

## **Attachment 2**

**Whitehorse Manningham Regional Library Corporation**

# **DRAFT BUDGET 2024/2025**

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## **1 Introduction**

Whitehorse Manningham Regional Library Corporation (WMRLC) is a Library Corporation under Section 196 of the Local Government Act 1989. For clarity it should be noted that the impact of s330 of the *Local Government Act 2020* is that those sections of the *Local Government Act 1989* that were applicable to an existing regional library corporation, continue to apply to that library as if all of those sections had not been repealed until 2031.

WMRLC provides a public library service to the municipalities of Whitehorse and Manningham (the member Councils), which have a combined population forecast for 2024 of 317,250.

WMRLC is governed by a Board comprising two Councillor representatives from each of the member Councils, senior officers from the member Councils and two community representatives. The Corporation's Chief Executive Officer reports to the Board and is responsible for the management of WMRLC.

A four year Library Plan sets out the WMRLC's strategic direction. The proposed Budget 2024/25 details the resources required over the next year to support the achievement of the Library Plan actions. The Budget supports the delivery of core library services, while continuing to strengthen the reading and life-long learning programs where possible.

The proposed 2024/25 Budget is presented in a format which demonstrates the proposed 2024/25 Cash Budget, the 2024/25 Budget and anticipated final results for FY 2023/24. A Budgeted Income Statement, Budgeted Statement of Capital Works, Budgeted Balance Sheet and Budgeted Cash Flow Statement are provided.

## 2 Executive Summary

WMRLC has prepared a Budget for FY 2024/25. It seeks to maintain library services that are valued by our community and deliver the strategic objectives and actions set out in the Library Plan.

WMRLC continues to strive to contain costs through system improvements, respects the financially constrained environment and takes opportunities to explore additional revenue sources where possible. Expenditure in all areas has been reviewed. Savings achieved through the implementation of back end efficiencies in recent years has enabled the Corporation to off-set some of the continued decline in operating revenue.

This Budget does not forecast a surplus or deficit for the 2024/25 financial year as any deficit will be funded from the cash reserve.

### 2.1 Key things we are funding:

- Continued investment in library physical and digital collections
- Maintaining service delivery at current levels
- Continued support for volunteer engagement

### 2.2 Key Statistics

|                    | <b>2024/25</b> | <b>2023/24</b> |
|--------------------|----------------|----------------|
|                    | <b>\$</b>      | <b>\$</b>      |
| Total Income       | 12,581,762     | 12,199,331     |
| Total Expenditure  | 12,386,528     | 12,050,605     |
| Accounting Result* | 195,235        | 148,726        |

(Refer to Income Statement in Section 11.1)

|                     | <b>2024/25</b> | <b>2023/24</b> |
|---------------------|----------------|----------------|
|                     | <b>\$</b>      | <b>\$</b>      |
| Total Capital Works | 2,079,865      | 2,050,320      |

### 3 Links to the Library Plan

This section describes how the Annual Budget links to the achievement of the Library Plan.

#### 3.1 Planning and accountability framework

The Strategic Resource Plan is a rolling five year plan that outlines the financial and non-financial resources that the Corporation requires to achieve the strategic objectives described in the Library Plan 2021 - 2025. The Annual Budget is framed within the Strategic Resource Plan, considering the services and initiatives which contribute to achieving the strategic objectives specified in the Library Plan. The Annual Report includes a report on operations, financial statements and performance results.

The Library Plan, including the Strategic Resource Plan is required to be completed by 30 June following the general election of Councillors. The Strategic Resource Plan is reviewed each year in advance of the commencement of the Annual Budget process.

#### 3.2

##### **Our purpose**

*To strengthen and inspire our community by providing opportunities to learn, create, connect and imagine.*

##### **Our vision**

*A vibrant and inclusive library service that enriches our community.*

##### **We value**

**Respect** - treating everyone with respect, dignity and courtesy

**Collaboration** - working together to achieve better outcomes

**Integrity** – being open, honest and accountable

**Curiosity** – being open to learning and exploring ways to improve

**Agility** – being flexible and adaptable to change

##### **Principles that guide our service**

**Customer centric** – striving to achieve the best customer experience

**Well-being** - supporting positive mental and physical health

**Inclusive** – providing equitable and accessible services to a diverse community

**Responsive** - to evolving community needs and expectations

**Best practice** – striving to be the best in all that we do and deliver

### 3.3 Strategic objectives

The following table lists the four strategic goals as described in the Library Plan

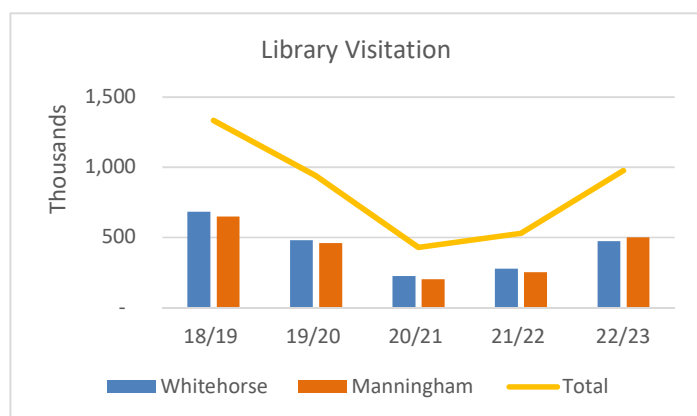
| Strategic Objective               | Description  |
|-----------------------------------|--|
| <b>1. Experience</b>              | To be an inclusive and welcoming people centered service     |
| <b>2. Learning and Engagement</b> | To enable an informed and engaged community                  |
| <b>3. Collaboration</b>           | To extend the reach and benefit of library services          |
| <b>4. Performance</b>             | To be a flexible, resilient and high performing organisation |

### 3.4 Service Performance indicator trends

The library service experienced the impact of the COVID-19 pandemic from January 2020 onwards, this can be witnessed across the activity results for 2019/20 and subsequent years. In 2023/24 recovery of activity continues on an upward trajectory.

#### Library Visitation

At June 2023, library visitation had returned to 73% of pre-pandemic levels

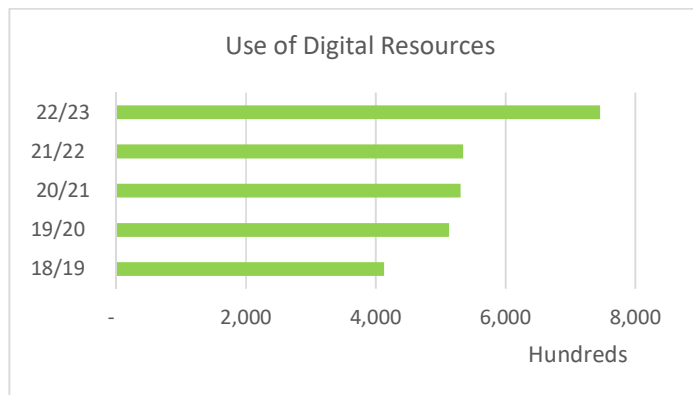
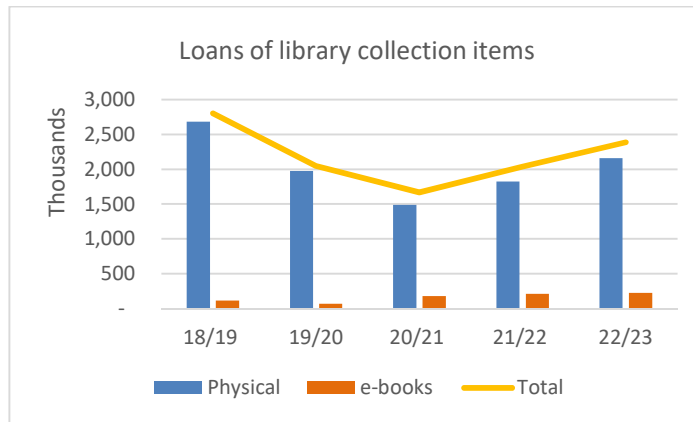


Notes:

*22/23 Box Hill Library closed for 1 months for recarpeting  
22/23 Hours of operation increased at some Manningham libraries*

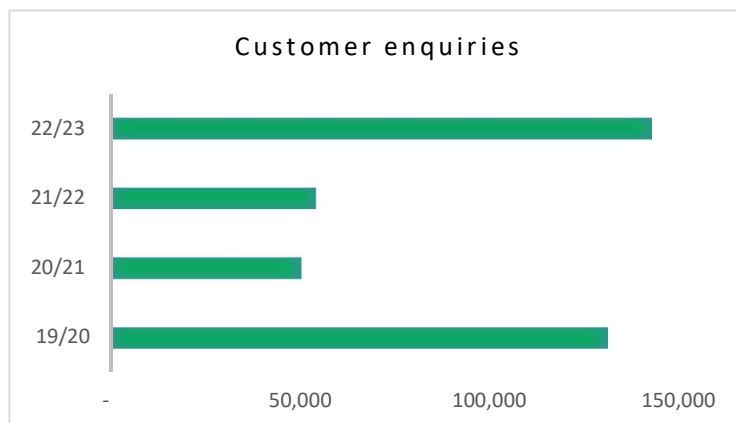
#### Collection Loans

Our communities have one of the highest borrowing rates of both physical and electronic collection items compared to other public libraries in the state. At June 2023, the total number of collection loans had returned to 85% of pre-pandemic levels. Loans of e-books have increased by 94% in the last 5 years. Use of all digital resources has increased by 81%.



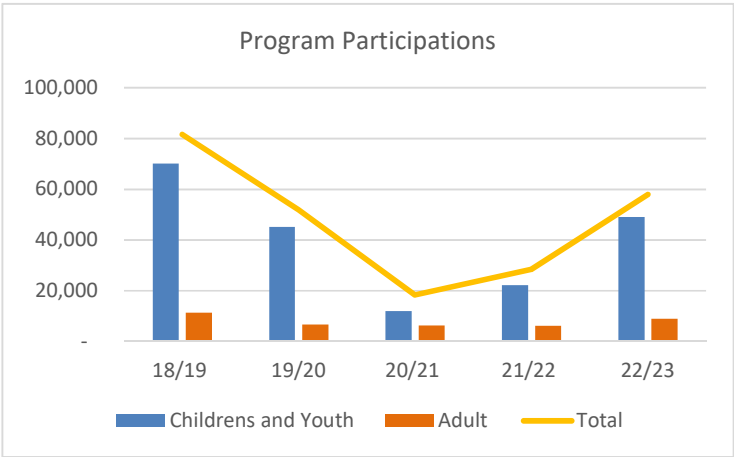
### Customer Enquiries

Library staff respond to an increasing number of customer requests for assistance and help finding information.



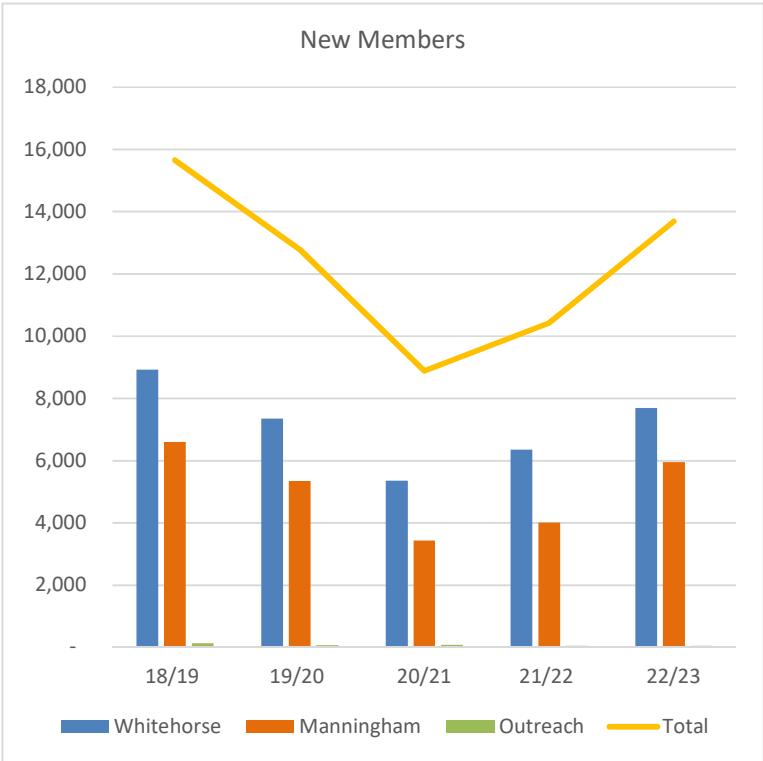
Program and Activities

A wide range of in-house, outreach and on-line programs are delivered by the library. As at June 2023, participation rates at library programs had returned to 71% of pre-pandemic levels.



New Memberships

Over 30% of residents have a library membership, however it should be noted that in real terms this percentage is higher as many families access services using a single membership card. As at June 2023, the new membership rate had returned to 87% of the pre-pandemic rate.





### 4 Budget principles

The preparation of the 2024/25 Budget is informed by the following overarching principles:

- Maintaining service delivery levels.
- Alignment of budget to the delivery of the Library Plan objectives.
- Review of all areas of expenditure against anticipated service needs and market trends and containing expenditure as much as possible.
- Warrandyte Library and additional hours at Doncaster and The Pines Libraries are funded by Manningham City Council outside of the Regional Library Agreement and are not reflected in this budget.

### 5 Budget Influences

The preparation of this budget is influenced by a number of internal and external factors including the following:

- Contributions from member Councils are forecast to increase by 2.75%.
- State government grant is forecast to increase by 2%
- Forecast interest rates remaining at the current level
- Anticipated Enterprise Agreement and Employer Super Guarantee increases.
- Increased cost of insurance, collection materials, cleaning, couriers and utilities.

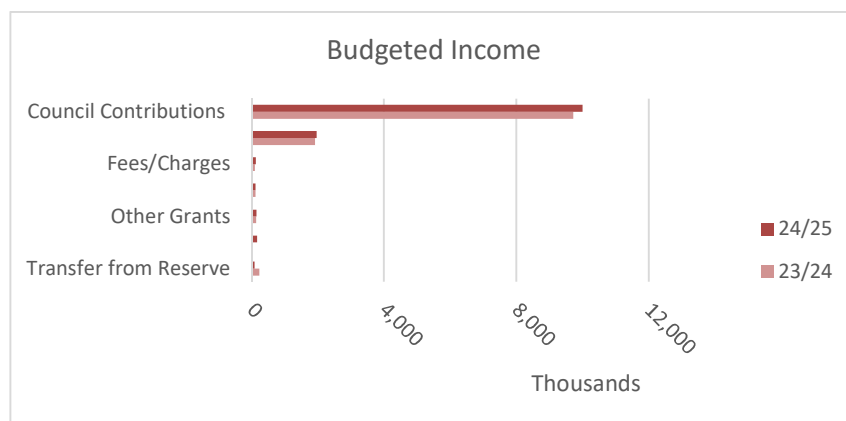
### 6 Analysis of operating budget

This section of the report analyses the operating budget including the expected income and expenses of the Corporation for the 2024/25 financial year.

The following notes are presented to demonstrate the key parameters and assumptions underpinning the budget and to provide additional explanatory information.

#### 6.1 Income

The Corporation receives funds through member Council contributions and State Government funding. The Corporation generates small amounts through user charges and interest earned on investments.



| <b>Income type</b>                        | <b>Forecast Actual<br/>2023/24<br/>\$</b> | <b>Budget<br/>2024/25<br/>\$</b> | <b>Variance<br/>\$</b> |
|---|---|----------------------------------|------------------------|
| Council Contributions                     | 9,724,070                                 | 9,991,482                        | 267,412                |
| State government Public Libraries Funding | 1,914,028                                 | 1,961,879                        | 47,851                 |
| Other Grants                              | 136,925                                   | 139,451                          | 2,526                  |
| Fees/Charges                              | 98,530                                    | 124,140                          | 25,610                 |
| Income from Investments                   | 117,536                                   | 120,000                          | 2,464                  |
| Cash Surplus(Deficit) c/fwd               | 235,159                                   | 86,296                           | (148,863)              |
| Transfer from Reserve                     | 0   | 158,515                          | 158,515                |
| <b>Total Income</b>                       | <b>12,226,248</b>                         | <b>12,581,763</b>                | <b>355,515</b>         |

### Council Contributions

The proportion of member council contributions are in accordance with the agreed formula set out in the Regional Library Agreement. The increase in contributions for the 2024/25 financial year is 2.75%.

| <b>Member Council Contributions</b> | <b>Forecast Actual<br/>2023/24<br/>\$</b> | <b>Budget<br/>2024/25<br/>\$</b> | <b>Variance<br/>\$</b> |
|-------------------------------------|---|----------------------------------|------------------------|
| City of Whitehorse                  | 5,842,668                                 | 6,003,341                        | 160,673                |
| Manningham City Council             | 3,881,402                                 | 3,988,141                        | 106,739                |
| <b>Total contributions</b>          | <b>9,724,070</b>                          | <b>9,991,482</b>                 | <b>267,412</b>         |

### State Government Funding

The State Government recurrent core and local priorities funding is forecast to increase by 2%, the actual increase is usually confirmed by the State Government in July/August. No increase is forecast for the Premiers Reading Challenge grant, the funding amount is usually confirmed in December.

Income from other grants and donations is not included in the budget unless it is known at the time of the budget preparation.

| <b>Recurrent grants</b>       | <b>Forecast Actual<br/>2023/24<br/>\$</b> | <b>Budget<br/>2024/25<br/>\$</b> | <b>Variance<br/>\$</b> |
|-------------------------------|---|----------------------------------|------------------------|
| State Public Libraries - Core | 1,914,028                                 | 1,961,879                        | 47,851                 |
| State Local Priorities        | 101,026                                   | 103,552                          | 2,526                  |
| Premiers Reading Challenge    | 35,899                                    | 35,899                           | 0                      |
| <b>Total recurrent grants</b> | <b>2,050,953</b>                          | <b>2,101,329</b>                 | <b>50,376</b>          |

### User Charges (\$1,985 increase compared to FY23/24 Budget)

User charges includes income from lost and damaged item charges, printing and copying, meeting room hire and sale of products. User fees and charges have been reviewed and benchmarked against those of other public library services. The proposed schedule of Fees and Charges is detailed at Appendix A.

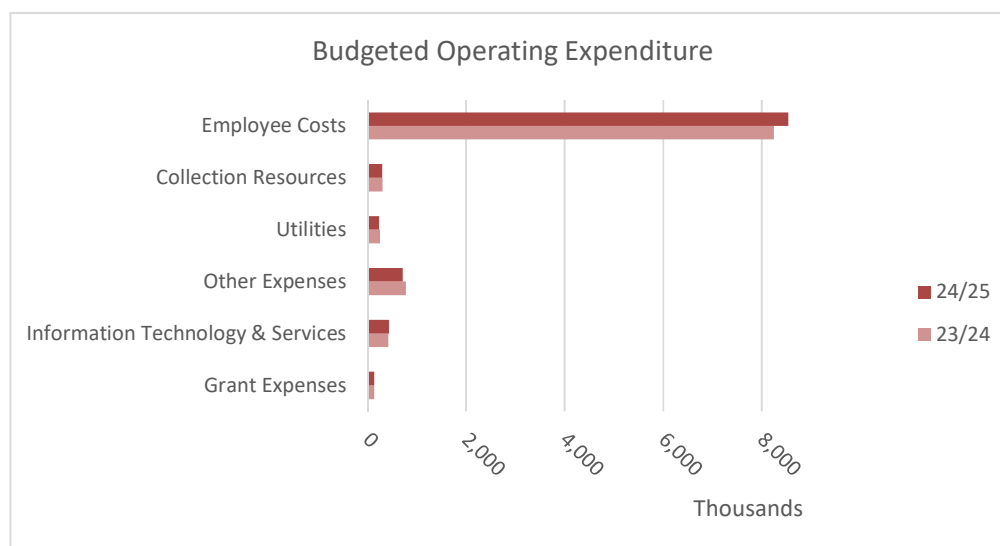
### Interest from Investments (\$30,000 increase compared to FY23/24 Budget)

Interest from investments includes interest earned on available cash throughout the year. Cash funds and cash requirements are reviewed on a daily basis to identify funds available and required to meet the Corporation's obligations. Rates are forecast to remain stable in 2024/25.

## 6.2 Operating Expenditure

| Expense type                    | Forecast Actual<br>2023/24<br>\$ | Budget<br>2023/24<br>\$ | Budget<br>2024/25<br>\$ | Variance<br>23/24 vs 24/25<br>Budget<br>\$ |
|---------------------------------|----------------------------------|-------------------------|-------------------------|--|
| Employee costs                  | 8,243,153                        | 8,251,902               | 8,534,834               | 291,681                                    |
| Grant expenditure               | 139,956                          | 136,925                 | 139,451                 | (505)                                      |
| Other expenses                  | 1,765,902                        | 1,700,804               | 1,827,614               | 61,712                                     |
| <b>Total Operating Expenses</b> | <b>10,149,012</b>                | <b>10,089,632</b>       | <b>10,501,898</b>       | <b>352,888</b>                             |

The total operating expenditure is forecast to increase by 3.48% in 2024/2025 above the budgeted 2023/24 expenditure.



**Employee costs (\$291,681 increase)**

Employee costs comprise 81% of total operating expenditure. Employees costs include all labour related expenditure such as salaries and on costs including allowances, banding increments, leave entitlements, employer superannuation guarantee, Workcover, penalty payments for weekend work, staff development, Employee Assistance Program, relief staff to cover leave absences and engagement of external specialist resources where required.

Employee costs are forecast to increase by 3.50% or \$291,681 compared to budgeted cost for 2023/24. This increase relates to following key assumptions:

- Enterprise Agreement and Super Guarantee increases
- Band increments
- FTE required to maintain service levels
- Small increase in staff development
- Workcover increases

**Utilities (\$13,181 increase)**

Gas, Water, Cleaning and Courier costs increased between 2% to 3% to meet anticipated rises.

**Insurance (\$13,500 increase)**

The cost of insurance has increased significantly in the past year and further increases are anticipated.

**Information Services (\$4,000 increase)**

Included in this budget is the Library Management System, Debt Recovery and Libraries Australia costs.

**Information Technology including Telephones (\$8,603 Increase)**

Increases to ICT costs have been offset by savings in telephone fixed line costs.

**Collection resources (non- capital) (\$3,471 decrease)**

Included in this budget are periodicals, newspapers and some electronic collection resources (e-magazines, online newspapers, databases). These types of resources are non-depreciable and therefore not regarded as assets. There is increased expenditure associated with growing demand for access to digital collections. Overall decrease in non-capital collections due to the reduction in print periodicals.

**All other expenses (\$25,899 increase)**

Includes auditing, printing, office expenses, vehicle maintenance, programs and marketing. The increases relate to increased audit and printing costs.

## 7 Analysis of Budgeted Cash Position

This section of the report analyses the expected cash flows from the operating, investing and financing activities of the Corporation for the 2024/2025 year. Budgeting cash flows for the Corporation is a key factor in ensuring it 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.

|  | Forecast<br>Actual<br>2023/24<br>\$ | Budget<br>2024/25<br>\$ | Variance<br>\$   |
|--|-------------------------------------|-------------------------|------------------|
| <b><i>Cash flows from operating activities</i></b>         |                                     |                         |                  |
| Council Contributions Received                             | 9,724,070                           | 9,991,482               | 267,412          |
| State Grants Received                                      | 1,971,449                           | 1,961,879               | (9,570)          |
| Interest Received  | 89,475                              | 119,354                 | 29,879           |
| Other Grants Received                                      | 139,956                             | 139,451                 | (505)            |
| User Charges   | 272,184                             | 368,951                 | 96,767           |
| Payments to Employees / Suppliers                          | (10,054,236)                        | (10,630,819)            | (576,583)        |
| <b>Net cash provided by operating activities</b>           | <b>2,142,898</b>                    | <b>1,950,298</b>        | <b>(192,600)</b> |
| <b><i>Cash flows from Investing Activities</i></b>         |                                     |                         |                  |
| Payments for Collection Resources, Equipment and Furniture | (2,039,020)                         | (1,915,271)             | 123,749          |
| Proceeds from Sale of Equipment                            | 0                                   | 0                       | 0                |
| <b>Net cash provided by investing activities</b>           | <b>(2,039,020)</b>                  | <b>(1,915,271)</b>      | <b>123,749</b>   |
| <b>Net increase (decrease) in cash held</b>                | <b>103,878</b>                      | <b>35,027</b>           | <b>(68,851)</b>  |
| Cash at the beginning of the year                          | 2,781,772                           | 2,885,650               | 103,878          |
| <b>Cash at the end of the year</b>                         | <b>2,885,650</b>                    | <b>2,920,677</b>        | <b>35,027</b>    |

### Cash flows from Operating Activities

Operating activities refer to the cash generated by or used in the normal service delivery functions of the Corporation.

**Payments from Operating Activities**

- Employee costs comprise approximately 81% of the total cash expenditure.
- Small increases in payments to suppliers based on the anticipated budget result for 2023/24.
- Overall a small decrease in Net Cash Flow from Operating Activities is anticipated.
- The income includes a carried over surplus/transfer from cash reserves.

**Net Cash used in Investing Activities**

- The main impact on Investing Activities is a decrease due to funding constraints and the withdrawal of collection resources.

**Cash at End of Financial Year**

- It is anticipated at the end of the 2024/2025 FY the total cash will be 1% more than previous year.

**Restricted Funds and Working Capital**

The cash flow statements show that the Corporation is estimating at 30 June 2025 to have cash and cash investments of \$2,920,677 of which some investments are restricted:

|                                 |             |
|---------------------------------|-------------|
| Employee Benefits – current     | \$1,824,481 |
| Employee Benefits – non-current | \$ 108,451  |

The above current benefits include the Annual Leave provision as well as Long Service Leave (LSL), only LSL provision is restricted. These funds are separately identified as restricted to ensure there are sufficient funds to meet the Corporation's obligations as set out in the Local Government (Long Service Leave) Regulations 2002.

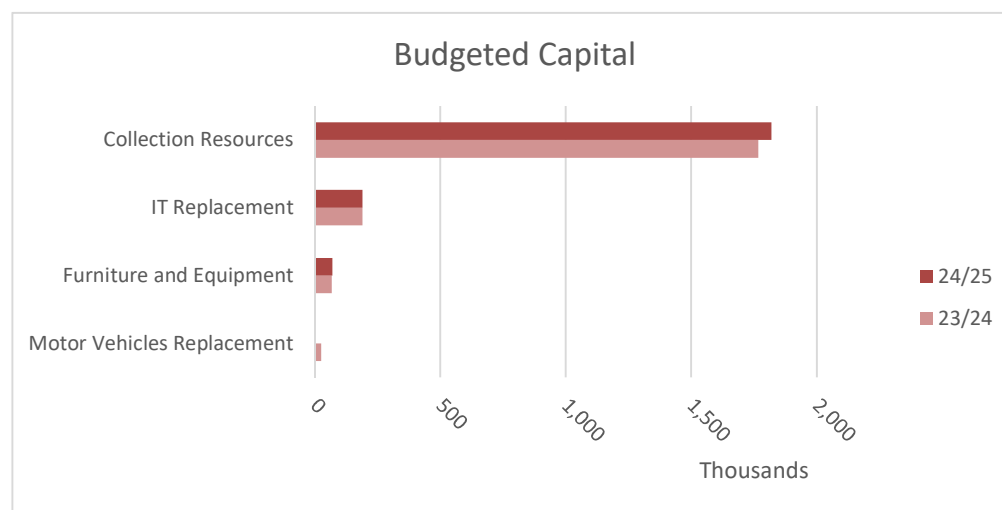
The Corporation also has a small fund set aside in a reserve account to assist with the replacement of the Radio Frequency Identification (RFID) and IT equipment.

## 8 Budgeted Capital Works

This section of the report analyses the planned capital expenditure budget for the 2024/25 FY and the sources of funding for the capital budget.

### Budgeted Statement of Capital Works

|  | 2023/24          | 2024/25          | Variance        |
|--|------------------|------------------|-----------------|
|  | \$               | \$               | \$              |
| <b>Capital Works</b>                   |                  |                  |                 |
| Collection Resources                   | 1,767,233        | 1,820,250        | 53,017          |
| Furniture and Equipment                | 67,587           | 69,615           | 2,028           |
| Motor Vehicle Replacement              | 25,500           | 0                | (25,500)        |
| IT Replacement                         | 190,000          | 190,000          | 0               |
| <b>Total Capital Works</b>             | <b>2,050,320</b> | <b>2,079,865</b> | <b>29,545</b>   |
| <b>Represented by:</b>                 |                  |                  |                 |
| Asset renewal expenditure              | 2,050,320        | 2,079,865        | 29,545          |
| <b>Total capital works expenditure</b> |                  |                  |                 |
|  | <b>2023/24</b>   | <b>2024/25</b>   | <b>Variance</b> |
|  | <b>\$</b>        | <b>\$</b>        | <b>\$</b>       |
| <b>Sources of Funding</b>              |                  |                  |                 |
| Council Contributions                  | 2,050,320        | 2,079,865        | 29,545          |
| Public Libraries Funding               |                  |                  |                 |
| <b>Total</b>                           | <b>2,050,320</b> | <b>2,079,865</b> | <b>29,545</b>   |



### Collection Resources (3% increase)

Collection Resources includes capital items such as physical books, audio-visual resources, e-books and end processing costs. Collection resources are the Corporation's major asset. The Corporation continues to focus on improving the relevance and quality of the collection by regularly evaluating collection borrowing trends, collection condition and content and replacing the stock.

**Furniture and Equipment (3% increase)**

This assists the replacement of limited amounts of damaged furniture in library public areas and upgrades required to meet current ergonomic and OH&S standards. Smaller items of equipment are covered in the operating budget under equipment maintenance and replacement.

**Information Technology Replacement (0 increase)**

Information Technology capital expenditure covers the upgrade and replacement of computer hardware, servers, network hardware, printers and other minor hardware items and the purchase of new software.

**Motor Vehicles (No allowance for replacement this year)**

The Corporation has a small fleet of cars that are used by library staff when moving between branches or attending meetings. The vehicles are also used on a daily basis for Outreach and Makerspace program delivery and for IT support services to libraries.



## 9 Analysis of Budgeted Financial position

This section of the budget report analyses the movements in assets, liabilities and equity between 2023/24 and 2024/25.

### Budgeted Balance Sheet

|                                       | 2023/24<br>\$     | 2024/25<br>\$     | Variance<br>\$   |
|---------------------------------------|-------------------|-------------------|------------------|
| <b>Current assets</b>                 |                   |                   |                  |
| Cash Assets                           | 2,885,650         | 2,920,679         | 35,029           |
| Receivables                           | 68,562            | 70,619            | 2,057            |
| Prepayments                           | 151,651           | 156,959           | 5,308            |
| Accrued Income                        | 21,525            | 22,171            | 646              |
| <b>Total current assets</b>           | <b>3,127,388</b>  | <b>3,170,427</b>  | <b>43,039</b>    |
| <b>Non-current assets</b>             |                   |                   |                  |
| Collection Resources                  | 7,297,183         | 7,569,874         | 272,691          |
| IT Equipment, Furniture and Equipment | 1,165,460         | 923,410           | (242,050)        |
| <b>Total non-current assets</b>       | <b>8,462,643</b>  | <b>8,493,284</b>  | <b>30,641</b>    |
| <b>Total assets</b>                   | <b>11,590,031</b> | <b>11,663,711</b> | <b>73,680</b>    |
| <b>Current liabilities</b>            |                   |                   |                  |
| Payables                              | 706,920           | 571,478           | (135,442)        |
| Employee benefits                     | 1,762,784         | 1,824,481         | 61,697           |
| <b>Total current liabilities</b>      | <b>2,469,704</b>  | <b>2,395,959</b>  | <b>(73,745)</b>  |
| <b>Non-current liabilities</b>        |                   |                   |                  |
| Employee benefits                     | 156,261           | 108,451           | (47,810)         |
| <b>Total non-current liabilities</b>  | <b>156,261</b>    | <b>108,451</b>    | <b>(47,810)</b>  |
| <b>Total liabilities</b>              | <b>2,625,966</b>  | <b>2,504,411</b>  | <b>(121,555)</b> |
| <b>Net assets</b>                     | <b>8,964,065</b>  | <b>9,159,301</b>  | <b>195,236</b>   |
| <b>Equity</b>                         |                   |                   |                  |
| Accumulated surplus                   | 5,042,022         | 5,237,258         | 195,236          |
| Members Contribution                  | 3,922,043         | 3,922,043         | 0                |
| <b>Total equity</b>                   | <b>8,964,065</b>  | <b>9,159,301</b>  | <b>195,236</b>   |

- Cash assets in line with contributions.
- Collection Resources variance from previous year as a result of depreciation and write off of items that have been less than anticipated.
- Employee Benefits increase in line with expected wage increase

## 10 Strategic Resource Plan and Key Financial Indicators

### 10.1 Plan Development

A five year strategic resource plan is developed and adopted in conjunction with the annual budget. This strategic resource plan is fundamentally premised on the Corporation's commitment to continue the regional library's operations on a financially sustainable basis and restricting Council contribution increases (operational and capital).

Underpinning this commitment are the following objectives:

- Containing salary increases to industry standard Enterprise Agreement increases and corresponding increases in statutory on-costs.
- Continuous pursuit of innovation, efficiency and other measures to reduce expenditure.
- Advocating for increased state government funding.
- Maintaining existing service levels.
- Maintaining information communication technology systems within the parameters of affordability.
- Maintaining a capital expenditure on Collection Resources that meets the objectives of the Collection Management Strategy and industry standards.
- Prudently managing financial risks relating to assets and liabilities.
- Providing full, accurate and timely disclosure of financial information.

### 10.2 Funding Strategies

The current Strategic Resource Plan is presented on an accrual basis. It reflects projected income and expenditure in both capital and operational areas.

The plan is currently premised on the following key parameters:

- Indexation of Council contributions by 2.75%, 2.5%, 2.5%, 2.5% and 2.5% respectively.
- Indexation of State Government core and local priorities grants by 2% each year.
- No increases to the Premier's Reading Challenge grant.
- Interest on investments to remain stable across the five years.
- Small increases in operating income each year.
- Total operating expenditure to increase by 3.53% in the first year an average of 2.5% each year following.
- Employee costs to increase over and above any wage increase to allow for the 0.5% increase in Superannuation Guarantee each year until it reaches 12% in July 2027.
- Increases in Collection Resources, Information Technology, Furniture and Equipment as follows:

| 24/25 | 25/26 | 26/27 | 27/28 | 28/29 |
|-------|-------|-------|-------|-------|
| 3%    | 2.5%  | 2.5%  | 2.5%  | 2.5%  |

Motor Vehicle Replacement is budgeted for every second year, 25/26 and 27/28.

The Corporation reviews these financial parameters each year as part of the annual budget process and adjusts the financial plan accordingly wherever parameters have changed.

The Corporation has an extremely tight financial position and limited opportunity to identify further compensatory discretionary cost items within the operating expenditure budget to continue to offset lost revenue. While the Corporation is continually reviewing ways to identify savings, the constrained funding environment presents ongoing challenges when looking to maintain service levels within current budgets.

### 10.3 Five Year Financial Plan

|                                    | 2024/25<br>Budget | 2025/26<br>Financial<br>Plan | 2026/27<br>Financial<br>Plan | 2027/28<br>Financial<br>Plan | 2028/29<br>Financial<br>Plan |
|------------------------------------|-------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>INCOME</b>                      | \$                | \$                           | \$                           | \$                           | \$                           |
| <b>Council Contributions</b>       |                   |                              |                              |                              |                              |
| <b>Whitehorse</b>                  | 6,003,341         | 6,153,425                    | 6,307,261                    | 6,464,942                    | 6,626,566                    |
| <b>Manningham</b>                  | 3,988,141         | 4,087,844                    | 4,190,040                    | 4,294,791                    | 4,402,161                    |
| <b>Total</b>                       | <b>9,991,482</b>  | <b>10,241,269</b>            | <b>10,497,301</b>            | <b>10,759,733</b>            | <b>11,028,727</b>            |
| <b>Public Libraries Grant</b>      | 1,961,879         | 2,001,116                    | 2,041,139                    | 2,081,961                    | 2,123,601                    |
| <b>Operating Income</b>            | 488,950           | 248,333                      | 252,606                      | 256,960                      | 261,398                      |
| <b>Local Priorities Grant</b>      | 103,552           | 105,623                      | 107,735                      | 109,890                      | 112,088                      |
| <b>Premiers Reading Challenge</b>  | 35,899            | 35,899                       | 35,899                       | 35,899                       | 35,899                       |
| <b>Total Income</b>                | <b>12,581,762</b> | <b>12,632,240</b>            | <b>12,934,679</b>            | <b>13,244,444</b>            | <b>13,561,712</b>            |
| <b>EXPENDITURE</b>                 |                   |                              |                              |                              |                              |
| <b>Operational</b>                 | 10,362,447        | 10,663,896                   | 10,930,494                   | 11,203,756                   | 11,483,850                   |
| <b>Depreciation/Disposal</b>       | 1,884,630         | 1,880,677                    | 2,136,094                    | 2,216,943                    | 2,317,467                    |
| <b>Grants Local</b>                |                   |                              |                              |                              |                              |
| <b>Priorities Funding</b>          | 103,552           | 106,140                      | 108,794                      | 111,514                      | 114,302                      |
| <b>Premiers Reading Challenge</b>  | 35,899            | 35,899                       | 35,899                       | 35,899                       | 35,899                       |
| <b>Total Expenditure</b>           | <b>12,386,528</b> | <b>12,686,612</b>            | <b>13,211,281</b>            | <b>13,568,112</b>            | <b>13,951,518</b>            |
| <b>Net Surplus(Deficit)</b>        | <b>195,235</b>    | <b>(53,855)</b>              | <b>(275,540)</b>             | <b>(322,044)</b>             | <b>(387,592)</b>             |
| <b>Adjustments to AAS27 Budget</b> |                   |                              |                              |                              |                              |
| <b>Depreciation/Disposal</b>       | 1,884,630         | 1,880,677                    | 2,136,094                    | 2,216,943                    | 2,317,467                    |
|                                    | <b>10,501,898</b> | <b>10,805,935</b>            | <b>11,075,187</b>            | <b>11,351,169</b>            | <b>11,634,051</b>            |
| <b>Collection Resources</b>        | 1,820,250         | 1,865,756                    | 1,912,400                    | 1,960,210                    | 2,009,215                    |
| <b>Furniture &amp; Fittings</b>    | 69,615            | 71,355                       | 73,139                       | 74,967                       | 76,842                       |
| <b>IT Replacement</b>              | 190,000           | 194,750                      | 199,619                      | 204,609                      | 209,724                      |
| <b>Motor Vehicle Replacement</b>   | 0                 | 26,000                       | -                            | 26,000                       | -                            |
| <b>NET SURPLUS (DEFICIT)</b>       | <b>(0)</b>        | <b>(331,557)</b>             | <b>(325,665)</b>             | <b>(372,512)</b>             | <b>(368,121)</b>             |

## 10.4 Financial Resources

### Strategic Plan Projections

|                           | 2023/24   | 2024/25   | 2025/26   | 2026/27   | 2027/28   |   |
|---------------------------|-----------|-----------|-----------|-----------|-----------|---|
|                           | \$        | \$        | \$        | \$        | \$        |   |
| Operating result          | (0)       | (331,557) | (325,665) | (372,512) | (368,121) | - |
| Cash & Cash Investments   | 2,920,677 | 2,650,110 | 2,660,810 | 2,325,126 | 1,959,218 | - |
| Cash Flow from Operations | 1,950,298 | 1,887,294 | 2,195,859 | 1,930,103 | 1,929,874 | - |
| Capital Works             | 2,079,865 | 2,157,861 | 2,185,158 | 2,265,787 | 2,295,781 | + |

Key to Forecast Trend:

- + Forecasts improvement in the Corporation's financial performance/financial position indicator
- o Forecasts that the Corporation's financial performance/financial position indicator will be steady
- Forecasts deterioration in the Corporation's financial performance/financial position indicator

The key assumptions of the Plan are as follows:

#### Financial Sustainability

Cash and investments are forecast to reduce over the five year period due to the continuing strain on funding.

#### Council Contributions Strategy

Indexation of member Council contributions is based on the annual rate cap percentage amount set by the State Government.

#### Capital Works Strategy

Capital expenditure over the five-year period will total nearly \$11 million with \$9.6 million being spent on library collection materials and \$1 million on Information Technology. This allows for continued renewal of the collection resources and IT equipment.

#### Service Delivery Strategy

All existing service levels are maintained throughout the five year period.

## 10.5 Non-Financial Resources

Salary expenses and on-costs represent approximately 81% of the Corporation's total operating expenditure (excluding depreciation).

### Statement of Human Services

For the years ending 30 June 2025 - 30 June 2029

|                                   | 2024/254<br>Forecast<br>\$ | 2025/26<br>Budget<br>\$ | 2026/27<br>Financial<br>Plan<br>\$ | 2027/28<br>Financial<br>Plan<br>\$ | 20287/29<br>Financial<br>Plan<br>\$ |
|-----------------------------------|----------------------------|-------------------------|------------------------------------|------------------------------------|-------------------------------------|
| <b>Employee expenditure</b>       |                            |                         |                                    |                                    |                                     |
| Employee costs – operating        | 8,534,834                  | 8,790,592               | 9,010,357                          | 9,235,616                          | 9,466,507                           |
| Employee costs –capital           | 0                          | 0                       | 0                                  | 0                                  | 0                                   |
| <b>Total employee expenditure</b> | 8,534,834                  | 8,790,592               | 9,010,357                          | 9,235,616                          | 9,466,507                           |
| <b>Employee numbers</b>           |                            |                         |                                    |                                    |                                     |
| FTE                               | 75.37                      | 75.37                   | 75.37                              | 75.37                              | 75.37                               |
| <b>Total employee FTE</b>         | 75.37                      | 75.37                   | 75.37                              | 75.37                              | 75.37                               |

## 11 Financial Statements

This section presents information in regard to the Financial Statements. The budget information for the years 2024/25 to 2028/29 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements and the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works

## 11.1 Budgeted Comprehensive Income Statement

For the years ending 30 June 2025 – 30 June 2029

|  | 2024/25<br>Budget<br>\$ | 2025/26<br>Financial<br>Plan<br>\$ | 2026/27<br>Financial<br>Plan<br>\$ | 2027/28<br>Financial<br>Plan<br>\$ | 2028/29<br>Financial<br>Plan<br>\$ |
|--|-------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Income</b>  |                         |                                    |                                    |                                    |                                    |
| Council Contributions  | 9,991,482               | 10,241,269                         | 10,497,301                         | 10,759,733                         | 11,028,727                         |
| State Government Grant   | 1,961,879               | 2,001,116                          | 2,041,139                          | 2,081,961                          | 2,123,601                          |
| Operating Income   | 124,140                 | 125,933                            | 127,758                            | 129,615                            | 131,506                            |
| Other Grants   | 139,451                 | 142,039                            | 144,693                            | 147,413                            | 150,201                            |
| Interest from Investments  | 120,000                 | 122,400                            | 124,848                            | 127,345                            | 129,892                            |
| Transfer from<br>Cash/(Deficit)<br>Proceeds from sale of<br>assets | 244,811                 |                                    |                                    |                                    |                                    |
| <b>Total Income</b>  | <b>12,581,763</b>       | <b>12,632,758</b>                  | <b>12,935,738</b>                  | <b>13,246,068</b>                  | <b>13,563,926</b>                  |
| <b>Expenses</b>  |                         |                                    |                                    |                                    |                                    |
| Employee costs   | 8,534,834               | 8,790,592                          | 9,010,357                          | 9,235,616                          | 9,466,507                          |
| Financial Expenses   | 45,000                  | 46,125                             | 47,278                             | 48,460                             | 49,672                             |
| Utilities  | 233,816                 | 239,661                            | 245,652                            | 251,794                            | 258,089                            |
| Office Expenses  | 611,070                 | 626,346                            | 642,005                            | 658,055                            | 674,507                            |
| Collection Resources   | 295,890                 | 303,287                            | 310,869                            | 318,641                            | 326,607                            |
| Information Services   | 144,000                 | 147,600                            | 151,290                            | 155,072                            | 158,949                            |
| Information Technology   | 295,364                 | 302,748                            | 310,316                            | 318,075                            | 326,027                            |
| Marketing and Programs   | 127,474                 | 130,661                            | 133,927                            | 137,276                            | 140,707                            |
| Headquarters Costs   | 75,000                  | 76,875                             | 78,797                             | 80,767                             | 82,786                             |
| Grant Expenditure  | 139,451                 | 142,039                            | 144,693                            | 147,413                            | 150,201                            |
| Depreciation   | 1,401,447               | 1,376,241                          | 1,623,177                          | 1,697,084                          | 1,793,371                          |
| Collection Withdrawal  | 483,183                 | 504,436                            | 512,917                            | 519,859                            | 524,096                            |
| <b>Total Expenses</b>  | <b>12,386,528</b>       | <b>12,686,613</b>                  | <b>13,211,279</b>                  | <b>13,568,112</b>                  | <b>13,951,518</b>                  |
| Net Gain (Loss) on<br>disposal of property,<br>plant and equipment |                         |                                    |                                    |                                    |                                    |
| <b>PROFIT/(DEFICIT) FOR<br/>THE PERIOD</b>                         | <b>195,235</b>          | <b>(53,855)</b>                    | <b>(275,540)</b>                   | <b>(322,044)</b>                   | <b>(387,592)</b>                   |

## 11.2 Budgeted Balance Sheet

For the years ending 30 June 2025 – 30 June 2029

|  | 2024/25<br>Budget<br>\$ | 2025/26<br>Financial<br>Plan<br>\$ | 2026/27<br>Financial<br>Plan<br>\$ | 2027/28<br>Financial<br>Plan<br>\$ | 2028/29<br>Financial<br>Plan<br>\$ |
|--|-------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Cash assets                              | 2,920,679               | 2,650,113                          | 2,660,810                          | 2,325,126                          | 1,959,218                          |
| Receivables                              | 70,619                  | 72,384                             | 74,194                             | 76,049                             | 77,950                             |
| Prepayments                              | 156,959                 | 160,883                            | 164,905                            | 169,027                            | 173,253                            |
| Accrued Income                           | 22,171                  | 22,725                             | 23,293                             | 23,875                             | 24,472                             |
| <b>Total Current assets</b>              | <b>3,170,427</b>        | <b>2,906,105</b>                   | <b>2,923,202</b>                   | <b>2,594,078</b>                   | <b>2,234,893</b>                   |
| <b>Non-Current assets</b>                |                         |                                    |                                    |                                    |                                    |
| Collection Resources                     | 7,569,874               | 7,902,828                          | 8,035,707                          | 8,144,460                          | 8,210,832                          |
| IT Equipment, Furniture<br>and Equipment | 923,410                 | 867,640                            | 783,826                            | 723,916                            | 635,859                            |
| <b>Total Non-Current<br/>assets</b>      | <b>8,493,284</b>        | <b>8,770,468</b>                   | <b>8,819,533</b>                   | <b>8,868,376</b>                   | <b>8,846,691</b>                   |
| <b>Total Assets</b>                      | <b>11,663,711</b>       | <b>11,676,573</b>                  | <b>11,742,735</b>                  | <b>11,462,454</b>                  | <b>11,081,584</b>                  |
| <b>Current Liabilities</b>               |                         |                                    |                                    |                                    |                                    |
| Payables                                 | 571,478                 | 589,871                            | 882,044                            | 873,038                            | 827,722                            |
| Provisions                               | 1,824,481               | 1,870,093                          | 1,916,846                          | 1,964,767                          | 2,013,886                          |
| <b>Total Current Liabilities</b>         | <b>2,395,959</b>        | <b>2,459,964</b>                   | <b>2,798,890</b>                   | <b>2,837,805</b>                   | <b>2,841,608</b>                   |
| <b>Non-Current Liabilities</b>           |                         |                                    |                                    |                                    |                                    |
| Provisions                               | 108,451                 | 111,163                            | 113,942                            | 116,790                            | 119,710                            |
| <b>Total Non-Current<br/>Liabilities</b> | <b>108,451</b>          | <b>111,163</b>                     | <b>113,942</b>                     | <b>116,790</b>                     | <b>119,710</b>                     |
| <b>Total liabilities</b>                 | <b>2,504,411</b>        | <b>2,571,128</b>                   | <b>2,912,832</b>                   | <b>2,954,595</b>                   | <b>2,961,318</b>                   |
| <b>Net assets</b>                        | <b>9,159,301</b>        | <b>9,105,445</b>                   | <b>8,829,903</b>                   | <b>8,507,858</b>                   | <b>8,120,266</b>                   |
| <b>Equity</b>                            |                         |                                    |                                    |                                    |                                    |
| Accumulated surplus                      | 5,237,258               | 5,183,402                          | 4,907,860                          | 4,585,816                          | 4,198,223                          |
| Members Contribution on<br>Formation     | 3,922,043               | 3,922,043                          | 3,922,043                          | 3,922,043                          | 3,922,043                          |
| <b>Total equity</b>                      | <b>9,159,301</b>        | <b>9,105,445</b>                   | <b>8,829,903</b>                   | <b>8,507,859</b>                   | <b>8,120,266</b>                   |



### 11.3 Statement of Changes in Equity

For the years ending 30 June 2025 – 30 June 2029

|   | Total            | Accumulated<br>Surplus | Members<br>Contribution |
|---|------------------|------------------------|-------------------------|
|   | \$               | \$                     | \$                      |
| <b>Budget 2025</b>                          |                  |                        |                         |
| Balance at beginning of the financial year  | 8,964,065        | 5,042,022              | 3,922,043               |
| Surplus (deficit) for the year              | 195,236          | 195,236                | 0                       |
| <b>Balance at end of the financial year</b> | <b>9,159,301</b> | <b>5,237,258</b>       | <b>3,922,043</b>        |
| <b>2026 - SRP</b>                           |                  |                        |                         |
| Balance at beginning of the financial year  | 9,159,301        | 5,237,258              | 3,922,043               |
| Surplus (deficit) for the year              | (53,856)         | (53,856)               | 0                       |
| <b>Balance at end of the financial year</b> | <b>9,105,445</b> | <b>5,183,402</b>       | <b>3,922,043</b>        |
| <b>2027 - SRP</b>                           |                  |                        |                         |
| Balance at beginning of the financial year  | 9,105,445        | 5,183,402              | 3,922,043               |
| Surplus (deficit) for the year              | (275,543)        | (275,543)              | 0                       |
| <b>Balance at end of the financial year</b> | <b>8,829,903</b> | <b>4,907,860</b>       | <b>3,922,043</b>        |
| <b>2028 - SRP</b>                           |                  |                        |                         |
| Balance at beginning of the financial year  | 8,829,903        | 4,907,860              | 3,922,043               |
| Surplus (deficit) for the year              | (322,044)        | (322,044)              | 0                       |
| <b>Balance at end of the financial year</b> | <b>8,507,859</b> | <b>4,585,816</b>       | <b>3,922,043</b>        |
| <b>2029 - SRP</b>                           |                  |                        |                         |
| Balance at beginning of the financial year  | 8,507,859        | 4,585,816              | 3,922,043               |
| Surplus (deficit) for the year              | (387,593)        | (387,593)              | 0                       |
| <b>Balance at end of the financial year</b> | <b>8,120,266</b> | <b>4,198,223</b>       | <b>3,922,043</b>        |

## 11.4 Budgeted Statement of Cash Flows

For the years ending 30 June 2025 – 30 June 2029

|   | 2024/25<br>Budget<br>\$ | 2025/26<br>Financial<br>Plan<br>\$ | 2026/27<br>Financial<br>Plan<br>\$ | 2027/28<br>Financial<br>Plan<br>\$ | 2028/29<br>Financial<br>Plan<br>\$ |
|---|-------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Cash flows from Operating Activities</b>                             |                         |                                    |                                    |                                    |                                    |
| Contributions Received  | 9,991,482               | 10,241,269                         | 10,497,300                         | 10,759,733                         | 11,028,727                         |
| Grants Received   | 1,961,879               | 2,001,116                          | 2,041,139                          | 2,081,961                          | 2,123,601                          |
| Interest received   | 119,354                 | 121,846                            | 124,280                            | 126,763                            | 129,295                            |
| Fees/user charges/other   | 139,451                 | 142,039                            | 144,693                            | 147,414                            | 150,201                            |
| Other Grants  | 368,951                 | 125,933                            | 127,758                            | 129,615                            | 131,505                            |
| Payments to Employees/Supplies  | (10,630,819)            | (10,744,909)                       | (10,739,311)                       | (11,315,383)                       | (11,633,455)                       |
| <b>Net cash provided by operating activities</b>                        | <b>1,950,298</b>        | <b>1,887,294</b>                   | <b>2,195,859</b>                   | <b>1,930,103</b>                   | <b>1,929,874</b>                   |
| <b>Cash flows from Investing Activities</b>                             |                         |                                    |                                    |                                    |                                    |
| Payments for library collection, furniture and IT equipment             | (1,915,271)             | (2,157,861)                        | (2,185,159)                        | (2,265,786)                        | (2,295,781)                        |
| <b>Net cash from Investing Activities</b>                               | <b>(1,915,271)</b>      | <b>(2,157,861)</b>                 | <b>(2,185,159)</b>                 | <b>(2,265,786)</b>                 | <b>(2,295,781)</b>                 |
| <b>Net increase (decrease) in cash held</b>                             | <b>35,027</b>           | <b>(270,567)</b>                   | <b>10,700</b>                      | <b>(335,684)</b>                   | <b>(365,908)</b>                   |
| Cash at the beginning of the year                                       | 2,885,650               | 2,920,677                          | 2,650,110                          | 2,660,810                          | 2,325,126                          |
| <b>Cash at the end of the year</b>                                      | <b>2,920,677</b>        | <b>2,650,110</b>                   | <b>2,660,810</b>                   | <b>2,325,126</b>                   | <b>1,959,218</b>                   |
| <b>For the year ending 30 June</b>                                      |                         |                                    |                                    |                                    |                                    |
| <b>Net surplus (deficit) from operations</b>                            | <b>195,235</b>          | <b>(53,855)</b>                    | <b>(275,540)</b>                   | <b>(322,044)</b>                   | <b>(387,592)</b>                   |
| Depreciation  | 1,401,447               | 1,376,241                          | 1,623,177                          | 1,697,084                          | 1,793,371                          |
| (Profit) Loss on sale of Library Collection, Furniture and IT Equipment | 483,183                 | 504,436                            | 512,917                            | 519,859                            | 524,096                            |
| Net movement in current assets and liabilities                          | (129,566)               | 60,472                             | 335,305                            | 35,204                             | (1)                                |
| <b>Net cash inflow (outflow) from operating activities</b>              | <b>1,950,298</b>        | <b>1,887,294</b>                   | <b>2,195,859</b>                   | <b>1,930,103</b>                   | <b>1,929,874</b>                   |
| <b>Cash Resourcing</b>  |                         |                                    |                                    |                                    |                                    |
| Cash Assets   | 2,920,677               | 2,650,110                          | 2,660,810                          | 2,325,126                          | 1,959,218                          |
| Less Bank Overdraft at the end of the year                              | 0                       | 0                                  | 0                                  | 0                                  | 0                                  |
|   | <b>2,920,677</b>        | <b>2,650,110</b>                   | <b>2,660,810</b>                   | <b>2,325,126</b>                   | <b>1,959,218</b>                   |

## 11.5 Budgeted Statement of Capital Works

For the years ending 30 June 2025 – 30 June 2029

|                            | 2024/25<br>Budget<br>\$ | 2025/26<br>Financial<br>Plan<br>\$ | 2026/27<br>Financial<br>Plan<br>\$ | 2027/28<br>Financial<br>Plan<br>\$ | 2028/29<br>Financial<br>Plan<br>\$ |
|----------------------------|-------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Collection Resources       | 1,820,250               | 1,865,756                          | 1,912,400                          | 1,960,210                          | 2,009,215                          |
| IT Replacement             | 190,000                 | 194,750                            | 199,619                            | 204,609                            | 209,724                            |
| Furniture and Equipment    | 69,615                  | 71,355                             | 73,139                             | 74,967                             | 76,842                             |
| Motor Vehicles Replacement | -                       | 26,000                             | -                                  | 26,000                             | -                                  |
| <b>Total capital works</b> | <b>2,079,865</b>        | <b>2,157,861</b>                   | <b>2,185,158</b>                   | <b>2,265,787</b>                   | <b>2,295,781</b>                   |
| <b>Represented by:</b>     |                         |                                    |                                    |                                    |                                    |
| Renewal                    | 2,079,865               | 2,157,861                          | 2,185,158                          | 2,265,787                          | 2,295,781                          |
| <b>Total capital works</b> | <b>2,079,865</b>        | <b>2,157,861</b>                   | <b>2,185,158</b>                   | <b>2,265,787</b>                   | <b>2,295,781</b>                   |

The movement between the previous year and the current year in Library Collections;  
Furniture and IT Equipment as shown in the Balance Sheet links to the following items;

|   |                |                |               |               |                 |
|---|----------------|----------------|---------------|---------------|-----------------|
| Total capital works   | 2,079,865      | 2,157,861      | 2,185,158     | 2,265,787     | 2,295,781       |
| Asset revaluation movement  | -              | -              | -             | -             | -               |
| Depreciation  | 1,401,447      | 1,376,241      | 1,623,177     | 1,697,084     | 1,793,371       |
| Collection withdrawn  | 483,183        | 504,436        | 512,917       | 519,859       | 524,096         |
| <b>Net movement in Library Collection, Furniture and IT Equipment</b> | <b>195,235</b> | <b>277,184</b> | <b>49,064</b> | <b>48,844</b> | <b>(21,686)</b> |

## Appendix A: User Charges

| User Charges  | 2023/2024  | 2024/2025  |
|---|--|--|
| Lost/totally damaged items  | Item cost plus \$15.90 processing charge                                       | Item cost plus \$16.35 processing charge                                       |
| Damaged Items (minor repairs / RFID tag replacement)                                  | \$5.80   | \$6.00   |
| Debt Collection Charge (plus debt)  | \$18.80  | \$19.30  |
| Replacement Membership Card   | \$3.80   | \$3.90   |
| Inter Library Loans – standard fee  | \$11.80  | \$12.10  |
| Inter Library Loans from State, University or Special Libraries                       | As per the lending institutions charge   | As per the lending institutions charge   |
| Fax Services - Victoria   | \$3.15 first page, \$1.10 ea following page                                    | \$3.20 first page, \$1.10 ea following page                                    |
| Fax Services - Interstate   | \$3.50 first page, \$1.10 ea following page                                    | \$3.60 first page, \$1.10 ea following page                                    |
| Fax Services - International  | \$5.30 first page, \$3.35 ea following page                                    | \$5.65 first page, \$3.40 ea following page                                    |
| Received fax  | 50c per page   | 50c per page   |
| Photocopying/Printing - Black & White   | A4 30c<br>A3 50c   | A4 30c<br>A3 50c   |
| Photocopying/Printing - Colour  | A4 \$1.30<br>A3 \$2.10   | A4 \$1.30<br>A3 \$2.10   |
| Scanning (to email)   | 20c  | 20c  |
| Library Bags  | \$2.10   | \$2.15   |
| Earbuds   | \$3.50   | \$3.60   |
| USB 8G  | \$8.40   | \$8.60   |
| Page markers  | \$1.15   | \$1.20   |
| Meeting room rates  | 3.5% on current rates  | 2.75% on current rates   |
| Meeting Rooms Set Up fees   | \$55.30 per session  | \$57.00 per session  |
| Training Room PC Setup  | \$175.50 per hour  | \$180.30 per hour  |
| Administration fee for room bookings  | \$27.70  | \$28.50  |
| Booking Fees:<br>Children's Holiday Programs<br>Makerspace programs<br>Adult Programs | Up to \$5.30 per child<br>Up to \$10.70 per person<br>Up to \$15.90 per person | Up to \$5.45 per child<br>Up to \$11.00 per person<br>Up to \$16.30 per person |

## Appendix B: Budget Process

This section lists the budget processes to be 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). To avoid confusion, it should be noted that the impact of s330 of the *Local Government Act 2020* is that those sections of the Local Government Act 1989 that were applicable to an existing regional library corporation, continue to apply to that library as if all of those sections had not been repealed.

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 Regulations which support the Act.

The 2024/25 Budget, which is included in this report, is for the year 1 July 2024 to 30 June 2025 and is prepared in accordance with the Act and Regulations. The Budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ending 30 June 2025 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 to be levied, the capital works program to be undertaken, the human resources required, and other financial information the Board requires in order to make an informed decision about the adoption of the Budget.

In advance of preparing the Budget, officers first review and update 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 preparation of the Budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during December to February.

With the introduction of the State Government Rate Capping legislation in 2015, the annual gazetted rate cap percentage amount typically forms the basis of the indexation of the member Councils annual contributions to the regional library corporation.

A 'proposed' Budget is prepared in accordance with the Act and submitted to the Board meeting in March whereby the Board approves the draft Budget, in principle, which is then advertised publicly.

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 by 30 June and a copy submitted to the Minister within 28 days after adoption.

The key dates for the WMRLC budget process are summarised below:

|  |                     |
|--|---------------------|
| Minister of Local Government announces maximum rate percentage increase. | Dec 2023            |
| Budget preparation by Corporation officers                               | Nov 2023 - Feb 2024 |
| Proposed budget presented to the Board for approval to advertise         | 13 March 2024       |
| Public notice advising intention to adopt budget                         | April/May 2024      |
| Budget available for public inspection and comment                       | April/May 2024      |
| Submission period closes (28 days)                                       | May 2024            |
| Budget and submissions presented to the Board for adoption               | 22 May 2024         |
| Copy of adopted budget submitted to the Minister Local Government        | June 2024           |