



The Murraylands and Riverland
Local Government Association

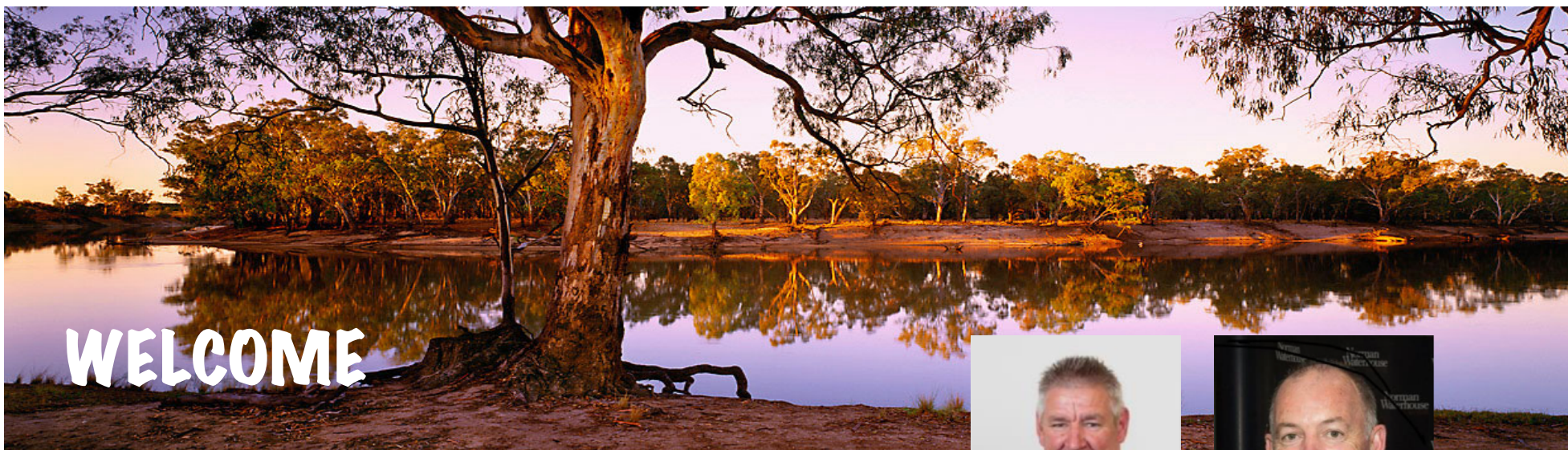
MURRAYLANDS & RIVERLAND LOCAL GOVERNMENT ASSOCIATION ANNUAL REPORT 2017 to 2018



Murraylands and Riverland Local Government Association
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The past year has been extraordinarily busy and productive for the Murraylands and Riverland Local Government Association (MRLGA).

Our purpose remains staunchly focused on providing effective representation for local government and communities at regional, state and federal level in support of our Constituent Councils by sharing information, facilitating debate and influencing government policy through partnerships and advocacy.

This document represents the Annual Report of the Murraylands and Riverland Local Government Association (MRLGA) for the period 1st July 2017 to 30th June 2018.

This report must be submitted to the Constituent Councils by 31st October in each Financial Year in accordance with the MRLGA Charter on the work and operations of the Subsidiary.

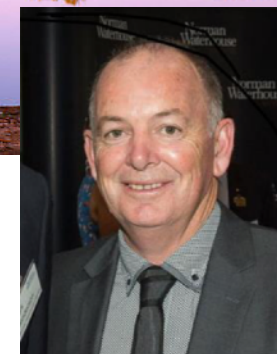
The report details the achievements of the MRLGA against its strategic objectives and incorporates the audited Financial Statements of the Subsidiary and any other information or reports required by the Constituent Councils.

This report also details the activities of the Association to represent and serve our Constituent Councils and to advance the Murraylands and Riverland communities through effective advocacy, facilitation and innovation.



Mayor Dave Burgess

MRLGA President



Peter Bond

MRLGA Chief Executive Officer

The Annual Report articulates clearly the alignment of the Subsidiary with its role of Leadership, Advocacy, Regional Capacity Building and Collaborative Partnerships. The MRLGA represents engaged and informed member Councils, our board members apply rigorous principles of management and governance and our stakeholders value the disciplined representation of the Association.

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MRLGA ANNUAL REPORT SUMMARY 2017-2018

The MRLGA Board is pleased to provide the Murraylands and Riverland Local Government Association (MRLGA) Annual Report on the work and operations of the Subsidiary for the financial year 2017-2018 in accordance with Clause 28, Schedule 2 of the Local Government Act (1999).

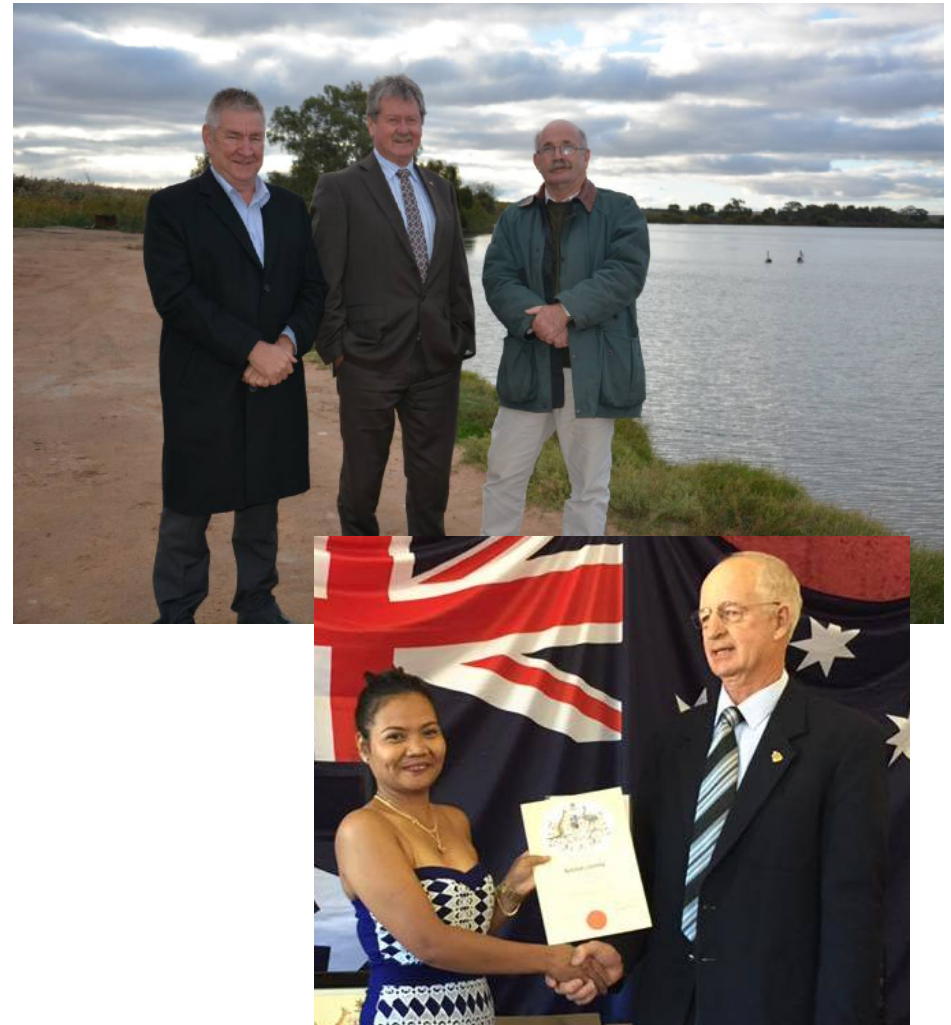
Our vision is to be ***‘a successful region led by progressive and responsive local governments’*** and our ability to deliver this vision has been enhanced significantly through the year with the release of the MRLGA's updated Strategic Plan 2016-2020. Our way forward will focus predominantly in the formation of partnerships that will add strength to the resolution of regional issues and provide for the most effective mechanisms to deliver regional programs.

The MRLGA Board has represented its Constituent Councils on a range of issues pertinent to our region. Such issues have included in part, Local/State Government Reform, advocating for the implementation of the Murray-Darling Basin Plan, Planning Reform, abolition of Rubble Royalties, the Community Wellbeing program, the fight against rate capping and as a Board member on the Grants Commission.

The MRLGA Board looks forward to realising the opportunities that are available to our dynamic region. With the new State Government having local reform firmly in their sights this is a time for mature heads and strategic partnerships when making the critical decisions that will grow our region.

In closing the MRLGA Board sincerely thanks all constituent Councils and key partners for the role they have played in delivering a range of programs and projects over the last 12-months. The Board would particularly like to thank our CEO, Peter Bond for his commitment and support provided to me and the Association over the past year; in particular the role he took in leading a range of strategic projects vital to the social and economic wellbeing of our flourishing region.

Murraylands & Riverland Local Government Association (MRLGA)



ROLE OF THE MRLGA

The Murraylands and Riverland Local Government Association is comprised of the following Constituent Councils:

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

The Murraylands and Riverland Local Government Association Strategic Plan 2016 - 2020 responds not only to the strategic needs and objectives of its 8 Constituent Councils, but also to a number of key strategies including States Seven Strategic Priorities, the LGA's Strategic Plan, the RDAs Regional Roadmap and the SA MDBNRM Board's Strategic and Business Plans.

Executive Officer services for the Association for the year were again provided by Peter Bond under a contract arrangement. In accordance with a resolution of Member Council Delegates, the Chief Executive Officer is subject to ongoing performance review with the Association.

The Annual Report articulates clearly the alignment of the Subsidiary with its role and purpose as outlined below;

Role	MRLGA will provide for ...
Leadership and Advocacy	<ul style="list-style-type: none"> • Initiate action and lead regional activity • Set the agenda and direction • Represent the region, and pursue outcomes on behalf of the Constituent Councils and the region
Capacity Building	<ul style="list-style-type: none"> • Work with member Councils to build capacity and increase sustainability • Provide for integrated and coordinated regional collaboration for Constituent Councils • Act as the central organisation for shared Local Government responsibilities • Join with other stakeholders to deliver a service or project
Continuous Improvement	<ul style="list-style-type: none"> • Facilitate continuous improvement for our Constituent Councils
Collaborative Partnerships	<ul style="list-style-type: none"> • Join with other stakeholders to build the capacity of the region

OUR VISION

A successful region led by progressive and responsive local governments. Issues and projects and the lobbying for the benefit of our regional communities.

OUR MISSION

To provide an effective and efficient regional organisation, facilitating the coordination of Local Government resources, the fostering of partnership approaches to regional issues and projects and the lobbying for the benefit of our regional communities.

MURRAYLANDS AND RIVERLAND LGA IN PROFILE

The Murraylands and Riverland Region covers over 36,000 kilometres² (third largest region in South Australia) spanning eight Constituent Councils. It is home to around 69,000 people and some 5,000 businesses. The major economic output is primary production accounting for 34% of all GRP generated, 20% of jobs and 15% of household incomes. Our region has the highest proportion of agriculture dependence for any region in South Australia.

The Murraylands and Riverland Local Government Association (MRLGA) operates as a Regional Subsidiary under the provisions of the Local Government Act 1999.

MRLGA is composed of eight Constituent Councils from within the region as outlined in Figure 1. As a Regional Subsidiary the Association has as its governing document a Charter as provided for under the Local Government Act 1999 which came into effect on 13th December 2001.

The MRLGA Charter identifies a broad range of roles to deliver the objectives of the Association. Given our limited resources, it is necessary to closely define the role of MRLGA in delivering the five regional strategies. The Charter defines the Association's role as follows;

- To undertake coordinating, advocacy and representational roles for its constituent Councils at a regional level
- To facilitate and coordinate activities of local government at a regional level on behalf of our constituent Councils.
- To develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government
- To develop further cooperation between its constituent Councils for the benefit of the communities in the region.
- To develop and manage policies which guide the conduct of programs and projects in the region
- To undertake projects that benefit the region and its communities

The Charter requires the MRLGA to prepare a Strategic Plan every three (3) years. This Strategic Plan sets the activities and outcomes for the work of the MRLGA for the financial year 2016-2017. The direction of the Association is now governed by the current Strategic Plan 2016–2020 adopted by the MRLGA Board in April 2016 and identifies the Subsidiaries' Vision, Mission, Commitment and Role over the next 5-years.

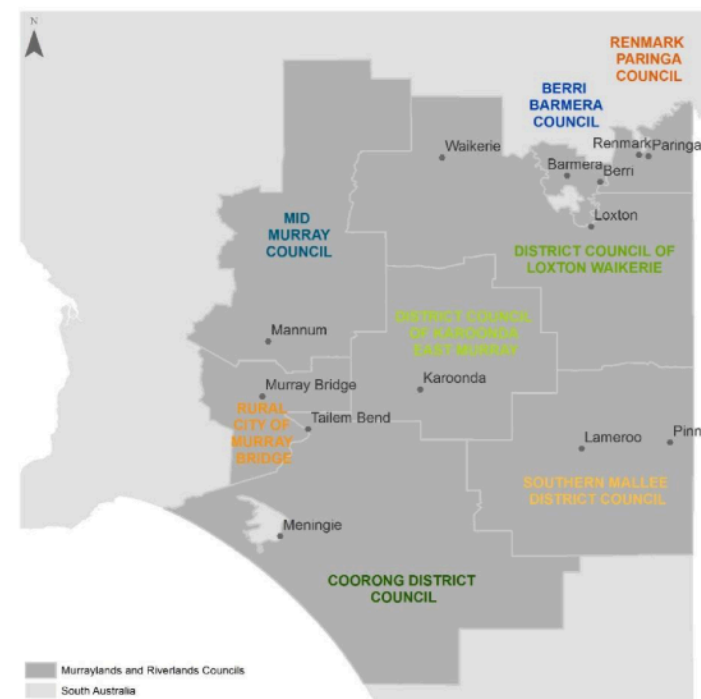


Figure 1: Map of the MRLGA region

THE MRLGA BOARD

The MRLGA Board comprises representatives from each of the Constituent Councils and is chaired by the MRLGA President. Historically each Constituent Council could nominate up to two voting members to the Board. At the General Meeting of the Subsidiary held on 9th December 2015 the Board resolved to reduce voting representation at MRLGA Board meetings to one vote per Council (being a total of eight voting delegates).

All voting delegates shall be the Mayor of each Council and proxy representatives shall be Council Members with CEO's encouraged to attend as observers. This will ultimately require amendment of the Subsidiary's Charter under Clause 4.2 Membership of the Board where it states;

“the Board shall consist of two (2) persons from each Constituent Council appointed by the Constituent Council and each Constituent Council shall, following every periodic Local Government election, appoint, and give notice in writing to the Chief Executive Officer of the Subsidiary, of those persons who are its Board members, of whom one shall be an elected member of the Constituent Council and one may be the Chief Executive Officer or other officer of the Constituent Council.”



MRLGA Board Members for 2017-2018

Council	Voting Delegate	Non-Voting Proxy Delegate
Berri Barmera Council	Mayor Peter Hunt - Vice President	Cr Andrew Kassebaum, Deputy Mayor
Coorong District Council	Mayor Neville Jaensch	Cr Sharon Bland, Deputy Mayor
District Council of Karoonda East Murray	Mayor Kevin Burdett	Cr Caroline Phillips, Deputy Mayor
District Council of Loxton Waikerie	Mayor Leon Stazinowski	Cr Michael Vowles, Deputy Mayor
Mid Murray Council	Mayor Dave Burgess - President	Cr Kelly Kuhn, Deputy Mayor
Rural City of Murray Bridge	Mayor Brenton Lewis	Cr Theo Weinmann, Deputy Mayor
Renmark Paringa Council	Mayor Neil Martinson	Cr Peter Hunter, Deputy Mayor
Southern Mallee District Council	Mayor Andrew Grieger	Cr Neville Pfeiffer, Deputy Mayor

Mayor Dave Burgess, Mid Murray Council was re-elected President at the Annual General Meeting held at Karoonda on 14th July 2017 and Mayor Peter Hunt, Berri Barmera Council was re-elected Vice President both for a full annual term of office.

MRLGA DELEGATES TO THE LGA SA

Under the Constitution of the Local Government Association of South Australia (LGA SA) regions are represented via appointed members to serve on the LGA Board and the South Australian Regional Organisation of Councils (SAROC).

MRLGA delegates appointed to the LGA Board are;

- **Mayor Dave Burgess MMC** (President & LGA Immediate Past President)
- **Mayor Peter Hunt BBC** (LGA Vice President)
- **Mayor Neville Jaensch CDC**
- **Mayor Brenton Lewis RCMB** *Deputy Member*

MRLGA delegates appointed to SAROC include

- **Mayor Dave Burgess MMC** (President & LGA Immediate Past President)
- **Mayor Peter Hunt BBC** (LGA Vice President)
- **Mayor Neville Jaensch CDC** (Proxy)
- **Mayor Brenton Lewis RCMB** *Deputy Member*
- **Mr Peter Bond** Chief Executive Officer

The South Australian Regional Organisation of Councils (SAROC) is an important committee of the LGA that focuses on key issues affecting regional Councils. Membership is drawn from each of the six non-metropolitan Regional Local Government Associations with members meeting bi-monthly to discuss key issues affecting non-metropolitan Councils.

The MRLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements of meetings to MRLGA Board meetings and by providing collegiate support to prepare submissions on behalf of regional and rural Councils that included continued lobbying and input into the ongoing review of the business plans, administrative fee and levy proposals of the Natural Resource Management lobbying in relation to legislative changes, Boundary Reform, Youth Traineeships, Community Wellbeing, Road Safety, Waste Management and Decentralisation/Regional Population Growth, to name a few.



ASSOCIATION COMMITTEES AND WORKING PARTIES

The following outlines representation on MRLGA Committee's and Working Parties to the 30th June, 2018:

Murray River Alliance SA

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Peter Bond, CEO MRLGA

Murraylands and Riverland (previously Murray and Mallee) Local Government Association Regional Transport Strategy Committee:

- Mayor Neil Martinson, Renmark Paringa Council, Chair (*by virtue of position held*)
- President, Mayor David Burgess, Mid Murray Council (President, Mayor Dave Burgess, Mid Murray Council (ex-officio)
- Peter Bond, CEO MRLGA
- Geoff Meaney, Manager Infrastructure Planning, Renmark Paringa Council
- Greg Perry, Manager Infrastructure Services, Berri Barmera Council
- Greg Hill, Director, Infrastructure, Mid Murray Council. (Russell Pilbeam - proxy)
- Tim Tol, Director of Infrastructure, District Council of Loxton Waikerie, (Domenic Perre - proxy)
- Matthew Morgan, CEO, District Council of Karoonda East Murray
- Simon Bradley, GM Infrastructure and Environment, Rural City of Murray Bridge (Matt James - proxy)
- Matthew Sherman, Works Manager, Southern Mallee District Council
- David Mosel, Director Infrastructure and Assets, Coorong District Council
- Jo Podoliak, Chief Executive, Regional Development Australia - Murraylands and Riverland

Murray and Mallee Zone Emergency Management Committee:

- Deputy Mayor Kevin Myers, Mid Murray Council, Chair.
- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Mayor Peter Hunt, Berri Barmera Council.
- Michael Sedgman, CEO, Rural City of Murray Bridge (Ros Kruger – Proxy).
- David Beaton, Berri Barmera Council (Veronica Rothe - Proxy)
- Tim Tol, Director Infrastructure Services, District Council of Loxton Waikerie.
- David Mosel, Director Infrastructure and Assets, Coorong District Council.
- Tony Secomb, Manager Corporate Services (seconded), Southern Mallee District Council.



Murraylands and Riverland CEO's Network Group:

- Tony Siviour, CEO, Renmark Paringa Council,
- Michael Sedgman, CEO, Rural City of Murray Bridge,
- Russell Peate, CEO, Mid Murray Council,
- Mia Dohnt, CEO, Southern Mallee District Council,
- Peter Ackland, District Council of Loxton Waikerie,
- David Beaton, CEO, Berri Barmera Council.
- Vince Cammell, CEO, Coorong District Council
- Peter Smithson, CEO, District Council of Karoonda East Murray
- Peter Bond, CEO, MRLGA

Murraylands and Riverland Regional Public Health Plan Committee:

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Katina Nikas, EHO, Renmark Paringa Council, Chairperson
- Caroline Thomas, EHO, Coorong District Council,
- Tom McKellar, EHO, Mid Murray Council,
- Myles Somers, Manager Environmental Services, Berri Barmera Council,
- Rebecca Burton, EHO, Berri Barmera Council,
- Vacant, Southern Mallee District Council and District Council of Karoonda East Murray,
- Reg Buderick, Rural City of Murray Bridge,
- Phil Eckert, Team Leader Regulation, Rural City of Murray Bridge,
- Jeremy Byrnes, EHO, Rural City of Murray Bridge,
- Dara Clayton, EHO, District Council of Loxton Waikerie,
- Peter Bond, CEO, MRLGA



ASSOCIATION MEETINGS

During 2017-2018, the Association met on four occasions on:

- 14th July 2017 - Annual General Meeting - District Council of Karoonda East Murray Council Offices, 11 Railway Terrace, Karoonda,
- 16th October 2016 - General Meeting - Berri Barmera Council, 19 Wilson Street, Berri,
- 17th January 2017 - General Meeting - Coorong District Council, 95-101 Railway Terrace, Tailem Bend,
- 6th April 2018 - General Meeting - District Council of Karoonda East Murray Council Offices, 11 Railway Terrace, Karoonda March 2017,
- 31st May 2018 - Special Meeting - Rural City of Murray Bridge Council Offices, Murray Bridge

All Association Meetings, including Committee Meetings Agendas and Minutes are available for viewing and or downloading from the Association's website at www.mmlga.sa.gov.au

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

- Emma Bradbury Chief Executive Officer, Murray Darling Association Inc
- Karen Raffin and Ruby Hannam, Brand SA

Representatives of the LGA SA, RDA MR, SA MDB NRM, SAPOL and PIRSA 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 the CEO of the LGA, Matt Pinnegar, Jo Podoliak, CEO, RDA Murraylands and Riverland, Sharon Starick SA MDB NRM Board Presiding Member, James Blandford, SAPOL and Tim Smythe/Barb Cowey, PIRSA/Regions SA who have been ready to assist the region and ensure 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 range of issues that impact on Local Government and the communities in the Region.



STRATEGIC ACTIVITIES 2017-2018

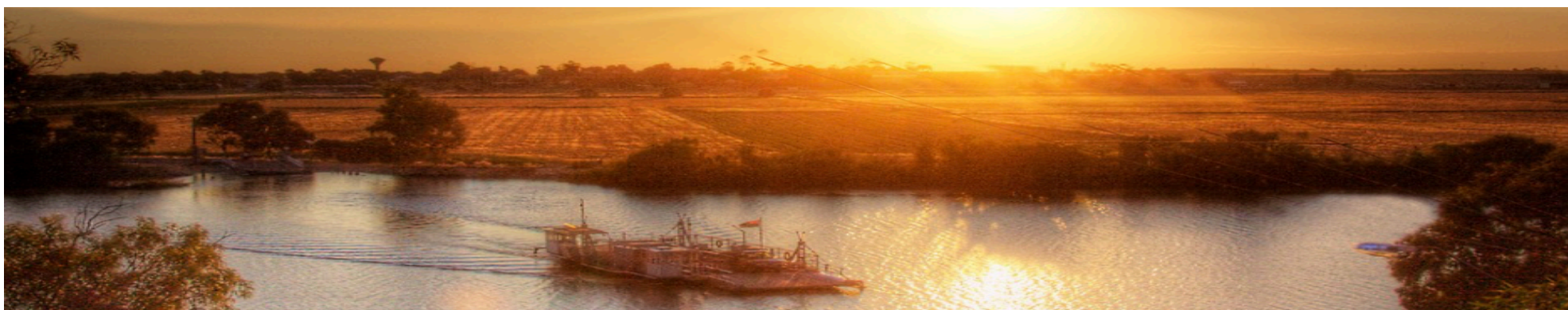
The Subsidiary undertakes a coordinating role, in conjunction with Constituent Councils on their issues and those raised by the Local Government Association of South Australia, the community and other key stakeholders.

State and Federal Members of Parliament representing our Region continue to be briefed both individually and through invitations to attend our quarterly meetings.

Submissions and briefings undertaken during the reporting period include:

- **Inquiry into National Freight and Supply Chain Priorities, July 2017** - provided a submission responding to the Australia Government's "Inquiry into National Freight and Supply Chain Priorities" Discussion Paper released in May 2017,
- **Inquiry into Regional Development and Decentralisation, November 2017** - Provided evidence to the Select Committee on Regional Development and Decentralisation in support of the need for Decentralisation and proactive Regional Development across regional SA.
- **Murray-Darling Basin Royal Commission To Investigate The Operations And Effectiveness Of The Murray-Darling Basin System, April 2018**
- Provided a submission to the Murray-Darling Basin Royal Commission for the purpose of investigating the operations and effectiveness of the Murray-Darling Basin system.

The CEO MRLGA has also attended Forums, Workshops and Briefings throughout the year regarding evolving issues and to make contribution on behalf of the Association



Key Project Activities for 2017-18

- **Regional Roads Freight Movement Study** - The purpose of the Regional Roads Freight Movement Study was to identify the benefits and costs of upgrading key roads within the Region to cater for increased demands and larger vehicle types (Double Road Train and B-Triple vehicles). These benefits and costs would then be used in the development of business cases to obtain funding for the required road improvements.
- **Regional Commodity Route Network HVRA and Risk Analysis** - Partnering member Councils in carrying out Network Level Heavy Vehicle Route Assessment and Risk Analysis' of B-Double Commodity Routes. The MRLGA co-funded constituent Council route assessment based on the application of criteria.
- **Regional Road Action Plans and 2018 SLRP Roads Database Update** - The MRLGA engages HDS Australia Pty Ltd to provide that level of service at a variable fee for service depending on the extent of work involved. The data generated is used for the development of SLRP funding application priorities for 2017-18. This also included submitting SLRP Funding on behalf of member Councils for adopted priorities for the 2017-2018 SLRP program and referring to the LGTAP for funding.
- **Regional Sport and Recreation Facilities Needs Review** - Tredwell Management were appointed to deliver this project through the 2016/2017 and 2017/2018 financial years.
- **Regional Waste Management Strategy BCA** - This project sort to identify opportunities for greater collaboration between member Councils in the planning and delivery of waste management services.
- **One River Murray Authority Governing Structure** - the Murray River SA Alliance initiated a review of governance structures over the South Australian section of the River Murray.
- **Murray and Mallee Zone Emergency Management Committee (ZEMC)** - continued to represent the Local Government sector on matters relating to Emergency Management and assisted the LGA in the inception of LGFS needs.
- **Regional Public Health and Wellbeing Plan** - As required under the Act, the Association's Regional Public Health Plan report to SA Health has been compiled and submitted by the Association's Regional Public Health Plan Committee. That committee provided for the implementation and monitoring of a Regional Public Health Plan for MRLGA, held working group meetings and liaised with LGA Public Health Program Manager. The Committee met on 26/07/2017, 2/11/2017, 24/01/2018, 8/03/2018, 15/05/2018
- **Legal Charter Review** - During the course of the year a review of the MRLGA Charter was carried out (as may be required by new regulations arising from review of Local Government Act 1999). The review of the MRLGA Charter is also required as a consequence of the Strategic Review conducted in 2015-2016.
- **Asset Planning Business Case Analysis (BCA)** - a project is an initiative of the Murraylands and Riverland Local Government Association (MRLGA). It seeks to identify opportunities for greater collaboration between member Councils in meeting their asset management obligations.
- **NS Freight Route Review** - The MRLGA have partnered with S&HLGA and the RDA's in the Northern Freight Bypass project to consider the cost and benefits of a realigned Hills rail freight bypass from Tailem Bend/Monarto North through to the Sturt Highway. This study will inform the new State Government GlobelinkSA project. This project required attendance at Northern Freight Bypass Working Group meetings 19/10/2017, 8/02/2018, 27/04/2018, 2/05/2018

FINANCES

The Annual Business Plan for each year balances the objective of ensuring the MRLGA's long-term financial sustainability whilst increasing investment in key projects and preparing for future development and improvement opportunities.

Income for the Murraylands & Riverland Local Government Association is derived from three main sources:

1. Subscriptions from Constituent Councils of MRLGA;
2. Funding from the LGA SA for Regional Capacity Building, Outreach Services, Rubble Royalties and R&D Projects; and
3. Project funding through partnerships with external organisations.

A small amount of income is derived from interest and project management fees.

Annual expenditure is divided between two main areas:

1. Operating – expenditure required to employ a Chief Executive Officer, and general costs for administration, Board expenses and other general operating expenses;
2. Projects – expenditure required to deliver specific projects, including where applicable the engagement of external resources.

Financial reports are considered by the MRLGA Board at each meeting. The Audited Financial Statements for 2017-2018 are included in **Appendix 1** of this report.



ACKNOWLEDGEMENTS

MRLGA acknowledges the Constituent Council Mayors, Elected Members, Chief Executive Officers and staff for the ongoing support of the regional role of the Association.

The Local Government Association SA has continued to provide strong support to the MRLGA and its members throughout the year. MRLGA acknowledges the contribution of SAROC members, Chief Executive Officer Matt Pinnegar and the many LGA staff that have supported MRLGA throughout the year.

The Local Government Research and Development Scheme funding has enabled MRLGA to undertake a range of additional projects throughout the year, both through additional Research and Development Fund projects and also via the Regional Capacity Building Grants.

MRLGA enjoys a close working relationship with Regional Development Australia Murraylands and Riverland and SA MDB NRM Board members and staff.

Peter Bond
Chief Executive Officer
Murraylands and Riverland Local Government Association

August 2018

Appendix 1

Audited Financial Statements 2017-18



The Murraylands and Riverland
Local Government Association

Murray and Mallee Local Government Association

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 June 2018**

Murray and Mallee Local Government Association

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Murray and Mallee Local Government Association

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018	2017
		\$	\$
Income			
MBM LGA Contributions	2	158,665	152,394
Other Grants & Contributions	2	257,518	324,185
Interest Revenue	2	4,689	2,904
Total Revenue		420,872	479,483
Operating Expenses	3	(277,094)	(255,693)
Surplus (deficit) for the year		143,778	223,790
Total Comprehensive Profit (Loss)		143,778	223,790

The accompanying Notes form part of these financial statements

Murray and Mallee Local Government Association

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
Assets			
Current Assets			
Cash and Cash Equivalents	4	435,692	426,824
Trade and other receivables	5	148,706	11,729
Total Current Assets		<u>584,398</u>	<u>438,553</u>
Total Assets		<u>584,398</u>	<u>438,553</u>
Liabilities			
Current Liabilities		2,066	
Trade and other payables	6	14,384	12,318
Total Current Liabilities		<u>14,384</u>	<u>12,318</u>
Total Liabilities		<u>14,384</u>	<u>12,318</u>
Net Assets		<u>570,014</u>	<u>426,235</u>
Member's Funds			
Unspent funds reserve	7	-	(76,220)
Accumulated surplus	7	570,014	502,456
Total Members Funds		<u>570,014</u>	<u>426,235</u>

The accompanying Notes form part of these financial statements

Murray and Mallee Local Government Association

**STATEMENT OF CHANGES IN MEMBER'S FUNDS
AS AT 30 JUNE 2018**

	Note	Accumulated Surplus \$	Unspent funds reserve \$	Total \$
2018				
Balance at the beginning of the year	7	502,456	(76,220)	426,236
Surplus for the year		143,778	-	143,778
Transfers		(76,220)	76,220	-
Balance at the end of year		<u>570,014</u>	<u>-</u>	<u>570,014</u>
2017				
Balance at the beginning of the year	7	157,342	45,104	202,446
Surplus for the year		223,790	-	223,790
Transfers		121,324	(121,324)	-
Balance at the end of year		<u>502,456</u>	<u>(76,220)</u>	<u>426,326</u>

The accompanying Notes form part of these financial statements

Murray and Mallee Local Government Association

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018	2017
		\$	\$
Cash from operating activities			
Receipts from grants		257,518	324,185
Receipts from members		158,665	152,394
Interest received		4,689	2,904
less increase in debtors		(136,977)	(8,090)
Payments to suppliers		(277,094)	(255,693)
add increase in payables		2,066	(942)
Net cash provided from operating activities	8	8,868	214,758
Net increase in cash held		8,868	214,757
Cash at beginning of financial year		426,824	212,067
Cash at end of financial year	4	435,692	426,824

The accompanying Notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 1: Statement of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Local Government Act (1999). The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on by the members of the committee.

(a) Comparatives

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

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(c) Income taxes

The activities of the Association are exempt from taxation under the Income Tax Assessment Act 1997.

(d) Goods and Services Tax (GST)

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 Taxation 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 inclusive of GST.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

(e) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instruments classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Fair value represents the amount for which an asset could be exchanged or liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") that has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that they will enter bankruptcy or other financial re-organisation and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset 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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from membership subscriptions are recognised as income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

(h) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Trade and other receivables

These include amounts due from ATO and accrued interest on deposits in financial institutions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(j) Critical Accounting Estimates and Judgments

Key estimates

(i) Impairment - general

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Murray and Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 2: Revenue

	2018	2017
	\$	\$
MBM LGA Contributions		
Berri Barmera	20,860	20,451
Coorong District Council	13,816	13,545
DC of Karoonda East Murray	7,315	7,172
DC of Loxton Waikerie	22,080	21,506
Mid Murray Council	16,525	16,201
The Rural City of Murray Bridge	27,633	27,091
Renmark Paringa Council	18,557	18,194
Southern Mallee DC	8,669	8,501
SLRP surcharge	23,210	19,733
	<hr/> 158,665	<hr/> 152,394
Other Grants & Contributions		
Other Grants	3,450	-
Rubble Royalties	164,291	-
Regional Capacity Buildings	39,777	-
Local Government Association of SA	-	274,185
Out Reach Program Income	50,000	50,000
	<hr/> 257,518	<hr/> 324,185
Interest Revenue	4,689	2,904
Total Revenue	<hr/> 420,872 <hr/>	<hr/> 479,483 <hr/>

Murray Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 3: Other Operating Expenses

	2018	2017
	\$	\$
Allowances	3,000	-
Accounting software	276	498
Audit fees	3,300	3,500
Consultancy and contractors	-	867
Executive officer contract services	115,520	109,545
Insurance	7,208	5,697
LGA capacity building grant	-	2,395
Meeting expenses	2,221	1,424
Murraylands regional collaboration project	-	3,240
President's travelling allowance	649	1,950
SAROC regional meeting costs	1,115	(836)
Sundry expenses	1,200	6,088
SLRP Priority Setting	14,099	-
Administration Support	10,680	-
Project Expenditure:		
2030 Transport Plan Project - Roads Database	-	11,700
Discretionary Projects	18,700	-
Strategic ICT Projects	15,000	-
Commodity Route Assessment	16,960	13,400
Hills Road/Rail Bypass	-	5,000
Murray River Alliance Projects	11,022	10,000
Regional Freight Movement Study	29,735	50,284
Regional Waste Strategy	2,500	15,000
Sport and Recreation Facilities Needs Review	23,909	15,940
	277,094	255,693

Note 4: Cash and cash equivalents

	2018	2017
	\$	\$
Cash on hand	100	100
Cash at bank	279,473	275,294
LGFA Investment	156,119	151,430
	435,692	426,824

Note 5: Trade and other receivables

	2018	2017
	\$	\$
Trade Debtors	140,408	-
GST receivable (net)	8,298	11,729
	148,706	11,729

Note 6: Trade and other Payables

	2018	2017
	\$	\$
Payables	14,384	-
Accruals	-	12,318
	14,384	12,318

Murray and Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 7: Accumulated Surplus

	2018	2017
	\$	\$
Opening Balance	426,236	278,666
Surplus for the year	143,778	223,790
	570,014	502,456
Net transfers (to)/from reserves:		
Unspent funds reserve	76,220	(76,220)
Net transfers (to)/from accumulated surplus:	(76,220)	-
Net Transfers (to)/from reserves	<u>-</u>	<u>(76,220)</u>
Balance at year end	<u>570,014</u>	<u>426,236</u>

Note : reserves no longer used in relation to unspent funds as a result of change in accounting treatment.

Note 8: Reconciliation of cash flow from operations with surplus for year

	2018	2017
	\$	\$
Net surplus for the year	143,778	223,790
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	(136,977)	(8,090)
Increase/(decrease) in trade and other payables	2,067	(942)
	<u>8,868</u>	<u>214,757</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 9: Financial Instruments

Details of the significant accounting policies and methods adopted including the criteria for the recognition, the basis of measurement and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 Summary of Significant Account Policies.

Categorisation of Financial instruments

	Note	2018		2017	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities		\$	\$	\$	\$
Trade and other Payables	6	14,384	14,384	12,318	12,318
Total Financial liabilities		14,384	14,384	12,318	12,318
Financial Assets					
Cash and cash equivalents	4	435,692	435,692	426,824	426,824
Total Financial Assets		435,692	435,692	426,824	426,824

Receivable and payable amounts disclosed exclude amounts relating to statutory receivables and payables.

The fair values disclosed in the table above have been based on cash and cash equivalents, trade and other receivables and trade and other payables short term instruments in a nature whose carrying value is equal to fair value.

i. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligation that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures to regularly monitor the financial stability of customers and counterparties and by investing surplus funds in financial institutions that maintain a high credit rating.

There is no collateral held by the association securing trade and other receivables.

ii. Liquidity Risk

Liquidity risk arises from the possibility that the association might accounting difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk by preparing and monitoring budgets, only investing surplus cash with major financial institutions and proactively monitoring the recovery of unpaid debts.

No assets have been pledged as security for any liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

iii. **Market Risk**

Exposure to interest rate risk arises on financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

The following table illustrates sensitivities to the association's exposure to changes in interest rates.

	2018		2017	
	% Weighted Average Interest rate	Carrying Value	% Weighted Average Interest rate	Carrying Value
Financial liabilities	\$	\$	\$	\$
Trade and other Payables	0%	14,384	0%	12,318
Financial Assets				
Cash at bank	0%	279,473	0%	275,294
LGFA Investment	1.8%	156,119	1.8%	151,430
Cash on hand	0%	100	0%	100

Note 10: Contingent Liabilities and Contingent Assets

At 30 June 2018, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

Note 11: Capital Commitments

At 30 June 2018, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

Note 12: Events after the end of the reporting period

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

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 13: Economic Dependence

Murray and Mallee Local Government Association is dependent on the Local Councils within its jurisdiction and other funding bodies for the majority of its revenue used to operate the business. At the date of this report, the Committee believe that the Local Councils and other bodies will continue to fund the Association.

Note 14: Related Party Transactions

The total remuneration paid to key management personnel of Murray & Mallee Local Government Association Incorporated during the year was as follows:

	2018
	\$
Executive Officer Contract Services	115,520

Key management personnel include the CEO and President.

Other related parties includes close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members. There were no transactions with other related parties.

Note 15: Capital Management

The Committee controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Committee ensures that the overall risk management strategy is in line with this objective. The committee operates under policies approved by the board. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements. The entity's capital consists of financial liabilities, supported by financial assets. There have been no changes to the strategy adopted by the Committee to control the capital of the entity since the previous year.

Note 16: Association details

The registered office of the association and principal place of business is;

Murray and Mallee Local Government Association
PO Box 236
Victor Harbor SA 5211

In the opinion of the committee, the Financial Statements comprising of the Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Members' Funds, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents a true and fair view of the financial position of Murray and Mallee Local Government Association as at 30 June 2018 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.
2. At the date of this statement, there are reasonable grounds to believe that Murray and Mallee Local Government Association will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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



Name: Mayor Dave Burgess
Position: President
Date: 12 October 2018



Name: Peter Bond
Position: Chief Executive Officer
Date: 12 October 2018