

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION.

ANNUAL REPORT - 2003/2004.

**Comprising –
The Berri Barmera Council;
Coorong District Council;
District Council of Karoonda East Murray;
District Council of Loxton Waikerie;
Mid Murray Council;
The Rural City of Murray Bridge;
Renmark Paringa Council; and
Southern Mallee District Council.**

PRESIDENT'S ANNUAL REPORT.

Having been given the honour of being the President of the Murray & Mallee Local Government Association (M&MLGA) in June 2003, I would like to say a big thank you to those who served before me. The previous Mayor of Loxton-Waikerie, Jan Cass did a lot of work in her role as President of the M&MLGA and I would like to acknowledge her great contribution to our organization.

We have been kept busy on the M&MLGA front with bimonthly meetings held in our Region that have been well supported by the member councils and we have enjoyed great communications from our LGA Executive.

One of the main topics lately has been the Natural Resource Management Bill. We are all waiting to find out how it will all work and the input from State Executive has been great. Thank you.

Ken Coventry has continued to serve the M&MLGA well as he organises all our guest speakers and represents us on a lot of other committees. He has, however, now indicated he wishes to retire as Chief Executive Officer of the M&MLGA and will stay in place until we appoint a new CEO. On behalf of the M&MLGA I would like to say a big thank you to Ken for his untiring work and dedication to his duty and he will be sorely missed. Thank you.

I would also like to thank Mayor Rod Thomas for his support as Vice President of the M&MLGA and Mayor Ian Mann as proxy to SAROC and State Executive.

I would like to thank all member councils for their support over the previous year and am looking forward to the challenges and opportunities that lay before us. I think our organization has a great future as we all strive to serve our communities better.

Mayor Allan E Arbon, JP.
President, 2003-2004.
Murray & Mallee Local Government Association.

OVERVIEW OF THE REGION.

The Murray and Mallee Local Government Association (M&MLGA) Region comprises a membership of eight Councils –

The Berri Barmera Council,		Coorong District Council,
District Council of Karoonda East Murray,		District Council of Loxton Waikerie,
Mid Murray Council,		The Rural City of Murray Bridge,
Renmark Paringa Council, and		Southern Mallee District Council.

The Alexandrina Council – the only other Council with a direct River Murray link – participates in regional activities that are relevant to the River Murray and Lakes.

The region is located in the Murraylands Statistical Region in eastern South Australia and is dissected by the River Murray. It covers a large area in excess of 51,000 km² taking in the areas from the Riverland in the north, agriculture areas in the central, west, south and east along the Victorian border, and south westerly to the coast and lakes. Rural based communities throughout the area share a common interest in agriculture, with towns primarily servicing the farming and horticultural communities and supporting a growing tourism sector. The region has a population base of approximately 68,000 (approx. 4.6% of the State population).

The Murray River, Lake Bonney and National Parks are major tourist attractions throughout parts of the Riverland and Mallee.

The Riverland produces much of the State's grape, citrus, almond and stone fruit crops. Horticulture, wheat, barley, sheep and pork farming also provide a significant economic base throughout the region, with dairy farming, centred on irrigation swamps, also carried out on the lower reaches of the river valley. Murray Bridge provides regional services to the lower parts of the region and supports both an industrial and commercial base.

The Murray River travels from the north, and passing through [or bordering] seven of the member Council areas, flows into Lake Alexandrina in the south. It supports a number of tourist and recreation activities, with a number of tourist vessels operating from centres along the river.

Towards the coast, the Coorong National Park, Lake Alexandrina and the shores of Lake Albert are all well known tourist attractions, particularly for recreation and fishing.

The area is serviced by the South Eastern Freeway, Princes, Dukes, Sturt and Mallee Highways, with the Berri (Loxton) - Murray Bridge Road providing a direct link diagonally across the region.

The M&MLGA works closely with its major Regional Partners – the Murray Mallee Strategic Task Force, the Murraylands Regional Development Board and the Riverland Development Corporation.

ASSOCIATION PRESIDENCY.

Mayor Allan Arbon, Rural City of Murray Bridge, and previously Vice President, was elected President at the Annual General Meeting held at Murray Bridge on 6th. June, 2003. Mayor Rod Thomas, Renmark Paringa Council, was elected Vice President. At the subsequent elections in 2004 both Mayor Arbon and Mayor Thomas were re-elected to the Presidency and Vice Presidency respectively.

REPRESENTATION – LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA (LGA).

Mayor Ian Mann (Mid Murray) continued to serve on the State Executive of the Local Government Association of South Australia [LGA] until the Annual General Meeting of that body in October, with Mayor Arbon as proxy. Mayor Rod Thomas – the other representative - was re-elected to serve on the LGA State Executive. Following the AGM of the LGA, Mayor Arbon became a delegate and Mayor Mann the proxy delegate.

ASSOCIATION – CHIEF EXECUTIVE OFFICER SERVICES.

The Chief Executive Officer services of the Association have again been provided by Ken Coventry of Ken Coventry – Consulting Services. At the April 2003 meeting both the Association and Ken agreed to a further 12 months of his contract services [until June, 2004], with the right of renewal for a further 12 month period. The contract period of work was varied by agreement on 4th. April, 2003 applicable from July 1st. 2003 to 1040 per annum [20 hours per week].

In June 2004 Ken advised that he would only be seeking to extend the contract for approximately 3 months [end of September / early October] to enable the completion of the Annual Report, Financial Returns for 2003/04 and the finding of a replacement to provide future CEO services. Expressions of Interest were invited in late June.

CONSTITUTIONAL STRUCTURE OF THE ASSOCIATION.

The Association operated as a Regional Subsidiary under the transitional provisions of the Local Government Act 1999 until December, 2001 with a formal Charter, agreed to by the member Councils, becoming effective on 13th. December, 2001. At the December 2003 meeting the Charter was varied marginally to provide that the Annual Report is to be presented to Councils by 31st. October in each year.

THE PURPOSES OF THE ASSOCIATION.

The Charter of the Association identifies the following purposes –

1. To undertake co-ordinating, advocacy and representational roles for its constituent Councils at a regional level;
2. To facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of its constituent Councils;
3. To develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;
4. To develop further co-operation between its constituent Councils for the benefit of the communities of the region;
5. To develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region; and
6. To undertake projects that benefit the region and its communities.

ASSOCIATION MEETINGS.

During 2003/04 the Association has met bi-monthly for general meetings.

Meetings of the Association were convened on –

- 1st. August, 2003 in the McCormick Centre for the Environment, Ral Ral Ave, Renmark – Renmark Paringa Council as host;
- 10th. October, 2003 in the Lameroo Golf Club, Chandos Terrace, Lameroo – Southern Mallee District Council as host;
- 5th. December, 2003 in the Council Chambers, Berri Barmera Council;
- 6th. February, 2004 in the Council Meeting Rooms, Coorong Council Offices, Railway Terrace, Tailem Bend; 2nd. April, 2004 in the Council Chamber, District Council of Karoonda East Murray, Karoonda; and
- 4th. June, 2004 – the Annual General Meeting - in the Council Chamber, District Council of Loxton Waikerie, Loxton.

A number of guest speakers have made presentations to the Association meetings throughout the year. They include –

- John Johnson, General Manager and Mellissa Schliebs, Senior Project Officer, Local Government, of the River Murray Catchment Water Management Board;
- Fiona Jenkins, Policy Officer, Waste and Resources Management, LGA and John Blumson, Project Manager, Waste and Pollution Prevention, EPA;
- Keith Bilsborough, EPA, Local Government Support Unit;
- Martha Savva and Sonia Albertini, both of Norman Waterhouse, re legal and liability issues and services provided to Councils;
- Lynley Jones, Regional Planner, Riverland Health Authority re the Generational Health Review;
- David Cooney [nominee Coastal Marine / Environmental Flows] and Graham Webster [attendee for the CEO – Capacity Building] as members of the Murray Darling Basin INRM Reference Groups speaking about their portfolios;

Leon Broster, Chairman, Interim NRM Group for the SA MD Basin in SA re NRM and its status;

Jane Gascoigne, Member, Local Roads Advisory Committee re R2R2 funding and road funding issues; and

Rod Hook, Executive Director, Office for Infrastructure Development [OFID] and Nicki Crawford, Business Manager, OFID.

Representatives of both the LGA and the Office of Local Government attended each meeting and took the opportunity to brief the M&MLGA of the relevant matters before their respective bodies. We especially acknowledge the support of Wendy Campana, Executive Director, LGA who has been ready to assist the region and ensure that the LGA has had a presence at our meetings. The M&MLGA has also enjoyed a close working relationship with its State and Federal members of Parliament, several of whom have been regularly attendees and contributors at the meetings.

The President has continued the practice of also giving each of our guests the opportunity to address the meeting briefly about matters and issues before them that may be of interest to the M&MLGA and its member Councils. The contribution from all of the speakers and guests has kept the Association, and its delegates, abreast of a wide ranging number of issues that impact on Local Government and the communities of the Region.

EXECUTIVE MEETINGS.

The Executive Committee comprises one delegate from each member Council. No Executive Committee meetings were held throughout the year.

GENERAL ACTIVITIES.

The Association has played a co-ordinating role on occasions throughout the year in liaison with member Councils and responding to issues raised by the Local Government Association and others. It has also raised a number of issues that are of concern to our communities with other relevant parties. It has been a practice to brief Federal and State members of Parliament representing our Region, and where appropriate seek their support on critical issues.

Submissions and representations have included –

- Continued support for Renmark Paringa Council, and the other Riverland Councils, in pursuing SBS Radio for the Riverland community;
- An ongoing concern about management of Fruit Fly control mechanisms;
- The need for the State Government and the SA Ambulance to address and implement forthwith an identification system for rural and remote properties;
- A call for a Local Government representative on the Murray Darling Basin Ministerial Council, given that Local Government is a level of Government in the Australian system;
- A response to the Natural Resource Management Bill; and
- A response to the South Australia's Draft Transport Plan.

The CEO has also attended several 'Forums' and 'Briefing' throughout the year to both keep abreast of evolving issues and contribute on behalf of the M&MLGA. These have included

- Several Natural Resource Management and Investment Strategy sessions;
- A Regional Communities Consultation Council consultation at Mannum;

- Consultation on the proposed Development Sustainable Bill.

ASSOCIATION REPRESENTATION – OTHER BODIES.

During the year the Association has made/continued the following appointments to other bodies –

South Australian Regional Organisation of Councils.

[by virtue of their executive positions on the M&MLGA &/or State Executive].

President Mayor Allan Arbon;
Vice President, Mayor Rod Thomas; and
CEO, Mr. Ken Coventry.
Proxy : Mayor Ian Mann.

SAROC Representative on outside bodies.

Mr. Ken Coventry – Member, Regional Development Framework Review Project Committee.
Mr. Ken Coventry – Member, Road Classification Project Team.

River Murray Land & Water Management Plans Steering Committee.

Mr. Ken Coventry.

South Australian Fruit Fly Standing Committee.

Cr. Jack Papageorgiou – Renmark Paringa.

Resource Information Centre Steering Group.

Mr. Trevor Burgemeister – CEO, Loxton Waikerie – prior to January, 2004 retirement.
Post – Mr. Peter Ackland – Loxton Waikerie.

River Murray Environmental Flows Group.

Mr. Trevor Burgemeister – CEO, Loxton Waikerie.

Murray Mallee Soil Conservation Board.

Mr. Daryl McNeilly [for 18 months term from 5th. December, 2003].

Murray Mallee Strategic Task Force Executive.

Mr. Ken Coventry.

Murray Darling Association – Dryland Salinity Strategy Project.

Mr. Ken Coventry.

Regional Bushfire Prevention Committee.

Mayor Ian Mann and Mr. Jodi Flavel.

Integrated Natural Resource Management Group for the Murray Darling Basin Inc.

[from 1st. August, 2003].

Mayor Ian Mann.

NRM Regional Steering Committee.

[from 10th. October, 2003].

Delegates – Mayor Ian Mann, Mr. Bill Paterson.

Proxies - Cr. Leon Stasinowsky and Mr. Mike Hurley [until June, 2004-] - thereafter Cr. Josie Nelsson.

Ministerial PAR Steering Committee.

[from 6th. February, 2004].

Mr. Ken Coventry.

Integrated Natural Resource Management Group for the SA MD Basin Inc Steering Committee – Revegetation in the SA MDB.

[from 2nd. April, 2004].

Delegate - Cr. Leon Stasinowsky.

Proxy - Mr. Bill Paterson.

The Association, through the attendance of the CEO, was also represented at the Murray Darling Association National Conference and AGM at Corowa on 4th. & 5th. September, 2003.

Topics that were considered at the Conference included –

the state of the Murray Darling Basin, including working towards healthy rivers and landscapes;

“The Living Murray” focus;

the mouth of the Murray and the need to ensure it remained open;

the formation by the MDA of a Living Murray Task Force, that was asked to address and subsequently report back to members on a number of matters of concern including –

the Living Murray position;

Water for Environment Flows; and

Water trading.

Mayor Ian Mann represented the Association at a 2nd. Forum convened in Melbourne on 10th. December by the Community Advisory Committee [CAC] of the Murray Darling Basin Ministerial Council. The Forum subsequently released a ‘Communique’ entitled ‘Shall We Dance? Responding to The First Step’ outlining the outcomes of the Forum. A copy of the Communique is held with the meeting minutes of 6th. February, 2004 at which Mayor Mann reported.

SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).

The President, Mayor Allan Arbon, Vice President Mayor Rod Thomas and Chief Executive Officer have attended meetings of SAROC during the year. SAROC has been meeting bi-monthly, usually on the evening prior to the LGA State Executive bi-monthly meeting. The March meeting [17th]. of SAROC was held in Renmark prior to the State Executive meeting there on the following day.

A SAROC Memorandum of Understanding that had been developed between each LGA Region and also the Local Government Association of SA was executed during the August, 2003 meeting of the Association.

The SAROC project - ‘Power to the People of Regional SA Project’ – has concluded. A meeting of member Council representatives was convened at Karoonda on 2nd. December, 2003 to discuss a number of issues with the Consultants. These included –

- Regional impediments and opportunities;
- Supply, Infrastructure and connection issues;
- Reduction in energy costs; and
- Strategy development / future issues.

SAROC is now pursuing the matter through the Local Government Association as components of the findings are relevant to all communities across our state.

FINANCIAL STATEMENTS TO 30TH. June, 2004.

The audited financial statements are included at the rear of this report. The Association has invested surplus funds with the Local Government Finance Authority during the year. This has resulted in an increase in interest earned on funds held by the Association.

REGIONAL ENHANCEMENT AND CAPACITY BUILDING.

The Association acknowledges a grant of \$25,000 from the Local Government Research and Development Scheme to provide funding assistance towards 'Regional Enhancement and Capacity Building'. The activities of the Association throughout the reporting period are testament to the principles of regional enhancement and capacity building.

INFORMING COUNCILS AND OTHER PARTIES.

The Association recognises the importance of providing succinct information about the activities of the Association to member Councils, the LGA, the OLG, Politicians and other keystakeholders within our region. The newsletter – "Murray and Mallee Briefs" has been prepared after each general meeting [6 editions during the year] and has a wide distribution to members of Parliament, kindred bodies, member Councils – for distribution to elected members, staff and community - media outlets in the region and other keystakeholders. Several media interviews have resulted from the Murray and Mallee Briefs circulation.

NATIVE TITLE AND INDIGENOUS LAND USE AGREEMENTS.

The Association has continued to engage Rosemary Craddock, LLB, to assist it in conducting a watching brief over Native Title Claims and any initial phase of the claims process. The Association, through Rosemary, has received funding assistance from the Commonwealth Attorney General towards legal costs incurred in Native Title Claims.

It was agreed that the CEO would provide a co-ordinating role, supporting Rosemary Craddock, for not only the member Councils of the M&MLGA, but also other Councils that are involved in the claims impacting on this region. Those Councils that are not members of the M&MLGA have been advised that there may be a request for recompense for the costs involved at some future time.

A meeting of all Councils involved in the claims within this region was held in Karoonda on 29th. June, 2004 where Rosemary Craddock, LL.B and Carey Goodall, Barrister, Jeffcott Chambers, updated the Council representatives of the status of claims in the region and the State.

SAND DRIFT THROUGHOUT THE REGION.

In 2002/03 a submission was made to both State and Federal Governments for funding support for drought relief following the recent drought and the subsequent sand drift onto public roads throughout parts of the region.

At the Karoonda Farm Fair in 2003 the Premier of South Australia, the Hon Mike Rann subsequently announced a grant of \$120,000 to the affected Councils and asked the M&MLGA to determine a suitable formula for distribution.

The funds were to be used in returning the roads to their original condition prior to the drought. The Councils involved – District Council of Karoonda East Murray, District Council of Loxton Waikerie and Mid Murray Council – each provided detailed estimates of costs

involved. The Association, through consultation with Mayors and Chairman of the Councils that did not have an interest, determined that the basis of distribution would be based on a formula that was linked to net cost.

The CEO also held discussions with the SA Local Government Disaster Fund Management Committee. This subsequently resulted in a grant from the Disaster Fund of -

- \$200,700 to the District Council of Karoonda East Murray; and
- \$101,350 to the Mid Murray Council.

Once the Disaster Fund allocation was advised distribution of the State Grant occurred based on the net cost to each of the Councils involved. The payments made were –

District Council of Karoonda East Murray -	\$18,360 + GST;
District Council of Loxton Waikerie -	\$45,480 + GST; and
Mid Murray Council -	\$56,160 + GST.

Each Council was required to provide a statement that there would be no claim on the M&MLGA, the Minister, etc and agree that

“in the event that the final figure [as some work was pending, and subject to season opening to avoid further drift] is more than 5% below the projected amount upon which the grant has been determined, the M&MLGA reserves the right to recall the unused balance and redistribute it to the other recipient Councils”.

The M&MLGA, and its member Councils, have appreciated and acknowledged the support of the SA Government and the Local Government Disaster Fund during the time of plight experienced by several of our member Councils. We are disappointed however that despite the ongoing efforts of our Federal Members, the Hon Neil Andrew, MP and Patrick Secker, MP no supporting funds have been forthcoming from the Federal Government.

PARTNERSHIP / STRATEGIC ACTIVITIES – 2003/04.

The Association has continued to pursue a number of strategic issues [generally through projects] and frequently this has been achieved with the support of other keystakeholders within the region. We acknowledge the efforts of our partners and believe that jointly we have progressed many initiatives that, singularly, we would not have achieved, at least to the present status that now exists.

Strategic Focus – Telecommunications.

Our project partners are –

- the Murray Mallee Strategic Task Force,
- the Murraylands Regional Development Board and
- the Riverland Development Corporation.

The M&MLGA and its partners have been keen to continue to pursue regional enhancement of telecommunications.

The Department of Business Manufacturing and Trade announced approval for a new mobile telecommunications facility at Bowhill, within the Mid Murray Council area. Although it had not specifically emanated from the M&MLGA Telecommunications Committee it was supported ‘as it fell within our vision for enhanced mobile services across the Murray and Mallee Region’. Following an approach from the Mid Murray Council the M&MLGA contributed \$2,500 towards its installation.

The M&MLGA has continued to express a concern that mobile services fall considerably short of what members believed had been promised. We have continued to raise that with Telstra CountryWide and we acknowledge the manner in which they have endeavoured to work with us to address those concerns.

With the change in Federal Government focus for regional enhancement of telecommunications to broadband development the M&MLGA and its Regional Telecommunications Committee are now looking to explore the maximum potential for our Councils and their communities.

Strategic Focus – Transport Infrastructure.

Our project partners are –

Murraylands Regional Development Board;
Riverland Development Corporation; and
Transport SA.

In 2002/03 Connell Wagner prepared the Murray and Mallee Regional Transport Strategy that was to –

- provide a basis to enable the Association, and its member Councils, to determine future applications for Special Local Roads funding across the region;
- address all modes of transport within the region – road, rail and air;
- provide a safe, convenient, cost efficient and effective way to enable the movement of persons and goods into, within and out of the region.

2003/04 saw a process that enabled member Councils to review the initial Plan. Connell Wagner were again engaged to assist in refining the original document.

It is intention of the M&MLGA and its Transport Advisory Committee [representative of the partners] that Councils and partners be provided with the opportunity annually to comment on and address the status and currency of the Plan and a mechanism has been agreed by the M&MLGA to facilitate this.

The M&MLGA is assisting the Mid Murray Council in its endeavours to have the Blanchetown Morgan Road sealed. It is understood that this is one of only two Arterial Roads in South Australia that are not sealed. While there was a commitment by Transport SA originally to seal the road this is now not a priority for the State Government or the Department. We will continue to pursue the road sealing.

Strategic Focus – Environment.

The M&MLGA, and member Councils

- individually have continued to participate in and provide input to **the Natural Resource Management** legislation and proposed implementation arrangements;
- also continued to work with the Minister, Department of Water, Land and Biodiversity Conservation staff and other keystakeholders in the development of the **River Murray Act** and regulations;
- have agreed with the Minister for Planning to participate in a joint **River Murray Planning Amendment Report**. This will address those matters raised in the M&MLGA Water Management Report prepared for the M&MLGA Councils and Alexandrina by Hassell, with support funding from the Natural Heritage Trust and the River Murray Catchment Water Management Board. The Minister is keen to address those issues that will result from the enacting of the River Murray Act.

During early 2004 the **Riverland Recreation, Sport and Open Space Strategy** report was completed by Sue Suter and Associates. The report was funded by the Riverland Councils of Berri Barmera, Loxton Waikerie and Renmark Paringa and the Office of Recreation, Sport and Racing and Planning SA. The report has now been presented to the Councils for consideration and it will assist as a working tool in addressing community need and aspirations.

Strategic Focus – Community Transport.

Murray Mallee Transport Advisory Committee.

Following the preparation of a Community Transport Strategy for the Murray Mallee the inaugural meeting of the Advisory Committee took place on 6th. November. The Committee is likely to meet half yearly, and as a Sub-Committee of the M&MLGA, will report to the Association at the following regional meeting.

Riverland Community Transport Project.

The Office of Public Transport with the support of the Project Committee is nearing completion of the Community Transport study that embraces the area of the Riverland Councils of Berri Barmera, Loxton Waikerie and Renmark Paringa, and the River North Ward [particularly the communities of Blanchetown, Morgan and Cadell] of the Mid Murray Council.

Terms of Reference addressing the ongoing roles and responsibilities of a proposed Riverland Community Transport Advisory Committee – as a Sub Committee of the M&MLGA - have been submitted to participating Councils asking that they also nominate a delegate to serve on the Committee. It is anticipated that the inaugural meeting of the Committee will take place in early 2004/05. The roll out of the program of enhanced community transport is presently anticipated to commence towards the end of 2004.

WHAT OF 2004/2005 AND BEYOND.

Meetings will continue to be held on the first Friday in the months of August, October, December, February, April and June each year. They will continue to be held throughout the region and will be hosted alphabetically within the respective Council areas.

At the AGM (4th. June) the M&MLGA endorsed a Business Plan for 2004/05 that pursues a series of strategic issues. The issues are –

- Telecommunications;
- Transport Infrastructure;
- Transport – Community needs and access;
- Environment;
- Regional Enhancement; and
- Governance.

The Association will review the status of the objectives and actions half-yearly at the December meeting.

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Murray and Mallee Local Government Association.

Current contact details.

President:
Mayor Allan Arbon.
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Chief Executive Officer:
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MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF FINANCIAL PERFORMANCE
FOR YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Revenues from ordinary activities	8(a)	83,616	80,756
Expenses from ordinary activities	8(b)	<u>(71,244)</u>	<u>(73,170)</u>
Surplus (Deficit) for the year	6	<u>12,372</u>	<u>7,586</u>
Total change in equity of the Association		<u><u>12,372</u></u>	<u><u>7,586</u></u>

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2004

Current Assets

Cash	2(a)	38,004	190,583
Receivables	3	3,476	-
Money held in Trust		<u>786</u>	<u>3,043</u>
Total Current Assets		<u><u>42,266</u></u>	<u><u>193,626</u></u>

Total Assets

42,266 193,626

Current Liabilities

Payables	4	965	9,182
Unexpended Grant Funds	5	16,168	169,426
Native Title Claim Moneys unexpended		<u>786</u>	<u>3,043</u>
Total Current Liabilities		<u><u>17,919</u></u>	<u><u>181,651</u></u>

Net Assets

24,347 11,975

Equity

Accumulated Surplus	6	<u>24,347</u>	<u>11,975</u>
Total Equity Surplus		<u><u>24,347</u></u>	<u><u>11,975</u></u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
Cash Flow from Operations			
Receipts from Members		49,986	54,378
Receipts from others		25,000	25,000
Interest received		7,994	5,770
Payments to suppliers		(82,302)	(72,252)
Projects:			
Receipts from Grants		-	259,864
Payments to Suppliers		<u>(153,257)</u>	<u>(189,358)</u>
Net Cash provided by (used in) Operating Activities	2 b)	(152,579)	83,402
Net increase (decrease) in cash held		(152,579)	83,402
Cash at the beginning of the year		<u>190,583</u>	<u>107,181</u>
Cash at the end of the year	2 a)	<u>38,004</u>	<u>190,583</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

Note 1: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements and the requirements of the Associations Incorporations Act (SA). The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report.

a) Income Tax

The activities of the Association are exempt from taxation under the Income Tax Assessment Act.

b) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

Note 2: Cash Flow Information	2004	2003
	\$	\$
a) Reconciliation of Cash		
Cash	100	100
Cash at Bank	2,045	935
LGFA Investment	<u>35,859</u>	<u>189,548</u>
	<u>38,004</u>	<u>190,583</u>
b) Reconciliation of net cash provided by operating activities to surplus (deficit) from ordinary activities		
Surplus (Deficit) from ordinary activities	12,372	7,586
Changes in Assets and Liabilities		
(Increase) Decrease in Debtors	(3,477)	4,392
Increase (Decrease) in Creditors	(8,217)	8,282
Increase (Decrease) in Unexpended Grant Funds	<u>(153,258)</u>	<u>63,142</u>
Cash Flow provided by (used in) Operating Activities	<u>(152,580)</u>	<u>83,402</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 3: Receivables		
GST Refund	2,840	-
Accrued Interest	<u>636</u>	<u>-</u>
	<u><u>3,476</u></u>	<u><u>-</u></u>

Note 4: Payables		
GST Payable	-	8,262
Audit Fees	<u>965</u>	<u>920</u>
	<u><u>965</u></u>	<u><u>9,182</u></u>

Note 5: Unexpended Grant Funds

Grant Funds Unexpended may be refundable and are reflected as liabilities at balance date. It is anticipated that the balance of funds unexpended will be fully utilised on the nominated project.

	2004	2003
	\$	\$
Transport Strategy Project		
Income		
Balance brought forward	7,653	46,737
Grants Commission - Roads to Recovery Funds	-	-
Transport SA	<u>-</u>	<u>-</u>
Total Income	<u>7,653</u>	<u>46,737</u>
Less Expenses		
Consultant	7,858	(30,493)
M&MLGA - Project Management Administration		
- Office Costs	<u>-</u>	<u>(8,591)</u>
Total Expenses	<u><u>(7,858)</u></u>	<u><u>(39,084)</u></u>
Project Funds not/(over) expended at 30 June 2004	<u><u>(205)</u></u>	<u><u>7,653</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Murraylands Regional Recreation and Open Sports Strategy Project		
Income		
Balance brought forward	-	2,590
Grant - Dept Recreation and Sports and Racing	-	-
- Planning SA	-	-
Contributions- Murraylands Councils	<u>-</u>	<u>-</u>
Total Income	<u>-</u>	<u>2,590</u>
Less Expenses		
Consultants	<u>-</u>	<u>2,590</u>
Total Expenses	<u>-</u>	<u>2,590</u>
Project Funds not expended at 30 June 2004	<u><u>-</u></u>	<u><u>-</u></u>
Regional Recreation, Sport and Open Space Strategy for the Riverland		
Income		
Balance brought forward	25,400	-
Grant - Dept Recreation and Sports and Racing	-	12,500
- Planning SA	-	15,000
Contributions- Berri Barmera Council	-	5,000
- Loxton Waikerie Council	-	5,000
- Renmark Paringa Council	<u>-</u>	<u>5,000</u>
Total Income	<u>25,400</u>	<u>42,500</u>
Less Expenses		
Consultants	<u>(25,400)</u>	<u>(17,100)</u>
Total Expenses	<u>(25,400)</u>	<u>(17,100)</u>
Project Funds not expended at 30 June 2004	<u><u>-</u></u>	<u><u>25,400</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Water Management Project		
Income		
Balance brought forward	16,373	56,957
Grants - National Heritage Trust	-	-
- River Murray Catchment Water Management	-	-
Contribution - M&MLGA	-	-
Total Income	<u>16,373</u>	<u>56,957</u>
Less Expenses		
Consultants	-	(40,584)
M&MLGA Administration Costs	-	-
Total Expenses	<u>-</u>	<u>(40,584)</u>
Project Funds not expended at 30 June 2004	<u>16,373</u>	<u>16,373</u>
Networking the Nation Telecommunication Grant		
Income		
Grant - Dept Communications, Information Technology and The Arts	-	90,000
Total Income	<u>-</u>	<u>90,000</u>
Less Expenses		
Telstra	-	(90,000)
Total Expenses	<u>-</u>	<u>(90,000)</u>
Project Funds not expended at 30 June 2004	<u>-</u>	<u>-</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Drought Assistance Program		
Income		
Balance brought forward	120,000	
Grants - Department of Primary Industry and Resources	<u>-</u>	<u>120,000</u>
Total Income	<u>120,000</u>	<u>120,000</u>
Less Expenses:		
District Council of Karoonda East Murray	(18,360)	-
District Council of Loxton/Waikerie	(45,480)	-
Mid Murray Council	<u>(56,160)</u>	<u>-</u>
	(120,000)	-
Project funds not expended at 30 June 2004	<u>-</u>	<u>120,000</u>
Total Unexpended Grant Funds at 30 June 2004	<u>16,168</u>	<u>169,426</u>
Note 6: Accumulated Surplus		
Accumulated Surplus at the beginning of the financial year	11,975	4,389
Surplus (Deficit) attributable to the Association	<u>12,372</u>	<u>7,586</u>
Accumulated Surplus at the end of the financial year	<u>24,347</u>	<u>11,975</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004

Note 7: Financial Instruments

(a) Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate		Non Interest Bearing		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Money held in Trust	-	-	-	-	-	-	786	3,043	786	3,043
LGFA Investment	5.0	4.53	35,859	189,548	-	-	-	-	35,859	189,548
Debtors	-	-	-	-	-	-	3,476	-	3,476	-
Cash	-	-	-	-	-	-	100	100	100	100
Cash at Bank	0.30	0.50	2,045	935	-	-	-	-	2,045	935
Total Financial Assets			<u>37,904</u>	<u>190,483</u>	-	-	<u>4,362</u>	<u>3,143</u>	<u>42,266</u>	<u>193,626</u>

Financial Liabilities

	-	-	-	-	-	-	-	-	-	-
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(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

The association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

(c) Net Fair Values

Methods and assumptions used in determining net fair value.

For assets and liabilities the net fair value approximates their carrying value. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the financial report.

**MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
GENERAL ACCOUNT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
Note 8:		
(a) INCOME		
Interest - Investment LGFA	8,501	5,372
- Bank	129	107
MBM LGA contributions:		
Berri Barmera Council	7,678	7,678
Coorong District Council	5,110	5,110
DC of Karoonda East Murray	2,690	2,690
DC of Loxton Waikerie	8,134	8,134
Mid Murray Council	6,076	6,076
The Rural City of Murray Bridge	10,256	10,256
DC of Renmark Paringa	6,838	6,838
Southern Mallee DC	<u>3,204</u>	<u>3,204</u>
Total MBM LGA contributions	49,986	49,986
Regional Enhancement Fund Grant	25,000	25,000
Other Income	<u>-</u>	<u>291</u>
TOTAL INCOME	83,616	80,756
(b) EXPENDITURE		
Audit Fees	965	747
Bank and Government Fees	289	251
Conference Registration	585	1,001
Executive Officer Contract Services	62,400	64,500
Insurance	841	673
Meeting Expenses		
- Association	1,194	1,388
- Working Parties	416	732
Photocopying	-	-
Postage	92	194
Presidents Travelling Allowance	570	545
Stationery	125	437
Sundry Expenses	83	123
Telephone	1,184	1,579
Telecommunications	2,500	-
SAROC Contribution	<u>-</u>	<u>1,000</u>
TOTAL EXPENDITURE	<u>71,244</u>	<u>73,170</u>
Accumulated Surplus (Deficit) at End of Year	<u><u>12,372</u></u>	<u><u>7,586</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT BY THE COMMITTEE

In the opinion of the members of the committee:

1. (a) the accompanying Statement of Financial Performance is drawn up so as to present fairly the surplus of Murray and Mallee Local Government Association for the financial year;
- (b) the accompanying Statement of Financial Position is drawn up so as to present fairly the state of affairs of Murray and Mallee Local Government Association as at the end of the financial year;
- (c) the accounts of the association have been made out in accordance with Accounting Standards and other mandatory professional reporting requirements.

2. The committee has reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

3. No officer of the association, or a firm of which the officer is a member, or a corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, a firm of which the officer is a member or a corporate in which the officer has a substantial financial interest and the association.

4. No officer of the association has received directly or indirectly from the association any payment or other benefit of a pecuniary value other than travel allowance paid to the Association's President \$570.

This statement is made in accordance with the resolution of the Committee and is signed for and on behalf of the Committee by:

President

NB - the original document held by the M&MLGA is signed by the President & CEO.

CEO

Dated this 6th. day of August, 2004.

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

Scope

We have audited the financial report of Murray and Mallee Local Government Association as set out on pages 1 to 10 for the year ended 30 June 2004. The Committee is responsible for the preparation and presentation of the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the report is presented fairly in accordance with Australian Accounting Standards, and other mandatory professional reporting requirements and the provisions of the Associations Incorporations Act (SA) so as to present a view which is consistent with our understanding of Murray and Mallee Local Government Association's financial position and the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and the provisions of the Associations Incorporations Act (SA) the financial position of Murray and Mallee Local Government Association and the results of its operations and cash flows for the year then ended.

We have obtained all of the information and explanations which we required from Murray and Mallee Local Government Association.

NB - the original document held by the M&MLGA is signed by the Auditor.

.....
G J Thornley FCA - Partner
MSI TILLEY MURPHY HUGHES
Chartered Accountants

Dated at Berri SA this 24th. day of August, 2004.