

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to an existing regional library corporation, continue to apply to that library as if all of those sections had not been repealed until 2031.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

	2024/25	2023/24
	\$	\$
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)

	2024/25	2023/24
	\$	\$
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

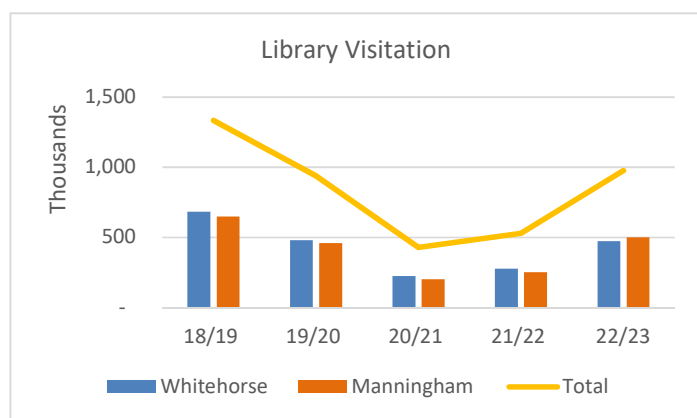
Strategic Objective	Description
1. Experience	To be an inclusive and welcoming people centered service
2. Learning and Engagement	To enable an informed and engaged community
3. Collaboration	To extend the reach and benefit of library services
4. Performance	To be a flexible, resilient and high performing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

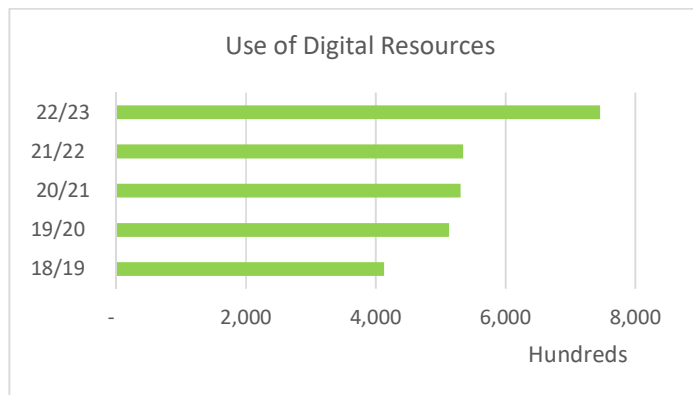
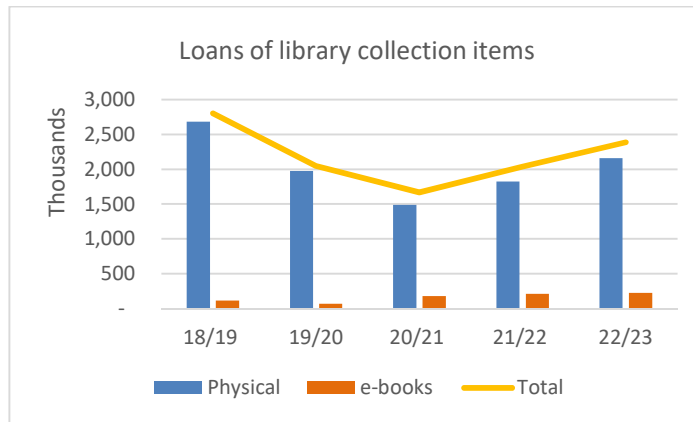


Notes:

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

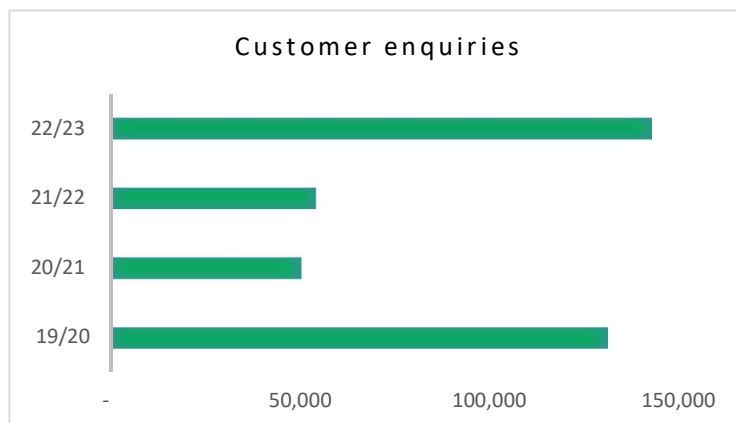
Collection Loans

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%.



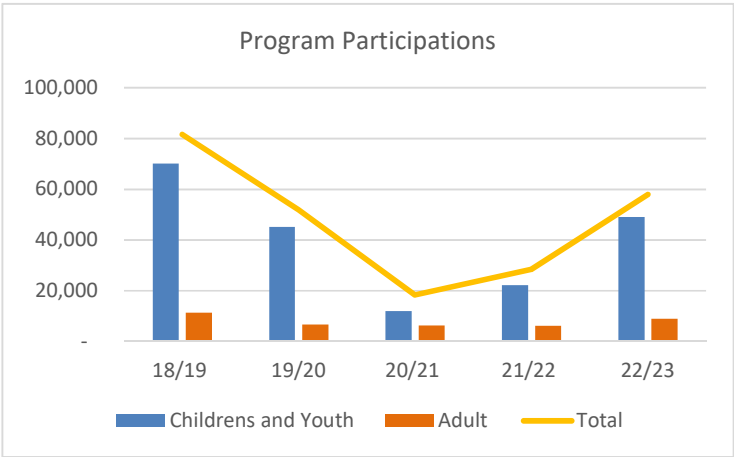
Customer Enquiries

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



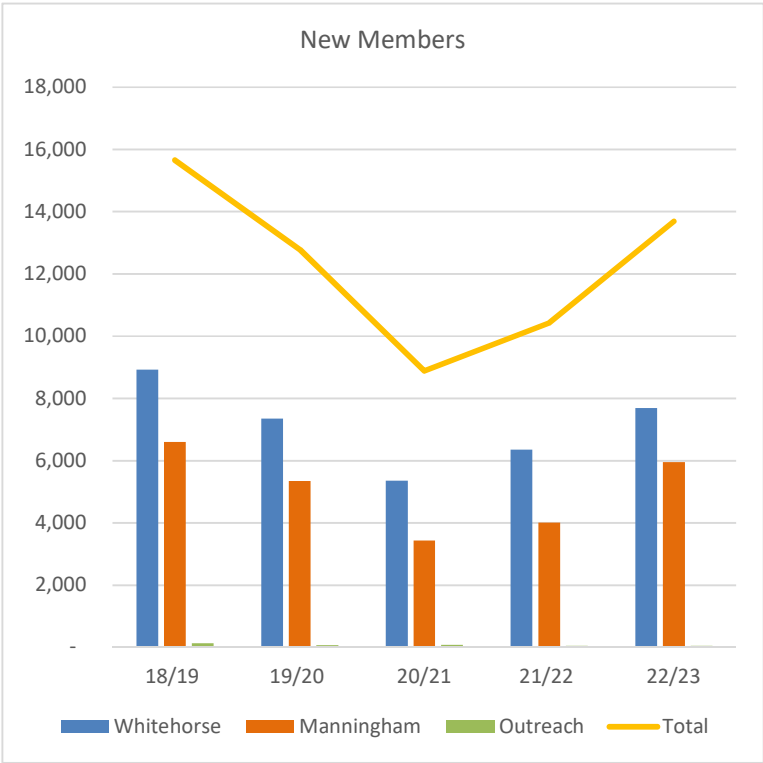
Program and Activities

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.

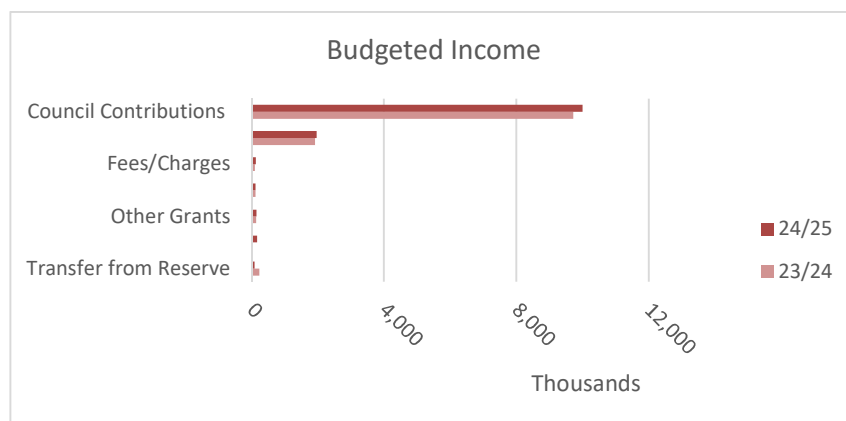
6 Analysis of operating budget

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.



Income type	Forecast Actual 2023/24 \$	Budget 2024/25 \$	Variance \$
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
Total Income	12,226,248	12,581,763	355,515

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%.

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

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.

Recurrent grants	Forecast Actual 2023/24 \$	Budget 2024/25 \$	Variance \$
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
Total recurrent grants	2,050,953	2,101,329	50,376

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.

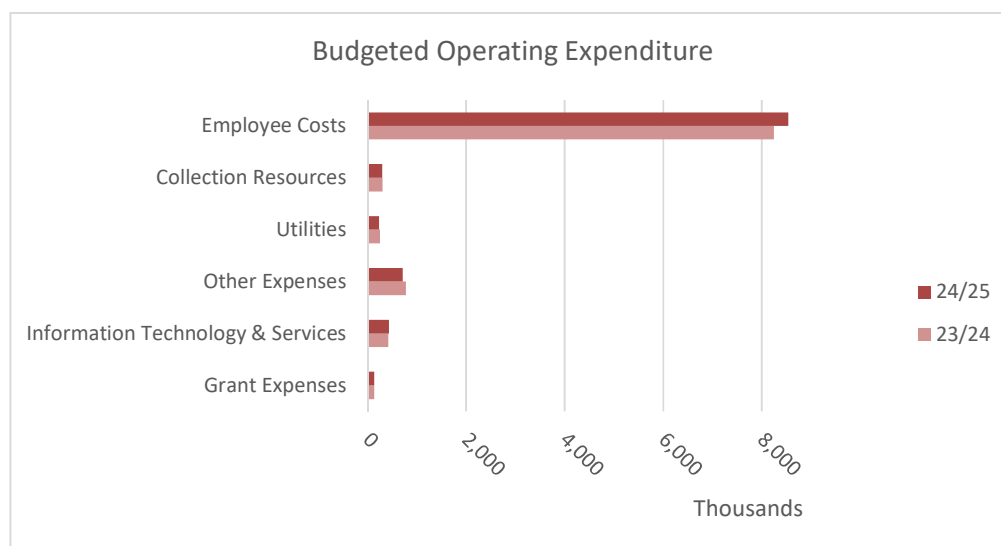
Interest from Investments (\$30,000 increase compared to FY23/24 Budget)

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 2023/24 \$	Budget 2023/24 \$	Budget 2024/25 \$	Variance 23/24 vs 24/25 Budget \$
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
Total Operating Expenses	10,149,012	10,089,632	10,501,898	352,888

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 Actual 2023/24 \$	Budget 2024/25 \$	Variance \$
<i>Cash flows from operating activities</i>			
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)
Net cash provided by operating activities	2,142,898	1,950,298	(192,600)
<i>Cash flows from Investing Activities</i>			
Payments for Collection Resources, Equipment and Furniture	(2,039,020)	(1,915,271)	123,749
Proceeds from Sale of Equipment	0	0	0
Net cash provided by investing activities	(2,039,020)	(1,915,271)	123,749
Net increase (decrease) in cash held	103,878	35,027	(68,851)
Cash at the beginning of the year	2,781,772	2,885,650	103,878
Cash at the end of the year	2,885,650	2,920,677	35,027

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.

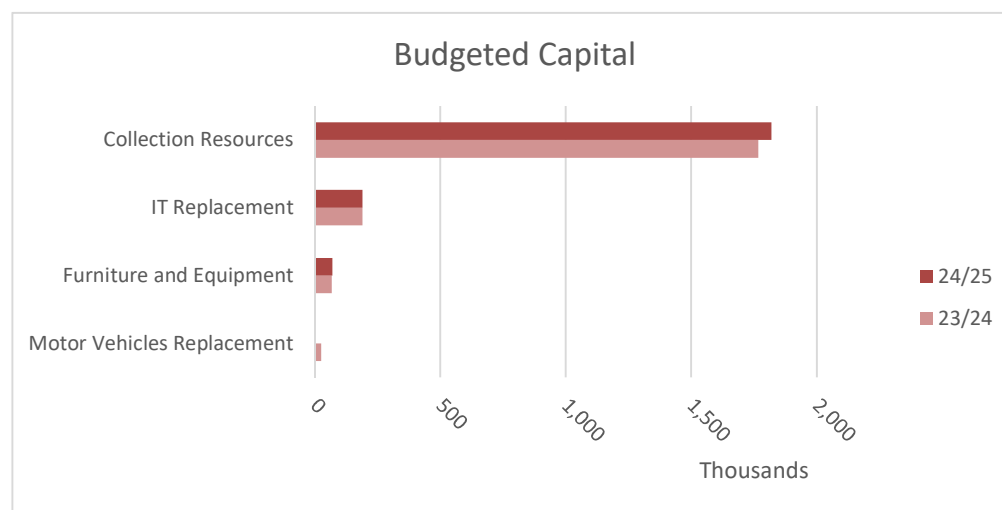
The Corporation also has a small fund set aside in a reserve account to assist with the replacement of the Radio Frequency Identification (RFID) and IT equipment.

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 \$
Capital Works			
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
Total Capital Works	2,050,320	2,079,865	29,545
Represented by:			
Asset renewal expenditure	2,050,320	2,079,865	29,545
Total capital works expenditure			
	2023/24 \$	2024/25 \$	Variance \$
Sources of Funding			
Council Contributions	2,050,320	2,079,865	29,545
Public Libraries Funding			
Total	2,050,320	2,079,865	29,545



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 \$	2024/25 \$	Variance \$
Current assets			
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
Total current assets	3,127,388	3,170,427	43,039
Non-current assets			
Collection Resources	7,297,183	7,569,874	272,691
IT Equipment, Furniture and Equipment	1,165,460	923,410	(242,050)
Total non-current assets	8,462,643	8,493,284	30,641
Total assets	11,590,031	11,663,711	73,680
Current liabilities			
Payables	706,920	571,478	(135,442)
Employee benefits	1,762,784	1,824,481	61,697
Total current liabilities	2,469,704	2,395,959	(73,745)
Non-current liabilities			
Employee benefits	156,261	108,451	(47,810)
Total non-current liabilities	156,261	108,451	(47,810)
Total liabilities	2,625,966	2,504,411	(121,555)
Net assets	8,964,065	9,159,301	195,236
Equity			
Accumulated surplus	5,042,022	5,237,258	195,236
Members Contribution	3,922,043	3,922,043	0
Total equity	8,964,065	9,159,301	195,236

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

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 Forecast \$	2025/26 Budget \$	2026/27 Financial Plan \$	2027/28 Financial Plan \$	20287/29 Financial Plan \$
Employee expenditure					
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
Total employee expenditure	8,534,834	8,790,592	9,010,357	9,235,616	9,466,507
Employee numbers					
FTE	75.37	75.37	75.37	75.37	75.37
Total employee FTE	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 Budget \$	2025/26 Financial Plan \$	2026/27 Financial Plan \$	2027/28 Financial Plan \$	2028/29 Financial Plan \$
Income					
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 Cash/(Deficit) Proceeds from sale of assets	244,811				
Total Income	12,581,763	12,632,758	12,935,738	13,246,068	13,563,926
Expenses					
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
Total Expenses	12,386,528	12,686,613	13,211,279	13,568,112	13,951,518
Net Gain (Loss) on disposal of property, plant and equipment					
PROFIT/(DEFICIT) FOR THE PERIOD	195,235	(53,855)	(275,540)	(322,044)	(387,592)

11.2 Budgeted Balance Sheet

For the years ending 30 June 2025 – 30 June 2029

	2024/25 Budget \$	2025/26 Financial Plan \$	2026/27 Financial Plan \$	2027/28 Financial Plan \$	2028/29 Financial Plan \$
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
Total Current assets	3,170,427	2,906,105	2,923,202	2,594,078	2,234,893
Non-Current assets					
Collection Resources	7,569,874	7,902,828	8,035,707	8,144,460	8,210,832
IT Equipment, Furniture and Equipment	923,410	867,640	783,826	723,916	635,859
Total Non-Current assets	8,493,284	8,770,468	8,819,533	8,868,376	8,846,691
Total Assets	11,663,711	11,676,573	11,742,735	11,462,454	11,081,584
Current Liabilities					
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
Total Current Liabilities	2,395,959	2,459,964	2,798,890	2,837,805	2,841,608
Non-Current Liabilities					
Provisions	108,451	111,163	113,942	116,790	119,710
Total Non-Current Liabilities	108,451	111,163	113,942	116,790	119,710
Total liabilities	2,504,411	2,571,128	2,912,832	2,954,595	2,961,318
Net assets	9,159,301	9,105,445	8,829,903	8,507,858	8,120,266
Equity					
Accumulated surplus	5,237,258	5,183,402	4,907,860	4,585,816	4,198,223
Members Contribution on Formation	3,922,043	3,922,043	3,922,043	3,922,043	3,922,043
Total equity	9,159,301	9,105,445	8,829,903	8,507,859	8,120,266

11.3 Statement of Changes in Equity

For the years ending 30 June 2025 – 30 June 2029

	Total	Accumulated Surplus	Members Contribution
	\$	\$	\$
Budget 2025			
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
Balance at end of the financial year	9,159,301	5,237,258	3,922,043
2026 - SRP			
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
Balance at end of the financial year	9,105,445	5,183,402	3,922,043
2027 - SRP			
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
Balance at end of the financial year	8,829,903	4,907,860	3,922,043
2028 - SRP			
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
Balance at end of the financial year	8,507,859	4,585,816	3,922,043
2029 - SRP			
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
Balance at end of the financial year	8,120,266	4,198,223	3,922,043

11.4 Budgeted Statement of Cash Flows

For the years ending 30 June 2025 – 30 June 2029

	2024/25 Budget \$	2025/26 Financial Plan \$	2026/27 Financial Plan \$	2027/28 Financial Plan \$	2028/29 Financial Plan \$
Cash flows from Operating Activities					
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)
Net cash provided by operating activities	1,950,298	1,887,294	2,195,859	1,930,103	1,929,874
Cash flows from Investing Activities					
Payments for library collection, furniture and IT equipment	(1,915,271)	(2,157,861)	(2,185,159)	(2,265,786)	(2,295,781)
Net cash from Investing Activities	(1,915,271)	(2,157,861)	(2,185,159)	(2,265,786)	(2,295,781)
Net increase (decrease) in cash held	35,027	(270,567)	10,700	(335,684)	(365,908)
Cash at the beginning of the year	2,885,650	2,920,677	2,650,110	2,660,810	2,325,126
Cash at the end of the year	2,920,677	2,650,110	2,660,810	2,325,126	1,959,218
For the year ending 30 June					
Net surplus (deficit) from operations	195,235	(53,855)	(275,540)	(322,044)	(387,592)
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)
Net cash inflow (outflow) from operating activities	1,950,298	1,887,294	2,195,859	1,930,103	1,929,874
Cash Resourcing					
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
	2,920,677	2,650,110	2,660,810	2,325,126	1,959,218

11.5 Budgeted Statement of Capital Works

For the years ending 30 June 2025 – 30 June 2029

	2024/25 Budget \$	2025/26 Financial Plan \$	2026/27 Financial Plan \$	2027/28 Financial Plan \$	2028/29 Financial Plan \$
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	-
Total capital works	2,079,865	2,157,861	2,185,158	2,265,787	2,295,781
Represented by:					
Renewal	2,079,865	2,157,861	2,185,158	2,265,787	2,295,781
Total capital works	2,079,865	2,157,861	2,185,158	2,265,787	2,295,781

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
Net movement in Library Collection, Furniture and IT Equipment	195,235	277,184	49,064	48,844	(21,686)

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 A3 50c	A4 30c A3 50c
Photocopying/Printing - Colour	A4 \$1.30 A3 \$2.10	A4 \$1.30 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: Children's Holiday Programs Makerspace programs Adult Programs	Up to \$5.30 per child Up to \$10.70 per person Up to \$15.90 per person	Up to \$5.45 per child Up to \$11.00 per person 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