



The Murray and Mallee
Local Government Association

THE MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION'S

ANNUAL REPORT 2005 – 2006

Comprising:
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.



President, Mayor Allan Arbon

This last year has been very busy as usual and I will list the program of events and issues, some of which have been addressed and some of them ongoing:

Projects completed:

- Regional STEDS Scheme Audits, paving the way for a new arrangement with the State and Federal Governments for increased and ongoing funding.
- SA MDB Resource Information Centre (SAMRIC) – support provided for seed and ongoing funding.
- Completion of the Association's Strategic Plan 2005-2008, aligned with the State Strategic Plan.
- Review of the Association's Charter as per the Local Government Act 1999, along with a further resolution to undergo a further legal review.
- Completion of the draft River Murray Salinity Ministerial Plan Amendment Report.
- Production of the M&MLGA Regional Waste Management Strategy Plan.
- Provision of Local Government representation on the River Murray Water Quality Risk Assessment Project.
- Completion of the Association's Website, ensuring timely availability of information and documentation for Member Councils and the public.
- Completion of the Association's Platform for Communities State Election Document.

- In conjunction with partners, the completion of the North South Heavy Vehicle Transport Corridor Business Case Study.
- Member Council advice supplied to increase Volunteering in the region.

Projects forwarded:

- Rural Property Addressing Standards – general support provided but awaiting clarification of legal issues.
- Support provided to the SA MDB NRM Board and the provision of a Local Government Board non-voting delegate.
- Ongoing representation on the Murray Mallee Strategic Task Force and contribution to that body's reorganisation in conjunction with the State Government.
- Provision of Local Government input and viewpoint on the NRM Capacity Building Reference Group.
- Forwarding of the provision of Broadband Services throughout the region not covered with Broadband services, with contractual arrangements for the provision of services soon to be negotiated.
- Ongoing provision of support for the Region's Community Transport Schemes, including addressing issues surrounding the provision of services where currently they do not exist.
- Submissions completed to Auslink and the Special Local Roads Program for road construction and improvements throughout the region.
- Input provided into the Murray and Mallee State Infrastructure Plan.
- Receipt of ongoing advice concerning Native Title Claim Claims.
- Provision of financial support for the Riverland and Murraylands sub-regions for the provision of Sport and Recreation Facilities.

New issues addressed:

- Hattah Lakes/Nowingi Industrial Waste Project – determination of support for the Minister for the River Murray's position.
- Input provided to the Local Government Finances Independent Inquiry.
- Support provided for the Royal Flying Doctor Service "Wings for Life Appeal".

- Provision of support to the Adelaide City Council for the rebuilding of the Adelaide City Bus Station.
- Provision of Local Government representation on a cross-agency Committee concerning Irrigation Development in the region and the formulation of a Critical Pathway for Developers.
- Funding Cuts for the Staffing of School Community Libraries.
- Provision of Rest Stop Facilities along the South Eastern Freeway.
- Financial assistance provided to the Boating Industry of SA to undertake a review of the extent of River Murray Vessel Waste Discharge issues.
- Through SAROC, addressing issues surrounding heavy vehicle transport to and from regional grain silos.
- Representation made to SAROC to endorse a review of the Impounding Act.
- In conjunction with the Murray Darling Association, to undergo the formulation of a River Murray Policy.

I would like to thank our CEO, Peter Campbell for his effort, commitment and support during the last twelve months and look forward to working with him into the future.

I thank Vice President Mayor Rod Thomas for his support along with all other Mayors, Delegates and Member Council CEO's.

I congratulate Adrian Pederick as our new Member for Hammond as well as Minister Karlene Maywald for her re-election to the Riverland seat of Chaffey.

Peter Lewis has been a strong supporter of this Association for a long time and we all appreciate what he has done for us and I wish him well in his future endeavors.

It is three years since I took on the role of President of the Association and we usually rotate this position from the Murraylands sub-region to the Riverland sub-region. As such, in November, 2006, Delegates will need to consider their position on this matter.

I have enjoyed being your President for which I thank you all for that opportunity.

Mayor Allan E Arbon JP.
 President, 2005 – 2006
 Murray and Mallee Local Government Association.

OVERVIEW OF THE REGION.

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 50,000 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/horticulture, with towns primarily servicing the farming and horticultural communities and supporting a growing tourism sector. The Region has a population base of approximately 68,500 (ABS June 2003) representing approximately 4.5% of the State's population.

The Murray River, and its associated wetlands and wildlife, Lake Bonney and a number of National/Conservation Parks, support a range of rare and endangered plant and animal species, and are major tourist attractions throughout parts of the Riverland and Mallee. Towards the coast, the Coorong National Park, Lake Alexandrina and the shores of Lake Albert are all well known tourist attractions, particularly for recreational boating and fishing.

The Region produces much of the State's grape, citrus, almond and pear crops. Wheat, barley, potatoes, onions, wool, poultry, pork, prime lamb and beef cattle production also provide a significant economic base throughout the Region, with dairy farming, prominent within 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 seven of the member Councils, flows into Lake Alexandrina in the south. It supports a number of tourist and recreation activities, with a number of tourism vessels operating from centres along the river.

The Region is serviced by the South Eastern Freeway, Princes, Dukes, Sturt and Mallee Highways, with the Loxton to Murray Bridge Road providing a direct link diagonally across the Region.

The Association works closely with its major regional partners – the Murray and Mallee Strategic Task Force, the Murraylands Regional Development Board and the Riverland Development Corporation.

ASSOCIATION PRESIDENCY.

Mayor Allan Arbon, Rural City of Murray Bridge, was re-elected President at the Annual General Meeting held at Berri on the 3rd June, 2005 and Mayor Rod Thomas, Renmark Paringa Council was re-elected Vice President.

During the year, the Association's Charter was altered to allow Elected Member Office-bearers to continue in their positions beyond the June, 2006 Annual General Meeting until the first General Meeting to be held after the Local Government periodical elections to be held in November, 2006.

This occurrence will only apply in the years of periodical elections, with the election of President and Vice-President determined at the Association's Annual General Meeting in the other years.

REPRESENTATION: LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA (LGA SA).

Mayor Allan Arbon and Mayor Rod Thomas continued to serve on the State Executive of the Local Government Association of South Australia, with Mayor Ian Mann, Mid Murray Council, as proxy.

ASSOCIATION: CHIEF EXECUTIVE OFFICER SERVICES.

The Chief Executive Officer services of the Association for the year were again provided by Peter Campbell.

In accordance with a resolution of Member Council Delegates the Chief Executive Officer underwent performance review processes in October, 2005 and April, 2006, the latter coinciding with the production of the Association's draft Annual Business Plan.

This process will now be undertaken annually in the April of each year.

The Review Panel consists of the President and Vice-President of the Association and Dean Gollan, CEO Mid Murray Council and Peter Ackland, CEO of the District Council of Loxton Waikerie.

The Association has noted that satisfactory Chief Executive Officer Services has been provided.

It is recognised that there has been, and potentially will be an increase in the overall work load due to the expanding activities of the Association, allowing Chief Executive Services charges to reflect .6 FTE (up from .5 FTE) in line with contractual arrangements in place.

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 Member Councils, that became effective on the 13th December, 2001.

At the 7th April, 2006 General Meeting, Member Councils Delegates resolved the following changes to the Association's Charter, which were subsequently gazetted:

- That the Term of Office under Clause 2.1.2 be changed to four (4) years – (The Statutes Amendment (Local Government Elections) Act, 2005 has been proclaimed and the alteration provides for continuity of membership during that period).

- That Clause 2.2.2 be changed to read “Subject to any provision in this Charter to the contrary, the President and Vice President shall hold office from the Annual General Meeting at which they are elected until the following Annual General Meeting, however in the year immediately preceding the year in which a General Election for Local Government generally is held, such term shall conclude at the December General Meeting immediately following the General Election at which meeting both the position of President and Vice President shall be elected” – (this change allows that in the year of a general local government election, the new President and Vice-President would be chosen from the full representation of member Councils elected at that election, to represent their community's interests at a regional level).

- That the Constituent Councils listing, page 1, Councils of the Murray and Mallee, be changed to:
The Berri Barmera Council
The Coorong District Council
The District Council of Karoonda East Murray
The District Council of Loxton Waikerie
The Mid Murray Council
The Rural City of Murray Bridge
The Renmark Paringa Council
The Southern Mallee District Council – (this change reflecting the correct names of Constituent Councils).

At the Association's Annual General Meeting held on the 2nd June, 2006 Member Council Delegates resolved to undergo a legal review of the Association's Charter during 2006-2007, to ensure compliance with the provisions of the Local Government Act 1999.

THE PURPOSE OF THE ASSOCIATION:

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, a Charter as provided for under the Local Government Act 1999. The purpose for which the Association has been established is to:

- Undertake coordinating, advocacy and representational roles for its constituent Councils at a regional level.
- Facilitate and coordinate activities of local government at a regional level related to environment, economic and social development with the object of achieving continual improvement for the benefit of the communities of its constituent Councils.
- Develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community.
- Develop further cooperation between its constituent Councils for the benefit of the communities in the region.
- 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 in the region.
- Undertake projects that benefit the region and its communities.

ASSOCIATION MEETINGS:

During 2005 – 2006, the Association has met bi-monthly for General Meetings.

Meetings of the Association were convened on:

5th August, 2005 at the Meningie Bowling Club, Princes Highway, Meningie - Coorong District Council as host.

14th October, 2005 at the Karoonda East Murray Council Chamber, Railway Terrace, Karoonda - the District Council of Karoonda East Murray as host.

2nd December, 2005 at the District Council of Loxton Waikerie Council Chamber - the District Council of Loxton Waikerie as host.

3rd February, 2006 at the Mannum Motel - the Mid Murray Council as host.

7th April, 2006 at the McCormick Centre for the Environment - the Renmark Paringa Council as host.

2nd June, 2006 - the Annual General Meeting - the Rural City of Murray Bridge Council Chamber - the Rural City of Murray Bridge as host.

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

Brenton Lewis – Murraylands Regional Development Board
Leanne Knoll – *BillExpress*
Lynn Chamberlain – Volunteering SA
David Place – SA State Emergency Service
Ray Najar – Murray Darling Association
Rod McLellan – Major Projects, Victoria
Dianne Harris, Tony Rocca and Kym Gale – Local Government Corporate Services
Richard Hamely and Justin Dixon – SAMRIC
Hon. Peter Lewis MP – Member for Hammond
Hon. Patrick Secker MP – Member for Barker
Hon. John Dawkins MLC
Hon. Adrian Pederick – Member for Hammond.

Representatives of both the LGA and the Office of Local Government attended each meeting and took the opportunity to brief the Association of the relevant matters being addressed by their respective bodies. We acknowledge the support of Wendy Campana, Executive Director, LGA SA who has been ready to assist the Region and ensure that the LGA SA has had a presence at our meetings. The Association has also enjoyed a close working relationship with its State and Federal Members of Parliament, a number of whom have been regular attendees at our meetings.

The President has continued the practice of giving each of our guests the opportunity to address our meetings briefly about matters and issues before them that may be of interest to the Association and Member Councils. The contribution from all of the speakers, presenters and guests has kept the Association and the Delegates abreast of a wide ranging number of issues that impact on Local Government and the communities in the Region.

MEMBER COUNCIL DELEGATES TO THE ASSOCIATION:

The following are the current Delegates representing Member Councils as at the 30th June, 2006:

Berri Barmera Council (BBC): Mayor Margaret Evans and Deputy Mayor Les Hill and CEO Stephen Rufus (proxy).

Coorong District Council (CDC): Mayor Heather Moore, Deputy Mayor Peter Mattner and Tim Drew, CEO (proxy).

District Council of Karoonda East Murray (DCKEM): Mayor Kevin Burdett, CEO, Peter Smithson and Deputy Mayor Margaret Size (proxy).

District Council of Loxton Waikerie (DCLW): Mayor Dean Maywald, Deputy Mayor Leon Stasinowski and CEO Peter Ackland (proxy).

Mid Murray Council (MMC): Mayor Ian Mann, Cr. Mike Kluge and Cr. Peter Smith (proxy).

The Rural City of Murray Bridge (RCMB): Mayor Allan Arbon, Deputy Mayor Milton Weinert, Cr. Barry Laubsch (proxy) and CEO, David Altmann (proxy).

District Council of Renmark Paringa (RPC): Mayor Rod Thomas, CEO, Barry Hurst and Deputy Mayor Jack Papageorgio (proxy) and deputy CEO Robert Wood (proxy).

Southern Mallee District Council (SMDC): Mayor John Ramke, Deputy Mayor Gordon Hancock and Philip Wood, CEO (proxy).

ASSOCIATION COMMITTEE MEMBERSHIPS:

The following are the current Committee Members as at the 30th June, 2006:

Murray and Mallee Local Government Association Regional Waste Management Strategy Committee:

President M&MLGA as Chair. Mayor Allan Arbon – proxy Cr. Barry Laubsch. Barry Hurst, CEO Renmark Paringa DC. *(by virtue of position held)*

Bill Henderson, Coorong DC *(by virtue of position held)*

Brenton Lewis, CEO Murraylands Regional Development Board.

Cr. Roger Strother, Coorong DC.

Murray Bartsch, Renmark Paringa DC. *(by virtue of position held)*

Mayor Ian Mann, Mid Murray Council.

Jon Fry, Works Manager, Mid Murray Council. *(by virtue of position held)*

Peter Ackland, CEO DC Loxton Waikerie. *(by virtue of position held)*

Peter Broughill, Works Manager, Southern Mallee DC. *(by virtue of position held)*

Peter Smithson, CEO DC Karoonda East Murray – proxy John Claydon. *(by virtue of positions held)*

Ranjani Jha, Works Manager, Berri Barmera DC. *(by virtue of position held)*

Stephen Rufus, CEO Berri Barmera DC. *(by virtue of position held)*

Martin Waddington, Environmental Services Manager, RCMB. *(by virtue of position held)*

Tom Avery, Infrastructure Director, DC Loxton Waikerie. *(by virtue of position held)*

Cr. Les Maynard, Southern Mallee DC.

Cr. Trevor Kerley, DC Karoonda East Murray.

Chris Lease, LGA SA. (external appointment)

Fiona Jenkins, Zero Waste SA. (external appointment)

Ken Coventry, Deputy Chair, Murraylands Regional Development Board. (external appointment)

Marina Wagner, EPA. (external appointment)

Trent Mader, CEO Riverland Development Corporation or nominee. (external appointment)

Murray and Mallee Local Government Association Regional Community Water Management Scheme (CWMS) Committee: (previously termed STEDS Committee)

Cr. Bob England, RCMB
Cr. Heather Knipe, MMC
Cr. Kevin Dunstone, BBC
Cr. Mark Ward, DCLW
Cr. Ted Freak, Coorong DC
Cr. Trevor Kerley, DCKEM
Cr. Gordon Hancock, SMDC
Bill Henderson, Coorong DC (*by virtue of position held*)
Kelvin Goldstone, MMC (*by virtue of position held*)
Martin Waddington, RCMB (*by virtue of position held*)
Mayor Allan Arbon, President, RCMB
Mayor Rod Thomas, Vice President, RPC
Mike Stephenson, BBC (*by virtue of position held*)
Neil Martinson, DCLW (*by virtue of position held*)
Peter Broughill, SMDC (*by virtue of position held*)
Peter Smithson, DCKEM (*by virtue of position held*)
Robert Wood, RPC (*by virtue of position held*)
Richard Crabb and Richard Gayler, LGA (external appointments)

Murray and Mallee Local Government Association Regional Transport Strategy Committee:

Mayor Ian Mann, MMC, Chair
Mayor Allan Arbon, President (ex officio)
Peter Campbell, CEO
Chair, MRDB (external appointment)
Brenton Lewis, MRDB (external appointment)
Chair, RDC (external appointment)
Trent Mader, RDC (external appointment)
Transport SA – 2 nominees (external appointments)

Murray and Mallee Local Government Association Broadband Steering Committee:

Anthony McCabe, SMDC (*by virtue of position held*)
Chris Howell, BBC (*by virtue of position held*)
Craig Chadwick, MMC (*by virtue of position held*)
Mayor Allan Arbon, President (ex officio)
Peter Smithson, DCKEM (*by virtue of position held*)
Tony Siviour, DCLW (*by virtue of position held*)
Brenton Lewis, MRDB (external appointment)
Darryl Webb, MRDB (external appointment)
Ken Coventry, MRDB (external appointment)
Ken Smith, RDC (external appointment)
Trevor May, DFEEST (external appointment)

ASSOCIATION WORKING PARTY MEMBERSHIPS.

The following are the current Working Party Members as at the 30th June, 2006:

M&MLGA Transport Reference Group. – Community Transport:

Peter Smithson, CEO, DCKEM. *(by virtue of position held)*
Tom Avery, DC Loxton Waikerie. *(by virtue of position held)*

Water Management Working Party:

This Working Party has completed its work at this stage.

ASSOCIATION REPRESENTATION – OTHER BODIES.

During the year the Association has made and or continued the following appointments to other bodies:

Regional Fire Prevention Committee:

Mayor Ian Mann. Proxy: Cr. Jodi Flavell – DC Loxton Waikerie.

SAMRIC Management Committee:

Neil Martinson, DCLW

South Australian Fruit Fly Standing Committee:

Cr. Jack Papageorgio.

SA MDB NRM Capacity Building Reference Group:

CEO – Peter Campbell

South Australian Regional Organisation of Councils (SAROC):

President, Mayor Allan Arbon *(by virtue of position held)*.

Vice President Mayor Rod Thomas *(by virtue of position held)*.

Proxy for President and or Vice President, Mayor Ian Mann.

CEO – Peter Campbell *(by virtue of position held)*.

Murray and Mallee Strategic Task Force:

CEO – Peter Campbell.

MDA Dryland Salinity Strategy Committee.

MDA Local Government Engagement Project Committee.

River Murray Salinity Ministerial PAR Steering Committee.

Resource Information Centre Steering Committee.

Integrated Natural Resource Management Group for the SA MDB Inc.

River Murray Water Quality Risk Assessment Project Committee.

NRM Regional Steering Committee.

The seven Committees above have completed their work during the year.

EXECUTIVE MEETINGS:

The Executive Committee comprises of one Delegate from each Member Council. No Executive Committee meetings were held during the year.

GENERAL ACTIVITIES:

The Association undertakes a coordinating role, in conjunction with Member Councils, on their issues and those raised by the Local Government Association of South Australia, the community, and other relevant parties' concerns and interests.

State and Federal Members of Parliament representing our Region have been briefed and support has been sought for issues raised.

Submissions and briefings undertaken include:

- Recommendations for the River Murray Salinity Ministerial PAR and subsequent completion of the Draft PAR.
- Submission and input to the State Government for the continuation for the Murray and Mallee Strategic Task Force in a revamped format.
- Completion of the Association's Platform for Communities State Election Document for submission to all M&MLGA area political candidates.
- Briefings and input provided for the North South Corridor Heavy Vehicle Transport Corridor Business Case Study.
- Provision of Local Government input into Community Capacity Building projects for the SA MDB NRM Board Investment Prospectus 2006-2007.

- Submission for Auslink and Special Local Roads funding applications for 2006-2007.
- Association submission to the Local Government Finances Independent Inquiry.
- Submission and provision of support to the Adelaide City Council for the rebuilding of the Adelaide City Bus Station.
- Submission to SAROC regarding Staffing Cuts to School Community Libraries.
- Submission to the Minister for Transport for the provision of Rest Stop Facilities along the South Eastern Freeway.
- Submission to SAROC regarding local road deterioration due to increased grain movements by road.
- Submission to SAROC requesting the LGA SA to request the Minister for Primary Industries and Forestry to undertake a review of the Impounding Act.
- Regional input briefing provided to the SA Freight Council for regional road priorities.
- Provision of input briefing into the Local Government Research and Development Fund for increased assistance for Regional Capacity Building funding.
- Support submission provided to the Murraylands Regional Development Board for the Migrant Settlement Program.
- Submission to the Minister for Health for increased dialysis availability throughout the region.
- Input and briefing provided to Zero Waste SA regarding their proposed Regional Waste Management Implementation Program.
- Input and facilitation provided for the review of the SA State Plan.
- Submission to the Minister for the River Murray regarding identified environmental concerns in and along the River Murray.

The CEO has also attended several Forums, Workshops and Briefings throughout the year regarding evolving issues and to make contribution on behalf of the Association. These have included:

- The Murray and Mallee Local Government Association's Regional Infrastructure Workshop.
- Viva SA Regional Indicators Forum.

- Regional Waste Management Workshop conducted by the LGA SA.
- SA MDB NRM Board combined Reference Group Workshops.
- North South Corridor Heavy Vehicle Transport Corridor Business Case Workshop.
- Bureau of Meteorology Flood Warning Workshop.
- Financial Sustainability Workshop conducted by the LGA SA.
- Regional Chief Executive Officer's Forum Meetings.
- Irrigation Sustainability Workshop.
- SA State Plan Review Forum.

SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).

The President, Mayor Allan Arbon, Vice President Mayor Rod Thomas (Mayor Ian Mann as proxy on occasions) and the Chief Executive Officer have attended SAROC meetings during the year. The meetings are usually held bi-monthly on the day preceding the meeting of the LGA State Executive.

SAROC has a Memorandum of Understanding between Regional Local Government Associations and the Local Government Association of South Australia, which was completed in August, 2003.

The Association has provided our regional input into many topics that are relevant to all communities across the State, some of which include:

- Regional Passenger Transport
- Storm Water Management
- Native Vegetation
- Rural and Regional Waste Reforms
- Liquor Licensing
- Natural Resource Management
- Rural Property Addressing
- EPA Landfill Guidelines
- Regional Impact Assessment Statements
- STED Scheme Reforms and Management Options
- Staff Funding Cuts for School Community Libraries
- Problem Bird and Animal Species
- Local Government Price Index
- Heavy Vehicle Access Framework, and
- State Election Platform Documents.

FINANCIAL STATEMENTS TO 30TH JUNE, 2006.

The audited Financial Statements are included at the rear of this report. Surplus cash flow funds have been deposited with the Local Government Finance Authority and drawn on when and as required.

REGIONAL ENHANCEMENT AND CAPACITY BUILDING.

The Association acknowledges and thanks the Local Government Research and Development Fund Scheme for their annual grant of \$30,000 to the Association.

This grant has ensured that the Association has been able to undertake regional enhancement and capacity building projects throughout the year.

INFORMING COUNCILS AND OTHER PARTIES.

The Association recognises the importance of providing both topical and detailed information on its activities to Member Councils, the LGA SA, the Office of Local Government, Politicians, other key stakeholders and the general public within and outside the Region.

The Newsletter, the "Murray Mallee Briefs" has been prepared after each general meeting and is electronically widely distributed. Numerous media interviews have been undertaken as a result of the Newsletter's circulation.

In addition, during the year, the Association has commissioned its website at www.mmlga.sa.gov.au

This site contains a wealth of information on the Association's activities, including all Agendas, Appendices and Minutes for General and Committee Meetings.

NATIVE TITLE AND INDIGENOUS LAND USE AGREEMENTS.

The Association has continued to engage Rosemary Craddock LLB, to assist it in conducting a watching and advice brief over Native Title Claims in and adjacent to the Region.

The CEO provides executive support and a coordinating role, supporting Rosemary Craddock for the Member Councils of the Association and other Councils that are involved in the claims impacting on this Region.

A meeting of all Councils involved in the claims in and adjacent to the Region was held in Mannum on the 3rd February, 2006 where Rosemary Craddock updated Council representatives of the status of claims in the Region and the State.

PARTNERSHIP/STRATEGIC ACTIVITIES – 2004 – 2005.

The Association has continued to pursue a number of strategic issues with the support of partners and other key stakeholders in the Region. Without these partners and stakeholders, the Association would not have been able to singularly progress these initiatives.

Strategic Focus – Telecommunications.

The project partners are:

The Riverland Development Corporation,
The Murraylands Regional Development Board, and
DFEEST.

As part of the Association's 2005 – 2006 Annual Business Plan, the Association was to contribute and assist with the enhancement of telecommunications in the Region.

Given emerging technologies, the Association merged the activities of the Mobile Telecommunications Committee with the Broadband Steering Committee.

The Broadband Demand Aggregation Project has been continued by the partners, with the Project being managed by the Murraylands Regional Development Board.

During the year, the Broadband Stimulation Strategy, Data Collection, Demand Registers and Demand Mapping have been completed.

Expressions of Interest (EOI's) were invited and received from potential licensed Internet Service Providers (ISP's). Further evaluation took place and four selected ISP's were invited to provide the Committee with presentations on the services they were willing to supply throughout the Region.

The selection of a preferred carrier was determined and the Committee has sought further clarification as well as commencing initial contractual negotiations.

Strategic Focus – Transport Infrastructure.

Our Project Partners are:

The Riverland Development Corporation,
The Murraylands Regional Development Board, and
Transport SA.

During 2003-2004, the process of Councils and the Association's Regional Transport Strategy Committee's review of the Murray and Mallee Regional Transport Strategy Plan was undertaken. The Association, in conjunction with

the Committee has the opportunity to annually comment on the Plan to determine its currency and appropriateness to the changing needs of the Region.

The Plan has provided the basis to enable the Association and its Member Councils, to determine and support applications for Special Local Roads and Auslink funding applications.

Applications for funding in 2006-2007 were lodged with the Local Government Transport Advisory Panel at the end of April, 2006, and the Association awaits the results of the Panel's assessment for the Special Local Roads component and the Federal Government for the Auslink applications.

The Association has since resolved to review the Murray and Mallee Regional Transport Strategy Plan during 2006-2007 to ensure currency and relevance given changes in industry and social patterns in the Region.

Strategic Focus – Community Transport. – Riverland Community Transport Scheme and the Murray Mallee Community Transport Scheme.

Regular reports are received by the Association from both the Riverland and Murray Mallee Community Transport Schemes, which have consistently formed part of the Association's Agenda Items.

The Association has assisted these Schemes as required with the view of providing expanded and appropriate services for the disadvantaged regional residents.

Strategic Focus – Environment.

During the year, the Association and Member Councils have:

- Completed the Regional Waste Management Strategy Plan and commencement on work on implementation procedures.
- Completed an on-River Environmental Survey of the River Murray from the Mouth to the Victorian Border and provided a submission to the Minister for the River Murray.
- Provided an Association representative on the River Murray Water Quality Risk Assessment Project.
- Provided representation on the NRM Capacity Building Reference Group.
- Worked closely with the South Australian Murray Irrigators (SAMI).
- Provided a Local Government non-voting Member to the SA MDB NRM Board.
- Completed Regional STEDS Audits throughout the Region.
- Completion of the Draft River Murray Salinity Ministerial Plan Amendment Report.
- Provided input into the Zero Waste SA Regional Implementation Program.
- Provided information to Member Councils regarding Adaptation Actions for Local Government on Climate Change issues.

BEYOND 2006.

General Meetings of the Association will continue to be held on the first Friday in the months of August, December, February, April with the Annual General Meeting to be held in June. They will continue to be held throughout the Region and will be hosted alphabetically within the respective Member Council areas.

At the AGM held on the 2nd June, 2006, the Association endorsed their revised Strategic Plan, 2005-2008 and their Annual Business Plan 2006-2007, which was extracted from the revised Strategic Plan. These documents are available to be viewed and downloaded from the Association's website.

The status of the objectives and actions in the Association's Annual Business Plan 2006-2007 will be reviewed half yearly at the December meeting.

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MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2006**

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**INCOME STATEMENT
FOR YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
Revenues	8(a)	106,773.43	85,385.50
Other Expenses	8(b)	<u>(89,305.06)</u>	<u>(79,158.02)</u>
Profit from operations	6	<u>17,468.37</u>	<u>6,227.48</u>

BALANCE SHEET

AS AT 30 JUNE 2006

Current Assets

Cash	2(a)	60,649.79	117,722.84
Receivables	3	6,583.83	1,037.68
Money held in Trust		<u>2,961.74</u>	<u>2,961.74</u>
Total Current Assets		<u>70,195.36</u>	<u>121,722.26</u>

Total Assets

70,195.36 121,722.26

Current Liabilities

Payables	4	1,070.00	6,792.56
Unexpended Project Funds	5	46,325.29	96,893.50
Native Title Claim Moneys unexpended		<u>2,961.74</u>	<u>2,961.74</u>
Total Current Liabilities		<u>50,357.03</u>	<u>106,647.80</u>

Net Assets

19,838.33 15,074.46

Equity

Accumulated Surplus	6	<u>19,838.33</u>	<u>15,074.46</u>
Total Equity Surplus		<u>19,838.33</u>	<u>15,074.46</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2006

	Retained Earnings
Balance as at 1 July 2004	24,346.98
Profit/(Loss) attributable to association	6,227.48
Transfer to projects in progress	<u>(15,500.00)</u>
Balance as at 30 June 2005	<u>15,074.46</u>
Balance as at 1 July 2005	15,074.46
Profit/(Loss) attributable to association	17,468.37
Transfer to projects in progress	<u>(12,704.50)</u>
Balance as at 30 June 2006	<u>19,838.33</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 2006

	Notes	2006 \$	2005 \$
Cash Flow from Operations			
Receipts from Members		70,805.00	55,985.12
Receipts from others		30,000.00	25,000.00
Interest received		5,824.28	6,839.33
Payments to suppliers		(100,679.62)	(73,330.46)
Projects:			
Receipts from Grants		55,522.74	77,500.00
Payments to Suppliers		<u>(118,545.45)</u>	<u>(12,275.00)</u>
Net Cash provided by (used in)			
Operating Activities	2 b)	(57,073.05)	79,718.99
Net increase (decrease) in cash held		(57,073.05)	79,718.99
Cash at the beginning of the year		<u>117,722.84</u>	<u>38,003.85</u>
Cash at the end of the year	2 a)	<u>60,649.79</u>	<u>117,722.84</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 2006

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, Urgent Issues Group Interpretations, Other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act (SA).

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

Basis of Preparation

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

Murray and Mallee Local Government Association as an individual entity, have prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from 1 January 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the entity accounts resulting from the introduction of IFRS have been applied retrospectively to 2005 comparative figures, excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of Murray & Mallee Local Government Association to be prepared in accordance with Australian equivalents to IFRS.

The accounting policies set out below have been consistently applied to all years presented.

Reconciliations of the transition from previous Australian GAAP to IFRS have not been included in this report as no changes have been made to previous year's accounts.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

Note 1: Statement of Significant Accounting Policies cont...

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.

c) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown exclusive of GST.

d) Rounding of Accounts

Accounts are prepared in dollars and cents as per CEO instructions.

Note 2: Cash Flow Information	2006	2005
	\$	\$
a) Reconciliation of Cash		
Cash	100.00	100.00
Cash at Bank	633.56	(8,199.45)
LGFA Investment	<u>59,916.23</u>	<u>125,822.29</u>
	<u>60,649.79</u>	<u>117,722.84</u>
b) Reconciliation of net cash provided by operating activities to surplus (deficit) from ordinary activities		
Surplus (Deficit) from ordinary activities	17,468.37	6,227.48
Changes in Assets and Liabilities		
(Increase) Decrease in Debtors	(144.15)	(401.52)
(Increase) Decrease in GST Rec/Pay	(11,174.56)	8,613.03
Increase (Decrease) in Creditors	50.00	55.00
Increase (Decrease) in Unexpended Grant Funds	(50,568.21)	80,725.00
Increase/(Decrease) in Retained Earnings from Transfers	<u>(12,704.50)</u>	<u>(15,500.00)</u>
Cash Flow provided by (used in) Operating Activities	<u>(57,073.05)</u>	<u>79,718.99</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
Note 3: Receivables		
GST Refund	5,402.00	-
Accrued Interest	<u>1,181.83</u>	<u>1,037.68</u>
	<u>6,583.83</u>	<u>1,037.68</u>

Note 4: Payables		
GST Payable	-	5,772.56
Audit Fees	<u>1,070.00</u>	<u>1,020.00</u>
	<u>1,070.00</u>	<u>6,792.56</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.

	2006	2005
	\$	\$
Transport Strategy Project		
Income		
Balance brought forward	(204.50)	(204.50)
Contribution - MMLGA	<u>204.50</u>	<u>-</u>
Total Income	-	(204.50)
Project Funds not expended at 30 June 2006	<u>-</u>	<u>(204.50)</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
 Water Management Project		
Income		
Balance brought forward	<u>6,373.00</u>	<u>16,373.00</u>
Total Income	6,373.00	16,373.00
 Less Expenses		
Contribution - River Murray Salinity	-	(10,000.00)
- Survey	<u>(2,000.00)</u>	<u>-</u>
Total Expenses	<u>(2,000.00)</u>	<u>(10,000.00)</u>
 Project Funds not expended at 30 June 2006	<u>4,373.00</u>	<u>6,373.00</u>
 Mobile Base Station Provision		
Income		
Balance brought forward	2,500.00	-
Contribution - MMLGA	<u>-</u>	<u>2,500.00</u>
Total Income	2,500.00	2,500.00
 Project funds not expended at 30 June 2006	<u>2,500.00</u>	<u>2,500.00</u>
 Transport Strategy Stage 2		
Income		
Balance brought forward	4,000.00	-
Contribution - MMLGA	<u>2,000.00</u>	<u>4,000.00</u>
Total Income	6,000.00	4,000.00
 Less Expenses		
North South Transport Business case	<u>(3,000.00)</u>	<u>-</u>
Total Expenses	<u>(3,000.00)</u>	<u>-</u>
 Project funds not expended at 30 June 2006	<u>3,000.00</u>	<u>4,000.00</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Sport and Recreation Income		
Balance brought forward	-	-
Contribution - MMLGA	<u>2,500.00</u>	<u>-</u>
Total Income	2,500.00	-
Less Expenses		
Feasibility Study	<u>(1,136.36)</u>	<u>-</u>
Total Expenses	(1,136.36)	-
Project funds not expended at 30 June 2006	<u>1,363.64</u>	<u>- -</u>
 Web/Logo Design and Implement Income		
Balance brought forward	-	-
Contribution - MMLGA	2,000.00	-
Transfer from Discretionary Project	<u>585.00</u>	<u>-</u>
Total Income	2,585.00	-
Less Expenses		
Corporate Design	(136.36)	-
Construction Costs	<u>(2,272.73)</u>	<u>-</u>
Total Expenses	(2,409.09)	-
Project funds not expended at 30 June 2006	<u>175.91</u>	<u>-</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Regional STEDS Audits Income		
Balance brought forward	-	-
Southern Mallee District	1,574.55	-
Coorong DC	4,723.64	-
DC Loxton Waikerie	1,574.55	-
Mid Murray Council	17,000.91	-
Rural City Murray Bridge	<u>3,149.09</u>	<u>-</u>
Total Income	28,022.74	-
Project funds not expended at 30 June 2006	<u><u>28,022.74</u></u>	<u><u>-</u></u>
Discretionary Projects Income		
Balance brought forward	1,000.00	-
Contribution - MMLGA	<u>6,000.00</u>	<u>9,000.00</u>
Total Income	7,000.00	9,000.00
Less Expenses		
Contribution - Broadband Aggregation Project	-	(2,000.00)
Transfer to Sundry Expense	(250.00)	(6,000.00)
Transfer to Web/Logo Project	<u>(585.00)</u>	<u>-</u>
	(835.00)	(8,000.00)
Project funds not expended at 30 June 2006	<u><u>6,165.00</u></u>	<u><u>1,000.00</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Regional Waste Strategy		
Income		
Balance brought forward	83,225.00	-
Transfer from Discretionary Projects	-	6,000.00
Southern Mallee District	-	3,571.42
DC Karoonda	-	3,571.42
Berri Barmera C	-	7,142.86
Coorong DC	-	7,142.86
DC Loxton Waikerie	-	7,142.86
Mid Murray C	-	7,142.86
Rural City Murray Bridge	-	7,142.86
Renmark Paringa C	-	7,142.86
Zero Waste SA	<u>27,500.00</u>	<u>27,500.00</u>
Total Income	110,725.00	83,500.00
Less Expenses		
Advertising for Tenders	-	(275.00)
Consultancy	<u>(110,000.00)</u>	<u>-</u>
Total Expenses	(110,000.00)	(275.00)
Project funds not expended at 30 June 2006	<u>725.00</u>	<u>83,225.00</u>
Total Unexpended Grant Funds at 30 June 2006	<u>46,325.29</u>	<u>96,893.50</u>

Note 6: Accumulated Surplus

Accumulated Surplus at the beginning of the financial year	15,074.46	24,346.98
Surplus (Deficit) attributable to the Association	17,468.37	6,227.48
Transfer to projects in progress	<u>(12,704.50)</u>	<u>(15,500.00)</u>
Accumulated Surplus at the end of the financial year	<u>19,838.33</u>	<u>15,074.46</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

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		Floating Interest		Non Interest		Bearing	
	Total		Rate		Rate			
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
Financial Assets								
LGFA Investment	5.5	5.25	59,916	125,822	-	-	59,916	125,822
Cash	-	-	-	-	100	100	100	100
Cash at Bank	1.65	0.15	634	(8,199)	-	-	634	(8,199)
Total Financial Assets			<u>60,550</u>	<u>117,623</u>	<u>100</u>	<u>100</u>	<u>60,650</u>	<u>117,723</u>
Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(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
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	2006	2005
	\$	\$
Note 8:		
(a) INCOME		
Interest - Investment LGFA	5,502.11	3,920.21
- Bonus	235.98	445.03
- Bank	230.34	35.14
MBM LGA contributions:		
Berri Barmera Council	10,903.97	8,139.00
Coorong District Council	7,222.11	5,417.00
DC of Karoonda East Murray	3,823.47	2,851.00
DC of Loxton Waikerie	11,541.22	8,622.00
Mid Murray Council	8,638.21	6,441.00
The Rural City of Murray Bridge	14,444.22	10,871.00
DC of Renmark Paringa	9,700.28	7,248.00
Southern Mallee DC	<u>4,531.52</u>	<u>3,396.00</u>
Total MBM LGA contributions	70,805.00	52,985.00
Regional Enhancement Fund Grant	30,000.00	25,000.00
Other Income	-	<u>3,000.12</u>
TOTAL INCOME	<u>106,773.43</u>	<u>85,385.50</u>
 (b) EXPENDITURE		
Advertising	-	690.91
Audit Fees	1,070.00	1,025.00
Bank and Government Fees	127.80	322.75
Conference Registration	-	331.82
Executive Officer Contract Services	81,120.00	67,600.00
Insurance	936.00	892.00
Meeting Expenses		
- Association	1,168.36	1,920.00
- Working Parties	1,261.36	674.54
Postage	60.33	107.09
Presidents Travelling Allowance	600.00	-
Stationery	463.08	466.08
Sundry Expenses	419.95	193.46
Telecommunications	782.82	157.35
Telephone	1,295.36	1,231.57
SAROC Contribution	-	<u>3,545.45</u>
TOTAL EXPENDITURE	<u>89,305.06</u>	<u>79,158.02</u>
 Accumulated Surplus (Deficit) at End of Year	 <u>17,468.37</u>	 <u>6,227.48</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT BY THE COMMITTEE

In the opinion of the members of the committee:

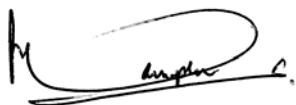
1. (a) the accompanying Statement of Financial Performance is drawn up so as to present fairly the surplus of Murray and Mallee Local Government Association for the financial year;
 - (b) the accompanying Statement of Financial Position is drawn up so as to present fairly the state of affairs of Murray 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.

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

President



CEO



Dated this 19th day of July 2006.

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

Scope

The financial report and committee's responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity, accompanying notes to the financial statements, and the statement by members of the committee for Murray and Mallee Local Government Association, for the year ended 30 June 2006.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporation Act (SA) 1985. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporation Act (SA) 1985, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and

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

- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Murray and Mallee Local Government Association presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Murray and Mallee Local Government Association as at 30 June 2006, and the results of its operations and its cash flows for the year then ended.

MSI TILLEY MURPHY HUGHES
Chartered Accountants



.....
G J Thornley FCA

Dated at Berri SA, this 24th day of July 2006.