

Southern Mallee District Council

**Minutes of the Confidential Council Meeting held in the Council Chambers
situated at Day Street Pinnaroo on Wednesday 8 May 2013**

The Mayor Cr Gordon Hancock opened the meeting at 3.04 pm and welcomed those in attendance

1 Attendance

Councillors Gordon Hancock [Mayor], Jeff Nickolls [Deputy Mayor], Allan Dunsford, Barry Lukins, Neville Pfeiffer, Robert Sexton, Brian Toogood and Alf Walker

Staff in Attendance

Tony Renshaw [Chief Executive Officer]
Sheryn Bennier [Manager Executive Services and Minute Secretary]

2 Apologies

The Council noted the apology of Cr Bruce Summerton

3 Ombudsman SA Investigation

3.53 pm Cr Lukins left the meeting

Cr Nickolls moved Cr Dunsford seconded that the Council receives the report that contains the Ombudsman SA letter dated 7 March 2013, the Council's response dated 21 March 2013, the Ombudsman SA letter dated 4 April 2013 and the Council's response dated 3 May 2013 and that this report be retained on a confidential basis for a period of 12 months from the date of this meeting

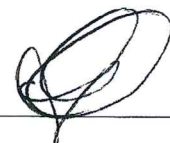
Carried 01 / 0513

4 Other Business

Nil

RECEIVED	
21 JUN 2013	
Record No	NGOV2013367
File No	9.24/3
GDS 2013	5

Released
Jan 2018



5 Closure

There being no further confidential business the Mayor Cr Hancock closed the confidential meeting, and as set in the Local Government Act Section 91 [7], having considered this agenda item in confidence under Section 90 and Section 90 [3] [g], the Council orders that the item and the minutes relating to the matter be retained on a confidential basis for a period of 12 months from the date of this meeting and on this basis the public shall be invited to re-join the meeting at 4.04 pm

CONFIDENTIAL



Manager Corporate Services
Dear Neville,

19.07.12

RECEIVED	
24 JUL 2012	
Record No	
File No	2067.2
GDS 20/Version	4

At the September 2011 council meeting a resolution was passed by council to bring the Parilla Sports Grounds & Town Committees account to a credit balance of \$3950. At no time during the discussion of the motion did the MCS or Cr. Hancock, who wrote the letter requesting the internal (notional) transfer, mention the figure of the PSGTC deficit balance, the balance of the Parilla Accommodation Committees (notional) account or the amount of the internal transfer needed to bring the PSGTC account to a credit balance of \$3950.

I believe the majority of the council believed they were agreeing to an internal transfer of \$3950. They were not told there were insufficient funds in the Parilla Accommodation Committees account. The short fall was \$2555.

My question is where is the \$2555 now that was transferred to the PSGTC that they were not entitled to as it put the Parilla Accommodation Committees account into a deficit balance?

To give you some back ground information to my question I have enclosed the following

page 2 of the PSGTC minutes showing Cr. Hancock wrote the letter.

3 pages from the 14.9.11 minutes showing council agreeing to the transfer.

4 pages of the PSGTC four year financial plan. Figures in the income & expenditure changed but Cr. Hancock still kept the same balance. This was the cause for the short fall of funds.

2 paged of the Parilla Accommodation Facility financial statements before & after the transfer of \$11553.92 needed to bring the PSGTC account to a credit balance of \$3950.

2 pages of Parill Sports Grounds & Town Committees financial statements before & after the transfer.

3 pages of the council meeting held 17.11.10 showing council notes the expenditure to be incurred by PSGTC.

A copy of a letter I wrote to the Murray Bridge paper about this matter as when I asked the CEO what action he intended to take to correct this matter he said he would add the \$2555 to the PSGTC non existing loan. I did not believe that was a satisfactory answer.

I should also point out that when Mr Blacksell asked the CEO what was the correct balance of the PSGTC account the MCS had three different figures.

I look forward to your response.

Kind Regards

M. J. Smith

Marilyn Smith.
Parrakie 5301

Correspondence:

X Gordon Hancock wrote a letter to council making a recommendation that the Sports, Grounds & Town Committee Account be put into credit of \$3,950 as calculated for the 30th June, 2011 in the budget presented to and accepted by Council on the 13th October, 2010. The matter was raised that we as a Committee shouldn't accept figures put into the Budget we haven't agreed to. This will now be addressed by the Asset Committee. If we don't agree with a decision a letter will be sent questioning the original quote. It was questioned why the original contract had gone over budget. It was moved by Jenni Philip that the Budget be accepted as is and discuss in a month's time. Seconded. Delna Gilbertson. Carried. If there had been no adjustment to the Budget then a letter would be sent to Council. Moved John Gilbertson. Seconded Ed Longstaffe. Carried.

Accommodation Report:

Currently 33 residents. Washing Machine has been replaced by a Front Loader.

Parilla Hall Report:

Pigeons are living in the overhang in the Supper Room. Records that need to be housed should be kept in a Mouse Proof Room. A discussion was held as to where to locate photo of the Post Office. Should it be placed in the Supper Room.

General Business:

The Parilla Shop is no longer for Sale.

Meeting closed at 9.45pm.

D. W. M. C. S.
President

1/9/11
dated

d. h. w.
Secretary

1/9/11
dated

Council agreeing to internal transfer of funds

110915

FIRE PREVENTION OFFICER'S REPORT CONTINUED

1. **Authorised Officers Training** – Continued.
 Moved Cr. Sexton/Seconded Cr. Pfeiffer that pursuant to Section 81(14) (b) of the Fire & Emergency Services Act 2005, Council appoint Anthony Kenneth James Moores and Judi-Maree Walsh as Authorized Permit Officers.
CARRIED.
2. **Work Schedule**
 I am working full time across both councils at the moment. It will extend to Mid November.
3. **Farm Visits**
 Most of my time has been spent working in the northeast corner of the district. Some very good work has been done already. Hopefully my presents and discussion has helped motivate a couple. The openness and willingness to get work done makes my visits much easier.
4. **CFS Group Meeting**
 I attended the Mallee CFS Group meeting in August. I become frustrated when people complain about farmers not working within the Harvest Code of Practice but will not identify the culprits. The code is very liberal.
5. **Parrakie Fire Prevention Work**
 Glenn Ayres from Mallee Tree Lopping has cleared the scrub at the east end of Price Street, Parrakie. The work was finished by the end of June 2011.
6. **Fire Prevention Officer Seminar**
 I appreciated the support from Council to attend the seminar in Port Lincoln. I find it a very important opportunity to catch up with the latest developments that are happening in fire prevention. We were able to visit a couple of fire sites that had threatened Port Lincoln recently. It was interesting to see new development where CFS was able to work with the developer in the planning stage.

Moved Cr. Dunsford/Seconded Cr. Nickolls that items 2 to 6 be noted.

CARRIED.

110916

MANAGER CORPORATE SERVICES REPORT

(Mr. A McCabe provided the following report.)

1. **Items from Correspondence Register requiring a Council Decision**
- X 9721. **C4-43 Parilla Sports, Grounds & Town Committee**- Advising of a recommendation passed at their meeting on 1.8.2011 that the Sports, Ground and Town account be put into credit of \$3950 as calculated for the 30th June, 2011 in the budget presented to and accepted by Council on the 13th October 2010. (Each Elected Member received a copy of the correspondence received.) X

REPORT OF: Manager Corporate Services

PURPOSE: To consider the internal (notional) transfer of funds of a Council Section 41 Committee of Council.

BACKGROUND.

A copy of the financial report is attached as Appendix A.

Moved Cr. Dunsford/Seconded Cr. Summerton that the correspondence be noted and the internal (notional) transfer of funds on the routine monthly financial statements forwarded to the Committee as submitted by the Parilla Sports, Grounds & Town Committee be agreed to.

Councillor Sexton left the meeting at 1.57 pm.

110916

MANAGER CORPORATE SERVICES REPORT CONTINUED

1. Items from Correspondence Register requiring a Council Decision – Continued.

9721. C4-43 Parilla Sports, Grounds & Town Committee- Continued.
DISCUSSION.

Council's Manager Corporate Services presented Council with a report to its meeting on 9th December, 2009 and 10th March, 2010 that advised all financial transactions of the Committee are considered as Council income and expenses because the Committee is a Section 41 Committee of Council.

At Council's meeting on 10th March, 2010 Council resolved:

1. That Council modifies its monthly financial statement issued to the Parilla Sports, Grounds & Town Committee for the Parilla seasonal worker accommodation facility to incorporate a line item representing an opportunity cost factor for the current outstanding balance of the internal loan funding made available to purchase the three ex-Olympic games units and luncheon room, with interest (notional) set at the prevailing cash advance debenture rate applying to the Local Government Finance Authority of South Australia at the close of the month
2. That Council requires the Parilla Sports, Grounds and Town Committee to repay the outstanding loan within 5 years, with the commencement date of the 1st July, 2010.

POLICY IMPLICATIONS.

- **Financial/Budget**
The acceptance of this arrangement will have no effect on Council's financial position as this is only an internal transfer as such because the Section 41 Committee has no separate financial status.

- **Legal**
The Parilla Sports, Grounds and Town Committee is a Council committee constituted under Section 41 of the Local Government Act 1999. A committee constituted under Section 41 (2) can be established to assist Council in the performance of its functions and may be authorised to carry out a project on Council's behalf and may manage, or administer property, facilities or activities on behalf of the Council. Such a Committee is, therefore, at law, the Council.

Council committees established under Section 41 of the Local Government Act 1999, do not hold funds in their own right. Rather Council may authorise expenditure on projects for which Council has appointed the Committee to manage on Council's behalf. All income, expenditure, assets and liabilities are the Council's.

A Council committee is simply an 'arm' of the Council, it has no separate status and at all times is subject to Council direction.

- **Staffing/Work Plans**
Done with existing staff resources.
- **Environment**
Not applicable
- **Social**
Not applicable
- **Strategic Plan/Policy**
Part of Council's objective 3 of the Southern Mallee District Council

110916

MANAGER CORPORATE SERVICES REPORT CONTINUED

1. Items from Correspondence Register requiring a Council Decision – Continued.

9721. C4-43 Parilla Sports, Grounds & Town Committee- Continued.

- **Risk Management**
Not applicable.
- **External Consultation**
Michael Kelleedy, Wallmans Lawyers

MARKETING.

- **Customer Needs Analysis**
Not applicable
- **Promotion/Communications**
Not applicable

REPORT CONSULTATIONS.

- Creditors Officer
- Asset Officer.

Appendices.

Attached as Appendix A is the Parilla Sports, Grounds & Town Committee together with the Parilla Accommodation Facility notional financial statement for the period to 31st August, 2011, the Parilla Seasonal Worker Accommodation Facility financial spreadsheet summary for the period 2000/2001 to 2010/2011.

Report Authors.

Manager Corporate Services.

2. **Review of Council Policy – Investment of Funds Policy**

REPORT OF: Manager Corporate Services

TITLE: Review of Council Policy - Investment of Funds Policy

PURPOSE: Annual review of Council's existing Investment of Funds Policy.

BACKGROUND.

Council periodically reviews all existing Council policies in the Southern Mallee District Council Policy Register.

Moved Cr. Dunsford/Seconded Cr. Sexton That Council:

1. having reviewed its existing Investment of Funds policy in the Southern Mallee District Council Policy Register do hereby resolve to continue to endorse the existing Policy and pursuant to Section 140 of the Local Government Act 1999 review and note the reported income in the 2010/2011 financial year received from investments with the Local Government Finance Authority of South Australia was \$50,655.22 and \$253.44 was earned in Bank interest; and,
2. refer Council's Investment of Funds Policy to the Audit Committee for information.

CARRIED.

DISCUSSION.

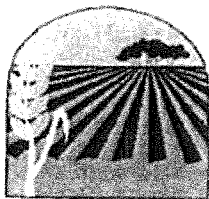
An annual review of Council's policy is now required.

POLICY IMPLICATIONS.

- **Financial/Budget**
Included as re-current income of Council funds in accordance with Council adopted (as amended from time to time) Budget.

4 year financial plan Parilla

4227



SOUTHERN MALLEE

www.southernmallee.sa.gov.au

ALL COMMITTEE
CORRESPONDENCE
TO BE ADDRESSED TO THE
PARILLA SPORTS, GROUNDS &
TOWN COMMITTEE
PO Box 15
PARILLA SA 5303
EMAIL: dhancock2@bigpond.com

PARILLA SPORTS, GROUNDS & TOWN COMMITTEE
Section 41 Committee of the Southern Mallee District Council

Mr. Rod Ralph
CEO
Southern Mallee District Council
PO Box 49
PINNAROO SA 5304

CA-43

FILE	Wednesday 6 th October 2010
MEETING	17 Oct 2010
- 7 OCT 2010	
CEO	CRS
"MCS REPORT"	

Dear Mr. Ralph,

At our recent Parilla Sports, Grounds and Town Committee meeting several items were discussed and we wish to put the following recommendation to council.

Shelf in toilet/shower block in parklands

The proprietors of the Parilla shop and Hotel receive many positive comments on the great standard of the facility provided in the parklands. They have also received several suggestions lately that a shelf, strong enough to sit on, would be appreciated when showering. We would like to recommend to council that such a shelf be installed to compliment this facility. Williams Tanks have quoted \$240 to provide a suitable shelf. We ask that council consider investigating.

Parilla Hall front fascia

We would like to bring to councils attention that the front wooden fascia boards of the hall are deteriorating due to continuous weathering over time. We asked Dennis Hyde to look at and he has recommended capping all the wood fascia with colourbond iron and gave an approx. quote of \$600.

Parilla Basketball court resurfacing

The committee has been investigating the possibility of resurfacing the court at Parilla and has sought an approx. quote of \$15,000, from Fulton & Hogan. The surface would be covered with a hot mix leaving a smooth level playing surface. The committee seek council approval to carry out this work which we are able to fund ourselves.

Parilla Cricket practice net

The committee has been asked by the Cricket club to seek Council approval for them to carry out this purchase and work, at a cost of less than \$8000 which we will be able to fund ourselves.

Parilla Tennis lights

As Council is aware, these lights have been included in the Federal Governments stimulus grant and ask Council to note that the remaining cost of approximately \$11,000 will also be funded by ourselves.

STAY COST \$25,000

Parilla Hall kitchen floor and Exit door

Recently the tiles on this floor have begun to lift and come loose which has made the kitchen a dangerous area to enter. Marc Wordsworth was notified and has arranged for Watts Asbestos to remove the tiles on the 7th & 8th of October 2010, as they contain asbestos. The committee are making

PRINCIPAL OFFICE BEARERS
PRESIDENT: Darryl McNeilly
TELEPHONE: 85774055
FAX: 85774055
EMAIL:

SECRETARY: Louise Hancock
TELEPHONE: 85766015
Fax: 85766015
EMAIL:
lhancock2@bigpond.com

HALL BOOKINGS:
Annastasia Wooldridge
TELEPHONE: 8576 5054

PARILLA SEASONAL
WORKERS
ACCOMMODATION
FACILITY
MANAGER: Wayne Spry
TELEPHONE: 0439 766034

arrangements for choosing a new floor covering. When this work is being carried out, we recommend to council to also replace the very weathered northern kitchen exit door, as it opens in and will drag on new floor.

Four Year Financial Plan


Please find attached a four year financial plan that the committee is presenting to council. It incorporates both the Parilla Accommodation account and Parilla Sports, Grounds and Town committee account.

In preparing these figures, meetings have been held with other committees within Parilla, to seek advice on how we can best help our community.

The aim of this plan is to complete the needs of the Tennis, Cricket and Basketball clubs this year. We would ask Council to peruse and accept our proposal so that we, as a community can move forward for the benefit of our youth and others living our town and district.

On behalf of the committee I would like to thank Council for their time while considering the recommendations within this letter. We look forward to your favourable response.

Yours faithfully,



Louise Hancock
Secretary

PARILLA SPORTS, GROUNDS & TOWN COMMITTEE

Financial Statement for the period 1ST JULY 2010 to 30TH JUNE 2012

		2010/2011 BUDGET \$	2011/2012 BUDGET \$
INCOME			
17600	Hall Hire	150.00	150.00
17601	Grants/Donations (including Council) - Specify	2000.00	2000.00
17602	Fundraising Activities - specify	500.00	
17603	Deposits	17000.00	10000.00
17604	Sundry Income CROP @ 8.5 BAGS \$280T	5000.00	
17604	Sundry Income CROP @ 4 BAGS \$250T		2000.00
TOTAL INCOME		24650.00	14150.00
EXPENDITURE			
COMMITTEE			
16437	Building Maintenance & Repairs		
16445	Electricity	420.00	500.00
16449	Committee expenses	1000.00	1000.00
16451	Fundraising activity expenses - specify		
16452	Hall/Venue improvements	600.00	
16453	Grant (Specify) expenditure		
16454	Capital Purchases	31000.00	
16455	Petty Cash Float		
TOTAL EXPENDITURE		33,020.00	1,500.00

(-Surplus)/Deficit on Operations For Year	8,370.00	-	12,650.00
(-Funds)/Deficit B/Fwd	-12325.85		-3955.00
Balance of funds Available	- 3,955.85	-	16,605.00

2010/2011 YEAR	
<u>DEPOSITS</u>	
Cricket club	\$ 5,000.00
Tennis club	\$ 11,000.00
Basketball club	\$ 1,000.00
	\$ 17,000.00

2011/2012 YEAR	
<u>DEPOSITS</u>	
Accommodation	\$ 10,000.00
Committee	

<u>CAPITAL PURCHASES</u>	
Cricket Net	\$ 5,000.00
Tennis Lights	\$ 11,000.00
Basketball Surface	\$ 15,000.00
	\$ 31,000.00

<u>HALL IMPROVEMENTS</u>	
Fascia	\$ 600.00
Supper room floor	\$ council?
	\$ 600.00

PARILLA ACCOMMODATION FACILITY

Financial Statement for the period 1st July 2010 to 30th June 2014

INCOME:	2010/2011 BUDGET	2011/2012 BUDGET	2012/2013 BUDGET	2013/2014 BUDGET
Accommodation Facility Income	128,700	130,500	130,500	135,200
Accommodation Sundry Income				
TOTAL INCOME	128,700	130,500	130,500	135,200
EXPENDITURE				
Building Maintenance and Repairs				
On going Repairs/Main	8,873	3,000	3,370	3,740
Chair	200	100	100	100
Table	300	150	150	150
Toaster	40	40	50	50
Jug	40	80	50	50
	9,453	3,370	3,720	4,090
Capital Purchases (Assets)				
Effluent	30,000			
Stone x 25t	2,000			
Computer/Internet	1,000			
	33,000	-	-	-
Capital Purchases				
Air Conditioner	1,400	1,400	1,400	1,400
Frcezer	5,000			
Microwave	200	200	200	200
Wash Machine	800		800	
Gas Heater		1,200		
Elec Hot Water		1,000		1,000
TV		550		550
Effluent Pump				2,000
	7,400	4,350	2,400	5,150
Cleaning Supplies	3,000	3,150	3,320	3,480
Supplies Other	2,800	2,940	3,090	3,240
Cleaning Contract	31,800	33,390	35,000	36,700
Wages	8,000	8,400	8,820	9,260
Allowance Washing & Linen Service	2,500	2,625	2,750	2,890
Superannuation	700	735	780	820
Workcover				
Gas	3,400	3,570	3,750	3,950
Electricity	17,000	17,850	18,750	19,650
Water - Accommodation	3,000	3,150	3,310	3,480
Deposits Refunded/Loans		10,000	10,000	10,000
Extension Expenses				
Loan Repayments & Interest				
Telephone and Internet	1,300	1,365	1,435	1,500
TOTAL EXPENDITURE	123,353	94,895	97,125	104,210
(-Surplus)/Deficit on Operations For Year	- 5,347	- 35,605	- 33,375	- 30,990
(-Funds)/Deficit B/Fwd	79,966	79,239	47,294	15,719
Adjusted Balance	74,619	43,634	13,919	15,271
Plus Interest on Council Loan	4,620	3,660	1,800	480
Adjusted Balance	79,239	47,294	15,719	14,791

5 Year Cost Projection-Parilla Accommodation

PARILLA ACCOMMODATION FACILITY

Financial Statement for the period 1ST OCT. 2011 to 31ST OCT. 2011

	BUDGET	MONTHLY	YEAR TO DATE
	\$	\$	\$
INCOME			
Accommodation Facility Income	-130000.00	-7046.00	-41268.47
Accommodation Sundry Income	0.00	-113.64	-520.91
TOTAL INCOME	-130000.00	-7046.00	-41789.38
EXPENDITURE			
Building Maintenance and Repairs	0.00	45.70	1229.60
Cleaning Supplies	0.00	277.27	1004.37
Supplies Other	130000.00	0.00	0.00
Cleaning Contract	0.00	2535.00	10867.50
Wages	0.00	662.46	2815.45
Allowance Washing & Linen Service	0.00	94.00	184.50
Superannuation	0.00	45.86	206.37
Workcover	0.00	0.00	0.00
Capital Purchases (Assets)	0.00	0.00	0.00
Gas	0.00	0.00	706.49
Electricity	0.00	2154.40	7536.07
Water - Accommodation	0.00	1382.55	3344.75
Deposits Refunded	0.00	0.00	0.00
Extension Expenses	0.00	0.00	0.00
Loan Repayments & Interest	0.00	0.00	0.00
Telephone	0.00	77.62	231.19
Capital Purchases	0.00	0.00	750.00
Parilla Accom Infrastructure	0.00	0.00	0.00
TOTAL EXPENDITURE	130,000.00	7,274.86	28,876.29

(-Surplus)/Deficit on Operations For Year - 12,913.09

(-Funds)/Deficit B/Fwd 01/07/2011 -8998.17 11553.92 2,555.75

Balance of funds Available at 31/10/2011 - 10,357.34

Council Loan No. 8 loan repayments 109,052.60

Loan Interest to 30/06/10 4273.41

Loan Interest to 30/06/11 6390.08

Adjusted Balance as at 31/10/11 109,358.75

Plus Interest on Council Loan to 31/10/2011 2,278.31

Balance of (-Funds)/Deficit Available at 31/10/2011 111,637.06

This loan did not exist.

It was repaid by ratepayers on time with interest.

The MCS received legal advice prior to the March 2011 council meeting that this loan does not exist as it has been repaid. The MCS continued to attach it to the Parilla Accommodation committee financial report.

PARILLA ACCOMMODATION FACILITY

Financial Statement for the period 1ST AUGUST 2011 to 31ST AUGUST 2011

	BUDGET \$	MONTHLY \$	YEAR TO DATE \$
INCOME			
Accommodation Facility Income	-130000.00	-11301.73	-25609.00
Accommodation Sundry Income	0.00	-407.27	-407.27
TOTAL INCOME	-130000.00	-11301.73	-26016.27
EXPENDITURE			
Building Maintenance and Repairs	0.00	1183.90	1183.90
Cleaning Supplies	0.00	727.10	727.10
Supplies Other	130000.00	0.00	0.00
Cleaning Contract	0.00	4297.50	5707.50
Wages	0.00	993.69	1490.53
Allowance Washing & Linen Service	0.00	0.00	0.00
Superannuation	0.00	68.79	114.65
Workcover	0.00	0.00	0.00
Capital Purchases (Assets)	0.00	0.00	0.00
Gas	0.00	706.49	706.49
Electricity	0.00	4025.66	5381.67
Water - Accommodation	0.00	1962.20	1962.20
Deposits Refunded	0.00	0.00	0.00
Extension Expenses	0.00	0.00	0.00
Loan Repayments & Interest	0.00	0.00	0.00
Telephone	0.00	76.78	76.78
Capital Purchases	0.00	0.00	0.00
Parilla Accom Infrastructure	0.00	0.00	0.00
TOTAL EXPENDITURE	130,000.00	14,042.11	17,350.82

(-Surplus)/Deficit on Operations For Year	- 8,665.45
(-Funds)/Deficit B/Fwd 01/07/2011	- 8,998.17
Balance of funds Available at 31/08/2011	- 17,663.62
Council Loan No. 8 loan repayments	109,052.60
Loan Interest to 30/06/10	4273.41
Loan Interest to 30/06/11	6390.08
Adjusted Balance as at 31/08/11	102,052.47
Plus Interest on Council Loan to 31/08/2011	1,063.05
Balance of (-Funds)/Deficit Available at 31/08/2011	103,115.52

101117

MANAGER CORPORATE SERVICES REPORT CONTINUED

Council notes expenditure
expenditure

1. Items from Correspondence Register Requiring a Council Decision - Continued

9227. C4-43 Parilla Sports, Grounds & Town Committee - Continued

Moved Cr. Toogood/Seconded Cr. Pfeiffer that Council notes the expenditure to be incurred by the Parilla Sports, Grounds & Town Committee for the Parilla Basketball court resurfacing, Parilla Cricket club practice nets and the Parilla Tennis club lights.

CARRIED.

BACKGROUND.

Council's Section 41 Committee responsible for managing the recreation grounds, Institute building and Parilla Seasonal Worker Accommodation facility on Council's behalf within the Parilla community.

The Committee have raised the following matters for Council's consideration:

Shelf in toilet/shower block in parklands

The proprietors of the Parilla Shop and Hotel receive many positive comments on the great standard of the facility in the parklands. They have also received several suggestions lately that a shelf, strong enough to sit on, would be appreciated when showering. We would like to recommend to Council that such a shelf be installed to compliment this facility. Williams Tanks have quoted \$240 to provide a suitable shelf. We ask that Council consider investigating.

Parilla Hall front fascia

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Parilla Basketball court resurfacing

The committee has been investigating the possibility of resurfacing the court at Parilla and has sought an approx. Quote of \$15,000, from Fulton & Hogan. The surface would be covered with a hot mix leaving a smooth level playing surface. The committee seek Council approval to carry out this work which we are able to fund ourselves.

Parilla Cricket practice net

The committee has been asked by the Cricket Club to see Council approval for them to carry out this purchase and work, at a cost of less than \$8,000 which we will be able to fund ourselves.

Parilla Tennis lights

As Council is aware, these lights have been included in the Federal Governments stimulus grant and ask Council to note that the remaining cost of approximately \$11,000 will also be funded by ourselves.

Parilla Hall kitchen floor and Exit door

Recently the tiles on this floor have begun to lift and come loose which has made the kitchen a dangerous area to enter. Marc Wordsworth was notified and has arranged for Watts Asbestos to remove the tiles on the 7th & 8th of October 2010, as they contain asbestos. The committee are making arrangements for choosing a new floor covering. When this work is being carried out, we recommend to Council to also replace the very weathered northern kitchen exit door, as it opens in and will drag on new floor.

101116 WORKS MANAGER'S REPORT CONTINUED

4. Road Closure – Lameroo Christmas Festivities - Continued

Lameroo

Roads

Subject to SA Police approval of road under the control of the commissioner of Highways portion of Mallee Highway (between Chandos Terrace and Bews Terrace, Lameroo) and North Avenue, Lameroo.

Event

Christmas Parade/Late Night Shopping.

Time

6.00pm to 10.00 pm Friday 17th December, 2010.

Pursuant to Section 33.1 (b) of the Road Traffic Act 1961, make an order directing persons taking part in the event be exempted, in relation to the roads from the duty to observe the Australian Road Rules specified below and attaching to the exemption.

- Rule 221 Using Hazard warning lights.
- Rule 230 Crossing a road-general.
- Rule 237 Getting on or into a moving vehicle – provided the vehicle does not exceed 5 km/h.
- Rule 238 Pedestrian travelling along a road (except in or on a wheeled recreational device or toy.)
- Rule 264/265 Wearing of seat belts by drivers and passengers provided the speed of the vehicle does not exceed 5 km/h.
- Rule 268 How persons must travel in or on a motor vehicle – provided the speed of the vehicle does not exceed 25 km/h.
- Rule 269 Opening doors and getting out of a vehicle etc – provided the speed of the vehicle does not exceed 5 km/h.
- Rule 298 Driving with a person in a trailer – provided the speed of the vehicle does not exceed 25 km/h.

CARRIED.

101117 MANAGER CORPORATE SERVICES REPORT

1. Items from Correspondence Register Requiring a Council Decision



9227. C4-43 Parilla Sports, Grounds & Town Committee – Advising that at their recent meeting several items were discussed in regard to a shelf in the toilet/shower block in the parklands, Parilla hall front fascia, Parilla Basketball court resurfacing, Parilla Cricket practice net, Parilla Tennis lights, Parilla hall kitchen floor and exit door and four year financial plan. Submitting recommendations for each item for Council's consideration/comment. (Each Elected Member received a copy of the correspondence received.)

REPORT OF: Manager Corporate Services

PURPOSE: To consider matters raised by the Parilla Sports, Grounds & Town Committee.

Moved Cr. Nickolls/Seconded Cr. Toogood that Council provide for the following works funded from its current maintenance budget to install;

- (i) a shelf in the public toilet building at an estimated cost of \$240.
- (ii) colour bond iron around the old front fascia boards at the Parilla Institute at an estimated cost of \$600.
- (iii) an external door for the northern kitchen exit door.

CARRIED.

PARILLA SPORTS TOWN & GROUNDS COMMITTEE

Financial Statement for the period 1ST OCT. 2011 to 31ST OCT. 2011

	BUDGET	MONTHLY	YEAR TO DATE
	\$	\$	\$
INCOME			
Hall Hire	0.00	0.00	-150.00
Grants/Donations (Including Council) - Specify	2000.00	0.00	0.00
Fundraising Activities - specify	0.00	0.00	0.00
Deposits	0.00	0.00	0.00
Sundry Income	0.00	0.00	0.00
TOTAL INCOME	2000.00	0.00	-150.00
EXPENDITURE			
COMMITTEE			
Building Maintenance & Repairs	0.00	0.00	0.00
Electricity	0.00	0.00	19.27
Committee expenses	2000.00	0.00	0.00
Fundraising activity expenses - specify	0.00	0.00	0.00
Hall/Venue improvements	0.00	0.00	0.00
Grant (Specify) expenditure	0.00	0.00	0.00
Capital Purchases	0.00	0.00	0.00
Petty Cash Float	0.00	0.00	0.00
Parilla Capital	0.00	0.00	0.00
TOTAL EXPENDITURE	2,000.00	-	19.27

(-Surplus)/Deficit on Operations For Year - 130.73

(-Funds)/Deficit B/Fwd 01/07/2011 7603.92 11553.92 - 3,950.00

Balance of funds Available at 31/10/2011 - 4,080.73

PARILLA SPORTS TOWN & GROUNDS COMMITTEE

Financial Statement for the period 1ST JULY 2011 to 31ST JULY 2011

	BUDGET	MONTHLY	YEAR TO DATE
	\$	\$	\$
INCOME			
Hall Hire	0.00	0.00	0.00
Grants/Donations (including Council) - Specify	2000.00	0.00	0.00
Fundraising Activities - specify	0.00	0.00	0.00
Deposits	0.00	0.00	0.00
Sundry Income	0.00	0.00	0.00
TOTAL INCOME	2000.00	0.00	0.00
EXPENDITURE			
COMMITTEE			
Building Maintenance & Repairs	0.00	0.00	0.00
Electricity	0.00	19.27	19.27
Committee expenses	2000.00	0.00	0.00
Fundraising activity expenses - specify	0.00	0.00	0.00
Hall/Venue improvements	0.00	0.00	0.00
Grant (Specify) expenditure	0.00	0.00	0.00
Capital Purchases	0.00	0.00	0.00
Petty Cash Float	0.00	0.00	0.00
Parilla Capital	0.00	0.00	0.00
TOTAL EXPENDITURE	2,000.00	19.27	19.27

(-Surplus)/Deficit on Operations For Year 19.27

(-Funds)/Deficit B/Fwd 01/07/2011 7,603.92

Balance of funds Available at 31/07/2011 7,623.19

Deficit balance

101117 MANAGER CORPORATE SERVICES REPORT CONTINUED1. Items from Correspondence Register Requiring a Council Decision - Continued9227. C4-43 Parilla Sports, Grounds & Town Committee - ContinuedFour Year Financial Plan

Please find attached a four year financial plan that the committee is presenting to Council. It incorporates both the Parilla Accommodation account and Parilla Sports, Grounds and Town committee account.

In preparing these figures, meetings have been held with other committees within Parilla, to seek advice on how we can best help our community.

The aim of this plan is to complete the needs of the Tennis, Cricket and Basketball clubs this year. We would ask Council to peruse and accept our proposal so that we, as a community can move forward for the benefit of our youth and others living in our town and district.

POLICY IMPLICATIONS.

- **Financial/Budget**
Works done within current maintenance budgets.
- **Legal**
Not applicable.
- **Staffing/Work Plans**
Supervised by Council's Manager Environment & Planning.
- **Environment**
Not applicable.
- **Social**
Not applicable.
- **Strategic Plan/Policy**
Not applicable.
- **Risk Management**
Not applicable.
- **External Consultation**
Members of the Parilla Sports, Grounds & Town Committee.

MARKETING.

- **Customer Needs Analysis**
Not applicable.
- **Promotion/Communications**
Not applicable.

REPORT CONSULTATIONS.

- Not applicable.

Appendices.

Not applicable.

Report Author.

Manager Corporate Services.

9233. F13-01 LGA of SA – Advice that the draft Local Government (Financial Management) Regulations 2011 are available for comment and the LGA is seeking feedback from Councils. The new regulations are proposed to be re-made to come into effect early in 2011, in time for reporting purposes for the 2011/12 financial year. (Each Elected Member received a copy of the correspondence on the 19th October 2010 via mail.)

oint

**QUOTE
UNQUOTE**

That old law about "an eye for an eye" leave everybody blind.

Martin Luther King

YOUR LETTERS

MAIL

PO Box 244,
Murray Bridge SA 5253

INTERNET

murrayvalleystandard.
com.au

FAX

Attention: Editor
8531 3601

EMAIL

editor.mvstandard@rurz
press.com

All letters must include name and address for publication. A telephone number must be included for verification and preference will be given to letters no more than 250 words. The editor reserves the right to edit letters where necessary.

29.3.12

It doesn't add up

At the September (Southern Mallee) council meeting a resolution was passed by council to bring the Parilla Sports Grounds and Town Committees account to a credit balance of \$3950.

In the minutes of the Parilla Sports Ground and Town Committees meeting held on August 1, 2011, it stated "Gordon Hancock wrote a letter to council making a recommendation that the Sports Grounds and Town Committee Account be put into credit of \$3950 as calculated for the 30th June, 2011 in the budget presented to and accepted by council on the 13th October, 2010."

The minutes of the September 14, 2011, council meeting said, "report of: Manager Corporate Services. Purpose: To consider the internal (notional) transfer of funds of a Council Section 41 Committee of

Council" Moved Cr. Dunsford/Seconded Cr. Summerton that the correspondence be noted and the (notional) transfer of funds on the routine monthly financial statements forwarded to the Committee as submitted by the Parilla Sports Grounds and Town Committee be agreed to."

At no time during the discussion of the motion did the manager of corporate services or the councillor who wrote the letter requesting the transfer mention the figure of deficit balance of the PSGTC or the figure of the credit balance of the Parilla Accommodation Committee where the money was to be transferred from.

A transfer of \$11,553.92 was required to bring the PSGTC account to a credit balance of \$3950.

At no time was the elected body told of this figure.

In fact, I believe the majority of the councillors did not understand what they

were being asked to vote on.

There were insufficient funds in the accommodation account to cover the transfer of \$11,553.92, that led to the accommodation account having a negative balance of \$2,555 after the transfer was completed.

When the chief executive officer was questioned by a ratepayer about the correct balance of the Accommodation Committee before the transfer he was told the MCS had three different figures.

The question needs to be asked, why the the MCS took the request from PSGTC to council before he checked to see if there were sufficient funds to cover the (notional) transfer?

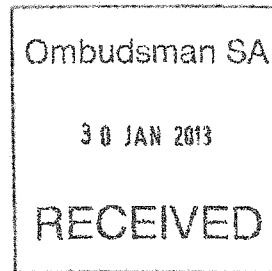
The PSGTC have been given \$2,555 more than they were entitled to.

Marilyn Smith
Parrakie

Photos worth a thousand words ...

P. O. Box 29
Parrakie S. A. 5301
28 January 2012

Mr Richard Bingham
SA Ombudsman
P. O. Box 3651
Rundle Mall S. A. 5000



Dear Mr Bingham,

Thank you for your letter dated 16 January 2013 responding to my letter dated 23 December 2012 re complaint about the Southern Mallee District Council.

In your letter you requested details and a copy of the independent investigation by David Hope to which I had referred.

I have enclosed a copy of the Parilla Seasonal Workers Accommodation Facility Operational Review, dated December 2011, and prepared by David Hope, Marked (A)

David Hope prepared his first report in November 2011, that was not accepted by council as the Mayor & the then Manager Corporate Services wanted to change some of the material they had presented to David Hope. I contacted David Hope to ask about the Terms of Reference for his Review and if Rodney Ralph had given him a copy of the letter from the Geranium Ratepayers that contained 57 questions on the Parilla Seasonal Accommodation Facility to base his review on. Ian Farley was President of the Geranium ratepayers Association and he signed the letter, I was Secretary and I wrote the letter.

I have enclosed a copy of the email and David Hope's response, Marked (B)

I have also enclosed a copy of the letter council wrote in response to the letter from the Geranium Ratepayers Association. The letter from council contains both the questions and answers, Marked (C)

The investigation by an independent person was instigated by the then CEO Rodney Ralph, after I refused to put my questions concerning the finances of the Parilla Sports Grounds & Town Committee to the Assets Committee of council. Corey Blacksell also declined the offer for his own reasons. Rodney Ralph had suggested the Assets Committee hold an investigation into the finances of the Parilla Sports Grounds & Town

Committee. I did not believe their investigation would be open and transparent and I did not believe they had the ability or knowledge to carry out the investigation. It would have been council investigating itself. Also, Councillor Hancock, who has played a leading role in the Parilla Committee, was on the Assets Committee and I did not believe that was a satisfactory arrangement. The Assets Committee would have needed to get the relevant information about the finances of the Parilla Sports Grounds and Town Committee from the then Manager Corporate Services, a close friend of councillor Hancock. I did not believe the Assets Committee would have been in a position to question the figures given to it by the Manager Corporate services to the same degree as an independent person could if the need arose.

Rodney Ralph told council at the November 2011 Council Meeting that he had engaged the services of an independent person to undertake the review and he had asked David Hope to carry out the review. The council endorsed the actions of the then CEO. I have enclosed a copy of the minutes of the November Meeting, Marked (D)

Corey Blacksell met with David Hope in Lameroo when he was gathering information for his report and I met with him in Tailem Bend and put my concerns and questions to him on the same day while he was returning to Adelaide.

However, David Hope did not answer any of our questions concerning the finances of the Parilla Sports grounds and Town Committee as he looked at other things that are in his report. Due to the lack of funding, he was given \$5000 to undertake the review, it finished up costing council \$6,500 for the work he completed, he was unable to carry out an audit of the Parilla Sports Grounds & Town Committee finances.

The letter of 57 questions from the Geranium Ratepayers Association was discussed in the February or March 2011 Council Meeting with nothing recorded in the minutes. The then Manager Corporate Services told council he had to engage the services of the council's lawyer to answer some of the questions. He told council the debentures had to be called loans and that the \$91,500 loan council had taken out for stage 2 of the facility had been repaid by council and that the Parilla Sports Grounds & town Committee no longer had to repay the loan and interest from the income of the facility as agreed to in 2003 because the PSGTC is a section 41 Committee and council cannot lend money to itself. He also told council that it had taken 20 to 30 hours to answer the letter. The Mayor, Cr. Hancock, who helped answer the letter said it had taken more like 200 hours and had stirred up a

lot of emotions. It was during the afternoon tea break after this discussion that the MCS told Cr Pfeiffer, who was upset after learning Parilla Sports Grounds & Town Committee no longer had to repay the \$91,500 loan plus interest, that he kept two sets of books for Parilla and offered to show them to him. Stage two of the facility was approved by council only after Cr. Hancock gave a commitment that the Parilla Sports Grounds & Town Committee would repay the loan from the profits from the facility.

I believe many of the answers to the questions in the letter are untrue, inaccurate or partly correct.

In question 47 about stolen money. At the October 2010 Council Meeting Cr. Hancock put forward a four year financial plan to council for the Parilla Sports Grounds & Town Committee. During his discussion of the four year plan he told council that money had been stolen by a resident of Parilla. He said the person had since left town and no police action had been taken. Cr Hancock now has no knowledge of making this statement and has a story about another lot of money that went missing and was later found in a drawer. I have enclosed a copy of a document that was signed by five people that clearly remember Cr. Hancock telling council about the stolen money, The people who signed the document were Marilyn Smith, ex Cr. Corey Blacksell, Cr. Robert Sexton, Cr. Neville Pfeiffer and ex Mayor John Ramke. Other councillors remember him making the statement but I did not approach them to sign the document. The document was sent to the CEO who took no action but said he had filed it. Marked (E)

To prove Cr Hancock has a poor memory, the answer to question 37 is "Mayor Hancock states he has no knowledge of this". If you were to ask Crs. Sexton, Pfeiffer, ex Mayor Ramke, ex Cr. Maynard and others they clearly remember Cr Hancock accepting responsibility for causing the CEO so much trouble by starting to build the lagoon while the CEO was on leave even though he had been told nothing was to be done in Parilla until he returned. He started digging the lagoon without knowing who owned the land or if native title had been extinguished and began to build a permanent fence around the lagoon when he was told to build a temporary fence. Yet he claims to have no memory of these happenings..

Some of the concerns I put to David Hope were:-

\$1800 petty cash with drawl for a float to cater for a clearing sale. The \$1800 was returned.

The \$950 profit from the clearing sale in the minutes of the Parilla Sports Grounds & Town Committees dated 29 March 2010. I could only find

\$100 being banked in the ledger print out the Manager Corporate Services provided.

A petty cash with drawl of \$300 that was given as a cash donation to a resident of Parilla.

A \$100 petty cash with drawl given to a charity Bush to Buildings walk. This group asked council for a donation, the council declined.

It appears money has been transferred to sporting clubs in Parilla that are not council Section 41 Committees.

In the minutes of the PSGTC on 28 March 2011 it states the Parilla Sporting Club sent a letter requesting the PSGTC pay the contents insurance for their club. Cr Hancock moved & Steve Gilbertson seconded that the contents insurance be paid. Cr. Hancock now says this did not happen and you can't believe everything you read in the minutes. Was the amount of money for the contents insurance used for something else?

In the minutes of the PSGTC dated 1 August 2011 in the Correspondence is says "Gordon Hancock wrote a letter to council making a recommendation that the Sports Ground & Town Committee Account be put into credit of \$3950 as calculated for the 30th June 2011 in the budget presented to and accepted by council on the 13th October 2010". Cr Hancock now denies he wrote the letter, again saying you cannot believe everything that is in the minutes.

At the September 2011 Council Meeting when the MCS brought this to council, he did not explain an amount of \$11,553.92 needed to be transferred to bring the account to a credit balance of \$3950. He did not explain to council that there were insufficient funds in the Accommodation Committee's account to cover the transfer. The reason for the short fall was the Financial Report by Cr. Hancock were only proposed figures and not actuals. I spoke to Rodney Ralph about this matter and he said the deficit of funds would be added to the non existing loan of the PSGTC. I wrote a letter to the Murray Valley Standard about the matter and within a week the Manager of Corporate Services resigned and was gone before the end of the month.. Was that a coincidence?

I have enclosed a copy of some minutes of the PSGTC meetings to verify my points.

A copy of the letter I wrote to the paper.

A copy of the letter from the PSGTC requesting the internal transfer.

A copy of the financial statement that show the \$11,553.92 internal transfer, they also show how the MCS still attached the loan to bottom of the PSGTC financial statement even though the loan no longer exists.

Copies of other newspaper cuttings etc. Marked (F)

I have enclosed an email I sent to all councillors on 25 January 2012 requesting that they consider approving an audit of the PSGTC financial records and my reasons for believing an audit was needed. Also a copy of the February 2012 Council Meeting when my email was discussed.

Marked (G).

In a phone conversation with Cr. Hancock he talked of the internal transfers that were made when both of the Parilla accounts were in deficit. The money would have had to have been transferred from Council's General Ledger. He also discussed the internal transfers with another member of the public.

The council has considered undertaking an audit on three occasions at their Monthly Council Meetings. The first occasion no vote was taken. The second occasion a motion was passed that an audit be considered after the implementation of the Hope Report. Although only part of the Hope Report has been implemented, the third occasion an audit was considered by council was at its November 2012 meeting and defeated by a 5 to 3 vote.

If I can assist you with other information you may need please contact me.

Yours Faithfully



Marilyn Smith

Sheryn Bennier

From: john smith <eechungga@activ8.net.au>
Sent: Wednesday, 26 September 2012 10:03 AM
To: Neville Gasmier; Tony Renshaw
Subject: information
Attachments: Scan_Doc0190.pdf

Dear Neville,

I have been told you are finding it hard to uncover where the \$2,555 I asked you about in July is. At the time I gave you around 15 pages of back ground material, I have had another look through my box & wondered if these pages attached may be of interest to you. I may have already given you a copy of the last two pages in the attachment. The message I was given was second hand and may not be accurate but I thought I would send this information to you regardless.

I have also forwarded this email to the CEO.

Kind Regards
Marilyn Smith
Parrakie

Subject: FW: Parilla
From: "Corey Blacksell" <corey.blacksell@bigpond.com>
Date: 14/02/2012 6:56 PM
To: "john smith" <eechungga@activ8.net.au>

From: Rodney Ralph [mailto:RodneyR@southernmallee.sa.gov.au]
Sent: Tuesday, 14 February 2012 5:53 PM
To: Corey Blacksell
Cc: MCS
Subject: RE: Parilla

Corey

Met up with Lameroo staff and was personally involved in the tracking of the subject monies identified in this email. Before specifically addressing this issue, just a couple of points that need to be taken into account for why internal transactions are what you might describe as internal paper transactions. There is only one set of Council financial records and then a range of committee accounts which are internal only records of money movement and these have no change to Council's cash position.

In your email advice to certain elected members of 12 February which you copied to me, the figure of \$11,746.34 cr is actually \$11553.92 cr. Council records show the Towns and Grounds committee at that time had a debit sum of \$7,603.92. A council decision of 14 Sept 2011 resulted in the request for this to become a credit of \$3950. Accordingly, an internal transfer between committee accounts resulted in the sum of \$11553.92 redirected from the Accommodation committee ledger to the Towns and Grounds committee. The net result was a positive cash increase of \$11553.92 for the Towns and Ground internal ledger account and a corresponding deficient of \$11553.92 to the Accommodation committee ledger account. As stated above, no net difference to Council's cash position results from this Council decision. Another way of looking at this issue, all that resulted from this decision was the accommodation committee account went into further debit. There is a counter argument that the decision to retire the 'alleged' loan repayment and how this was paid back, whether in small or larger sums also had a similar impact on the internal transactions between these two committee accounts.

Whilst appreciative of your concerns put forward to me that there is potential for the Towns and Ground committee to have received increased funds at its disposal, it must now be acknowledged that this opportunity has been quarantined as a result of the Council decision from the February Council meeting and new measures soon to be put in place will further constrain some of the earlier practices of which many were supported by Council at times when endorsed by them.

As you can see, I have included a copy of my response to the Manager Corporate Services to correct if necessary any wrong assumptions I have made in trying to give an account for the anomalies raised by you in internal financial records prepared on behalf of each committee by Council. Whilst reluctantly offering you the opportunity to clarify any of my response, I point out that Council's resources are stretched in respect of the high levels of scrutiny by some ratepayers and in fairness to Council, it has not yet been allowed to complete its own internal and external recommendations and then submitting these to Elected Members for Council consideration.

Rod Ralph
Chief Executive Officer

Southern Mallee District Council
PINNAROO OFFICE
Phone: 08 8577 8002
Fax: 08 8577 8443

W: Response to budget matters for Parilla Sports, Grounds and Town...

The Cricket nets (estimate \$5,000) were not purchased and therefore no money was spent or received. †

The Committee received a grant of \$14,287 towards the lighting of the tennis courts, and two separate donations (one from the Parilla Tennis Club & another from the community) totalling \$10,336, thereby receiving income of \$24,623. The costs of the tennis court lights were \$23,431.82.

The Parilla Basketball Club donated \$1,000. The costs of re-surfacing the basketball courts was \$24,218. A quote was received from Fulton Hogan dated 13th October, 2010 that provided unit rates (per tonne) for the work to be done.

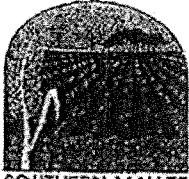
The costs of both the tennis courts lights and the re-surfacing of the basketball courts was included in the end of year financial statement for the Parilla Sports Town & Grounds Committee. Donation income and the grant was also included in the financial statement issued to the Committee.

The effect of the capital expenditure of \$47,650.42 (basketball courts \$24,218 & tennis lights \$23,432) and including the donations & grant received has caused the Committee's notional bank balance to be \$7,603.92 deficit at 30th June, 2011. Council at its meeting on 14th September, 2011 approved an internal transfer between the notional financial statements between the Parilla Sports, Grounds & Town Committee and the Accommodation Facility financial statement that had the effect of placing the notional balance of the Parilla Sports, Grounds & Town Committee in \$3,950 credit.

If you have any queries arising out of the above response, I would ask that you forward them to mcs@southernmallee.sa.gov.au who will be acting Chief Executive Officer from 23/12/2011.

Rod Ralph
Chief Executive Officer

Southern Mallee District Council
PINNAROO OFFICE
Phone: 08 8577 8002
Fax: 08 8577 8443



SOUTHERN MALLEE
DISTRICT COUNCIL
www.southernmallee.sa.gov.au

ALL COMMITTEE
CORRESPONDENCE
TO BE ADDRESSED TO THE:
PARILLA SPORTS, GROUNDS &
TOWN COMMITTEE
PO Box 22
PARILLA SA 5805

PRINCIPAL OFFICE BEARERS
PRESIDENT: Darryl McNeilly
TELEPHONE: 85774055
FAX: 85774055
EMAIL:

SECRETARY: Jenni Philip
TELEPHONE: 0408395535
Fax:
EMAIL:
jenniphilip@hotmail.com

HALL BOOKINGS: Lameroo
Council Office
TELEPHONE: 3576 3002

PARILLA SEASONAL
WORKERS
ACCOMMODATION
FACILITY
MANAGER: Wayne Spry
TELEPHONE: 0439 766034

PARILLA SPORTS, GROUNDS & TOWN COMMITTEE
Section 41 Committee of the Southern Mallee District Council

9721

Posted to Elected
Members with
Sept Agenda 2011

FILE C443				
MEETING 14.9.2011				
02 AUG 2011				
CEO	MCS	MEP	WM	CAS
PPS	AHS	P/Phil		PPS

MCS - Sept 2011 *Reaper*

1st August, 2011

Mr. Rod Ralph
Chief Executive Officer
Southern Mallee District Council

Dear Rod,

At the Parilla Sports, Grounds and Town Committee Meeting held on 1st August, 2011 it was passed as a recommendation to Council that the Sports, Ground and Town Account be put into credit of \$3,950 as calculated for the 30th June, 2011 in the budget presented to and accepted by Council on the 13th October, 2010.

The debit that is now attributed to that account be transferred to the Parilla Accommodation Account on which interest is calculated.

We understand that two items in the budget were incorrect, namely the Basketball Court resurfacing and Wastewater mound effluent system.

As the Accommodation Budget presented on the 13th October, 2010 calculated a credit in four years we believe this will take one year longer to achieve, this is within the agreed five year term passed by council starting on 1st July, 2010.

Hoping this is acceptable to Council.

Yours faithfully,

Jenni Philip

Jenni Philip
Secretary
Parilla Sports, Grounds and Town Committee

*Minutes of P> committee
held 1-8-11*

Correspondence:

Gordon Hancock wrote a letter to council making a recommendation that the Sports, Grounds & Town Committee Account be put into credit of \$3,950 as calculated for the 30th June, 2011 in the budget presented to and accepted by Council on the 13th October, 2010. The matter was raised that we as a Committee shouldn't accept figures put into the Budget we haven't agreed to. This will now be addressed by the Asset Committee. If we don't agree with a decision a letter will be sent questioning the original quote. It was questioned why the original contract had gone over budget. It was moved by Jenni Philip that the Budget be accepted as is and discuss in a month's time. Seconded. Debra Gilbertson. Carried. If there had been no adjustment to the Budget then a letter would be sent to Council. Moved John Gilbertson. Seconded Ed Longstaffe. Carried.

is this about the re-opening of basket ball court?

Accommodation Reports:

Currently 33 residents. Washing Machine has been replaced by a Front Loader.

Parilla Hall Report:

Pigeons are living in the overhang in the Supper Room. Records that need to be housed should be kept in a Mouse Proof Room. A discussion was held as to where to locate photo of the Post Office. Should it be placed in the Supper Room.

General Business:

The Parilla Shop is no longer for Sale.

Meeting closed at 9.45pm.

D. W. Hancock
President

1/9/11
dated

d. w. j.
Secretary

1/9/11
dated



OmbudsmanSA

Enquiries: Ms Sarah Fairhead Hall
Telephone: (08) 8226 8699
Ombudsman reference: 2013/00226
Agency reference:

RECEIVED	
8 MAR 2013	
Record No	JINMAN/201315
File No	13-36-1
GDS 20/Version	5

CONFIDENTIAL
Mr Gordon Hancock
Mayor
Southern Mallee District Council
PO Box 49
PINNAROO SA 5304

Dear Mayor

Preliminary investigation of complaint by Ms Marilyn Smith

I have received a complaint from Ms Marilyn Smith about the Southern Mallee District Council.

Ms Smith complains that the council have unreasonably refused to conduct a financial audit of the Parilla Seasonal Workers Accommodation Facility (the facility). Ms Smith has provided me with a copy of the Operational Review of the facility prepared by Mr David Hope from Skilmar Systems Pty Ltd in December 2011 (the Hope report), and subsequent council meeting minutes where the council have determined not to commission a financial audit of the records of the facility.

I have shown these documents to the Auditor-General Mr Simon O'Neil. Mr O'Neil has expressed concern about whether the financial reporting for the section 41 committees has occurred correctly, in line with the recommendations of the Hope report. Mr O'Neil considers that the council's audit committee should be overseeing the response to the recommendations under section 126(4) of the *Local Government Act 1999* (SA) (the Act) and possibly commissioning an investigation under section 130A of the Act, in conjunction with the independent auditor Mr Ian McDonald.

I have decided to conduct a preliminary investigation of this complaint under section 18(1) of the *Ombudsman Act 1972*. My aim is to complete my investigation within four months.


To assist me in my investigation, please provide my office with the following by 22 March 2013:

- A response to the observations made by the Auditor-General
- A list of the recommendations from the Hope report that the council has undertaken
- Any other matter you consider relevant to my investigation of this matter

TONT R
TOOK
COPY 8.3.2013

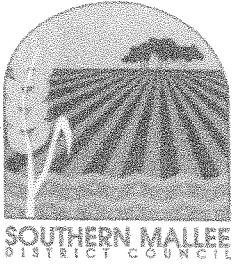
If you wish to contact my office about my investigation, please contact Ms Sarah Fairhead Hall on ☎ (08) 8226 8699 or 1800 182 150 (toll free outside metro area) or ✉ fairheadhall.sarah@ombudsman.sa.gov.au. Please note that Ms Fairhead Hall works on Wednesdays, Thursdays and alternate Fridays. Should you wish to discuss this matter another time please contact Deputy Ombudsman Ms Megan Philpot on 8226 8699.

Yours sincerely



Richard Bingham
SA OMBUDSMAN

7 March 2013



SOUTHERN MALLEE DISTRICT COUNCIL

RECEIVED

Thursday 21 March 2013

Attention Ms Sarah Fairhead Hall

- 7 JUL 2015

Richard Bingham
SA Ombudsman
P O Box 3651

Rundle Mall Adelaide SA 5000

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Dear Richard

Re Compliant by Ms Marilyn Smith

Many thanks for your correspondence dated 7 March 2013.

As always, we are very pleased to experience an assessment of the Council's conduct from independent authorities such as the Ombudsman and welcome your feedback at any time.

The Council shares a view that any assessment by authorities such as yours is valuable and is a process that all the Council's stakeholders benefit.

There are a number of issues set out in your correspondence dated Thursday 7 March 2013 and we have attempted to respond completely to each matter.

Should you feel at any time that you require further information and or clarification of the information we have provided then we will be pleased to assist you.

With best regards

Yours sincerely

Southern Mallee District Council

Tony Renshaw
Chief Executive Officer

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CHIEF EXECUTIVE OFFICER

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1 The Council unreasonably refused to conduct a financial audit of the Parilla Seasonal Workers Accommodation Facility

1.1 Extracts from the Ordinary Council meeting held Wednesday 14 November 2012

1.1.1 Agenda

11 Public Forum

13 Notice of Motion

13.1 Cr Neville Pfeiffer

Recommendation

For an amount, not exceeding \$10,000 including GST, the Council shall appoint David Hope to complete a financial audit of the records of the Parilla Accommodation Facility for the period since inception up to and including 30 June 2012

The audit report shall include all transfers of funds, journals and adjustments to and from the facility's General Ledger account within the financial records of the Council to the Parilla Sports Ground and Town Committee General Ledger account within the financial records of the Council

1.1.2 Commentary

The Council properly convened an Ordinary meeting, open to the public and held in a public place

The complainant was, as is the case with all ordinary Council meetings, ensconced in the Public Gallery

Each Councillor and the community at large enjoyed the prescribed time to consider the matters set out in the agenda

1 The Council unreasonably refused to conduct a financial audit of the Parilla Seasonal Workers Accommodation Facility

1.1 Extracts from the Ordinary Council meeting held Wednesday 14 November 2012

1.1.2 Commentary Continued

The Council held a Public Forum prior to the matter being considered during the presentation and debate of all ordinary business

No person from the public spoke to the agenda in any way

Those Councillors who moved and seconded the recommendation had ample [reasonable] and the prescribed time to prepare all necessary material to debate the recommendation affirmatively and to prepare for the need to overcome any objections

1.1.3 Minutes

11 Public Forum

Nil

13 Notice of Motion

13.1 Cr Neville Pfeiffer

Cr Pfeiffer moved Cr Sexton seconded that for an amount, not exceeding \$10,000 including GST, the Council shall appoint David Hope to complete a financial audit of the records of the Parilla Accommodation Facility for the period since inception up to and including 30 June 2012

The audit report shall include all transfers of funds, journals and adjustments to and from the facility's General Ledger account within the financial records of the Council to the Parilla Sports Ground and Town Committee General Ledger account within the financial records of the Council

The motion was put and defeated

1 The Council unreasonably refused to conduct a financial audit of the Parilla Seasonal Workers Accommodation Facility

1.1 Extracts from the Ordinary Council meeting held Wednesday 14 November 2012

1.1.3 Minutes continued

13 Notice of Motion

Cr Pfeiffer called for a division. Therefore, the results of the motion were set aside. Upon dividing, 3 members voted for the motion and 5 voted against the motion

Members voting for the motion :

Crs Sexton, Pfeiffer and Walker

Members voting against the motion :

Crs Lukins, Dunsford, Toogood, Nickolls and Hancock

The Mayor Cr Hancock declared the motion lost

1.1.4 Commentary

Of those present 37.5 % voted for the recommendation

Of those present 62.5 % voted against the recommendation

Alternatively, 167 % more voted against the recommendation than voted for the recommendation

In addition, if the numbers voting for the recommendation with Ms Marilyn Smith are combined, this representation amounts to approximately .16 % of the total population of the Southern Mallee District Council

Whilst there is no record of the duration of the debate on the recommendation, at least 30 minutes and perhaps 45 minutes was invested debating the recommendation

1 The Council unreasonably refused to conduct a financial audit of the Parilla Seasonal Workers Accommodation Facility

1.1 Extracts from the Ordinary Council meeting held Wednesday 14 November 2012

1.1.4 Commentary continued

This period is substantially more than normal for debate of Council recommendations

Based on these details it would seem that the Council acted in a fulsome, complete and respectful manner and did so reasonably and safely versus an unreasonably and in a reckless manner

2 Observations of the Auditor General

The Council holds a great deal of respect for those who developed the Australian Constitution and the Australian democracy that has evolved over time

This evolution provides for Australians being able to express an opinion without fear of reprisal and or desiring a consequent favour

Therefore, the Council does not ever have a need to comment on the opinions of others for any reason save for gross inaccuracy and or error

3 The Council's Intuitive Actions

From July 2012 the Council has undertaken a number of steps to develop and safe guard Governance standards and practices

Pleasingly many of these actions are consistent with the observations of the Auditor General

3.1 Parilla Seasonal Workers Accommodation Facility Data Processing

From July 2012 all data processing of material applied to generate income earned by the facility was transferred to the Council's full time staff and processed within the Council's offices

Prior to July 2012, under the Council's oversight and responsibility, the data was processed within the Parilla Seasonal Workers Accommodation Facility premises and by Part Time and or Volunteer staff

Data processing of all expenditure items has always been undertaken by the Council's full time staff and processed within the Council offices

3.2 Data Processing Storage and Retrieval

All data associated with the Parilla Seasonal Workers Accommodation Facility is processed within the General Ledger and Financial Records of the Council and accordingly has always been exposed to the assessment of the Council's Independent External Auditors

3.3 Independent Audit

The Council has always earned an unqualified Audit Report and did so for the year ended 30 June 2012

3.3.1 Internal Controls

The Council's Independent External Auditor stated in a report to the Council ;

` In my opinion the Council's internal control environment is adequate `

3 The Council's Intuitive Actions continued

3.3 Independent Audit

3.3.2 Improved Internal Controls

The Council has not rested on these remarks

Rather the Council has engaged the international firm Deloitte's and in collaboration with the South Australian Local Government Financial Management Group and the Local Government Association of South Australia begun developing Internal Controls to a standard equivalent to any Government agency or authority in Australia

3.3.3 Discussions between the External Independent Auditor and the Council

Prior to the 2011 2012 audit being completed the Council's staff had direct and specific discussions with the Auditor to confirm that all transactions associated with the Parilla Seasonal Workers Accommodation Facility are captured and tested within the scope of the Audit and that there was no need for a specific audit of the facility

3.3.4 Engagement and Connection with the External Independent Auditor

In addition, all correspondence from the Auditor is always circulated to the Council and the Council's Internal Audit Committee

Further the Council's Auditor joined the Internal Audit Committee meeting held Tuesday 6 November 2012 to elaborate in detail the findings of the 2011 2012 Audit and to proposed initiatives to further strengthen the Council's Financial Management and Governance practices

3 The Council's Intuitive Actions continued

3.3 Independent Audit

3.3.5 Internal Audit Committee Oversight

Typically Councils in South Australia hold between two [2] and four [4] meetings each financial year with their Internal Audit Committee

During this current financial year the Council has already held four [4] meetings of the Internal Audit Committee and anticipates that at least a further two [2] meetings during the period

These steps further demonstrates the Council's intuitive practices to make safe and reasonable the actions and the decision making of the Council and to facilitate extensive oversight

4 Section 41 Committee Governance

Once again, through its own initiative and without any reference to the Auditor General the Council's Internal Audit Committee during its meeting held Monday 17 December 2012 received and considered an updated report of the Section 41 Committees Operational Review and Recommendations

4.1 Special Meeting of Section 41 Committees

Prior to the Internal Audit Committee meeting the Council convened a special meeting of all Section 41 Committees on Tuesday 9 October 2012

During this meeting, the Section 41 Committees enjoyed significant training, induction and orientation of the Local Government Act and Sections 41, 87, 88, 89, 90, 91 and 92

More particularly during this meeting, the Section 41 Committees enjoyed detailed training, induction and orientation of the Local Government Act Procedures at Meetings and the supporting Regulations

5 Summary

- 5.1 It appears the Council's actions are in advance of the observations of the Auditor General

- 5.2 The Council has not been silent to the Hope Report, rather the Council has demonstrated an enthusiastic approach in developing and maintaining high-level Governance standards

- 5.3 The Council has always been and aspires to continue to be safe and reasonable rather than reckless and unreasonable in all activities, functions and services



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Enquiries: Ms Sarah Fairhead Hall
Telephone: (08) 8226 8699
Ombudsman reference: 2013/00226
Agency reference: None provided

Mr Tony Renshaw
Chief Executive Officer
Southern Mallee District Council
PO Box 49
PINNAROOO SA 5304

Dear Mr Renshaw

Preliminary investigation of complaint by Ms Marilyn Smith about the Southern Mallee Council

Thank you for your telephone call to my officer on 28 March 2013, and your response letter dated 21 March 2013.

As my officer pointed out, your response deals with what the council has done since the report by Mr David Hope was carried out on the Parilla Seasonal Workers Accommodation Facility. However, the allegation made by Ms Smith and stated in the report was that the facility may have been financially mismanaged prior to December 2011, when the report was written. I also note that your response does not address the decision by the council not to commission a financial audit of the records of the facility, despite it being a recommendation of the report.

In response to the conversation that you had with Ms Fairhead Hall I ask that you please provide a response to the following allegations and concerns:

- that over a period of 11 years, the Parilla Sports Grounds & Town Committee (the committee) disposed of the surplus funds that belonged to the council
- that the council failed to enter budgeted amounts for the facility into its budgets
- that the council failed to require the committee to prepare an annual budget for the 2009/10, 2010/11 and 2011/12 years
- the allegations made in the attached letter from Ms Smith to me on 28 January 2013 in relation to financial mismanagement of the facility's accounts.

I look forward to your reply by 19 April 2013.

Yours sincerely

Richard Bingham
SA OMBUDSMAN

4 April 2013