

LIBRARIES BOARD OF SOUTH AUSTRALIA

MEETING OF THE LIBRARIES BOARD OF SOUTH AUSTRALIA

Monday, 19 August 2019

Minutes No. 842

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

Agenda Items for Discussion: 7.4

1 Present:

Ms Jillian Whittaker (Acting Chair), Ms Megan Berghuis, Ms Vini Ciccarello, Mrs Janet Finlay, Mr Scott Hicks, Ms Bronwyn Lewis, Mr Bruce Linn (via video-conference) and Mr Andrew Luckhurst-Smith.

In Attendance:

Mr Geoff Stempel (Director, State Library of SA)
Ms Jo Bayly (Associate Director, State Library of SA)
Ms Hanlie Erasmus (Associate Director, Public Library Services)
Ms Sue Scadding (Executive Secretary, State Library of SA – Minutes)

Recently appointed Libraries Board Chair, Mr Bruce Linn, introduced himself providing a brief summary of his background. All attendees also introduced themselves and provided brief summaries.

The Libraries Board nominated Ms Jillian Whittaker to act as Chair for this meeting.

Moved: Bruce Linn Seconded: Bronwyn Lewis

2 Apologies

3 Conflict of Interest

- Mr Linn declared a perceived conflict of interest stating that he is a Director of SABRENet which SLSA/Public Library Services has a relationship with.
- Mr Luckhurst-Smith declared a perceived conflict of interest regarding Item 7.6 – Macquarie is his personal broker.
- Mr Hicks declared a perceived conflict of interest regarding Item 9.5 – his company has dealings with SirsiDynix.

4 Minutes

The minutes of the Board meeting of 15 July 2019 were confirmed.

Moved: Vini Ciccarello Seconded: Janet Finlay

5 Business Arising from the Minutes

6 Workplace Health & Safety

6.1 Workplace Health and Safety Report – Deferred to September 2019

7 Finance Reports

7.1 State Library Financial Performance Summary as at 30 June 2019

Unstarred Item. The Libraries Board noted the Financial Performance Reports for the State Library for the year ending 30 June 2019, included notes and explanations for major variations.

7.2 Trust Funds Quarterly Investment Report – June 2019

Mr Luckhurst-Smith reported, giving an overview of Board-controlled funds and the requirement for cash to be held with SAFA.

The Libraries Board received and noted the Trust Funds Investment Report as at 30 June 2019.

Moved: Andrew Luckhurst-Smith Seconded: Scott Hicks

7.3 State Library Bequest Funds Report – June 2019

Unstarred Item. The Libraries Board received and noted the Bequest Funds report as at 30 June 2019.

7.4 Libraries Board of SA – Draft Unaudited Financial Statements for Year Ended 30 June 2019

Mr Luckhurst-Smith reported that the Finance Subcommittee meets quarterly and it held an Extraordinary meeting on 9 August 2019. Shared Services (SSSA) and the Library's finance team also attended. He has a problem with signing the statements as a draft however the Auditor-General (AG) requires this for the audit. It was a productive meeting. He added that Ms Finlay moved a motion of commendation to the finance team.

Ms Finlay appreciated the hard work the finance team and SSSA had undertaken regarding the draft statements and reported that SSSA were happy with our team's efforts. Mr Luckhurst-Smith reported that another Extraordinary Finance Subcommittee meeting will be held on 16 September 2019, before the Board meeting. AG representatives will be invited to attend the meeting. The Finance Subcommittee expects to recommend that the Board approves/certifies the final audited financial statements for 2018-19.

7.5 State Library and Public Library Services – Non-Basware Payments Validation January to June 2019

Mr Luckhurst-Smith reported that all payments are appropriate however there is a deficiency in the system which has been taken up with SSSA. It does not impact on the recommendation. From a risk view these have been picked up.

The Libraries Board validated the Non-Basware Payments for the period January to June 2019.

Moved: Andrew Luckhurst-Smith Seconded: Janet Finlay

7.6 Ongoing Financial Services Advice for Board Investments

Mr Luckhurst-Smith provided a background. For many years the Board has received advice from its investment advisor, Macquarie, at Finance Subcommittee meetings. Macquarie has changed internally the way it does its business and the former Macquarie team has left. The Board has no contract with Macquarie.

The Board has a minute from the Treasurer providing approval to use Macquarie as our investment advisor. We will have to obtain approval to change advisors. The normal brokerage fee has been approximately \$10,000/year. Macquarie has now increased this several fold. Mr Luckhurst-Smith has been liaising with the Director on this matter outside of meetings.

It is recommended that the Board goes to market for investment advisor services. Macquarie are to submit an EOI. We will also look to introduce some form of performance benchmarking.

The Director reported that he has contacted Macquarie informing them that the Board will go to market. The Board must not exercise a tender process without obtaining Treasurer's approval first, if moving away from Macquarie. He has commenced the process to obtain approval from the Treasurer to use an investment advisor holding an Australian Financial Services licence.

Ms Berghuis asked if we are paying the new fees. Mr Luckhurst-Smith advised that we are not.

The Libraries Board endorsed the proposed steps recommended by the Finance Subcommittee to go to market seeking proposals from investment advisors.

Moved: Andrew Luckhurst-Smith Seconded: Megan Berghuis

7.7 PLS Financial Performance Summary April to June 2019

Unstarred Item. The Libraries Board noted the Financial Performance Report for Public Library Services for the period 1 April to 30 June 2019 including notes and explanations of major variations.

8 Risk Management (Financial and Non-Financial)

9 Public Libraries

9.1 Public Library Services Report for the April – June 2019 Quarter

Unstarred Item. The Libraries Board noted the report.

9.2 LMS Non-Disclosure Agreement

The Libraries Board noted the report and nominated Jillian Whittaker and Andrew Luckhurst-Smith to execute the Non-Disclosure Agreement with Evolveplus Pty. Ltd.

Moved: Janet Finlay Seconded: Bronwyn Lewis

9.3 *Tomorrow's Libraries 2019 – Updated Version*

The Associate Director, PLS reported. This is a draft publication for approval which the Public Library Services Standing Committee endorsed in August. This version includes an updated Premier's message which is being finalised. There will be an online version as well as hard copies, which will be useful for the network.

The Associate Director, PLS asked Mr Linn if he wished to make any changes to the Foreword. Mr Linn advised that he will review it, but it is unlikely. It is noted that the former President, LGA and former Libraries Board Chair listed in the publication will be amended to suit current circumstances.

Ms Finlay suggested a short version of the document (executive summary) be made available.

15 Any Other Business

15.1 Changes in Libraries Board Membership

The Director reported on current Board membership matters. Mr Luckhurst-Smith and Ms Ciccarello are now in a grace period which concludes on 15 September 2019. He wished to thank them for their time on the Board and appreciated their advice. Ms Ciccarello, a member of the Public Library Standing Committee and Mr Luckhurst-Smith, Chair of the Finance Subcommittee, both remain on these Committees until 15 September 2019. An interim Chair of the Finance Subcommittee will be required from 16 September 2019 until the end of the year.

The Libraries Board voted its formal thanks to former members, Ms Lynn Spurling and Dr Jan-Claire Wisdom, for their service of diligence over the last period. Their attention to the Board has been excellent.

Moved: Jillian Whittaker Seconded: Bruce Linn

The Director will invite past Board members to gather together with former and current members for a formal thank you. Ms Finlay supported this.

The Libraries Board nominated that Janet Finlay be appointed as an interim Chair of the Finance Subcommittee from 16 September 2019 until the end of 2019.

Moved: Scott Hicks Seconded: Bruce Linn

The Director explained the membership of the Public Library Services Standing Committee and that the Board needs to nominate two members to be on the Standing Committee at its September meeting. Ms Lewis volunteered her services as a member for the next two Standing Committee meetings as an interim measure. The Director advised that the Standing Committee's September meeting has been cancelled, therefore the next meeting is on 1 October 2019.

The Libraries Board nominated Ms Bronwyn Lewis as a member of the Public Library Services Standing Committee in the interim, noting that the September meeting is cancelled.

Moved: Megan Berghuis Seconded: Vini Ciccarello

15.2 Mr Hicks raised the matter of meeting requests for Board meetings. Currently meeting requests are sent a few weeks in advance of each Board and Finance Subcommittee meeting. It was suggested that these be sent but excluding the requirement for responses to be provided

15.2 Mr Linn thanked everyone for welcoming him as the new Chair of the Board.

Mr Linn and Mr Hicks departed the meeting at 1.30 pm.

16 For Information

16.1 Correspondence

16.1.1 Jim McDowell, CE, DPC to Chairman, Libraries Board re: response on budget and Financial Sustainability Review Update, 28 June 2019

16.1.2 Geoffrey Moffatt, CEO, District Council of Ceduna to Chairman, Libraries Board re: Ceduna School Community Library, 25 July 2019

16.1.3 Hanlie Erasmus, Associate Director, PLS to Geoffrey Moffatt, CEO, District Council of Ceduna re: Ceduna School Community Library, 6 August 2019

16.2 For Information

16.2.1 Board Actions List – August 2019

17 Date of Next Meeting

The next Libraries Board meeting will be held on **Monday, 16 September 2019 at 12.00 noon.**
This meeting will include time for a workshop. The meeting will be held in the **Morgan**
Thomas Boardroom, Institute Building.

The meeting closed at 1.35 pm.

Chair:

Date: