



Electors' General Meeting

16 August 2023

Commencing at 5.00 pm

AGENDA

The next Electors General Meeting will be held at the Shire of Toodyay Council Chambers, 15 Fiennes Street, Toodyay WA 6566 on the abovementioned date and time.

Members are requested to familiarise themselves with the Agenda and prepare notes to help address key issues for the debate during the Meeting.

Members are requested to email questions via email at ceo@toodyay.wa.gov.au at the earliest opportunity so that Officers can respond to those questions prior to the Meeting.



Suzie Haslehurst

CHIEF EXECUTIVE OFFICER



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ATTACHMENTS can be found in the Attachments Paper on the Council website alongside this agenda.

1 DECLARATION OF OPENING**1.1 RECORD OF ATTENDANCE AND APOLOGIES****2 ANNUAL REPORT****2.1 2020-2021 Annual Report Accepted by Council****BACKGROUND**

In accordance with s.5.27 of the *Local Government Act 1995*, a general meeting of the electors of a district is to be held once every financial year on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

The purpose of holding a general meeting is to discuss prescribed matters in accordance with r.15 of the *Local Government (Administration) Regulations 1996* which states that “*the matters to be discussed at a general electors’ meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.*”

A general meeting has not been held since February 2021 due to the challenges in finalising the 2020/21 audit. Under usual circumstances, the legislated dates for audit completion can be comfortably achieved subject to auditors’ availability. However, as reported to the Audit and Risk Committee and Council, there were a number of factors, most significantly, a flawed Enterprise Resource Planning (ERP) transition, that led to substantial delays in the process.

The Annual Financial Statements for the year ended 30 June 2021 were signed off by the Office of the Auditor-General on Friday, 1 June 2023. At an Ordinary Council Meeting held on 28 June 2023, Council accepted the 2020/2021 Annual Report.

This report is presented to be received.

COMMENTS AND DETAILS

It is clear that elements of the transition to the new ERP (Datascap) were flawed, and errors arose potentially from a lack of focus on project management, insufficient understanding of Datascap capabilities, the staged move to Datascap and significant staff turnover. The Datascap implementation challenges are the major contributing factor for delays to what are considered ordinary financial management practices.

As a result, the auditors expressed concerns that not all values could be verified which led to the disclaimer opinion being received for the 2020/21 financial year. It is important to note that at no point were the auditors or Shire management concerned that the financials contained fraudulent transactions or activities. Whilst individual transactions could be easily identified and verified, the issues lay within the bulk journals containing aggregated balances for hundreds of transactions.

Officers have continued to work on these issues, working closely with the auditors, Datascap developers and the Department of Local Government, Sport & Cultural Industries to resolve current challenges.

To assist with this process, the Shire has engaged Moore Australia to undertake the Financial Management and Audit Regulation reviews which will provide a valuable benchmarking tool for Officers. Due to the timing and availability of the contractor, this

process is expected to commence in August 2023. A full report will be brought back to the Audit and Risk Committee and Council upon completion.

OFFICER'S RECOMMENDATION 1

That the Shire of Toodyay Annual Report for the 2020/2021 financial year, accepted by Council Resolution No. OCM137/06/23 on 28 June 2023, as presented, be received.

3 GENERAL BUSINESS

3.1 Questions taken on notice at the previous EGM

The questions asked at the previous Electors' General Meeting that were taken on notice are as follows:

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Summary of Question One

On page 18, with respect to the roadworks in the report it says that the grant funding was \$396,249 and that there was no Council funding and total cost was exactly the same as the grant funding. Is that correct?

On the figures with the grant funding compared to the total cost and there is no council funding and usually with grants, black spot funding is two thirds/one third and regional road group funding it is 50/50. In the budget the total costs were higher than what they say in this report. I just wondered why it is like that.

The Shire President responded as follows:

We will take the question on notice as we do not have the Finance Officer present.

Response

Some Black Spot funding can be fully funded however in this instance, the top 4 amounts are the budgeted cost of the projects however, they are two third funded by Main Roads and on third funded by the Shire of Toodyay.

The project budget was \$396,750 with MRWA paying \$264,500 and the Shire paying \$132,250. On page 18, the top four projects were all $\frac{2}{3}$ -- $\frac{1}{3}$ funded, including the next two projects; Bejoording and Dreyer are correct as Roads to Recovery fully funded.

Summary of Question Two

In the emergency services, it says there was a heap of mitigation work done and roughly I thought it was \$1.2million dollars grant funding we got. Was that fully expended or did we have to hand some back?

The Shire President responded as follows:

My understanding is that some was returned but I will seek clarification on that.

Response

Total funding allocation was \$1,092,800 and we expended \$920,100. There was an underspend of \$172,700 due to cost savings with treatments not conducted due to unfavourable weather conditions.

3.2 Other Business

4 CLOSURE OF MEETING

The Chairperson will close the meeting.