

**LIBRARIES BOARD OF SOUTH AUSTRALIA**

**MEETING OF THE LIBRARIES BOARD OF SOUTH AUSTRALIA**

**Monday, 19 November 2018**

Minutes No. 825

The meeting was held in the Morgan Thomas Boardroom, Institute Building and started at 12.00 noon.

**Agenda Items for Discussion:** 7.2 and 14.1.3 was starred. Unstarred agenda items were approved.

**1 Present:**

Mr James Bruce (Chairman), Ms Vini Ciccarello, Mrs Janet Finlay, Mr Scott Hicks, Ms Lynn Spurling, Ms Jillian Whittaker, Mr Andrew Luckhurst-Smith and Dr Jan-Claire Wisdom.

**In Attendance:**

Mr Geoff Stempel (Director, State Library of South Australia)  
Ms Jo Bayly (Acting Associate Director, Public Library Services)  
Ms Lesley Sharp (Group Manager Online and ICT Services, State Library of South Australia)  
Ms Sarah Hallandal (Personal Assistant, State Library of South Australia – Minutes)

The Chairman congratulated Ms Wisdom and Ms Whittaker on being appointed Mayor of their respective councils. Both Ms Wisdom and Ms Whittaker thanked the Board.

**2 Apologies:**

**3 Conflict of Interest**

**4 Minutes**

The minutes of the Board meeting of 15 October 2018 were confirmed.

**Moved: Jan-Claire Wisdom**

**Seconded: Lynn Spurling**

**5 Business Arising from the Minutes**

**6 Workplace Health & Safety**

**6.1 Workplace Health and Safety Report – November 2018**

The Libraries Board noted the Work Health and Safety Report and the activities and initiatives during November 2018.

**7 Finance Reports**

**7.1 State Library Financial Performance Summary as at 31 October 2018**

**Unstarred Item.** The Libraries Board noted the Financial Performance Reports for the State Library for the period ending 31 October 2018, including notes and explanations for major variations.

**7.2 Trust Funds Quarterly Investment Report – October 2018**

Mr Luckhurst-Smith reported on the investments.

Mr Saunders of Macquarie attended today's Finance Sub-Committee meeting and recommended the Board sell the entire Templeton Global Growth Fund and purchase Vanguard MSCI Index International Shares Index due to Templeton continuing to under-perform.

Mr Saunders recommended that the Board redeem the hybrid equities CBA Perls VI and Westpac Capital Notes for cash on maturity and consider other investments at a later time.

**The Libraries Board:**

- **received and noted the Trust Funds Investment Report as at 31 October 2018;**
- **approved the sale of Templeton Global Growth Fund and the use of the proceeds to invest in Vanguard MSCI Index International Shares; and**
- **approved the redemption of CBA Perls VI and Westpac Capital Notes equities on maturity.**

**Moved: Andrew Luckhurst-Smith**

**Seconded: Scott Hicks**

**7.3 State Library Bequest Funds Report – October 2018**

**Unstarred Item. The Libraries Board received and noted the attached Bequest Funds report as at 31 October 2018.**

**7.4 State Library Draft Trading Accounts Budget 2018-19**

Ms Whittaker asked which areas of the library were used to generate income. Mr Stempel explained that the revenue is generated from the hire of Mortlock, Circulating Library & Hetzel Lecture Theatre with the majority of the costs associated being staff time.

**The Libraries Board approved the draft 2018-19 State Library Trading Accounts Budget.**

**Moved: Andrew Luckhurst-Smith**

**Seconded: Scott Hicks**

**7.5 Bequest Fund Spending 2018-19**

Mr Luckhurst-Smith agreed that the Board should approve the \$500,000 that is needed to set up a revenue budget for dividends, distributions, franking credits and interest earned on investments. Mr Coorey also agreed for this amount to be approved.

Ms Wisdom asked whether there was any scope for a project on collecting Aboriginal stories and history could be added to the Bequest Fund Spending in the future. It was mentioned that most councils have reconciliation action plans. The Director has concerns that the Library does not have enough expertise to do this appropriately. Ms Wisdom to speak with the Director after the meeting.

Ms Ciccarello asked whether the Friends of the State Library could be linked to the new State Library Red Bubble online site. This will be explored with the Friends.

The Director spoke about the reasoning behind recommendation 4 and that the library will advise the trustee's that all funds have been acquitted.

**The Libraries Board:**

- 1. Per the table below, approved the 2017-18 carryover from Mortlock Bequest project Funds:**

<b>Mortlock Bequest Projects*</b>	<b>Board Approval Date</b>	<b>Unspent 2017-18 \$</b>	<b>Previously Approved 2018-19 \$</b>	<b>Previously Approved 2019-20 \$</b>	<b>Previously Approved 2020-21 \$</b>	<b>Total \$</b>
Creating a Vibrant Community & Leisure Learning Space	29 Jul 13	23,768				23,768
Engagement With Digital Collections	18 Aug 14	53,343				53,343
Online Shop	18 Aug 14	55,000				55,000
Digital Preservation Strategy	28 Sep 15	732,900	(372,900)	261,450	261,450	882,900
Story Wall	18 Aug 14	67,468	53,000	53,000		173,468
State Library Exhibition Design	28 Sep 15	25,354	30,000			55,354
New Library Management System	26 Sep 16	99,818				99,818
Implementation of School Community Libraries Report	28 Sep 15	21,282				21,282
Building Resilience & Skills One Card	26 Sep 16	44,579				44,579
<b>Total</b>		<b>1,123,512</b>	<b>(289,900)</b>	<b>314,450</b>	<b>261,450</b>	<b>1,409,512</b>

- 2. Per the table below, approved the carryover from 2017-18 and new expenditure for the following other bequests:**

<b>Other Bequest Projects</b>	<b>Unspent 2017-18 \$</b>	<b>New 2018-19 \$</b>	<b>Total \$</b>
Andersen Estate	39,311	29,313	68,624
Franklin	17,438	16,120	33,558
Paul McGuire	4,758	17,372	22,130
Institutes	23,406	13,624	37,030
Cornell – Large Print Brochures or Signage re SLSA Services	14,023	-	14,023

3. Per the table below, approved expenditure as required from the bequest funds below up to the total available in each fund plus any interest accruing in 2017-18.

Other Bequest Funds	New 2017-18 \$
Dr Bronwyn Halliday Bequest	14,605
Pengilly Estate	36,390
Hutchison Estate	256
John Bray Estate	958
Thomas Hardy Wine Library	650
Hawker Donation	7,287
Martine Burns Bequest	523
Bob and Rae Terrell Estate	16,741
Mignon Rosina Vyse Estate	20,382

4. Assigned up to \$5,000 of Mortlock funds to complement the funds in the bequests that hold less than \$1,000, thereby allowing staff to make purchases that fulfil the intent of the original bequests, and allowing them to be closed.
5. Approved a conservative revenue budget of \$500,000 for dividends, distributions, franking credits and interest earned on investments.

Moved: Lynn Spurling                      Seconded: Jan-Claire Wisdom

#### 7.6 Use of available Mortlock Bequest Funds for 2018-19

Mr Luckhurst-Smith reported the Finance Sub-Committee were concerned that the Mortlock Bequest funds were being used to pay for a Cool and Cold store, when it should be the State Government's responsibility.

The Board discussed further and suggested the Board write to the Premier outlining the issues and to ask for the funds to be reimbursed.

1. The Libraries Board approved the allocation of a total of \$170,000 from the Mortlock Bequest funds during the 2018-19 year for:
  - The commencement of the building of a Cool and Cold store for the preservation of the most at risk parts of the Library's Audio Visual materials (\$85,000);
  - The purchase and use of Collection Analysis software to interrogate the One Card data (\$55,000);
  - The further development of a Video Content Creation project (\$30,000).
2. The Libraries Board approved a further \$175,000 for the completion of the Cool and Cold store during the 2019-20 year.

Moved: Andrew Luckhurst-Smith                      Seconded: Vini Ciccarello

#### 7.7 PLS Financial Performance Summary July to September 2018

Unstarred Item. The Libraries Board noted the Financial Performance Report for Public Library Services for the period 1 July to 30 September 2018, including notes and explanations of major variations.

**8 Public Libraries**

**8.1 Public Library Services Report for the July to September 2018 quarter**

**Unstarred Item. The Libraries Board noted the report.**

**8.2 Tomorrow's Libraries Review - Update**

**Unstarred Item. The Libraries Board noted the progress being made to review the actions within Tomorrow's Libraries and the emerging priorities of the public library network.**

**8.3 Public Library Services – Business Plan 2018-2020**

**Unstarred Item. The Libraries Board noted the Public Library Services Business Plan for 2018-2020.**

**8.4 Tech Savvy Seniors Program**

**Unstarred Item. The Libraries Board noted the progress and the infographic of the Tech Savvy Seniors program.**

**10 State Library**

**10.1 2019 Meeting Schedule**

**Unstarred Item. The Libraries Board approved the meeting schedule for the Libraries Board and Finance Sub-Committee for 2019.**

**10.2 2018-2019 Funding – Memorandum of Administrative Arrangement**

**Unstarred Item. The Libraries Board noted the 2018-2019 Funding – Memorandum of Administrative Arrangement with Arts South Australia.**

**10.3 Libraries Board support for the Royal Geographical Society of South Australia**

The Libraries Board discussed the proposal to support the Royal Geographical Society of South Australia Inc., with the addition of certain guarantees to the loan arrangement, that stipulates if the loan is not repaid within the 24 months that the library is to take possession of the collection.

- 1. The Libraries Board consented to the Royal Geographical Society of South Australia Inc. disposing of that part of its current collection that it deems no longer fulfil its remit or are duplicate copies of items already held in its collection.**
- 2. The Libraries Board agreed to draw up a loan arrangement with the Royal Geographical Society of South Australia Inc. for a loan of funds to undertake the description of its currently undescribed collection items.**
- 3. That such a loan agreement stipulates that it is made on a commercial basis regarding the interest charged.**
- 4. That the loan agreement ensures that the loan is repaid through the proceeds of the sale of collection items the Royal Geographical Society of South Australia Inc.**

**5. That the loan agreement ensures that the loan is repaid within 24 months of it being taken up by the Royal Geographical Society of South Australia Inc.**

**Moved: Jan-Claire Wisdom      Seconded: Lynn Spurling**

**11 Chairman's Report**

The Chairman reported:

- Scott Hicks donation was received by the State Library on 15 October 2018. The two valuers have completed their valuation.

**12 Director's Report**

The Director reported on and tabled a report about his activities.

**13 Any Other Business**

**14 For Information**

**14.1 Correspondence**

- 14.1.1** Chairman, Libraries Board to Scott Hicks re: confirmation of donation to State Library collection, 15 October 2018
- 14.1.2** Auditor-General to Acting Director re: Changes to the Auditor-General's approach to forming the controls opinion required by the Public Finance & Audit Act 1987, 2 November 2018
- 14.1.3** Auditor-General to Mr A Luckhurst-Smith re Invitation to attend annual briefing of Risk and Performance Committee Chairs, 18 October 2018

Mr Luckhurst-Smith spoke on his attendance at the Risk and Performance Committee Chairs briefing that was held on 16 November 2018 and what the new Department of Treasury and Finance terms of reference policy on risk and performance committees means for the Libraries Board. The Board discussed this further and believes that the Library will need to focus on our broader risks, rather than just finance.

The Director asked how the Board would like management to report on risk management for the future. The Board suggested a risk register/risk management plan be tabled quarterly at a Board meeting, including Public Library Services who already have this completed.

**14.2 For Information**

**15 Date of Next Meeting**

The next Libraries Board meeting will be held on **Monday, 10 December 2018 at 11.00 am**. The meeting will be held in the **Morgan Thomas Boardroom**, Institute Building, followed by Christmas Lunch at 12.30 pm at Jolleys Boathouse.

Mr Luckhurst-Smith expressed an apology to December Board meeting and Christmas Lunch.

The meeting closed at 1.40pm.

Chairman: .....

Date: .....