

Regional Subsidiary Reports

Murray Mallee Local Government Association Annual Report 2015 / 2016



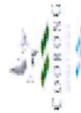
The Murraylands and Riverland
Local Government Association

MURRAYLANDS & RIVERLAND LOCAL GOVERNMENT ASSOCIATION ANNUAL REPORT 2015 to 2016



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PRESIDENTS ANNUAL REPORT 2015 - 2016



I am very pleased to provide the Murraylands and Riverland Local Government Association (MRLGA) Presidents Annual Report on the work and operations of the Subsidiary for the financial year 2015-2016 in accordance with Clause 28, Schedule 2 of the Local Government Act (1999).

This being my fourth term as President of the Murraylands and Riverland Local Government Association (formerly the Murray and Mallee LGA), it has been an immense honour to have served the needs of our Constituent Councils through the MRLGA Board over the last 12 months.

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. The Strategic Plan was adopted by the MRLGA Board in April 2016 after a considerable engagement program with our Constituent Councils and key stakeholders. 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.

My role as President of the MRLGA has more recently been paralleled with the role of President of LGA of SA. This duplicate role has provided me a clear understanding of the range of issues and opportunities that exist both within our Murraylands and Riverland region, as well as within the rest of the State.

During the course of my term as President, I have met with a range of State/Federal Ministers and Members of Parliament to discuss a range of regional issues pertinent to our region. Such issues have included in part, Local/State Government Reform, the Federal Election Campaign, Planning Reform, Rubble Royalties, Transfer of Housing Stock to Community Housing, Pensioner Concessions, Supplementary Road Funding, Reinstatement of Automatic Enrolments as well as representing our region strongly on the 2015 Shandong Delegation to promote economic opportunities into our region and South Australia.

The role of President to the MRLGA and my more recent elevation to LGA President on 1st May 2015 has in my view provided for a higher profile for issues facing the regions. The duplicate roles have also allowed me to let State Government know the strength there is in the regions.

In closing I sincerely thank all constituent Councils and MRLGA Board Delegates for the opportunity afforded to me being your President again for the past year. I also wish 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 the strategic review process that will be vital in the rental of the Subsidiary over the next few years.

Mayor Dave Burgess
President

Murraylands and Riverland LGA Annual Report 2015-2016 | 3

INTRODUCTION

This document is the Annual Report of the Murraylands and Riverland Local Government Association (MRLGA) for the period 1st July 2015 to 30th June 2016. This report must be submitted to the Constituent Councils by 31 October in each Financial Year in accordance with Clause 28 to Schedule 2 of the Local Government Act (1999) on the work and operations of the Subsidiary detailing achievement of the aims and objectives of its Annual Business Plan and incorporating the audited Financial Statements of the Subsidiary and any other information or reports required by the Constituent Councils.

The Board shall present financial statements in accordance with the Local Government (Financial Management) Regulations 2011 to the Constituent Councils at the end of each Financial Year and before the 31st October of the year.

This Report 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.

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 through Best Practice	<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

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 comprised of eight Constituent Councils from within the region: the Berri Barmera Council, Coorong District Council, District Council of Karoonda East Murray, District Council of Loxton Waikerie, Mid Murray Council, Renmark Paranga Council, Rural City of Murray Bridge, and Southern Mallee District Council.

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 Associations 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.



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 Subsidiaries 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 from 9th December 2015

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 Mardi Jennings, Deputy Mayor Cy Kevin Myers
Rural City of Murray Bridge	Mayor Brenton Lewis	Cr Fred Toogood, 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 Berri on Friday 9th December 2015 and Mayor Peter Hunt, Berri Barmera Council was re-elected Vice President both for a full annual term of office.

MRLGA DELEGATES TO THE LOCAL GOVERNMENT ASSOCIATION OF SA (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).

Mayor Dave Burgess and Mayor Peter Hunt served on the LGA Board (previously termed the State Executive of the Local Government Association of South Australia), with Mayor Neville Jaensch Coorong District Council as proxy member representing the Associations at the LGA Board and the SAROC Committee.

The South Australian Regional Organisation of Councils (SAROC) is an important committee of the LGA that focuses on key issues affecting country 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 collegiate support to prepare submissions on behalf of country Councils that included:

- Continuing lobbying and input into the ongoing review of the business plans, administrative fee and levy proposals of the Natural Resource Management Boards
- Continuing lobbying for a more balanced & nationally consistent approach to planning, regulation for rural and regional road safety & speed limits
- Lobbying and continuing the development of a balanced and consistent policy approach to Council sustainability, finances and rate revenue in the face of the call for a State Rate Capping policy.
- Further Development of a Mining Engagement Protocol and implementation of a pilot program
- Lobbying on Emergency Services Levy impacts
- Input into the LGA submissions on Planning Reform
- Input into the draft Local Nuisance and Litter Control Bill 2015

Consideration of the Removal of Local Government Natural Resource Management (NRM) Levy Collection requirement

ASSOCIATION COMMITTEES AND WORKING PARTIES

The following were the Association Committee Members up until the AGM of the 26th June, 2015, noting that some representatives came into their role in November 2014 as an outcome of the Local Government elections held in that month:

LGA Board (Formerly State Executive Committee):

- President, Mayor David Burgess, Mid Murray Council (ex-officio).
- Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).
- Mayor Neville Jaensch, Coorong District Council (*by virtue of position held*).
- Deputy Member for President or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.

South Australian Regional Organisation of Councils (SAROC):

- President, Mayor David Burgess, Mid Murray Council (ex-officio).
- Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).
- Proxy for President and or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.
- CEO MRLGA - Peter Bond (*by virtue of position held*).

Regional Development Australia (Murraylands and Riverland) Board:

- Mayor Neil Martinson, Renmark Paringa Council (*by virtue of position held as Chairman*).
- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Cr. Andrew Kassebaum, Berri Barmera Council (*by virtue of position held*).

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

- Vacant, 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
- Paul Day, Director Infrastructure & Environmental Services, Renmark Paringa Council (Geoff Meaney - proxy)
- Greg Perry, Manager Infrastructure Services, Berri Barmera Council
- Greg Hill, Director, Infrastructure, Mid Murray Council.
- Tim Tol, Director of Infrastructure, District Council of Loxton Waikerie, (Domenic Perre - proxy)
- Peter Smithson, 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
- Harry Du, Asset Management Engineer, Berri Barmera Council
- Jo Podoliak, Chief Executive, Regional Development Australia - Murraylands and Riverland
- DPTI - 2 nominees (external appointment)

MRLGA Transport Reference Group. - Community Transport:

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Peter Smithson, CEO, District Council of Karoonda East Murray.
- Cr. Mike Fuller, Berri Barmera Council.

Murraylands and Riverland Regional Coordination Network:

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Peter Smithson, CEO, District Council of Karoonda East Murray.

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).
- Tim Tol, Director Infrastructure Services, District Council of Loxton Waikerie.
- David Mosel, Director Infrastructure and Assets, Coorong District Council.
- Harc Wordsworth, Manager, Environment and Planning, Southern Mallee District Council.
- Matthew Sherman, Works Manager, Southern Mallee District Council.

River Murray Ferries Working Group:

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Russell Peate, CEO, Mid Murray Council,
- Tony Siviour, CEO, Renmark Paringa Council,
- Vincent Cammell, CEO, Coorong District Council,
- Dept. of Planning, Transport and Infrastructure representatives.

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 (previously Murray and Mallee Regional Public Health Plan Committee:

- President, Mayor Dave Burgess, Mid Murray Council (ex-officio).
- Kelvin Goldstone, Mid Murray Council, Chair
- Caroline Thomas, Mid Murray Council,
- Garry Brinkworth, Berri Barmera Council,
- Harc Wordsworth, Southern Mallee District Council and District Council of Karoonda East Murray,
- Jim Quinn, Coorong District Council,
- Katina Nikas, Renmark Paringa Council,
- Phil Eckert, Rural City of Murray Bridge,
- Stephen Bateman, District Council of Loxton Waikerie.

ASSOCIATION MEETINGS

During 2015-2016, the Association met on five occasions on:

- 5th August 2015 - General Meeting - Mid Murray Council, 49 Adelaide Road, Mannum,
- 2nd October, 2015 - General Meeting - Renmark Paringa Council, 61 18th Street, Renmark,
- 9th December, 2015 - General Meeting - Rural City of Murray Bridge, Second Street, Murray Bridge,
- 10th February 2016 - General Meeting - District Council of Karoonda East Murray Council Offices, 11 Railway Terrace, Karoonda, and
- 1st April 2016 - General Meeting - District Council of Karoonda East Murray Council Offices, 11 Railway Terrace, Karoonda.

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:

- Hon Geoff Brock MP, Minister for Local Government,
- Mr Wayne Lyons, The Ombudsman SA,
- Dr Ann Herraman, Chaffey Learning Exchange and Schools and Beyond,
- Doug Schmidt, General Manager, Network Management and Alexandra Lewis, Vegetation Strategy Lead, SA Power Network,
- Paul Gelston, Chief Operating officer, DPTI

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 outgoing 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, PIRSA 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 ranging number of issues that impact on Local Government and the communities in the Region.

STRATEGIC ACTIVITIES 2015-2016

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 have been briefed and support has been sought for issues raised.

Submissions and briefings undertaken during the reporting period include:

- **Planning, Development and Infrastructure Bill 2015** - provided a submission outlining the MRLGA's concern that the timing of the debate on the Planning, Development and Infrastructure Bill 2015 provides very little opportunity for Local Government and the community to provide meaningful input into any discussion.
- ♦ **Review of SA Road Safety Strategy 2020; Towards Zero Together** - provided a submission to the State Government in response to the Review of SA Road Safety Strategy 2020; Towards Zero Together.

The Association has provided support and representation on the following external Committees:

The Murray and Mallee Zone Emergency Management Committee including provision of the Chairperson.

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

Key Activities for 2015-16

- ★ **Pensioner Concessions** - continued to advocate for the retention of pensioner concessions by the State Government
- ★ **Review of Rural Speed Limits** - Advocated that any review of rural speed limits on Council and arterial roads must be based on information, evidence and statistics on reported road accidents and their contributory factors and include consultation with Council and reaffirmed the LGA Policy on rural speed limits to the State Government.
- ★ **Strategic Review** - conducted a review of future direction of the Association. Planning for the future of the region and in particular the role the MRLGA was considered an imperative if the Association is to have relevance into the future.
- ★ **Lake Albert** - Lobbied for an urgent review or update on the status of Lake Albert in consideration of the situation low flows entering the catchment and the impact further depletion of flows in the River Murray system will have on Lake Albert.
- ★ **Regional Road Action Plans and 2015 SLRP Roads Database Update** - Finalised the report for the Regional Road Action Plans and 2015 SLRP Roads Database Update project.
- ★ **Murraylands Regional Collaboration Pilot** - secured \$10,400 towards the cost of the Regional Collaboration Pilot for the Murraylands Councils.
- ★ **LGA Outreach Services Project** - secured \$50,000 towards the LGA Outreach Services Program to be delivered as part of the 2015/16 Annual Business Plan.
- ★ **Long Nosed Fur Seals** - supported action to write to the Minister for Environment, Hon Ian Hunter, seeking assistance with the problems experienced by our communities in relation to long nose fur seals.
- ★ **Draft Local Nuisance and Litter Control Bill 2015** - highlight through SAROC the additional responsibility and cost implications that will be imposed upon regional and rural Councils should the draft Local Nuisance and Litter Control Bill 2015 be ratified.
- ★ **Management of off road Recreation Vehicles in SA** - liaised with SAPOL Murray Mallee LGA requesting their involvement in a joint program with the MRLGA that deals with the ongoing breaches in compliance and environmental impact of off road recreational vehicles.
- ★ **Review of SA Road Safety Strategy 2020; Towards Zero Together** - provided a submission to the State Government in response to the Review of SA Road Safety Strategy 2020; Towards Zero Together.
- ★ **Planning, Development and Infrastructure Bill 2015** - provided a submission outlining the MRLGA's concern that the timing of the debate on the Planning, Development and Infrastructure Bill 2015 provides very little opportunity for Local Government and the community to provide meaningful input into any discussion.
- ★ **SA MDB NRM Levy** - provided a submission rejecting the SA MDB NRM levy increases proposed within the Draft SA MDB NRM Business Plan 2016/17.
- ★ **Murray and Mallee Zone Emergency Management Committee (ZEMC)** - made application to the Local Government Association of SA (LGA) to seek feedback from the Local Government sector about the provisions and arrangements of Emergency Management with the intent to submit findings as part of the review of the SEMP.
- ★ **Regional Public Health 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
- ★ **River Murray Ferries** - continued to work with DPTI through the Ferry Working Party to ensure the ongoing viability and operation of the River Murray Ferry Fleet.
- ★ **SLRP Funding** - through the Murraylands and Riverland Regional Transport Strategy (RTS) Committee set the priorities for 2016/2017 SLRP be adopted and referred to the LGTAP for funding.
- ★ **Murray-Darling Plan** - Provided a submission in to the Senate Select Committee inquiry into the Social, Economic and Environmental impacts of the Murray-Darling Plan on Regional Communities.

EXECUTIVE OFFICER SERVICES

The Chief 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 was subject to performance review following the conclusion of the Strategic Review process and 12 months of service with the Association.

The Review Panel consists of the President of the Association, and four CEO's appointed from Constituent Councils within the Association.

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 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 2015-2016 are included in **Appendix 1** of this report.

ACKNOWLEDGEMENTS

MRLGA acknowledges the Constituent Council Mayor's, 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 is 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 2016



Appendix 1

Audited Financial Statements 2015 -16

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The Murraylands and Riverland
Local Government Association

Murray and Mallee Local Government

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 June 2016

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Murray and Mallee Local Government Association

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Murray and Mallee Local Government Association

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016	2015
		\$	\$
Income			
MBM LGA Contributions	2	130,837	144,410
Regional Enhancement Fund Grant	2	99,226	38,305
Interest Revenue	2	2,897	5,262
Total Revenue		232,960	187,977
Operating Expenses	3	(174,110)	(148,456)
Surplus (deficit) for the year		58,850	39,521
Total Comprehensive Profit (Loss)		58,850	36,521

The accompanying Notes form part of these financial statements

Murray and Mallee Local Government Association

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
Assets			
Current Assets			
Cash and Cash Equivalents	4	212,067	161,723
Trade and other receivables	5	3,639	7,872
Total Current Assets		<u>215,706</u>	<u>169,595</u>
Total Assets		<u>215,706</u>	<u>169,595</u>
Liabilities			
Current Liabilities			
Trade and other payables	6	13,259	25,998
Total Current Liabilities		<u>13,259</u>	<u>25,998</u>
Total Liabilities		<u>13,259</u>	<u>25,998</u>
Net Assets		<u>202,447</u>	<u>143,597</u>
Member's Funds			
Unspent funds reserve	7	60,854	60,854
Accumulated surplus	8	141,593	82,743
Total Members Funds		<u>202,447</u>	<u>143,597</u>

The accompanying Notes form part of these financial statements

Murray and Mallee Local Government Association

**STATEMENT OF CHANGES IN MEMBER FUNDS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	Accumulated Surplus \$	Unspent funds reserve \$	Total \$
2016				
Balance at the beginning of the year	8	82,743	60,854	143,597
Surplus for the year		58,850	-	58,850
Balance at the end of year		<u>141,593</u>	<u>60,854</u>	<u>202,447</u>
2015				
Balance at the beginning of the year	8	55,528	50,548	104,076
Surplus for the year		39,521	-	39,521
Transfers to/(from) accumulated surplus	7, 8	(10,306)	10,306	-
Balance at the end of year		<u>84,743</u>	<u>60,854</u>	<u>143,597</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 2016**

	Note	2016 \$	2015 \$
Cash from operating activities			
Receipts from members		130,837	158,851
Receipts from grants		109,148	42,136
Interest received		2,896	5,262
Payments to suppliers		(192,537)	(159,530)
Net cash provided from operating activities	9	<u>50,344</u>	<u>46,719</u>
Net increase in cash held		50,344	46,719
Cash at beginning of financial year		161,723	115,004
Cash at end of financial year	4	<u>212,067</u>	<u>161,723</u>

The accompanying Notes form part of these financial statements



Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(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.

(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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(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.

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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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.

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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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 2016**

Note 2: Revenue	2016	2015
	\$	\$
MBM LGA Contributions		
Berri Barmera	20,150	22,239
Coorong District Council	13,345	14,730
DC of Karoonda East Murray	7,065	7,798
DC of Loxton Waikerie	21,326	23,538
Mid Murray Council	15,962	17,618
The Rural City of Murray Bridge	26,690	29,459
DC of Renmark Paringa	17,924	19,784
Southern Mallee DC	8,375	9,244
	<u>130,837</u>	<u>144,410</u>
Other Contributions		
Local Government Association of SA	49,226	38,305
Out Reach Program Income	50,000	-
	<u>99,226</u>	<u>38,305</u>
Interest Revenue	2,897	5,262
Total Revenue	<u><u>232,960</u></u>	<u><u>187,977</u></u>

Murray and Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 3: Other Operating Expenses

	2016	2015
	\$	\$
Accounting software	545	578
Audit fees	3,000	5,563
Consultancy and contractors	-	33,115
Executive officer contract services	109,093	96,235
Insurance	5,602	5,476
LGA outreach project	25,000	-
Meeting expenses	3,255	1,168
Murraylands regional collaboration project	20,440	-
President's travelling allowance	1,950	3,750
SAROC regional meeting costs	2,492	261
Sundry expenses	2,733	2,310
	<u>174,110</u>	<u>148,456</u>

Note 4: Cash and cash equivalents

	2016	2015
	\$	\$
Cash on hand	100	100
Cash at bank	63,442	994
LGFA Investment	148,525	160,629
	<u>212,067</u>	<u>161,723</u>

Note 5: Trade and other receivables

	2016	2015
	\$	\$
GST receivable (net)	<u>3,639</u>	<u>7,872</u>

Note 6: Trade and other Payables

	2016	2015
	\$	\$
Payables	1,268	-
Accruals	11,991	25,998
	<u>13,259</u>	<u>25,998</u>

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 7: Unspent Funds Reserve


The unexpended funds reserve represent funds set aside for the future use on projects manage by the association

	2016	2015
	\$	\$
Discretionary project		
Balance brought forward	8,226	226
Transfer from accumulated surplus	-	8,000
Project funds not expended at year end	<u>8,226</u>	<u>8,226</u>
Legal Charter Review		
Balance brought forward	6,035	4,768
Transfer from accumulated surplus	-	1,300
Professional fees	-	-
Fees and charges	-	(33)
Project funds not expended at year end	<u>6,035</u>	<u>6,035</u>
2030 Transport Plan Project		
Balance brought forward	-	14,100
Transfer from accumulated surplus	-	-
Consultancy	-	-
Transfer to Review of Regional Transport Strategy Plan Project	-	(14,100)
Project funds not expended at year end	<u>-</u>	<u>-</u>
Regional Public Health Plan		
Balance brought forward	500	500
Transfer from accumulated surplus	-	-
Consultancy	-	-
Project funds not expended at year end	<u>500</u>	<u>500</u>
Riverland Resource Sharing Project		
Balance brought forward	13,500	13,500
Transfer from Shared Resource Cluster project and Council Improvement Project	-	-
Project funds not expended at year end	<u>13,500</u>	<u>13,500</u>
Murraylands Resource Sharing Project		
Balance brought forward	16,154	16,154
Improvement Project	-	-
Project funds not expended at year end	<u>16,154</u>	<u>16,154</u>

Murray and Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
Annual Priorities project		
Balance brought forward	<u>1,300</u>	1,300
Project funds not expended at year end	1,300	1,300
 Succession Planning Consultancy Project		
Balance brought forward	13,790	-
Transfer from accumulated surplus	-	20,000
Consultancy	-	(6,210)
Project funds not expended at year end	<u>13,790</u>	<u>13,790</u>
 Review of Regional Transport Strategy Project		
Balance Brought forward	5,574	
Transfer from 2030 Transport Plan Project	-	14,100
Transfer from accumulated surplus	-	13,120
Consultancy	-	(21,646)
Project funds not expended at year end	<u>5,574</u>	<u>5,574</u>
 Transport Strategy Project		
Balance Brought forward	(4,225)	-
Consultancy	-	(4,225)
Transfer from accumulated surplus	-	-
Project funds not expended at year end	<u>(4,225)</u>	<u>(4,225)</u>
 Total unspent funds reserves	<u><u>60,854</u></u>	<u><u>60,854</u></u>



Murray and Mallee Local Government Association

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 8: Accumulated Surplus

	2016	2015
	\$	\$
Opening Balance	82,743	53,528
Surplus for the year	58,850	39,521
Net transfers (to)/from reserves:		
Discretionary Project	-	(8,000)
Legal Charter Review	-	(1,267)
2030 Transport Plan	-	-
Regional Public Health Plan	-	-
Succession Planning Consultancy Project	-	(13,790)
Review of Regional Transport Strategy Project	-	8,526
Transport strategy project	-	4,225
Net Transfers (to)/from reserves	-	(10,306)
Balance at year end	<u>141,593</u>	<u>82,743</u>

Note 9: Reconciliation of cash flow from operations with surplus for year

	2016	2015
	\$	\$
Net surplus for the year	58,850	12,712
<i>Changes in assets and liabilities</i>	-	-
(Increase)/decrease in trade and other receivables	4,233	1
Increase/(decrease) in trade and other payables	(12,739)	12,127
	<u>50,344</u>	<u>24,840</u>

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 10: 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	2016		2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:		\$	\$	\$	\$
Trade and other Payables	6	13,259	13,259	25,998	25,998
Total Financial liabilities		13,259	13,259	25,998	25,998
Financial Assets					
Cash and cash equivalents	4	212,067	212,067	161,723	161,723
Total Financial Assets		212,067	212,067	161,723	161,723

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 encounter 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.

Murray and Mallee Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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 sensitives to the association's exposure to changes in interest rates.

	2016	2015		
	% Weighted Average Interest rate	Carrying Value	% Weighted Average Interest rate	Carrying Value
Financial liabilities:	\$	\$	\$	\$
Trade and other Payables	0.00%	13,259	0%	25,998
Financial Assets				
Cash at bank	0.00%	63,442	0%	994
LGFA Investment	1.80%	148,525	1.8%	160,629
Cash on hand	0.00%	100	0%	100

Note 11: Contingent Liabilities and Contingent Assets

At 30 June 2016, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

Note 12: Capital Commitments

At 30 June 2016, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

Note 13: 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 2016

Note 14: 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 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

Murray and Mallee Local Government Association

STATEMENT BY MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2016

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 2016 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 MRLGA
Date: 21 October 2016



Name: Peter Bond
Position: CEO MRLGA
Date: 21 October 2016