> <ul style="list-style-type: none"> • Percentage of loans self-service <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"> • Number of computer sessions • Number of internet enabled devices

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

Goals	Core Services Priorities Indicators / Performance measures
<p>Governance: The Board and staff work collaboratively to ensure organisational sustainability and equity of access.</p> <p>Strategies We will achieve this:</p> <ol style="list-style-type: none"> 1. With strategic planning in the context of financial sustainability, 2. By implementing systems that support operational effectiveness, and 3. By actively promoting and building a culture of good governance. 	<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"> • Promotion of library programs by publishing seasonal programs guide • Percentage increase in library membership • Publication of the electronic newsletter
	<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"> • Publication of the Annual Report • Local Government Reporting Framework

3.1: STATISTICAL OVERVIEW

The three year statistical overview demonstrates the impact of COVID-19 on activity levels in particular. Of particular interest is the increase in membership experienced throughout COVID as libraries were sought out for online activities at times of lockdown. Goldfields Libraries online catalogue use jumped from an average of 10 loans per eLibrary item (such as an eAudiobook or eMagazine) to 22 loans. Buildings and physical collection were shutdown for a significant part of the year.

Three Year Overview

Indicator	2017/18	2018/19	2019/20	% change since last year
Population - Regional (ABS ERP)	188,731	192,460	195,582	2%
Library opening hours weekly	356	356	356	0%
Agency opening hours weekly	128.5	128.5	120	0%
Library floor space* (m2)	5,846	5,936	5,936	2%
Staff EFT	49.6	49.9	49.2	1%
Collection items	288,302	286,407	278,753	-1%
Public access Internet computers	126	128	131	2%
Activity				
Visits	1,435,881	1,402,245	1,023,638	-27%
Members	67,818	69,507	74,829	8%
Collection Utilisation	1,733,874	1,652,414	1,294,264	-22%
Computer bookings	77,885	78,702	54,813	-30%
Wi-Fi internet access	82,361	86,167	71,474	-17%
Program attendance	53,425	66,412	34,462	-48%
Number of Programs	2,817	2,867	1,396	-51%
Expenditure				
Total operating expenditure	\$ 4,968,764	\$ 5,665,756	\$ 5,199,992	0%
Total capital expenditure	\$ 1,092,264	\$ 877,091	\$ 882,098	3%
Capital expenditure on collections	\$ 855,259	\$ 753,611	\$ 621,139	-6%
Total collections expenditure	\$ 1,337,311	\$ 1,189,807	\$ 1,034,908	2%
Total Expenditure (excludes depreciation)	\$ 6,061,028	\$ 6,542,847	\$ 6,082,090	0%
Cost of Service				
Cost per loan	\$ 3.50	\$ 3.96	\$ 4.70	3%
Cost per visit	\$ 4.22	\$ 4.67	\$ 5.94	2%
Activity Per Capita				
Loans per capita	9.2	8.6	6.6	-7%
Visits per capita	7.6	7.3	5.2	-4%
Activity Per Staff member				
Loans per EFT staff member	34,936	33,115	26,306	-5%
Visits per EFT staff member	28,932	28,101	20,806	-3%
Activity Per Opening Hour				
Loans per operating hour*	94	89	70	-8%
Visits per operating hour*	78	76	55	-7%

*excludes agencies

3.3: 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 2021/22 Budget, which is included in this report, is for the year 1 July 2021 to 30 June 2022 and is prepared in accordance with the Act and Regulations. The budget includes the 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 2022 in accordance with the Local Government 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, there is a review and update to the Corporation's long term financial projections. Financial projections for at least four years are ultimately included in the Corporation's Strategic Resource Plan, which is the key medium-term financial plan produced by the Corporation on a rolling basis.

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 223 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 2021.

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

Budget process	Timeline
Budget and 10 year forecast presented to Finance Subcommittee	11 February 2021
Final Draft Budget and 10 year forecasts presented to Finance Subcommittee	11 March 2021
Draft Budget for advertising presented to Library Board	26 March 2021
Draft Budget Advertised for Public Comment / Submissions	5 April 2021
Submissions Received in 28 day period from date of advertising	3 May 2021

Submissions Considered/ Heard (Special Board meeting if required)	20 May 2021
Board meeting to consider submissions and to adopt budget	28 May 2021
Adopted budget submitted to the Minister for Local Government	15 June 2021

3.4: BUDGET PRINCIPLES

The 2021/22 budget has been prepared incorporating the following principles:

- A balanced cash budget – operating and capital budgets have been framed so that there is a minimum surplus,
- All expenditure has been thoroughly reviewed based on previous budgets and forecasts,
- Review of service levels to achieve a financially sustainable service, and
- Operating income has been reviewed to ensure accuracy in relation to fees, charges and fines.
- **It is noted that this budget assumes a model of service not affected by COVID-19. The Board reserve the right to modify this budget as required based on any requirements for business activity under COVID 19 State of Emergency directions.**

4: FINANCIAL STATEMENTS

4.1 COMPREHENSIVE INCOME STATEMENT

	Comprehensive Income Statement For the four years ending 30 June 2025				
	Forecast	Budget	Strategic Resource Plan		
	Actual 2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$
Income					
Member Contributions	5,291,499	5,360,288	5,429,972	5,538,571	5,649,342
Grants - Operating	1,407,000	1,431,532	1,467,035	1,496,375	1,526,303
Grants - Capital	58,788	-	-	-	-
User Fees, Charges and Fines	129,710	170,242	174,378	177,866	181,423
Interest	15,000	10,000	10,050	11,055	12,161
Other Income	1,500	40,896	41,919	42,757	43,612
Assets Received Free of Charge	-	2,000	2,000	2,040	2,081
Net Gain / (Loss) on Disposal of Assets	-	10,000	-	-	-
Total Income	6,903,497	7,024,958	7,125,354	7,268,664	7,414,922
Expenses					
Employee Costs	4,620,697	4,903,865	4,992,094	5,091,776	5,193,452
Plant and Equipment Costs	307,583	331,586	338,217	346,061	354,117
Depreciation & Amortisation	1,204,968	1,145,923	1,168,842	1,192,025	1,215,672
Amortisation Leases	25,000	24,693	24,693	24,692	24,692
Administration and Maintenance Charges	464,597	471,057	480,469	492,446	504,756
Lease Expense	9,870	9,287	8,688	8,070	7,436
Other Expenses	317,473	407,083	415,028	424,293	433,785
Total Expenses	6,950,188	7,293,494	7,428,030	7,579,364	7,733,910
Surplus/(Deficit) for the year	(46,691) -	268,534 -	302,676 -	310,700 -	318,988
Total Comprehensive Result	(46,691) -	268,534 -	302,676 -	310,700 -	318,988

ANALYSIS OF COMPREHENSIVE INCOME STATEMENT

This section of the budget analyses the expected revenue and operating expenditure of the Corporation for the 2021/22 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 \$27.38 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 resident population as of June 30, 2019.

Member Council	2019/20 at \$27.49 per capita	2020/21 at \$ 27.49 per capita	2021/22 at \$ 27.38 per capita	ABS ERP Population 30/6/2019
City of Greater Bendigo	\$3,123,048	\$3,190,543	\$3,236,558	118,093
Loddon Shire	\$206,294	\$206,563	\$205,661	7,504
Macedon Ranges Shire	\$1,331,440	\$1,357,875	\$1,376,674	50,231
Mount Alexander Shire	\$526,963	\$536,518	\$541,395	19,754
Totals	\$5,187,744	\$5,291,499	\$5,360,288	195,582

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 2020/21 has been calculated based on the actual funding received from the State Government the previous year with a 2.5% increase

The State Government grant is allocated across all library services.

Grant - State Government (estimate based on previous years)	2019-2020	2020-2021	2021-2022
Core funding & Local Priorities	\$1,368,158	\$1,396,889	\$1,431,532

III. User Fees, Charges and Fines:

Forecast income of \$170,242 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 \$90,000 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 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 \$ 10,000 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 \$40,896 from sundry charges and materials.

VI. Assets Received Free of Charge

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

VII. Net Gain on Disposal of Assets

Relates to the disposal of a library vehicle after a three year usage period.

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

\$ 4,903,865- 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 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.

II. Plant and Equipment Cost

\$ 331,586 includes; vehicle operating expenses, automated systems maintenance, general equipment purchases, ABN cataloguing, general maintenance, photocopier lease and operating expenses.

III. Depreciation and Amortisation

\$ 1,145,923 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. Amortisation Leases

\$ 24,693 refers to leased assets amortisation, mainly linked to the residual value of leased assets.

V. Administration and Maintenance

\$ 471,057 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. eResources are funded from the allocation received from the State Government.

VI. Other Expenditure

\$ 407,083 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.

4.2 BALANCE SHEET



Balance Sheet For the four years ending 30 June 2025

	Forecast	Budget	Strategic Resource Plan		
	Actual 2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$
Assets					
Current Assets					
Cash & Cash Equivalents	3,746,862	3,613,026	3,676,143	3,691,009	3,737,296
Trade and Other Receivables	753	1,704	1,071	1,841	1,432
Other Assets	110,430	93,865	95,742	134,039	120,635
Total Current Assets	3,858,044	3,708,595	3,772,956	3,826,888	3,859,364
Non-Current Assets					
Plant, Resources and Equipment	3,225,436	3,076,317	2,751,075	2,366,009	2,015,834
Right of Use Assets	370,389	345,696	321,004	296,311	271,618
Total Non-Current Assets	3,595,825	3,422,013	3,072,079	2,662,320	2,287,452
Total Assets	7,453,869	7,130,608	6,845,035	6,489,208	6,146,816
Liabilities					
Current Liabilities					
Trade and Other Payables	246,268	238,880	230,519	237,434	206,568
Trust Funds	2,300	2,659	3,988	3,589	3,948
Provisions	1,199,758	1,166,165	1,224,473	1,212,228	1,236,473
Lease Liabilities	20,391	20,974	21,574	22,191	22,825
Total Current Liabilities	1,468,716	1,428,678	1,480,554	1,475,442	1,469,814
Non-Current Liabilities					
Provisions	125,738	132,024	118,822	100,999	106,048
Lease Liabilities	354,986	334,012	312,438	290,248	267,422
Total Non-Current liabilities	480,723	466,036	431,260	391,246	373,470
Total Liabilities	1,949,440	1,894,713	1,911,814	1,866,689	1,843,284
Net Assets	5,504,429	5,235,895	4,933,219	4,622,519	4,303,532
Equity					
Member Contributions	2,466,638	2,466,638	2,466,638	2,466,638	2,466,638
Asset Revaluation Reserve	-	-	-	-	-
Plant & Equipment Reserve	172,918	157,918	202,918	182,918	212,918
Bendigo Local History Bequest Reserve	390,638	371,809	359,763	347,563	335,513
Castlemaine Art Book Bequest Reserve	82,157	80,407	80,375	80,125	79,875
Development Initiative Reserve	-	-	-	-	50,000
Definded Benefits	450,000	500,000	500,000	500,000	500,000
Accumulated (Deficit) / Surplus	1,942,078	1,659,123	1,323,525	1,045,275	658,587
Total Equity	5,504,429	5,235,895	4,933,219	4,622,519	4,303,532

4.3 STATEMENT OF CHANGES IN EQUITY



Statement of Changes in Equity For the four years ending 30 June 2025

	Total	Member Contributions	Accumulated Surplus (deficit)	Revaluation Reserve	Other Reserves
	\$	\$	\$	\$	\$
2020/2021 Forecast Actual					
Balance at beginning of the financial year	5,551,121	2,466,638	1,825,920	-	1,258,563
Surplus/(deficit) for the year	- 46,691	-	(46,691)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(269,150)	-	269,150
Transfer from other reserves	-	-	272,000	-	(272,000)
Balance at end of the financial year	5,504,430	2,466,638	1,782,079	-	1,255,713
2021/2022 Budget					
Balance at beginning of the financial year	5,504,429	2,466,638	1,942,078	0	1,095,714
Surplus/(deficit) for the year	- 268,534	-	(268,534)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(81,420)	-	81,420
Transfer from other reserves	-	-	67,000	-	(67,000)
Balance at end of the financial year	5,235,895	2,466,638	1,659,124	-	1,110,134
2022/2023					
Balance at beginning of the financial year	5,235,895	2,466,638	1,659,124	0	1,110,134
Surplus/(deficit) for the year	- 302,676	-	(302,676)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(31,450)	-	31,450
Transfer from other reserves	-	-	72,000	-	(72,000)
Balance at end of the financial year	4,933,219	2,466,638	1,396,997	-	1,069,584
2023/2024					
Balance at beginning of the financial year	4,933,218.70	2,466,638	1,396,997	0	1,069,584
Surplus/(deficit) for the year	- 310,699.95	-	(310,699)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(81,500)	-	81,500
Transfer from other reserves	-	-	22,000	-	(22,000)
Balance at end of the financial year	4,622,518.76	2,466,638	1,026,797	-	1,129,084
2024/20254					
Balance at beginning of the financial year	4,622,519	2,466,638	1,026,797	0	1,129,084
Surplus/(deficit) for the year	- 318,988	-	(318,988)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	-
Transfer to other reserves	-	-	(51,900)	-	51,900
Transfer from other reserves	-	-	67,000	-	(67,000)
Balance at end of the financial year	4,303,531	2,466,638	722,909	-	1,113,984

4.4 STATEMENT OF CASH FLOWS



Statement of Cash Flows For the four years ending 30 June 2025

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash Flows from Operating Activities					
Employee Related Costs	- 4,578,090	- 4,930,813	- 4,950,779	- 5,115,327	- 5,179,231
Plant and Equipment Costs	- 338,342	- 346,523	- 373,071	- 422,794	- 374,784
Administration and Maintenance Charges	- 511,057	- 517,521	- 527,856	- 541,012	- 555,232
Lease Interest	- 9,870	- 30,261	- 30,261	- 30,261	- 30,261
Other Expenses	- 394,370	- 455,918	- 461,129	- 466,723	- 493,442
GST paid on Investing Activities	- 92,668	- 99,480	- 84,160	- 80,492	- 86,341
GST submitted to the ATO	- 688,979	- 701,201	- 711,394	- 725,480	- 740,109
Member Contributions	5,820,649	5,896,317	5,972,969	6,092,429	6,214,276
Grants - Operating	1,547,700	1,574,685	1,613,738	1,646,013	1,678,932
Grants - Capital	64,667	-	-	-	-
User Fees, Charges and Fines	144,099	186,220	192,513	194,806	200,014
Interest	15,000	10,000	10,050	11,054	12,160
Other Revenue	1,650	44,986	46,110	47,033	47,973
GST Received from Investing Activities	-	1,000	-	-	-
GST received from the ATO	205,737	219,477	207,983	210,540	215,747
Net cash provided by/(used in) Operating Activities	1,186,128	850,969	904,715	819,785	909,702
Cash Flows from Investing Activities					
Proceeds from Sale of Assets	-	10,000	-	-	-
Payment for Plant, Resources and Equipment	- 926,676	- 994,804	- 841,598	- 804,919	- 863,415
Net cash provided by/(used in) Investing Activities	- 926,676	- 984,804	- 841,598	- 804,919	- 863,415
Net Increase/(Decrease) in cash & cash equivalents	259,452	- 133,836	63,117	14,865	46,287
Cash & cash equivalents at the beginning of the financial year	3,487,410	3,746,862	3,613,026	3,676,143	3,691,008
Cash & cash equivalents at the end of the financial year	3,746,862.15	3,613,026	3,676,143	3,691,009	3,737,296

Note: the statement of cash flows includes GST, the other statements do not.

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 2021/22 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 (i.e. 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 2021/22 year.

Restricted Funds and Working Capital in relation to the cash flow statements show that the Corporation is estimating at 30 June 2022 it will have cash and cash equivalents of **\$ 3,613,236** which includes restricted amounts as follows:

Employee benefits and Long Service Leave:

\$ 767,710 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;

- **\$ 80,407** Castlemaine Art Books bequest which includes interest on the original bequest
- **\$ 371,809** Bendigo Library Local History bequest which includes interest on the original bequest and the use of \$20,000 annually to provide history databases subscriptions.

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

- Development Initiative for ICT equipment
- Plant Replacement of **\$ 157,918** for vehicles and other equipment.

Defined Benefits **\$500,000**

The Corporation has set aside **\$500,000** for future Defined Benefits payment as previously determined by the Library Board. A call for payment was made during the GFC and the Corporation was required to pay approximately \$750,000. A further call may be required based on COVID-19 economic implications however this is unknown at this point.

4.5 STATEMENT OF CAPITAL WORKS



Statement of Capital Works For the four years ending 30 June 2025

	Forecast	Budget	Strategic Resource Plan		
	Actual 2020/21 \$	2021/22 \$	2022/23 \$	Projections 2023/24 2024/25 \$	
Resources	625,797	645,028	664,811	676,087	687,506
Plant and Vehicles	-	45,000	50,000	-	45,000
Information Technology	233,878	295,016	116,166	117,328	118,501
Furniture and Equipment	65,000	34,452	35,314	36,196	37,101
Total Capital Works Expenditure	924,675	1,019,497	866,291	829,612	888,108
Expenditure types represented by:					
Renewal	924,675	1,019,497	866,291	829,612	888,108
New Assets	-	-	-	-	-
Total Capital Works Expenditure	924,675	1,019,497	866,291	829,612	888,108

ANALYSIS OF STATEMENT OF CAPITAL WORKS

This section of the budget analyses the expected capital expenditure of the Corporation for the 2021/22 year.

Expenditure Capital

I. Capital Resources: \$ 645,028

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. Plant and Vehicles: \$45,000

This relates specifically to the replacement of the vehicle for the Corporation as part of a three-year cycle and one vehicle changeover is expected in 2021/22. The Corporation is testing a Hybrid Electric Vehicle as part of a commitment to reducing carbon footprints.

III. I.T. Capital Expenditure: \$295,016

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.

IV. Furniture and Equipment: \$34,452

In the 2021/22 year there is an amount of \$34,452 allocated for replacement furniture and fittings to all sites.

13: SCHEDULE OF FEES & CHARGES

Schedule of Fees & Charges inclusive of GST, as it applies.		
Products and Services	2021/22	
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 \$2.00 ILLs from the Victorian State Library cost \$2.00 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 \$18.50, plus \$20.00 postage Items returned after the due date incurs a fine.	
Bendigo Library Room Hire		
<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

15: PUBLIC NOTICE IN RELATION TO BUDGET PROCESSES

In accordance with Section 127 (1) of the Local Government Act 1989 the Corporation must prepare a budget for each financial year commencing 1st 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 30th June, 2021.

Proposed Public Notice of Preparation of Budget.

Notice of intention to adopt a budget pursuant to Section 127 (1) of the Local Government Act 1989. Copies of the Draft 2021-2022 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 5 p.m. on Monday 3rd May 2021 and send 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, 28th May 2021, at 3.00pm.

Mark Hands

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 2020-2021 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, 28th May 2021 at 3.00 pm adopted its Budget for the year July 1, 2021 to June 30, 2022.

Mark Hands

CHIEF EXECUTIVE OFFICER
Goldfields Library Corporation