



The Murray and Mallee
Local Government Association

THE MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION'S

ANNUAL REPORT 2006 – 2007

Comprising:

Berri Barmera Council: (BBC)

Coorong District Council: (CDC)

District Council of Karoonda East Murray: (DCKEM)

District Council of Loxton Waikerie: (DCLW)

Mid Murray Council: (MMC)

The Rural City of Murray Bridge: (RCMB)

Renmark Paringa Council: (RPC), and the

Southern Mallee District Council: (SMDC)

PRESIDENT'S ANNUAL REPORT.



President, Cr. Leon Stasinowsky.

Since being elected President of the Association in December 2006, I have become conscious that the Association has been very busy in pursuing the required outcomes of the Association's Strategic and Annual Business Plans during this past year.

I wish to take this opportunity to sincerely thank the past President, Mayor Allan Arbon for his efforts and guidance provided to the Association over the past years. I am very pleased that he has continued on as an active Delegate. As a result of the Local Government periodical elections in December, 2006, I warmly welcome new Delegates and thank the past Delegates for their time and hard work in forwarding the goals of the Association.

I will now summarise the main program of events and issues addressed over the past year, some of which have now been completed and others, ongoing.

Projects completed:

Legal Review of the Association's Charter including Member Council's endorsement and gazettal.

The receiving of the Association's Regional Waste Management Strategy Report as a basis of moving forward with reforms and the completion of a regional funding assistance application to Zero Waste SA.

Expansion of the Association's website providing greater information availability and transparency.

Completion of submissions to Auslink and the Special Local Roads Program for road construction and improvements resulting in \$2.89m funding assistance for the year.

With partners, both intra and interstate, successfully lobbied for the shelving of the Hattah Lakes/Nowingi Toxic Waste Dump proposal.

With partners, completion of the Irrigation Pathways Program.

Completion and endorsement of the Murray and Mallee Local Government Association/Murray Darling Association River Murray Policy Document.

Coordination of Motorhome waste dumping points throughout the region.

Completion and adoption of an Assessment Tool to determine the value of undertaking various activities across the region.

With partners, determination of a preferred regional provider for broadband infrastructure and completion of a BDF Funding Application for assessment.
Assistance provided and provision of local government representation on Regional Drought Committees including successful region wide Exceptional Circumstances Applications.

Provision of facilitation services and comment provided to the review of the State Strategic Plan.

Financial assistance provided for the completion of the Xtreme Leadership Program, now embraced state-wide by PIRSA.

Projects forwarded:

Rural Property Addressing Standard and implementation program.

Provision of Local Government representation on the SA MDB NRM Board and recent consideration of a replacement nomination.

Provision of representation on the Murray and Mallee Strategic Task Force including the potential transfer of operations to Regional Facilitation Groups or like organisations.

Ongoing assistance provided to the region's community transport schemes including the seeking of State Government Agency assistance to provide integrated services.

Provision of input into the region's Infrastructure Plan.

The receiving of ongoing Native Title advice and the commencement of negotiations towards ILUA's.

The forwarding of River Murray environmental issues with the EPA.

Determination of the program for electricity reticulation upgrades for the Tailm Bend to Pinnaroo line.

Support provided to Member Councils on storm-water management issues.

The review of the Impounding Act.

Consideration and input provided to the Heavy Vehicle Access Framework Revised Draft.

New Issues Addressed:

Addressing the issue of Grain Transport from Silos.

Revisitation on the re-naming of the B55 Highway.

Provision of input into the Elected Members Allowances discussion paper.

Provision of input into the draft Landfill Guidelines.

Comment provided for the CFS Fire Danger Permit Policy.

Addressing the funding maintenance for the Broomrape Eradication Program.

Infrastructure Changes on the River Murray below Lock 1.

Successful recommendations provided to the LGA through the SAROC Committee to reconvene a Native Vegetation Working Group to address the review of legislation and administration of the Native Vegetation Act 1991.

I would like to thank our CEO, Peter Campbell for his efforts, commitment and support over the past year and I look forward to working with him into the future.

Vice President, Mayor Ian Mann OAM deserves special mention for his assistance along with all other Member Council Mayors, Delegates and CEO's.

I would like to recognise the service and timely information provided by the Local Government Association of South Australia, especially from Barry Parsons and the Office of State/Local Government Relations. Many thanks.

Over the past six months, I have enjoyed being your President. I thank you all for that opportunity.

Cr. Leon Stasinowsky.
President, 2006 – 2007.
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 60,000 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 68,000 (approx. 4.6% of the State 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.

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 Berri (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 Murray Bridge on the 2nd June, 2006 and Mayor Rod Thomas, Renmark Paringa Council was re-elected Vice President. The term of these positions, as per the provisions of the Association's Charter, was until the periodical Local Government Elections on the 11th November, 2006.

At the Association's General Meeting held on the 8th December, 2006 at Taillem Bend, Cr. Leon Stasinowsky, District Council of Loxton Waikerie was elected President and Mayor Ian Mann, Mid Murray Council elected as Vice President, both for a term until the Association's Annual General Meeting on the 1st June, 2007.

At the Association's Annual General Meeting held on the 1st June, 2007, both Cr. Stasinowsky and Mayor Mann were re-elected to their respective positions until the Association's Annual General Meeting scheduled for the 6th June, 2008.

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 until the periodical Local Government Elections on the 11th November, 2006.

Following the 8th December, 2006 General Meeting, Cr. Leon Stasinowsky and Mayor Ian Mann have served on the State Executive of the Local Government Association of South Australia, with Mayor Allan Arbon 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 process on 5th April, 2007, coinciding with the production of the Association's draft 2007-2008 Annual Business Plan and draft 2007-2008 Budget.

In accordance with a Delegate's resolution, this process is undertaken annually.

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 have been provided.

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, becoming effective on the 13th December, 2001. To ensure legal compliance with the Local Government Act 1999, further statutory reviews of the Charter have taken place with a new Charter gazetted on the 8th February, 2007.

This Charter can be viewed on the Association's website at www.mmlga.sa.gov.au

THE PURPOSE OF THE ASSOCIATION:

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, the new Charter gazetted on the 8th February, 2007 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 2006 – 2007, the Association has met bi-monthly for General Meetings.

Meetings of the Association were convened on:

4th August, 2006 at the Lameroo Golf Club - The Southern Mallee District Council as host.

6th October, 2006 at the Berri Resort Hotel, Berri – The Berri Barmera Council as host.

8th December, 2006 at the Taillem Bend Town Hall, Railway Terrace, Taillem Bend – The Coorong District Council as host.

2nd February, 2007 at the Karoonda Bowling Club - The District Council of Karoonda East Murray as host.

5th April, 2007 at the Council Chamber - The District Council of Loxton Waikerie with the same Council as host.

1st June, 2007 - Annual General Meeting - at the Mid Murray Council Offices, Cambrai - The Mid Murray Council as host.

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

John Johnson, General Manager, SA MDB NRM Board.

John Riggs and Luke Mosely, Environment Protection Agency.

John Jarred and Silvio Vinsentin, Dept. Transport, Energy and Infrastructure.

Mark Drew, PIRSA.

Stephen Chapple, AusIndustry.

Jim Hullick, OAM.

Mayor Brian Hurn, Chair, Local Roads Advisory Committee.

Hon. Karlene Maywald MP, Minister for the River Murray.

Hon. Adrian Pederick MP.

Hon. John Dawkins MLC

Hon. Ivan Venning MP.

Hon. Michael Pengilly MP.

Hon. Mark Goldsworthy MP.

Brenton Lewis – Murraylands Regional Development Board.

Ray Najjar – Murray Darling Association.

Peter Lewis – Past 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, 2007:

Berri Barmera Council (BBC): Mayor Peter Hunt, Deputy Mayor Rhonda Centofanti and Stephen Rufus, CEO (proxy).

Coorong District Council (CDC): Mayor Keith Scobie, Deputy Mayor Roger Strother and Tim Drew, CEO (proxy).

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

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

Mid Murray Council (MMC): Mayor Ian Mann, Deputy Mayor David Burgess, Cr. Kevin Myers (proxy) and Cr. Inez Bormann (proxy).

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

District Council of Renmark Paringa (RPC): Mayor Neil Martinson, Barry Hurst, CEO and Deputy Mayor Louis Dimou (proxy) and Robert Wood, Director Corporate and Community Services (proxy).

Southern Mallee District Council (SMDC): Mayor John Ramke, Deputy Mayor George Gum, Cr. Robert Sexton (proxy) and Trevor Gordon, Acting CEO (proxy).

ASSOCIATION COMMITTEE AND WORKING PARTY MEMBERSHIPS:

The following are the current Association Committee Members as at the 30th June, 2007:

Association Committees:

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

President M&MLGA as Chair, Cr. Leon Stasinowsky.
Cr. Barry Laubsch, RCMB.
Barry Hurst, CEO, RPC. (by virtue of position held)
Bill Henderson, CDC (*by virtue of position held*)
Brenton Lewis, CEO Murraylands Regional Development Board.
Cr. Roger Strother, CDC.
Murray Bartsch, RPC. (*by virtue of position held*)
Mayor Ian Mann, MMC.

Jon Fry, Works Manager, MMC. *(by virtue of position held)*
Peter Ackland, CEO, DCLW. *(by virtue of position held)*
Peter Broughill, Works Manager, SMDC. *(by virtue of position held)*
Peter Smithson, CEO, DCKEM – proxy John Claydon. *(by virtue of positions held)*
Tom King, Infrastructure Services Manager, BBC. *(by virtue of position held)*
Stephen Rufus, CEO, BBC. *(by virtue of position held)*
Martin Waddington, Environmental Services Manager, RCMB. *(by virtue of position held)*
Tom Avery, Infrastructure Director, DCLW. *(by virtue of position held)*
Cr. Les Maynard, SMDC.
Cr. Trevor Kerley, DCKEM.
Chris Lease, Zero Waste SA. (external appointment)
Fiona Jenkins, Zero Waste SA. (external appointment)
Ken Coventry, Murraylands Regional Development Board. (external appointment)
Marina Wagner, EPA. (external appointment)
Ken Smith, 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. Kevin Dunstone, BBC
Cr. Mark Ward, DCLW
Cr. Ted Freak, CDC
Cr. Trevor Kerley, DCKEM
Cr. Gordon Hancock, SMDC
Bill Henderson, CDC *(by virtue of position held)*
Kelvin Goldstone, MMC *(by virtue of position held)*
Martin Waddington, RCMB *(by virtue of position held)*
Mayor Allan Arbon, RCMB
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 Gayler, LGA (external appointment)

Murray and Mallee Local Government Association Regional Transport Strategy Committee:

Mayor Ian Mann, MMC, Chair
Cr. Leon Stasinowsky, President (ex officio)
Peter Campbell, CEO

Chair, MRDB (external appointment)
Brenton Lewis, MRDB (external appointment)
Chair, RDC (external appointment)

Ken Smith, 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*)
Craig Chadwick, MMC (*by virtue of position held*)
Cr. Leon Stasinowsky, President (ex officio)
Peter Smithson, DCKEM (*by virtue of position held*)
Peter Ackland, 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)
Peter Triantafilou, DFEEST (external appointment)

Working Parties:

M&MLGA Transport Reference Group. – Community Transport:

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

ASSOCIATION REPRESENTATION – OTHER BODIES.

During the year the Association has made and or continued the following appointments to other bodies, as at the 30th June, 2007:

SA MDB NRM Board:

Vacant – (held by Barry Hurst, CEO, RPC until 10th March, 2007).

Regional Fire Prevention Committee:

Mayor Ian Mann, MMC and Cr. Jodi Flavell, DCLW.

SAMRIC Management Committee:

Neil Martinson, DCLW

South Australian Fruit Fly Standing Committee:

Cr. Les Hill, BBC.

SA MDB NRM Capacity Building Reference Group:

CEO – Peter Campbell

South Australian Regional Organisation of Councils (SAROC):

President, Cr. Leon Stasinowsky (*by virtue of position held*).

Vice President Mayor Ian Mann (*by virtue of position held*).

Proxy for President and or Vice President, Mayor Allan Arbon.

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

Murray and Mallee Strategic Task Force:

CEO – Peter Campbell.

LGA Native Vegetation Working Group:

Cr. Inez Bormann, MMC with Cr. Les Hill, BBC as proxy.

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:

- Provision of Local Government perspective input into the SA MDB NRM Board Strategic Plan.
- Submission for Special Local Roads applications for 2007-2008 funding round.
- Submission to the LGA regarding Elected Members Allowances.
- Submission to the LGA regarding the revised Heavy Vehicle Access Framework.
- Submission to the LGA and the endorsement of the establishment of an LGA CWMS Management Services Authority.
- Completion of a BDF Funding submission for Regional Broadband Funding Assistance.

- Submission to the SAROC Committee with reference to integrated Community Passenger Transport Services.
- Submission to the Minister for the Environment regarding financial cutbacks to the Broomrape Eradication Program.
- Provision of input into the Murraylands and Riverland Regional Drought Committees for Exceptional Circumstances status.
- Submission to Zero Waste SA for Regional Waste Strategy Implementation funding assistance.
- Provision of input into the Association's revised Regional Transport Strategy Plan Report.
- Submission to the Premier and the Minister for the River Murray regarding proposed infrastructure changes below Lock 1.
- Submission to the Minister for the Environment regarding proposed increases in landfill levies.
- Submission to the Minister for Agriculture, Food and Fisheries for Exceptional Circumstances eligible farmers and businesses to receive annual rate subsidies in line with the Victorian Government model.
- Submission to the SAROC Committee regarding Community Insurance provisions.

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:

- Zero Waste SA Regional Grants Program Forum.
- LG Grants Commission regarding Road Prioritisation.
- Murray Darling Association – Regions 5 and 6 Policy Development.
- Joint Regional Development Boards/Local Government Executives Forum.
- Wallmans Solicitors on Legal and Financial matters pertaining to Local Government.
- South Australian Strategic Plan Review Update Forum.
- Zero Waste SA Regional Waste Strategy Forum.

- Regional Chief Executive Officer's Forum Meetings.
- The Murraylands Economic Outlook Forum.
- Zero Waste SA Statewide Waste Strategy Forum.
- SA MDB NRM/LG Mayoral 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 until the periodical Local Government Elections held on the 11th November, 2006.

Following that date, the President Cr. Leon Stasinowsky, Vice President Mayor Ian Mann, with Mayor Allan Arbon as proxy and the Chief Executive Officer attended the SAROC meetings.

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:

- Heavy Vehicle Access Framework (HVAF).
- Transport of Grain from Silos.
- Integration of Community Passenger Transport Services.
- CFS Fire Permit Policy.
- Road Funding Allocations.
- Drought Relief.
- EPA Landfill Guidelines.
- Speed Limits on State Roads.
- Regional Broadband.
- Rural Property Addressing Standard.

- Changes to Water Licencing Arrangements.
- Native Vegetation.
- Revised Criteria of Reclassification of Roads.
- Review of the NRM Act 2004.
- Review of grant methodology for the Special Local Roads Program (SLRP).
- Licencing of Country Taxis.
- and, Review of Regional Development Boards.

FINANCIAL STATEMENTS TO 30TH JUNE, 2007.

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 2006-2007 grant of \$30,930 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.

The Association’s website www.mmlga.sa.gov.au 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 Member Councils in Native Title negotiations in and adjacent to the Region.

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

PARTNERSHIP/STRATEGIC ACTIVITIES 2006 – 2007.

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.

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, a Broadband Development Fund (BDF) funding submission was completed and forwarded to DFEEST for assessment.

The funding requested was to supplement Federal Government assistance under the Broadband Connect Subsidy Program (BCSP) and the preferred ISP supplier capital funding.

However, subsequent to the BDF funding application completion, the Federal Government ceased the operation of the BCSP and replaced it with the Interim Broadband Guarantee Program (IBGP) until the 30th June, 2007 to be followed by the full Broadband Guarantee Program (BGP) to operate until the 30th June, 2008.

In addition, the Federal Government announced the Australian Broadband Infrastructure Program (ABIP) which may provide broadband fibre opportunities through currently unknown portions of the region.

Regionally identified and endorsed ISP's have advised that their current business plans do not support the Federal Government's changes for infrastructure subsidies and currently the Association's Regional Broadband Program is on hold, once again, awaiting a Federal Government announcement on the coverage to be provided under the BIF Program.

Strategic Focus – Transport Infrastructure.

Our Project Partners are:

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

During 2006-2007, 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 the 2006-2007 round were lodged with the Local Government Transport Advisory Panel at the end of April, 2006 resulting in \$2.89m funding availability for identified road construction in the region.

Applications for funding in 2007-2008 were lodged with the Local Government Transport Advisory Panel at the end of April, 2007, and the Association awaits the results of the Panel's recommendation for the Special Local Roads component to the Local Government Grants Commission.

Strategic Focus – Community Transport. – Riverland Community Passenger Network and the Murray Mallee Community Passenger Network Schemes.

Our partners are:

The South Australian Regional Organisation of Councils (SAROC),
The Local Government Association of SA,
The Riverland and Murray Mallee Community Passenger Transport
Networks and Advisory Committees.

Through the SAROC Committee, the Association has pursued the issue of the integration of Community Passenger Network (CPN) Schemes throughout the region.

Integration allows for the use of agency managed governmental vehicles for the purpose of providing further transport solutions for the disadvantaged.

The SAROC Committee resolved to raise the matter with the Government Reform Commission (GRC) who is in the process of encouraging the State Government to provide an overarching policy, applicable to all governmental departments, to provide the availability of under-utilised assets to be made available to improve CPN services.

Strategic Focus – Environment - Drought.

Our partners are:

The Riverland Development Corporation,
The Murraylands Regional Development Board,
Primary Industries and Resources SA,
Murray and Mallee Strategic Task Force,
Irrigation Authorities and Associations.

The Drought has severely affected environmental and economic stability and planned growth throughout the region.

With partners, the Association provided representation and input into two successful Exceptional Circumstances (EC) applications covering both the dryland farming areas and the River Murray Irrigator's corridor, effectively covering the entire Murray and Mallee Local Government region.

Member Councils are to be congratulated on providing individual financial assistance to each EC Committee assisting with the preparation of the EC Applications.

The Association, through the SAROC Committee is currently pursuing the State Government to provide annual rate subsidies for EC eligible farmers and businesses, based on the 50% annual rate subsidy in the Victorian Government model.

On other environmental matters, the Association and Member Councils have:

- Completed a Regional Waste Strategy Implementation funding application to Zero Waste SA.
- Provided an Association representative on the River Murray Water Quality Risk Assessment Committee.
- Provided representation on the NRM Capacity Building Reference Group.
- Until March, 2007 provided a Local Government non-voting Member to the SA MDB NRM Board.
- 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 2007.

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 Annual General Meeting held on the 1st June, 2007, the Association endorsed their revised Strategic Plan, 2005-2008 and their Annual Business Plan 2007-2008, which was extracted from the revised Strategic Plan 2007-2008. 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 2007-2008 will be reviewed half yearly at the December General Meeting and the June Annual General Meeting as per the provisions of the Association's Charter.

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MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2007**

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**INCOME STATEMENT
FOR YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
Revenues	7(a)	111,639.89	106,773.43
Other Expenses	7(b)	(<u>93,325.69</u>)	(<u>89,305.06</u>)
Profit from operations	6	<u>18,314.20</u>	<u>17,468.37</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET

AS AT 30 JUNE 2007

Current Assets			
Cash	2(a)	33,155.02	60,649.79
Receivables	3	3,274.85	6,583.83
Money held in Trust		<u>2,961.74</u>	<u>2,961.74</u>
Total Current Assets		<u>39,391.61</u>	<u>70,195.36</u>
Total Assets		<u>39,391.61</u>	<u>70,195.36</u>
 Current Liabilities			
Payables	4	1,185.50	1,070.00
Unexpended Project Funds	5	9,094.55	46,325.29
Native Title Claim Moneys unexpended		<u>2,961.74</u>	<u>2,961.74</u>
Total Current Liabilities		<u>13,241.79</u>	<u>50,357.03</u>
 Net Assets		 <u>26,149.82</u>	 <u>19,838.33</u>
 Equity			
Accumulated Surplus	6	<u>26,149.82</u>	<u>19,838.33</u>
Total Equity Surplus		<u>26,149.82</u>	<u>19,838.33</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2007

	Retained Earnings
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>
Balance as at 1 July 2006	19,838.33
Profit/(Loss) attributable to association	18,314.20
Transfer to projects in progress	<u>(12,002.71)</u>
Balance as at 30 June 2007	<u>26,149.82</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		\$	\$
Cash Flow from Operations			
Receipts from Members		75,596.00	70,805.00
Receipts from others		30,930.00	30,000.00
Interest received		5,500.87	5,824.28
Payments to suppliers		(90,288.19)	(100,679.62)
Projects:			
Receipts from Grants		-	55,522.74
Payments to Suppliers		<u>(49,233.45)</u>	<u>(118,545.45)</u>
Net Cash provided by (used in)			
Operating Activities	2 b)	(27,494.77)	(57,073.05)
Net increase (decrease) in cash held		(27,494.77)	(57,073.05)
Cash at the beginning of the year		<u>60,649.79</u>	<u>117,722.84</u>
Cash at the end of the year	2 a)	<u>33,155.02</u>	<u>60,649.79</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 2007

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

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.

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 Cash Flow Statement, 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 Balance Sheet are shown exclusive of GST.

d) Amounts

Amounts are presented in dollars and cents as per CEO instructions.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

Note 1: Statement of Significant Accounting Policies

e) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

Note 1: Statement of Significant Accounting Policies

f) Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expenses to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key Estimates - Impairment

The association assesses impairment at each reporting date by evaluating conditions specific to the association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

Note 2: Cash Flow Information	2007	2006
	\$	\$
a) Reconciliation of Cash		
Cash	100.00	100.00
Cash at Bank	1,289.61	633.56
LGFA Investment	<u>31,765.41</u>	<u>59,916.23</u>
	<u>33,155.02</u>	<u>60,649.79</u>
b) Reconciliation of net cash provided by operating activities to profit/(loss) from ordinary activities		
Profit/(Loss) from ordinary activities	18,314.20	17,468.37
Changes in Assets and Liabilities		
(Increase) Decrease in Debtors	386.98	(144.15)
(Increase) Decrease in GST Rec/Pay	2,922.00	(11,174.56)
Increase (Decrease) in Creditors	115.50	50.00
Increase (Decrease) in Unexpended Grant Funds	(37,230.74)	(50,568.21)
Increase/(Decrease) in Retained Earnings from Transfers	<u>(12,002.71)</u>	<u>(12,704.50)</u>
Cash Flow provided by (used in) Operating Activities	<u>(27,494.77)</u>	<u>(57,073.05)</u>
 Note 3: Receivables		
GST Refund	2,480.00	5,402.00
Accrued Interest	<u>794.85</u>	<u>1,181.83</u>
	<u>3,274.85</u>	<u>6,583.83</u>
 Note 4: Payables		
Sundry Creditors	8.50	-
Audit Fees	<u>1,177.00</u>	<u>1,070.00</u>
	<u>1,185.50</u>	<u>1,070.00</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
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.		
	2007	2006
	\$	\$
Transport Strategy Project		
Income		
Balance brought forward	-	(204.50)
Contribution - MMLGA	<u>-</u>	<u>204.50</u>
Total Income	<u>-</u>	<u>-</u>
 Project Funds not expended at 30 June 2007	 <u>-</u>	 <u>-</u>
 Water Management Project		
Income		
Balance brought forward	<u>4,373.00</u>	<u>6,373.00</u>
Total Income	<u>4,373.00</u>	<u>6,373.00</u>
 Less Expenses		
Contribution - River Murray Salinity	-	-
- Survey	<u>-</u>	<u>(2,000.00)</u>
Total Expenses	<u>-</u>	<u>(2,000.00)</u>
 Project Funds not expended at 30 June 2007	 <u>4,373.00</u>	 <u>4,373.00</u>
 Mobile Base Station Provision		
Income		
Balance brought forward	2,500.00	2,500.00
Contribution - MMLGA	<u>-</u>	<u>-</u>
Total Income	<u>2,500.00</u>	<u>2,500.00</u>

Project funds not expended at
30 June 2007

2,500.00

2,500.00

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Transport Strategy Stage 2		
Income		
Balance brought forward	3,000.00	4,000.00
Contribution - MMLGA	<u>7,000.00</u>	<u>2,000.00</u>
Total Income	10,000.00	6,000.00
Less Expenses		
North South Transport Business case	-	(3,000.00)
Transport Strategy Review	<u>(10,000.00)</u>	<u>-</u>
Total Expenses	(10,000.00)	(3,000.00)
 Project funds not expended at 30 June 2007	 <u>-</u>	 <u>3,000.00</u>
 Sport and Recreation		
Income		
Balance brought forward	1,363.64	-
Contribution - MMLGA	<u>-</u>	<u>2,500.00</u>
Total Income	1,363.64	2,500.00
Less Expenses		
Feasibility Study	-	(1,136.36)
Contribution to regional demand assessment	(1,250.00)	-
Transfer to Discretionary Projects	<u>(113.64)</u>	<u>-</u>
Total Expenses	(1,363.64)	(1,136.36)
 Project funds not expended at 30 June 2007	 <u>-</u>	 <u>1,363.64</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Web/Logo Design and Implementation Income		
Balance brought forward	175.91	-
Contribution - MMLGA	-	2,000.00
Transfer from Discretionary Project	<u>-</u>	<u>585.00</u>
Total Income	175.91	2,585.00
Less Expenses		
Corporate Design	(80.00)	(136.36)
Construction Costs	-	(2,272.73)
Website Hosting	(50.00)	-
Transfer to Discretionary Projects	<u>(45.91)</u>	<u>-</u>
Total Expenses	(175.91)	(2,409.09)
Project funds not expended at 30 June 2007	<u>-</u>	<u>175.91</u>
Regional STEDS Audits Income		
Balance brought forward	28,022.74	-
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	-	3,149.09
Contribution - MMLGA	<u>2.71</u>	<u>-</u>
Total Income	28,025.45	28,022.74
Less Expenses		
Regional STEDS Audit	<u>(28,025.45)</u>	<u>-</u>
Total Expenses	(28,025.45)	-
Project funds not expended at 30 June 2007	<u>-</u>	<u>28,022.74</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Discretionary Projects		
Income		
Balance brought forward	6,165.00	1,000.00
Contribution - MMLGA	-	6,000.00
Transfer from Legal Charter Review	172.00	-
Transfer from Sport and Recreation	113.64	-
Transfer from Regional Waste Strategy	725.00	-
Transfer from Web/Logo Design and Implementation	<u>45.91</u>	<u>-</u>
Total Income	7,221.55	7,000.00
Less Expenses		
Transfer to Sundry Expense	-	(250.00)
Transfer to Web/Logo Project	-	(585.00)
Transfer to Extreme Leadership Program	<u>(5,000.00)</u>	<u>-</u>
Total Expenses	(5,000.00)	(835.00)
Project funds not expended at 30 June 2007	<u>2,221.55</u>	<u>6,165.00</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Legal Charter Review		
Income		
Contribution - MMLGA	<u>5,000.00</u>	<u>-</u>
Total Income	5,000.00	-
Less Expenses		
Legal Charter Review	(4,828.00)	-
Transfer to Discretionary Projects	<u>(172.00)</u>	<u>-</u>
	(5,000.00)	-
 Project funds not expended at 30 June 2007	 <u>-</u>	 <u>-</u>
 Extreme Leadership Program		
Income		
Transfer from Discretionary Projects	<u>5,000.00</u>	<u>-</u>
Total Income	5,000.00	-
Less Expenses		
Extreme Leadership Contribution	<u>(5,000.00)</u>	<u>-</u>
Total Expenses	(5,000.00)	-
 Project funds not expended at 30 June 2007	 <u>-</u>	 <u>-</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Regional Waste Strategy		
Income		
Balance brought forward	725.00	83,225.00
Zero Waste SA	<u>-</u>	<u>27,500.00</u>
Total Income	<u>725.00</u>	<u>110,725.00</u>
Less Expenses		
Transfer to Discretionary Projects	(725.00)	-
Consultancy	<u>-</u>	<u>(110,000.00)</u>
Total Expenses	<u>(725.00)</u>	<u>(110,000.00)</u>
 Project funds not expended at 30 June 2007	 <u>-</u>	 <u>725.00</u>
 Total Unexpended Grant Funds at 30 June 2007	 <u><u>9,094.55</u></u>	 <u><u>46,325.29</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007

Note 6: 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 Rate		Non Interest Rate		Bearing	
	Total							
	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets								
LGFA Investment	6.0	5.5	31,765	59,916	-	-	31,765	59,916
Cash			-	-	100	100	100	100
Cash at Bank	1.60	1.65	<u>1,290</u>	<u>634</u>	-	-	<u>1,290</u>	<u>634</u>
Total Financial Assets			<u>33,055</u>	<u>60,550</u>			<u>100</u>	<u>100</u>
			<u>33,15560,650</u>					
Financial Liabilities			-	-	-	-	-	-

(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 Balance Sheet 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 Balance Sheet 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 2007**

	2007	2006
	\$	\$
Note 7:		
(a) INCOME		
Interest - Investment LGFA	4,635.50	5,502.11
- Bonus	326.70	235.98
- Bank	151.69	230.34
MBM LGA contributions:		
Berri Barmera Council	11,642.00	10,903.97
Coorong District Council	7,711.00	7,222.11
DC of Karoonda East Murray	4,082.00	3,823.47
DC of Loxton Waikerie	12,322.00	11,541.22
Mid Murray Council	9,222.00	8,638.21
The Rural City of Murray Bridge	15,422.00	14,444.22
DC of Renmark Paringa	10,356.00	9,700.28
Southern Mallee DC	<u>4,838.00</u>	<u>4,531.52</u>
Total MBM LGA contributions	75,595.00	70,805.00
Regional Enhancement Fund Grant	30,930.00	30,000.00
Other Income	<u>1.00</u>	<u>-</u>
TOTAL INCOME	111,639.89	106,773.43
(b) EXPENDITURE		
Audit Fees	1,070.00	1,070.00
Bank and Government Fees	152.50	127.80
Executive Officer Contract Services	85,540.00	81,120.00
Insurance	992.00	936.00
Meeting Expenses		
- Association	880.00	1,168.36
- Working Parties	1,018.18	1,261.36
Postage	84.01	60.33
Presidents Travelling Allowance	635.00	600.00
Stationery	529.77	463.08
Sundry Expenses	252.83	419.95
Telecommunications	782.14	782.82
Telephone	<u>1,389.26</u>	<u>1,295.36</u>
TOTAL EXPENDITURE	<u>93,325.69</u>	<u>89,305.06</u>
Profit/(Loss) at End of Year	<u>18,314.20</u>	<u>17,468.37</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

Note 8: Contingent Liabilities

At 30th June 2007, the Committee is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

Note 9: Capital Commitments

At 30th June 2007, the Committee is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

Note 10: Events After the Balance Sheet Date

Since the reporting date, there have been no events that would materially impact on the contents and result of this report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT BY THE COMMITTEE

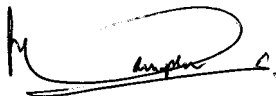
In the opinion of the members of the committee:

1. (a) the accompanying Income Statement is drawn up so as to present fairly the surplus of Murray and Mallee Local Government Association for the financial year;
(b) the accompanying Balance Sheet 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 10th day of August 2007.

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

Report on the Financial Report

We have audited the accompanying financial report of Murray and Mallee Local Government Association (the association) which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
(continued)**

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

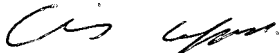
Auditor's Opinion

In our opinion:

The financial report of Murray and Mallee Local Government Association is in accordance with the Associations Incorporation Act (SA) 1985 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act (SA) 1985.

WHK THOMSONS AUDIT SERVICES



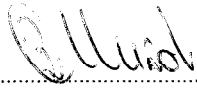
Chris Campbell CA

Dated this 10th day of August 2007.

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

Barry C Hurst

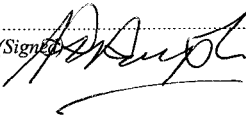
I,, the person for the time being occupying the position of chief executive officer of the ~~Renmark Paranga Council~~ Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


.....
(Signed)

15. 10. 07
.....
(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

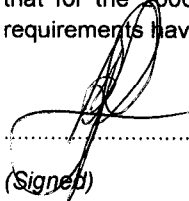
I, Rodney Layton Ralph, the person for the time being occupying the position of Chief Executive Officer of the Southern Mallee District Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


.....
(Signed)

15th October 2007
.....
(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**


I, STEPHEN RUFUS....., the person for the time being occupying the position of chief executive officer of the BERRI BARRMERA..... Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


.....
(Signed)

18/10/2007
.....
(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

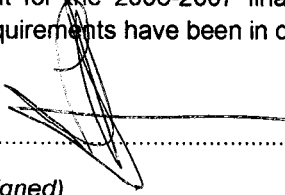
I, Peter Smithson....., the person for the time being occupying the position of chief executive officer of the District Council of ^{Murray} ~~North~~ ^{North} ~~East~~ ^{East} ~~West~~ ^{West}..... Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


.....
(Signed)

12/10/2007
.....
(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

I, TIMOTHY DREW, the person for the time being occupying the position of chief executive officer of the COOYONG DISTRICT Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.



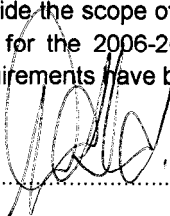
(Signed)

18-10-07

(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

I, PETER ACKLAND, the person for the time being occupying the position of chief executive officer of the DISTRICT COUNCIL OF LONDON WARRICK Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.



(Signed)

18 Oct 07

(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

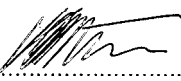
I, Dean Hilary Gallow, the person for the time being occupying the position of chief executive officer of the Mud Murray Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


(Signed)

18/10/07
(Dated)

**CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –
AUDITOR INDEPENDENCE.**

I, P. Alhman, the person for the time being occupying the position of chief executive officer of the Rural City of Murray Bridge Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999 – noting that for the 2006-2007 financial year only that the prescribed auditor independence requirements have been in operation and effect only from 25th January, 2007.


(Signed)

18/10/07
(Dated)