MID MURRAY COUNCIL

ANNUAL REPORT

2008/2009

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MAYOR'S REPORT

I am proud to submit my report to cover the 2008/09 financial year. Council Members and Staff have continued to work well together in providing a valuable service to our Mid Murray Community and fulfilling our strategic objectives and statutory obligations.

Due to a reasonable increase in our rate base we were able to hold our rate in the dollar and have sufficient funds to meet our financial obligations which were supplemented by loan borrowings for plant replacement and capital works. Road maintenance was a prominent budget expenditure with $278,000 for sealed and $1.23m on unsealed. New capital works on roads totaled $282,000. We are very grateful for the Commonwealth Roads to Recovery funding that is vital to our ability to maintain our huge road network.

Development has again been very strong this year, a highlight being the Mannum Waters Marina Development finally gaining approval after many years of frustration. Green energy projects are also in the conception stage and will be of great economic benefit if they come to fruition.

The plight of our farmers and irrigators continued with drought continuing across South East Australia. Flows down the Murray remain at very low levels causing the pool level below Lock One to drop to record low levels in the autumn. This led to significant shrinkage of clay based subsoil with major cracking in roads and dwelling sites and a high risk of river bank slumping.

While the economic downturn had a considerable effect on the local economy with some businesses having to close down, Council finances were relatively secure with most of our funds and loans with the SA Local Government Finance Authority which has no overseas exposure.

Tourism has continued to be a vital part of our local economy however low water levels below Blanchetown have caused management problems for marina operators. The challenge of giving a positive message on the rivers capacity to cater for tourism was again given high priority by the Murraylands Tourism Marketing Committee with some success.

Many thanks to our hundreds of volunteers who play a crucial role in our local communities, and our Council Members and Staff who all strive to improve our economy and quality of life in the Mid Murray Council Area

MAYOR IAN R MANN OAM

Principal Office
and
Administration Office:

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P O Box 28, Mannum, SA 5238
Telephone: (08) 8569 0100 Facsimile: (08) 8569 1931
Email: postbox@mid-murray.sa.gov.au

Environmental Services Division:

(Development/Building/Health)
Main Street, Cambrai SA 5353
Telephone: (08) 8564 6020 Facsimile: (08) 8569 1931

Works Division:

Corner Fourth & Eighth Streets, Morgan, SA 5320
Telephone: (08) 8540 0060 Facsimile: (08) 8569 1931

GENERAL STATISTICS

Area	6,266 square kilometres
Population	8,041
Length of Council Roads	3,376 Kms
Replacement Cost of Infrastructure	$160,812,596
Mayor	1
Councillors	11
Wards	5
Employees (includes part-time employees)	108 (90 FTE's)

ASSESSMENTS AND RATES

Details of the Mid Murray Council's Assessment and Rates Information for 2008/09.

Assessed Capital Value	$1,905,151,860
Valuer –	Valuer General
Date of Last New Valuation	2008
Number of Rateable Properties	9,597
General Rate Income	$7,015,626
NRM Levy	$93,389
Effluent Drainage & other separate rates	$961,712
Percentage of Rateable Assessments Affected by the Minimum Rate	26.24%
Rate Income gained by Minimum Rate	$449,445

MID MURRAY COUNCIL

The Mid Murray Council was formed on 1 July, 1997 through the amalgamation of the District Council of Mannum, District Council of Morgan, District Council of Ridley-Truro and part of the District Council of Mount Pleasant.

VISION STATEMENT

We celebrate our rich and diverse country lifestyle that was built on a strong economy. Our aim is to encourage a continuing vibrant community, family spirit, the ongoing protection of the River Murray and maintain our precious natural, cultural and built heritage.

MISSION STATEMENT

We will be:
Proactive in planning for and facilitating business and industry investment and economic growth;
Committed to the protection of our natural and built environment;
Open and inclusive in encouraging community involvement and partnership in Council plans and policies;
Advocates for and providers of services and facilities that support community wellbeing;
An efficient and responsible manager of Council assets, infrastructure and resources in partnership with the community;
A professional organisation that attracts and retains high quality staff and Elected Members.

VALUES

We will be known for our:
Honesty, integrity and reliability;
Professional, hard working and responsive approach;
Positive and progressive attitude;
Openness, balance and pragmatism when making decisions;
Strong leadership in the best interests of the whole community.

Elected Members Structure

Mid Murray Council is a corporate body consisting of a Mayor and 11 Councillors.

MAYOR		
Ian Mann OAM		(08) 8569 1646
RANDELL WARD		
Cr Mick Morrissey		0411 632 932
Cr Brian Taylor		(08) 8569 1239
Cr Kerry Yeates		0439 877 849
RIVER SOUTH WARD		
Cr Dave Burgess	(Deputy Mayor)	(08) 8570 8320
Cr Peter Milsom		0439 189 690

Elected Members Structure Cont'd

STURT WARD

Cr Inez Bormann	0438 806 112
Cr Ros Schultz	0408 849 043

RIVER NORTH WARD

Cr Kevin Myers	0428 518 994
Cr Ken Sayers	(08) 8540 5258
Cr Marie Rudloff	0412 096 888

REEDY CREEK WARD

Cr Jeff Howie	(08) 8569 7221

The last full Council elections were held in November 2006.

Senior Officers at 30 June, 2009

Chief Executive Officer	Mr Dean Gollan
Manager, Corporate & Financial Services	Mr Robin Bourne
Manager, Environmental Services	Mr Kelvin Goldstone
Manager, Works	Mr Jon Fry

Professional Associations at 30 June, 2009

Solicitors
Norman Waterhouse
45 Pirie Street
Adelaide SA 5000

Wallmans Lawyers
173 Wakefield Street
Adelaide SA 5000

Bankers
Bank of South Australia
Randell Street
Mannum SA 5238

Auditor
John D. Ewen & Associates
603 Magill Road
MAGILL SA 5072

CIVIC CELEBRATIONS AND AWARDS

The Council awarded its 2009 Australia Day Citizen of the Year Award to Helen Griffiths of Mannum.

The Council awarded its 2009 Australia Day Young Citizen of the Year Award to Brionie Hansford of Mannum.

Australia Day Appreciation Certificates were awarded to Mannum Quilting Group, Uniting Church Dance Group, Tegan Prowse and Berrie and Geoff Skein.

The Community Event of the Year was awarded to the Cadell Harvest Festival.

CHIEF EXECUTIVE OFFICER'S REPORT

It is with pleasure I provide this Annual Report for the financial year 2008/09 as it gives me the opportunity to review this Council's successes and disappointments over the twelve month period.

In July 2008 this Council produced a considered and challenging response to the State Government's proposed changes to Country Health. We expressed the needs and concerns of this community, explaining its demographics and holiday population influx and most of all, highlighted our serious apprehension for the proposed 'broad brush approach' to health services in our district. We had some wins in that several of the proposals were amended to suit our situation however we remain vigilant in reviewing how our community is being accommodated in the health service arena.

Another similar move by the State Government saw a proposal that the Murraylands Regional Development Board merge with the Riverland Development Corporation creating the Murrayland and Riverlands Regional Development Australia Board. Mid Murray Council provided comment and opinion on the proposal in relation to its effect on the support and representation of our local economic community.

Later in the year we placed before our community a reviewed Strategic Plan, a Long-term Financial Management Plan and our Asset Management Plan. All of these documents were received well and the feedback from the consultation process was useful in our final writing and adoption of the Plans.

The contribution of our volunteers was featured in a segment in the Channel 9 series *Out of the Ordinary* (Saturdays at 5.30pm). Our community transport system enabling residents without transport to attend medical appointment in regional centres and metropolitan Adelaide was showcased. The exposé of these services which are located at Morgan/Cadell, Blanchetown and Swan Reach created not only local awareness but also statewide recognition.

Other activities worthy of mention include the continuation of the very successful ongoing Prison Work Program. Inmates from local prison facilities undertake outside projects for Council, of course under strict supervision provided by the Department of Correctional Services. This program has proven so successful and beneficial to Council and its Works Program, that Council now provides the transport to enable work gangs to travel around the district, undertaking a range of special projects at no cost to the community. The program also provides inmates the opportunity to assimilate back into society in a productive and positive way.

Our district's boat ramps have also required more attention again this year. We were very pleased when Council discovered an Australian innovation, concrete mattresses, which are a less expensive solution to the accessibility problems of our boat ramps due to lowering river levels.

Our Mannum office building's extension commenced during this financial year and augurs well for completion by the end of 2009. The facility will provide more efficient accommodation for our staff, elected members and visitors to our office.

CHIEF EXECUTIVE OFFICER'S REPORT CONT'D

Although Organisational Reviews rarely excite outsiders, Council undertook one such review during this reporting period and one of the outcomes was the recognition of the need to appoint a Manager Community Development. This position will become a vital link between Council and community groups, services and facilities, focusing on youth for much of the time. We look forward to appointing a person to this new position before the end of the calendar year.

Drought and falling river levels still taint the 2008/09 year, however Council has taken advantage of other opportunities to improve our services, stretch the ratepayers' dollar and capitalise on prospects benefiting our community. With this in mind, I look forward to another challenging and successful year ahead.

Dean H Gollan
CHIEF EXECUTIVE OFFICER

CORPORATE SERVICES AND FINANCE

The Local Government Corporate Services and Finance Department has been in a era of change for some time now, and we are continuing to adapt to meet the every increasing legislative and compliance changes. The requirements of Financial Sustainability have required additional resources, and with the use of improved planning processes Council has a plan to meet those requirements.

Our Council has been keeping abreast of Climate Change concerns, but the recent additional environment question in the 2008-2009 Annual Grants Commission return came without any prior notification. Council is now required to report on:

- Water Sources and Water usage for Council purposes
- Energy use in Gigajoules and type of energy used
- Carbon Emissions for Council purposes
- Expenditure information about measures taken by Council to mitigate the effects of climate change.

Council uses financial consultants recommended by the Local Government Association of SA to assist with the financial workload and improving the operations of the finance section. Allen Bolaffi of UHF Haines Norton and Ian McDonald (financial consultant) have been engaged to assist Council to achieve it's financial goals.

The Corporate Services and Finance Section is responsible for administration, customer service, records management, human resources, public relations, tourism and special events, corporate planning, statutory requirements, computer and information technology operations, library services, community services, administrative and clerical support to other sections.

The principal office of Council is situated in Mannum. This is the site for Council's administration and finance functions. The Cambrai Office houses the planning, building control and environmental health functions, whilst the Works functions are based at the Morgan Office. The Truro Post Office acts as an agency for Council.

Council is always mindful of community concerns, including local, state and national issues that impact on our community. Impacts of drought, low commodity prices and inflation (especially fuel prices) are always on the minds of our elected members and staff when making decisions. The drop in the River Murray water level caused by the continuing drought conditions is an ongoing concern for Council. Additional costs continue to be incurred maintaining boat ramps in a safe condition following a lowering of the river level. The low river level has also had an effect on the livelihoods of many of our irrigators, operating with the reduced water allocations imposed on them by the State Government.

CORPORATE SERVICES AND FINANCE CONT'D

Mid Murray Council is committed to implementing the recommendations from the Local Government's Independent Inquiry into the Financial Sustainability of SA Local Government. A separate report on the operations of the Internal Audit Committee is included later in this report. The extra work created by the requirement to have this additional committee, plus Asset Management Plans and Annual Business Plans has resulted in the need for more accounting staff. This will be provided in the 2009/2010 period. Asset Management Plans and new Long Term Financial Plans have been completed. The Long Term Financial Plan will be reviewed in the 2009/2010 period to take into account capital projects planned for the future, but awaiting funding. Council also completed a review of its Strategic Plan in 2008/2009.

Achievements in 2008/2009:
New Morgan Office and Library completed and operational.
Mannum Office Extensions substantially completed.
Long Term Financial Plan completed
Asset Management Plan completed.
Revaluation of Assets completed.
Review of Council's Strategic Plan completed.
Completion of Organisational Review.

In Planning Stages for completion or major advancement in 2009/2010:
Review of capital section of Strategic Long Term Financial Management Plan.
Completion of Mannum Office extensions.
Review and upgrade of Financial Policies.
Improved financial reporting including the provision of more meaningful information to elected members.
Review of progress with meeting the Financial Sustainability requirements and plan for achieving remaining requirements.
Consultants review of finance and management systems and procedures.
Upgrading of procedures relating to Council's Internal Control Policies.
Employment of additional staffing position titled "Community Development Manager".

Council achieved an operating surplus (before capital revenues) of $1,206,825 in 2008/2009. This compares with an operating surplus (before capital revenues) of $363,137 in 2007/2008, a deficit of $2,252 in 2006/2007, and a deficit of $347,370 in the 2005/2006 period. The Operating Surplus/Deficit does not take into account Capital Revenues and Expenditure. The operating surplus/deficit is very much dependent on depreciation rates used, the policy on capitalisation of assets, and with the use of full cost attribution, the true cost of capitalised assets being recorded. Council revenue is not high enough to cover all the capital works proposed each year, and loan funds are used to supplement general revenue.

The Statement of Cash Flows contained within Council's Annual Financial Statements shows a cash surplus (including investment reserves) of $2,887,845 compared with $2,821,270 as at 30 June 2008, and $3,118,150 as at 30 June 2007. Funds held as at 30 June 2009 are high mainly as a result of unspent grant funds and early receipt of the first instalment of Grants Commissions Funding. The majority of reserve funds are committed and are expected to be spent in the 2009/2010 financial period. All Reserves are not necessarily cash backed, as Council uses these instead of loan borrowings to save interest.

CORPORATE SERVICES AND FINANCE CONT'D

In assessing Council's financial position it is appropriate to consider Council's liabilities in relation to borrowings. Borrowings are used by Council to finance Plant & Machinery Purchases, Building Construction and Effluent Drainage Scheme construction. Council's total loan debt as at the 30 June 2009 was $6,102,501 resulting in debt servicing costs as a percentage to total rate revenue of 17.06%. This percentage is reduced to 11.64% with the exclusion of effluent and other self serving loans outstanding of $1,780,096.

Mannum office extensions

Audit Committee

The Audit Committee is the mechanism whereby the Council focuses on particular issues relevant to verifying and safeguarding the integrity of the Council's financial reporting. The Audit Committee operates under direction of Council. The requirement for audit committees came from an amendment to the Local Government Act requiring Councils to establish audit committees.

The members of the Audit Committee during the year were:

Cr Inez Bormann (Presiding Officer); Cr Jeff Howie, Cr Ken Sayers, Mayor Ian Mann as ex officio and Barry Gale as the independent member.

Agenda items and reports considered during the year included a rating review, additional accountant's position, asset revaluation, annual insurance review, budget preparation, economic outlook, treasury management, computer software including reporting software, electronic purchasing, budget reviews, review of Annual Business Plan goals, review of annual financial statements prior to audit, Asset Management Plans and Long Term Financial Plan.

Council utilised the services of Ian McDonald (financial consultant) under the LGA recommended consultant program in order to complete Council's Asset Management Plan and Long Term Financial Management Plan.

ENVIRONMENTAL SERVICES

Council's Environmental Services Section based at Cambrai encompasses the following main areas of responsibility:-

- Development
  - Development assessment
  - Policy planning
  - Building control
  - Building fire safety
  - Illegal development/compliance

- Public and Environmental Health
  - Immunisation
  - Health services and inspection
  - Mosquito control
  - Waste control system (septic) installation/approvals
  - Regulation and monitoring of swimming pools
  - Cooling Tower monitoring

- Food
  - Food premises inspections
  - Food sampling/education

- Community Wastewater Management System (CWMS)
  - Coordination of Council's CWMS installation and maintenance programme

- General Inspection/Dogs/Parking/Fire Prevention.

Development

Development Plan Review Programme

As in all Councils, land use is controlled through the provisions of the Development Plan in conjunction with the Development Act.

Council's current Development Plan Amendment programme consists of the following:

- Mannum Township Development Plan Amendment

- Cadell Horticultural Policy Area Development Plan Amendment

- River Murray Zone & River Settlement Minor Amendments Development Plan Amendment

- River Murray Zone Minor Amendments Development Plan Amendment

- Heritage Review and Development Plan Amendment

Development cont'd

- Mannum Marina (Mannum Waters) Development Plan Amendment
- Township & Settlement Boundaries Development Plan Amendment

In addition Council has instigated a review of the Minimum Development Unit policy which may result in a subsequent Development Plan Amendment.

Planning Policy Work Group

Council has a Planning Policy Work Group comprising the following members:-

Chairperson	Cr JL Howie
Group Members	Cr KP Myers
	Mayor IR Mann OAM
	Cr KE Yeates
	Cr M Rudloff

The Planning Policy Work Group's prime role is to provide input and advice to Council in relation to Planning and Development Policy issues. The Work Group has met regularly working through Council's extensive Development Plan Review Programme.

Development Assessment Panel

In accordance with the requirements of the Development Act, Council has a Development Assessment Panel comprising the following members:-

	July – December 2008	*January – June 2009*
Presiding Member	Frank Wieser	Frank Wieser
Council Members	Cr IK Bormann	Cr JL Howie
	Cr BJ Taylor	Cr MF Morrissey
	Cr DJ Burgess	Cr M Rudloff
Independent Members	Graham Gaston	Graham Gaston
	James Miller	James Miller
	Ross Dawkins	Ross Dawkins

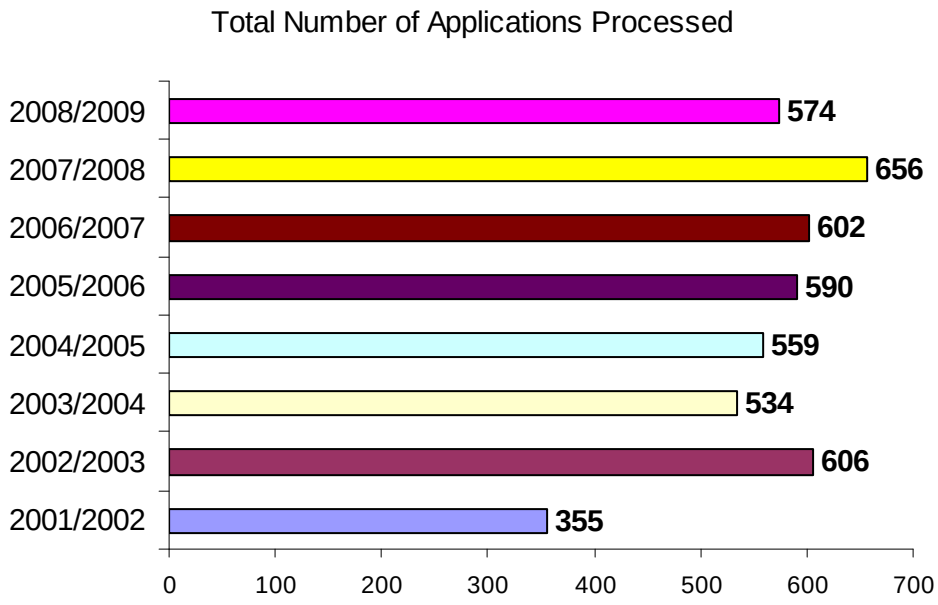
The Development Assessment Panel's prime role is the assessment of certain development applications and the reporting of development trends to Council. Council has no authority or involvement in terms of decisions made by the Development Assessment Panel.

Development Assessment

In excess of ninety five percent of development applications processed under the Development Act were dealt with by Council staff under delegated authority. The remaining applications were assessed by Council's Development Assessment Panel and/or the Development Assessment Commission.

	TOTAL 2008/2009	
TYPE OF DEVELOPMENT	**NUMBER**	**VALUE**
Dwellings	113	$14,578,464
Dwelling Additions/Attachments (verandahs, carports etc)	138	$1,793,997
Domestic Garages	136	$1,098,719
Farm Buildings (implement sheds, hay sheds, animal husbandry etc)	35	$686,995
Commercial/Industrial Development (larger scale)	15	$3,438,068
Other (community buildings, boat ramps, tanks, swimming pools, emergency dredging etc)	121	$900,369
Land Division	16	
Total	**574**	**$22,678,612**

Application Statistics



The Development Act allows for an appeal to be lodged with the Environment, Resources and Development Court by persons aggrieved by a decision of Council. During the 2008/2009 financial year, 5 appeals were lodged against a decision of Council.

Illegal Development/Compliance

Council has committed resources to address issues of illegal development and compliance. Council in the past implemented a planned inspection programme focusing on compliance of conditions attached to Development Approvals as well as a greater emphasis on taking action on identified instances of illegal/unauthorised development. In 2008/2009 this process has primarily been a reactive one, as the number of instances where complaints have been received relating to illegal development has increased dramatically.

Breaches of the Development Act have increased, primarily regarding illegal development in areas within the River Murray Zone. Council's Compliance Officers are liaising and working well with Planning Development Staff, officers from the Department of Water, Land and Biodiversity Conservation, Development Assessment Commission and the Environment Protection Authority, when investigating illegal development issues. This liaison has been highlighted with the successful partnership developed between Council and the EPA when dealing with the issue of illegal sand dumping within the River Murray and the education program and several successful joint prosecutions undertaken.

Council staff have investigated and taken action on more than 180 instances of illegal development during 2008/2009, with a dramatic increase in the number of appearances before the ERD Court along with an increase of referrals to its Solicitors being resolved before ERD attendance.

Building Fire Safety Committee

The Mid Murray Council Building Fire Safety Committee, established under the Development Act has met on five occasions during 2008/2009, three for meetings and twice for inspections. Sixteen inspections were carried out to determine compliance with building fire safety requirements.

Public and Environmental Health

Council's Environmental Health Officers continue to administer the Public and Environmental Health Act, 1987 to ensure:-

- Approval of waste control systems
- Monitoring and testing of public swimming pools and spas
- Monitoring and inspections of cooling towers and warm water systems
- Inspection and monitoring of hairdressing and beauty salons
- Inspection and eradication of European wasp nests
- Provision of immunisation clinics for the public as well as for school students
- Approval of liquor licences
- Sampling of stormwater (RMCWMB partially funded project)
- Sampling of STEDS effluent
- Involved with the operation and maintenance of Council's STED schemes
- Coordination of the drumMuster program.

Food Act

Council has approximately 217 food premises in the area which includes a number of sporting and community groups which provide occasional or ad hoc food services.

Approximately 152 food safety inspections were conducted by Council's Environmental Health Officers and all food businesses were provided with regular food safety information and updates.

Immunisation

Council's Environmental Health Officers have continued to coordinate Council's monthly immunisation clinics held at Cambrai, Swan Reach, Blanchetown, Morgan, Truro and Mannum.

Council continues to provide flu vaccines to staff annually along with Hepatitis B vaccines to 'at risk' staff.

Council also continues to provide school immunisation clinics for Hepatitis B, Gardasil, Boostrix and Chicken Pox to the Mannum Community College, Swan Reach Area School and Cambrai Area School. Council provided over 424 vaccinations this financial year to residents and staff through 41 clinics.

Wastewater Management

During the 2008/2009 reporting period, Council has processed 188 wastewater control system applications.

Council is currently in control of 31 Community Wastewater Management Systems which are located in shack areas where there are five or more shack sites as per Council's Development Plan. Council's CWMS Maintenance Officer services and maintains all CWMS treatment plants, attends callouts and collects effluent samples.

The locations of the installed schemes are:

Big Bend
Bowhill
Caurnamont
Kroehns Landing
Morgan Caravan Park
North West Bend/Beaumonts
Scotts Creek
South Punyelroo
The Rocks
Idyll Acres
Julanker/Younghusband Holdings
Blanchetown
Brenda Park/Morphett Flat
Five Mile (Kia Marina)
Lake Carlet
Neeta North
Old Teal Flat
Scrubby Flat
Swan Reach
Truro
Rob Loxton Road, Walker Flat
Bolto Reserve
Caloote Landing
Greenways Landing
Marks Landing
North Punyelroo
Pellaring Flat
Seven Mile
Teal Flat
Walker Flat
Pelican Point

There are five different types of schemes that are in place; septic tank and pump sump (STED), pump sump and pump (pressurised sewer), gravity sewer, septic tank and gravity (STED) and aerobic systems.

Council continues to provide a desludging program to those schemes that have septic tanks.

Houseboat Pump Out Facilities

Council, in partnership with the State Government, is currently assisting with the upgrade of the existing houseboat pump out facility at Blanchetown. All necessary Department of Health approvals have been issued. It is anticipated construction will commence following the issue of Native Title clearance.

Occupational Health Safety and Welfare

Mid Murray Council has continued with its commitment to good risk management practices in the past year. This commitment has again resulted in a rebate on last year's insurance premiums.

The increased input from all staff has contributed to the very good audit results achieved in both occupational health and risk management. Continued participation of all employees in Council sponsored induction and training programmes will contribute to a safe and happy workforce and a low injury rate - a direct benefit to all.

Council continues to strive to meet all its OHS & W obligations and is very committed to ensuring a safety and healthy work environment for all.

Dog and Cat Management Act

In 2009 the Dog & Cat Management Board undertook an audit of Council's Dog & Cat Management procedures, expenditure and facilities with the final outcome of the audit still to be announced. Whereas there were minor improvements required to Council's pound, early indications show a positive outcome from the audit.

Council has a requirement to monitor, measure and review staff training and development to ensure all staff have a clear understanding of animal management issues.

Council's statistics show that the numbers of dogs registered in its district has continued to decrease over the past 5 years. In 2002 Council undertook a door knock of the District and had 2986 dogs registered by June 2003. In June 2009 Council's records showed that there were 2588 dogs registered. This trend is in direct contrast to the increase in development and population within the Mid Murray Council. The numbers of unidentified dogs being impounded by Council and not being returned to their owners has increased three fold since 2005, and the number of dogs needing to be re-housed or destroyed by Council's General Inspector is almost double that of our neighboring Councils. Costs associated with dog control are substantial and increasing.

Fire Prevention

Council's Bushfire Prevention Committee has worked tirelessly to highlight the dangers of bushfires to the community. 2008/2009 proved to be an average year for rainfall which left many people complacent in their preparation for the oncoming Fire Danger Season.

The experiences from the Black Saturday Bushfires in Victoria, and the subsequent Coronial Inquiries of the West Coast Fires in South Australia, are set to change the face of Fire Prevention throughout Australia. It is expected that Local Government may need to play a greater role in the management of public education. The amendments to the Fire & Emergency Services Act, to be released in November 2009 will produce some dramatic changes to the roles of the District and Regional Bushfire Prevention Committees, and Council waits in anticipation for the Minister's announcements when establishing Bushfire Management Committees.

WORKS

The current and persistent drought is still having a considerable effect on the operations within the Works Department. Not only are we restricted, like everyone else, on the use of water, but the low river levels being experienced below Lock One are causing numerous problems.

One of the major problems is trying to keep our boat ramps operational with a receding river level. In the early part of 2009 Mid Murray Council purchased some pre manufactured concrete mattresses which were added on to some existing ramps. This treatment could not be applied to every ramp however, as conditions were not suitable in some situations. Mid Murray Council is still pursuing funding to further upgrade ramps as the river level gets lower.

Bowhill Boat Ramp upgrade

Another problem being encountered is the cracking of clay soils as they dry out. This has led to the slumping of river banks in some cases.

On the positive side, Mid Murray Council has still been able to re-sheet approximately 35 km of rural roads and have 15 km of sealed roads resealed. Roads that were sealed this year were

- The continuation of Cliff View Drive Wongulla
- Lindner Avenue in Palmer
- Dollard Avenue in Mannum

Minor construction projects during 2008/2009 include footpath construction at:-

- Tungkillo
- Swan Reach
- Mannum

Other construction work included:-

- Male Road Stormwater Drainage at Mannum
- New Culvert replacing bridge on Purnong Road, Mannum

Purnong Road – Road diversion, construction of culvert to replace aging bridge.

Parks, Gardens and Reserves

Council has a large network of Parks, Gardens and Reserves which are maintained to the best of our resources. Our Council area is a popular tourist destination and visitors are considered important to the economy of our area. In 2008/2009, $449,643 was spent on maintaining our parks, gardens and reserves and $80,495 in development and upgrading of these facilities. Council spent $393,396 maintaining public conveniences and $71,008 in developing and upgrading of these facilities. A large portion of this cost is also due to tourist demand. Numerous festivities and functions are held each year on our reserves, the biggest in 2008/2009 was a Jimmy Barnes concert on Mary Ann Reserve at Mannum which was very successful in attracting thousands of visitors to our area. The beauty of the river combined with our excellent climate and proximity to Adelaide make our area ideal for this type of event.

The following unsealed roads are planned to be upgraded to bitumen sealed surface in 2009/2010:

- Sealing 0.9 km East Front Road, Mannum
- Sealing of 1.9 km Rathjen & Kittlety Road, Caloote
- Sealing of 1.5 km of Cliff View Road, Wongulla
- Sealing of 1.0 km Purnong Road at Mannum
- Sealing 2.1 km Priest Street and Mackintosh Road, Cadell
- Sealing 1.8 km Punyelroo Road, Swan Reach
- Sealing 4.0 km of Teal Flat Road.

Other renewal work planned for 2009/2010:
Extensive resheeting and resealing program in line with Council's Asset Management Plan.

COUNCIL CONTROLLED COMMUNITY COMMITTEES

The main role of community committees established by Council is the control and management of Council property that has significant community use, or to carry out a project on behalf of the Council. The committee has the control and management of the facility or project in accordance with a management agreement established by Council.

Mannum Leisure Centre Committee:-

The committee has the primary role of maintaining and managing the Mannum Leisure Centre situated at 51 Adelaide Road, Mannum.
The Centre consists of a Gymnasium, Squash Courts, Indoor Basketball Stadium, Senior Citizens Rooms and Conference Facilities.

Mannum Dock Museum Board:-

The committee has been created to establish and maintain a Museum for the purpose of –

(1) the preservation, display and enjoyment by the public of artefacts and memorabilia of heritage significant to the area and region of the Council, with special emphasis on the history of the River Murray;
(2) the promotion and dissemination of information concerning the history of the area and the region from a geographical, geological, botanical, agricultural, commercial, human or other perspective;
(3) the promotion of tourism for the purposes of the Museum and the encouragement of public attendance at the Museum.

A prize possession of Council under the control of the Board is the fully operational steam driven paddlesteamer “PS Marion”. Besides being the focal point of the museum, the Marion went on a limited number of cruises and promotional work on the River Murray.

Morgan Museum Committee:-

The committee operates and maintains the Morgan Museum facilities. The committee has been busy restoring and upgrading museum facilities with financial assistance from Council.

Blanchetown Health and Aged Care Committee:-

The committee manages and maintains the Blanchetown Community Health Centre, situated at Egerton Street, Blanchetown and the Community Health Bus which is driven by volunteer drivers.

Swan Reach Community Health Centre Committee:-

The committee manages “Robert Taylor House”, which is the Swan Reach Community Health Centre, located at Nildottie Road, Swan Reach.

Truro Projects Advisory Committee:-

The committee manages Truro Projects.

Joint Councils Plant Committee

The Mid Murray Council and The District Council of Karoonda East Murray have an established partnership for the purpose of making more economic and efficient use of those items of plant and equipment required for the carrying out of works and undertakings under the Local Government Act.

During the reporting period the partnership purchased a new John Deere 6830 Tractor and Kirby Rock Crusher. This was financed from cash reserves and a $50,000 cash contribution from each of the member Councils.

The Management Committee is comprised of three representatives from each of the Councils.

The Annual Financial Statements for 2008/2009 for the Committee are included at Appendix 4.

Collier Park Management Committee:-

The committee manages and maintains the Collier Park Oval grounds and buildings in Palmer.

STRUCTURE AND FUNCTIONS OF THE COUNCIL

Full Council

Full Council, consisting of the Mayor and eleven Councillors, is the decision making body on all policy matters. Ordinary meetings of the Council were held at Cambrai on the second Monday of every month (except public holidays when meetings were held on the following day). Members of the public are welcome to attend all Council meetings.

Standing Committees

Council has formed the following Standing Committee:-

The Mannum Caravan Park Committee.

Members of the public are welcome to attend all Committee meetings.

Agendas and Minutes

Agendas of all full Council and Standing Committees are placed on public display in the Council's offices and on Council's website no less than three days prior to those meetings. Minutes are placed on display within five days of the meeting.

Decision Making Structure of Council

Elected Members are the policy making body of Council. Staff draft policies in consultation with relevant stakeholders including the community, and the Elected Members consider the policies, make amendments if required, and adopt these policies if desired. The Elected Members represent the eyes and ears of the community.
The Chief Executive Officer is responsible for carrying out the decisions of Council.

Works and Services can only be carried out in accordance with the adopted budget or motions of Council.
The administration of Council is divided into three Sections, namely Works; Corporate Services and Finance; and Environmental Services.
A manager is in charge of each section and reports to the Chief Executive Officer.

Delegations

The Chief Executive Officer and other officers have the delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the Policy Manual and are reviewed annually by Council.

The Council makes decisions that direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

SERVICES FOR THE COMMUNITY

Council makes decisions on policy issues relating to services that are provided for members of the public. These services currently include:-

Roads/Footpaths/Kerbing
Traffic Control Devices
Cemeteries
Car Parks
Street Tree Planting
Garbage Collection and Disposal
Parks and Reserves
Community Centres
Immunisation Programmes
Parking Controls
Dog Control
Effluent Drainage Schemes
Environmental Health Matters
Recreational/Sporting Facilities
Community Halls
Fire Protection & Prevention
Stormwater Drainage
Parking Bays/Street Closures
Street LightingDay Care Centre/Activities
Street Sweeping
Litter Bins
Public Toilets
Public Library
Playground Equipment
Boat Ramps
Planning Controls
Clean Air Controls

PUBLIC PARTICIPATION

Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council.

These are:-

(1) Deputations - With the permission of the Mayor, a member of the public can address a committee or the Council personally or on behalf of a group of residents.

(2) Petitions - Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.

(3) Written Requests - A member of the public can write to the Council on any Council policy, activity or service.

(4) Elected Members - Members of the public can contact their elected members of Council to discuss any issue relevant to Council.

COMMUNITY CONSULTATION

The Council consults with its residents on particular issues which affect them as per the following examples:-

- Residents are notified of some development applications requiring the approval of Council. When an application is publicly notified residents have the opportunity both to write to Council and to personally address the Council before a decision is made.
- Holding elector meetings when required.
- Councillors and staff are available at appropriate times to assist with enquiries and information.
- Council produced an annual 'Council Information 2008/09' leaflet which was distributed with the first quarterly rate notices and copies were available at the Council offices.
- Council produced newsletters which were distributed with the quarterly rates notices and copies were available from the Council offices.

INFORMATION STATEMENT

An Information Statement is available as a separate document in accordance with requirements, and the contents are also included in this Annual Report.
The Council is pleased to comply with the legislation and welcomes enquiries.
An up-dated Information Statement will be published at least every 12 months.

ACCESS TO COUNCIL DOCUMENTS

Documents Available for Inspection

The following documents are available for public inspection at the Council offices free of charge. Members of the public may purchase copies of these documents.

Council Agenda, Council Minutes, Standing Committee Agendas, Standing Committee Minutes, Policy Manual, Strategic Plan, Budget Statement, Annual Report, Council By-laws, Annual Financial Statements, Development Plans, Planning Applications by Consent, Planning Application Register, Building Application Register, Register of Elected Members Allowances and Benefits, Register of Employees' Salaries, Wages and Benefits, Register of Elected Members' Interests, Assessment Book, Register of Fees and Charges levied by Council and Record of Delegations.

Other Information Requests

Requests for other information not included above will be considered in accordance with the provisions of the Freedom of Information Act. Under this legislation, an application fee and a search fee must be forwarded with the completed request form as provided for in Section 13, unless the applicant is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, charges will apply.

Freedom of Information request forms should be addressed to:

The Freedom of Information Officer
Mid Murray Council
P O Box 28
MANNUM SA 5238

Forms are available at the Council office.

Applications will be responded to as soon as possible within the statutory 30 days of Council receiving the properly completed Freedom of Information request form, together with the application and search fees.

FREEDOM OF INFORMATION APPLICATIONS AND STATEMENT

The Freedom of Information Statement is published annually by the Mid Murray Council in accordance with the requirements of the Freedom of Information Act 1991. An information document is available as a separate document in accordance with requirements and the contents are also included in this Annual Report. The Council is pleased to comply with the legislation and welcomes enquiries. An updated Information Statement will be published at least every 12 months.

The Mid Murray Council received six Freedom of Information applications for the 2008/2009 financial year.

In summary:

No of Applications	6
Access granted in full	4
Access granted in part	2
Application transferred	0
Access refused	0

AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must complete a Freedom of Information request form as indicated above outlining the records that they wish to inspect.

ENROLMENT – COUNCIL ELECTORS ROLL

All persons, registered on the House of Assembly Electoral Role, and resident in the Council area are enrolled on Council's Electoral Roll.

Non resident sole owners, joint owners, body corporate, or groups of persons who are ratepayers, are automatically placed on the Electors Roll to vote.

Resident persons not on the House of Assembly Electoral Roll, may make an application to Council for inclusion on the Electoral Roll. This person must be above the age of eighteen years.

Voters' Rolls are brought up-to-date whenever an election or poll is to be held so as to reflect entitlements as they exist –

- in the case of a periodic election – on a date fixed by the Returning Officer not less than 13 weeks before the close of voting.
- in the case of any other election, or a poll – on a day fixed for the close of the roll by the proclamation or notice fixing polling day for the election or poll.

To check eligibility, contact the Council Office.

REPRESENTATION QUOTA

Council consists of 5 Wards represented by a Mayor and 11 Councillors.

Representation quotas throughout the State vary considerably depending on factors such as total number of electors in the Council area, and size of the Council area.

An examination has been made to determine the average representation quota for Councils of a similar size and type. The average was calculated to be 879, which is comparable with Mid Murray's Quota.

Councils of a similar size (number of electors) to ours are:

Council	Number of Electors	Number of Elected Representatives	Electors/ Elected Representative
Berri Barmera	8,103	11	736
Copper Coast	13,087	11	1,189
Light Regional	10,535	11	957
Loxton Waikerie	9,165	13	705
Wattle Range	10,471	12	872
Mid Murray	10,781	12	898

Council's last representation review was completed in 2003. Reviews are required to be carried out at least once in every eight years. The next review has commenced and consultants have been engaged to assist with the review.

The Process

Section 12(5) of the Local Government Act 1999 requires that Council must give public notice of the Review in the Government Gazette and in a newspaper circulating generally throughout the State and within the Council area inviting written submissions on the subject of the review within a period of at least six weeks.
A Council must give a person who makes written submissions in response to an invitation under subsection (5) an opportunity to appear personally or by representative before the Council or a Council Committee and to be heard on those submissions.

This process will be repeated once the report has been completed except that the specified period to provide written comment will be reduced to a period of at least three weeks.

At the completion of this process the report will be finalised for submission to the Electoral Commissioner.

ELECTIONS

Periodic Elections were conducted on the 11 November 2006. The next periodic election is due to be held in November 2010.

ALLOWANCES PAID TO MEMBERS OF COUNCIL AND COUNCIL MEMBERS OF COUNCIL COMMITTEES

The Local Government Act 1999 prescribes that all Elected Members are entitled to receive a general allowance, plus, in respect to attending Council and Committee meetings, reimbursement for expenses incurred in travelling within the Council area and for the care of a dependent if required to enable the Councillor to attend meetings.

Allowance paid during the 2008/2009 period:-
Mayor: Allowance $42,000 per annum to $44,100 per annum
Use of Council vehicle for Mayoral duties.
Deputy Mayor: $13,125 per annum to $13,780 per annum
Councillors: $10,500 per annum to $11,025 per annum
All Elected Members are reimbursed for travel and other expenses as per Council Policy.

ELECTED MEMBER TRAINING

The Local Government Association provides specific training for Elected Members. All Elected Members are given the opportunity, and supported in their attendance at these training sessions as they arise.

AUDITOR'S REMUNERATION

During the course of the financial period $5,250 was paid to Council's auditors for audit work. No other services were provided by the auditors.

CONFIDENTIAL ITEMS

The Mid Murray Council is committed to the principal of open and accountable government. Council also recognises that on occasions it may be necessary in the broader community interest to restrict public access to discussion and/or documents. During 2008/09 the Council considered 28 items in accordance with Section 90 (2) and 91 (7) of the Local Government Act 1999.

The grounds on which Council considered the matter and determined to exclude the public from the discussion and related documentation are outlined in the table below:

Local Government Act 1999 relevant section	No. of times used
90 (3) (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);	4
90 (3) (b) information the disclosure of which – (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest.	5
90 (3) (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which – (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest.	1
90 (3) (e) matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person.	6
90 (3) (h) legal advice.	2
90 (3) (i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.	1
90 (3) (j) information the disclosure of which – (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) would, on balance, be contrary to the public interest.	2
90 (3) (k) tenders for the supply of goods, the provision of services or the carrying out of works.	6
90 (3) (m) information relating to a proposed amendment to a Development Plan under the *Development Act 1993* before a Plan Amendment Report relating to the amendment is released for public consultation under that Act.	1

SENIOR OFFICER SALARY PACKAGES

The following information reflects the number of Senior Executive Officers and information on allowances and benefits as part of a salary package. This information relates to the South Australian Municipal Salaried Officers Award 2006 and the Mid Murray Council/ASU 2009 Enterprise Agreement.

Chief Executive Officer

Contract consisting of:
Senior Officer Level 6
Bonus and pay increase to be determined at yearly performance review.
Private use of Council Motor Vehicle to the standard of Holden Berlina or equivalent.
Superannuation as per SA Superannuation and LG Acts.
Reimbursement for private phone rental and business calls
Reimbursement of all expenses relating to the performance of the position.

Environmental Services Manager

Senior Officer Level 4
Private use of Council Motor Vehicle in lieu of overtime payments.
Superannuation as per SA Superannuation and LG Acts.
Reimbursement for private phone rental and business calls.

Corporate Services and Finance Manager

Senior Officer Level 4
Private use of Council Motor Vehicle in lieu of overtime payments.
Superannuation as per SA Superannuation and LG Acts.
Reimbursement for private phone rental and business calls.

Works Manager

Senior Officer Level 4
Private use of Council Motor Vehicle in lieu of overtime payments.
Superannuation as per SA Superannuation and LG Acts.
Reimbursement for private phone rental and business calls.

BUDGET

The Budget adopted by the Council on 14 July, 2008 was prepared in the manner prescribed under the Local Government Regulations in operation at the time. During the course of the 2008/09 financial year, differences between budget and actual were identified in Council's September, December and March Budget Reviews.

RATE REBATES

Rate rebates are granted in accordance with provisions contained within Council's Rating Policy. For the financial period 2008/2009, 90 properties were given automatic rate rebates amounting to $87,709.91. These rebates relate mainly to hospitals and education facilities. Forty one applications were received from community organisations and all were donated the full amount of their rates amounting to $28,234.19. Rebates granted to the Mid Murray Homes for the Aged for ten properties, amounted to $21,991.77.

422 rebates amounting to $45,763.32 were granted to those ratepayers whose rates had increased by over 12% above the previous years rates.

STRATEGIC MANAGEMENT PLANS

The Local Government Implementation Act requires Councils to have Strategic Management Plans in place. Council's 2006 – 2011 Strategic Plan is a working document. A review of the Strategic Management Plan was completed in 2008.

PERFORMANCE REVIEW

Council's Annual Budget for 2008/2009, Strategic Plan, Long Term Financial Plan, Asset Management Plan and Annual Business Plan are used as planning tools for management. During the reporting period, most projects were completed.

177 Annual Objectives were contained in the 2008/2009 budget, of which 157 were achieved.

Council budgeted for an operating surplus of $272,206 for the 2008/2009 period. The final result showed an operating surplus of $1,206,825 prior to taking into account physical resources received free of charge, amounts received specifically for new or upgraded assets, and net gain on disposal of assets. This has been affected by the early receipt of the first instalment of Federal Government Financial Assistance Grants of $774,563. This was received in June 2009, but is for the 2009/2010 financial period. Accounting Standards require that grants be accounted for in the financial period in which they are received.

Performance Measures for 2008/2009

To enable both the Council and the community to assess Council's performance over the 2008-2009 year, "Performance Targets" were set for a number of selected activities as shown below.

These “Performance Targets” have been reviewed and monitored throughout the year. Results for 2008/2009 are:

Goal 1 – Acknowledge the ongoing relationship of Aboriginal people with the land, the river and their resources			
	Activity	***Performance Target***	***Result***
1	*Developing an Indigenous Land Use Agreement with the First Peoples of the River Murray Group*	*Discussions held to advance progress by June 2009*	*Discussions halted due to funding restrictions by State Government*
2	*Continue discussions with Mannum Aboriginal Community Association*	*Discussions held by June 2009*	*Ad hoc meetings when necessary*

Goal 2 – Recognise and protect our significant built and cultural heritage			
	Activity	***Performance Target***	***Result***
1	*Heritage Places DPA*	*Review completed and DPA drafted by 30/6/2009*	*Target met, review completed. Project brief for DPA consultant to be drafted by February 2010*

Goal 3 – Protect and manage sensitive environments by establishing criteria for sustainable access and use			
	Activity	***Performance Target***	***Result***
1	*Staged implementation of Community Land Management Plan recommendations*	*Development of four riverfront reserves being Haythorpe Reserve, Bolto Reserve, Hogwash Bend and Section 868, Hundred of Younghusband, completed by 30 June 2009*	*Target met. Bolto Reserve upgrade completed. Funding application to be lodged for Haythorpe Reserve January 2010*

Goal 4 – Ensure that the Development Plan incorporates sustainability principles in respect to all forms of development and facilitate the provision of suitably zoned land for residential, industrial, commercial and retail purposes			
	Activity	***Performance Target***	***Result***
1	*Mannum Township DPA*	*Review of Intent completed and lodged with Planning Minister by 30/6/2009*	*Target met. Consultation on draft DPA completed. DPA endorsed & forwarded to Minister December 2009*
2	*Selected Townships & Settlements DPA*	*Consultants appointed to undertake review of Townships & Settlements*	*Target met. Review completed. Consultant appointed to commence DPA*
3	*River Murray Zone Township DPA*	*Review completed and DPA lodged with Planning Minister by 30/6/2009*	*Target met. Draft DPA to be endorsed and lodged with Minister December 2010*
4	*River Murray Zone/River Settlement & Minor Amendments DPA*	*Public consultation associated with DPA completed by 30/6/2009*	*Target met. DPA with Minister for endorsement*
5	*Recreational Boating Facilities Strategy Plan*	*Completed by 30/6/2009*	*Target met, completed*
6	*Minimum Development Unit DPA*	*Statement of Intent lodged with Minister by June 2009*	*Target not met, delays with mapping. Minimum Development Unit review to be completed February 2010*

Goal 5 – Promote the environmental benefits of STEDS and alternative wastewater treatment systems including the re-use of treated wastewater, where applicable			
	Activity	***Performance Target***	***Result***
1	*STEDS Development Program, Cowirra and Wongulla*	*Completion of Public Consultation Process by 30 June 2009*	*Target met – project not proceeding*
2	*Development of Integrated Water Management Plan for Truro*	*Plan to be completed by 31 March 2009*	*Completed*

Goal 6 – Develop and implement a waste management strategy that reduces the volume of waste going to landfill			
	Activity	***Performance Target***	***Result***
1	*Regional Waste Management Plan Development – Riverland sub-group*	*Expression of Interest completed and considered by Council by 31/12/2008*	*Tenders were called in March 2009*

Goal 7 – Provide services and facilities to support an ageing population and for those people with disabilities			
	Activity	***Performance Target***	***Result***
1	*Disabled Access Audits*	*Planned work recommended in Access Audits completed by 30 June 2009*	*Ongoing programme of implementation*

Goal 8 – Maintain co-operative relationships with our community to achieve our shared goals			
	Activity	***Performance Target***	***Result***
1	*New five year Industry and Employment Agreement with Regional Development Board Inc. and Minister for Regional Development*	*Agreement achieved by 31/12/2008*	*Agreement signed*
2	*Provide support to Community Groups*	*All community group requests considered by Council in line with Community Grants Scheme*	*Second round of grant applications approved by Council 9/2/2009*

Goal 9 – Continue to maintain and improve road system			
	Activity	***Performance Target***	***Result***
1	*Resealing of 15 kilometres of road*	*Planned work completed by 30/6/2009*	*Completed*
2	*Resheeting of 35 kilometres of road*	*Planned work completed by 30/6/2009*	*Completed*
3	*Completion of Male Road Stormwater Drainage*	*Planned work completed by 31/12/2008*	*Completed*
4	*Road Construction Program*	*Planned work completed by 30/6/2009*	*Completed*

Goal 10 – To provide effective management of assets			
	Activity	***Performance Target***	***Result***
1	*Asset Management Plans to be completed*	*Planned work completed by 30/11/2008*	*Adopted by Council 9/2/2009*
2	*Revaluation of Assets to be completed*	*Planned work completed by 31/10/2008*	*Completed*

Goal 11 – Undertake streetscape and township improvements in accordance with Master Plans completed for various towns, staged within annual budget provisions			
	Activity	***Performance Target***	***Result***
1	*Truro Streetscape Project including development of Pioneer Park*	*Planned work completed by 30/6/2009*	*Consultant appointed, scheduled for completion February 2010*
2	*Footpath construction in Mannum, Tungkillo, Truro and Swan Reach*	*Planned work completed by 30/6/2009*	*Mannum, Tungkillo and Swan Reach projects completed, Truro delayed with ongoing community consultation*
3	*Stage 2 Undergrounding of Power in Truro*	*Planned work completed by 31/12/2008*	*Completed*

Goal 12 – Maintain efficient and effective operations and procedures			
	Activity	***Performance Target***	***Result***
1	*Office extensions at Mannum*	*Temporary additional offices and storage facilities operational by 31/12/2008*	*Temporary accommodation not proceeded with*
2	*Continuation of Records Management Upgrade*	*Planned consultancy and system upgrade completed by 30/6/2009*	*Contract work completed*

Goal 13 –To be accountable and responsible managers of our financial resources			
	Activity	***Performance Target***	***Result***
1	*Long Term Financial Plans*	*New Long Term Financial Plan to be completed by 30/11/2008*	*Adopted by Council 9/2/2009*

Goal 14 – Develop a Training Plan to assist in providing appropriate training resources and access to relevant courses and seminars for elected members			
	Activity	***Performance Target***	***Result***
1	*Elected Member training plan as provided by the LGA of SA*	*Elected Member attendance at training sessions*	*Ongoing as forums and courses are held*

Performance targets for 2009/2010 as shown in Council's Annual Business Plan are:

Goal 1 – Investigate the feasibility of a recycling programme and sorting facility in association with a major landfill facility in the region		
	Activity	***Performance Target***
1	*Establishment of waste recycling program within the Council area*	*Expression of Interest completed and considered by Council by 31/12/2009*

Goal 2 – Acknowledge the ongoing relationship of Aboriginal people with the land, the River and their resources		
	Activity	***Performance Target***
1	*Developing an Indigenous Land Use Agreement with the First Peoples of the River Murray Group*	*ILUA Agreement discussions to resume in 2009/2010*

Goal 3 – Prepare a tourism policy that guides Council in implementing the Regional Tourism Strategy		
	Activity	***Performance Target***
1	*Development of a tourism policy for Council*	*Tourism policy completed by 30/6/2010*

Goal 4 – Facilitate private sector investment for appropriate developments through proactive planning and a positive approach		
	Activity	***Performance Target***
1	*Mannum Waters Development Deed of Agreement*	*Deed of Agreement endorsed August 2009*

Goal 5 – Undertake a review of operations and procedures to ensure optimum efficiency		
	Activity	***Performance Target***
1	*CWMS Independent Review*	*Completion and endorsement of Independent Review December 2009*
2	*Delegations Review*	*Completion and adoption of updated Delegations Register December 2009*

Goal 6 – Continue to maintain and improve road system		
	Activity	***Performance Target***
1	*Resealing 10 kilometres of road*	*Planned worked completed by 30/6/2010*
2	*Resheeting of 30 kilometres of road*	*Planned worked completed by 30/6/2010*
3	*Road Construction Program*	*Planned worked completed by 30/6/2010*

Goal 7 – Undertake streetscape and township improvements in accordance with Master Plans completed for various towns, staged within annual budget provisions		
	Activity	***Performance Target***
1	*Truro Streetscape Project including development of Pioneer Park*	*Planned work completed by 30/6/2010*
	Footpath construction in Mannum, Tungkillo, Truro and Swan Reach	*Planned work completed by 30/6/2010*

Goal 8 – Maintain efficient and effective operations and procedures		
	Activity	**Performance Target**
1	Continuation of Records Management Upgrade and disposal of old records	Planned consultancy and system upgrade completed by 30/6/2010
2	Policies and procedures of finance areas to be reviewed	Planned consultancy completed by 30/9/2009
3	Elector Representation Review	Completion of review by 31/12/2009
4	Complete a depreciation review following revaluation of assets	Completion by 30/9/2009
5	Review Asset Management Plan and Long Term Financial Plan	Completion by 30/6/2010

Goal 9 – Recognise and protect our significant built and cultural heritage		
	Activity	**Performance Target**
1	Heritage Places DPA	Heritage Places DPA commenced September 2009

Goal 10 – Protect and manage sensitive environments by establishing criteria for sustainable access and use		
	Activity	**Performance Target**
1	Staged implementation of Community Land Management Plan recommendations	Rescheduling of reserve development: Bolto Reserve completed by December 2009. Hogwash Bend and Haythorpe Reserve commenced by March 2010

Goal 11 – Ensure that the Development Plan incorporates sustainability principles in respect to all forms of development and facilitate the provision of suitably zoned land for residential, industrial, commercial and retail purposes		
	Activity	**Performance Target**
1	Mannum Township DPA	Consultation completed. Lodgement with Minister by 1 August 2009
2	Township Boundaries DPA	Final version of Statement of Intent lodged with Minister. DPA lodged with Minister February 2010
3	River Settlement and Minor Amendments DPA	Public consultation completed July 2009. Lodgement with Minister by October 2009
4	Recreational Boating Facilities Strategy Plan Review	Review completed and endorsed by Council in October 2008, progressive upgrade of boating facilities in accordance with the Strategy during 2010
5	Minimum Development Unit Review	Review completed August 2009

Goal 12 – Promote the environmental benefits of STEDS and alternative wastewater treatment systems including the re-use of treated wastewater, where applicable		
	Activity	**Performance Target**
1	STEDS Development Program at Cowirra	Public consultation complete and decision by Council July 2009
2	Development of Integrated Water Management Plan for Truro	Plan completed. Detailed Stormwater Management Plan completed by November 2009

Goal 13 – Provide services and facilities to support an ageing population and for those people with disabilities		
	Activity	**Performance Target**
1	Disabled Access Audits	Ongoing implementation of Access Audits recommendations

Goal 14 – Develop and implement a waste management strategy that reduces the volume of waste going to landfill		
	Activity	***Performance Target***
1	*Regional Waste Management Plan Development – Riverland sub-group*	*Evaluate Tenders July 2009. Let Tender in August 2009*
2	*Complete post closure plans for Mannum and Cambrai Waste Landfills*	*Plans completed by 31 August 2009*

Goal 15 – Continue to support small communities by working with community organisations and volunteers to optimise the use of existing facilities and improve and maintain services		
	Activity	***Performance Target***
1	*Projects funded under the Federal Regional and Local Community Infrastructure Program to be completed in accordance with grant guidelines*	*All projects completed by 30/9/2009 or within approved extension by Minister*

CUSTOMER SATISFACTION SURVEY

Mid Murray Council normally participates in the Local Government Associations survey of property owners in the Council area to assess their satisfaction with the four key areas of Governance, Community Satisfaction, Financial and Asset Management, and Quality of Life. It is Councils aim to achieve at least an 80% customer satisfaction rating in the categories of:

- Community Perception of Quality of Life
- Safety and Security
- General Satisfaction
- Asset Management
- Awareness of Strategic Direction
- Community Consultation
- Public Access

Council has resolved that this type of survey is not required every year, and therefore no survey was carried out in 2008/2009.

FINANCIAL INDICATORS

Whilst financial indicators provide a ready assessment of financial performance and sustainability, they need to be interpreted in the context of a Council's operating environment. They do not replace the need for sound judgment.

	2009	2008	2007
Operating Surplus/(Deficit) (without FAG prepayment)	'000 1,207 *432*	'000 372	'000 -2
Operating Surplus/(Deficit) Ratio (without FAG prepayment)	15% *5%*	5%	0%
Net Financial Liabilities (without FAG prepayment)	'000 $5,004 *$5,779*	'000 $4,926	'000 $4,225
Net Financial Liabilities Ratio (without FAG prepayment)	33% *38%*	37%	33%
Interest Cover Ratio	1.0%	1.4%	1.6%
Asset Sustainability Ratio	81%	31%	58%
Asset Consumption Ratio	67%	77%	80%

Further information on Financial Indicators can be obtained from Council's Annual Business Plan and Council's Annual Financial Statements for 2008/2009.

APPLICATION OF COMPETITION PRINCIPLES

Council's obligations under the National Competition Policy fall within two principal categories. Firstly, the identification of "significant business activities" and the application of Competitive Neutrality Principles to these activities. Council's only significant business activity is the Mannum Caravan Park with an annual revenue of $775,981.

Council carries out no commercial business activities with an annual revenue in excess of $2 million, or employing assets in excess of $20 million.

Council has in place the following policies, codes and practices relevant to competition policy:

- Code of Tendering
- National Competition Policy – Complaints Mechanism
- Purchasing

Council has no specific policy to purchase goods and services locally, but in practise small items for convenience are purchased locally. Local contractors may also have an advantage in not having to travel as far to the work site.

POLICIES OF COUNCIL

The following policies which have been adopted by Council are included in Council's Policy Manual:-

SECTION 1	GENERAL MANAGEMENT
SECTION 2	TOURISM
SECTION 3	FINANCE
SECTION 4	RATING
SECTION 5	FEES & CHARGES
SECTION 6	COMMUNITY SERVICES
SECTION 7	WORKS
SECTION 8	HEALTH POLICIES
SECTION 9	DEVELOPMENT
SECTION 10	COMMUNITY GRANTS POLICY
SECTION 11	ALCOHOL CONSUMPTION POLICY – MANNUM LEISURE CENTRE
SECTION 12	ELECTED MEMBERS' TRAINING AND DEVELOPMENT POLICY
SECTION 13	RECORDS MANAGEMENT POLICY
SECTION 14	CONTROL OF ELECTION SIGNS POLICY
SECTION 15	ELECTRONIC COMMUNICATION FACILITIES POLICY
SECTION 16	PUBLIC CONSULTATION POLICY
SECTION 17	ORDER MAKING POLICY
SECTION 18	COMPETITIVE TENDERING, CONTRACTING, PURCHASING, SALE AND DISPOSAL OF LAND AND OTHER ASSETS POLICY
SECTION 19	INVESTMENT POLICY
SECTION 20	OCCUPATIONAL HEALTH, SAFETY AND WELFARE
SECTION 21	MOTOR VEHICLE POLICY

SECTION 22 OUTDOOR DINING POLICY

SECTION 23 DISPLAY OF GOODS ON COUNCIL FOOTPATHS POLICY

OTHER POLICIES, CODES AND REGISTERS

1 Code of Practice – For Access to Council Meetings, Council Committees and Council Documents.
2 Local Government (Procedures at Meetings) Regulations, 2000
3 Internal Control Policy
4 National Competition Policy – Complaints Mechanism
5 Code of Conduct for Elected Members, Officers and Employees of Council
6 Code of Tendering
7 Rating Policy 2008/2009
8 The Establishment & Terms of Reference for the Mid Murray Council Development Assessment Panel
9 Members Register of Interests
10 Members Register of Allowances and Benefits
11 Officers Register of Remuneration etc.
12 Officers Register of Interest
13 Public Road Register
14 By Laws
15 Campaign Donation Returns prepared by candidates.
16 Register of Community Land

Community Land Management Plans have been adopted and were reviewed by Council in 2007.

EQUAL EMPLOYMENT OPPORTUNITY

Equal Employment Opportunity means that all employment and promotion decisions are made on the basis of merit. Making decisions based on merit means assessing the individual's skills and abilities and not discriminating against anyone on the basis of their sex, race, national or ethnic origin, physical disabilities, or any other personal characteristic which is irrelevant to the job.
The Mid Murray Council is committed to equal employment opportunity for both its existing workforce and in the recruitment of any future employees.
Council has resolved that:

- All Council employees should be treated in a fair and equitable manner with regard to recruitment, promotion and all other aspects of personnel management.
- Equal employment opportunities should be provided for all Council employees on the basis of individual merit and without regard to race or national origin, colour, gender, political or religious affiliation, marital status or physical disability.
- Access to effective education and training should be provided for all Council employees to allow them to reach their full potential.
- In encouraging its employees to develop to their fullest potential the Council should protect them from coercion, favouritism or arbitrary action, whilst also maintaining high standards of integrity and public accountability.

COUNCIL ELECTED MEMBERS – REIMBURSEMENT FOR EXPENSES

Travelling expenses actually and necessarily incurred by an Elected Member in attending meetings of the Council, its Committees or other functions or activities which the Elected Member has been authorised by the Council to attend on the business of the Council in accordance with the Local Government (Members Allowances and Benefits) Regulations 1999.
Other expenses as detailed in the Regulations
In addition to the statutory requirements, travelling expenses will be paid to an Elected Member for attendance at functions organised by the Council or the Mayor, which are held within the Council area.

SCHEDULE OF FEES AND CHARGES

Council or its Committees has imposed fees and charges for the provision of the undermentioned services:-

Cemeteries
Development Applications
Dog Control
Freedom of Information
Garbage Dumps
Immunisation Services
Minutes, Agendas and Reports (Provision of)
Parks, Reserves and Water Reserves (Fees and Revenues)
Parking – On Street
Photocopying (Including Facsimile)
Private Roadworks
Roadworks
Road Reinstatements
Roads – Leasing
Search Fees
Septic Fees
Septic Tank Applications
Tourism – Information Bays
Water – Public Standpipes
Usage of Council Assets –
Morgan Medical Centre
Blanchetown Community Health Centre
Swan Reach Community Health Centre
Council House Rental
Office Space Rental
Hall Hire
Oval Hire
Mannum Leisure Centre
Swimming Pools
Morgan Community Bus
Morgan Museum
Mannum Caravan Park
Mannum Dock Museum

PUBLIC CONSULTATION POLICY

Adopted by Council 10 April, 2000
Extracts.
The Policy identifies the steps the Council will follow in circumstances where the Act requires the Council to follow its Policy.

1. The Council will identify a range of options available to it to communicate information to interested persons and invite submissions;
2. As a minimum the Council will publish a notice in a newspaper circulating in the area describing the matter for which pubic consultation is required, and inviting interested persons to make submissions to the Council within a period being at least twenty one days from the date of the Notice;
3. The Council will consider any submissions received as part of its decision making process and will also have regard to any relevant legislation
4. Other options which the Council may choose, in addition to the above are:
    - notice in The Advertiser,
    - letter drops to residents,
    - telephone access line,
    - media releases,
    - letters to stakeholders

ORDER MAKING POLICY

Mid Murray Council is committed to using the Order Making powers available to it under the Local Government Act 1999 in such a way as to facilitate a safe and healthy environment, and to improve the amenity of the locality.
Mid Murray Council's Order Making Policy sets out the steps Council will take in the making of Orders.
The policy was endorsed by Council on 12 March 2001, following public consultation on the draft policy. Written submissions were invited within 28 days of a notice appearing in the local newspapers. Submissions received were considered and taken into account in preparing this policy.

The Order Making Policy covers the following areas:

- Unsightly condition of land
- Hazards on lands adjoining a public place.
- Animals that may cause a nuisance or hazard
- Inappropriate use of vehicle.

COMPETITIVE NEUTRALITY AND LOCAL GOVERNMENT

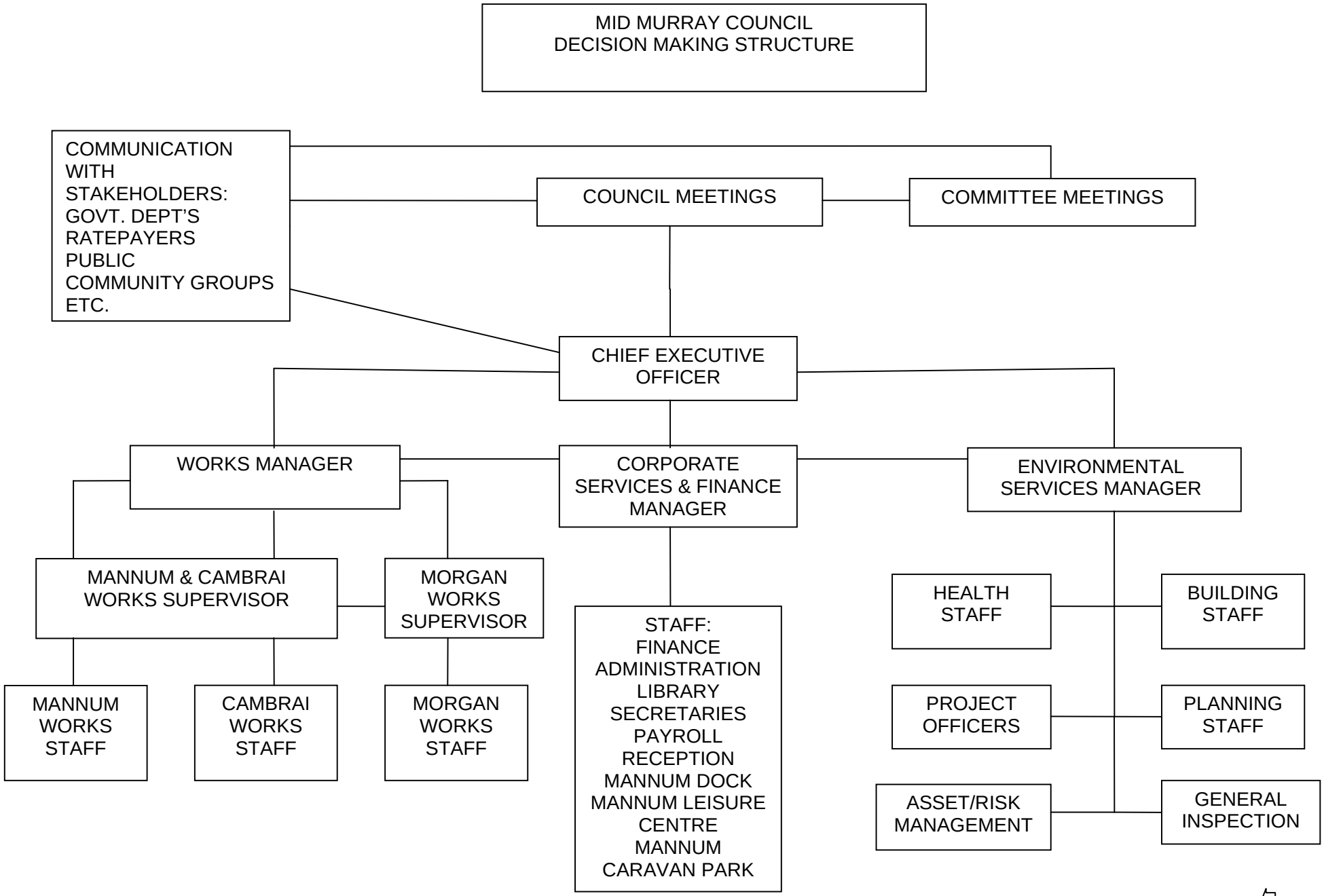
When Council reviews a complaint the following action will be taken:

- The Chief Executive Officer to decide whether the complaint will be investigated internally or by appointing a person from the independent panel established by the Local Government Association of SA
- Within five working days from receipt of the complaint-
  - record the complaint in the complaint register;
  - acknowledge the complaint;
  - provide the complainant with a copy of the policy;
  - provide the complainant with a copy of the complaint process.
- Within twenty working days from the receipt of the complaint –
  - investigate the complaint;
  - advise the complainant of the result of the investigation and any corrective action taken.
- Complaints Register will be established and maintained.

TENDERS AND QUOTATIONS

"Code of Tendering"
The Mid Murray Council shall not enter into any contract as defined save in accordance with the Code which covers the following areas.

Tender Documents
Public Notice
Conditions of Tendering
Reporting of Tenders Received.
Expenditure Levels for Tenders and Quotations
Calling and Acceptance


MID MURRAY COUNCIL
DECISION MAKING STRUCTURE
COMMUNICATION WITH STAKEHOLDERS: GOVT. DEPT'S RATEPAYERS PUBLIC COMMUNITY GROUPS ETC.
COUNCIL MEETINGS
COMMITTEE MEETINGS
CHIEF EXECUTIVE OFFICER
WORKS MANAGER
CORPORATE SERVICES & FINANCE MANAGER
ENVIRONMENTAL SERVICES MANAGER
MANNUM & CAMBRAI WORKS SUPERVISOR
MORGAN WORKS SUPERVISOR
STAFF: FINANCE ADMINISTRATION LIBRARY SECRETARIES PAYROLL RECEPTION MANNUM DOCK MANNUM LEISURE CENTRE MANNUM CARAVAN PARK
HEALTH STAFF
BUILDING STAFF
PROJECT OFFICERS
PLANNING STAFF
ASSET/RISK MANAGEMENT
GENERAL INSPECTION
MANNUM WORKS STAFF
CAMBRAI WORKS STAFF
MORGAN WORKS STAFF

Annual Report 2008/2009

APPENDIX 1

Mid Murray Council
Financial Statement for the year ended 30 June 2009

MID MURRAY COUNCIL

General Purpose Financial Reports
for the year ended 30 June 2009

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MID MURRAY COUNCIL

INCOME STATEMENT
for the year ended 30 June 2009

	Notes	2009 $	2008 $
INCOME			
Rates	2	**8,118,933**	7,365,641
Statutory charges	2	**269,690**	286,648
User charges	2	**1,287,888**	1,228,611
Grants, subsidies and contributions	2	**4,526,118**	3,445,519
Investment income	2	**149,258**	183,772
Reimbursements	2	**625,459**	738,109
Other income	2	**194,615**	40,541
Net gain - joint ventures & associates	19	-	8,709
Total Income		**15,171,961**	13,297,550
EXPENSES			
Employee costs	3	**5,151,642**	4,762,478
Materials, contracts & other expenses	3	**4,133,599**	4,100,609
Finance costs	3	**394,444**	362,724
Depreciation, amortisation & impairment	3	**4,276,555**	3,699,893
Net loss - joint ventures & associates	19	**8,896**	-
Total Expenses		**13,965,136**	12,925,704
OPERATING SURPLUS / (DEFICIT)		**1,206,825**	371,846
Net gain (loss) on disposal or revaluation of assets	4	**28,917**	8,570
Amounts received specifically for new or upgraded assets	2	**769,993**	614,755
Physical resources received free of charge	2	**918,608**	1,532,570
Non-operating items - joint ventures and associates	19	-	-
NET SURPLUS / (DEFICIT)		**2,924,343**	2,527,741

This Statement is to be read in conjunction with the attached Notes.

MID MURRAY COUNCIL

BALANCE SHEET
as at 30 June 2009

	Notes	2009 $	2008 $
ASSETS			
Current Assets			
Cash and cash equivalents	5	**2,887,845**	2,821,270
Trade & other receivables	5	**1,106,854**	1,278,390
Inventories	5	**96,945**	139,028
Total Current Assets		**4,091,644**	4,238,688
Non-current Assets			
Financial Assets	6	**133,219**	121,853
Equity accounted investments in Council businesses	6	**116,344**	75,240
Infrastructure, Property, Plant & Equipment	7	**149,289,061**	67,017,851
Total Non-current Assets		**149,538,624**	67,214,944
Total Assets		**153,630,268**	71,453,632
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	**2,158,267**	2,321,541
Borrowings	8	**971,565**	894,182
Provisions	8	**76,604**	65,526
Total Current Liabilities		**3,206,436**	3,281,249
Non-current Liabilities			
Trade & Other Payables	8	**24,720**	1,440
Borrowings	8	**5,130,936**	5,102,501
Provisions	8	**770,205**	762,098
Total Non-current Liabilities		**5,925,861**	5,866,039
Total Liabilities		**9,132,297**	9,147,288
NET ASSETS		**144,497,971**	62,306,344
EQUITY			
Accumulated Surplus		**16,322,980**	13,168,004
Asset Revaluation Reserve	9	**126,254,004**	46,986,720
Other Reserves	9	**1,920,987**	2,151,620
TOTAL EQUITY		**144,497,971**	62,306,344

This Statement is to be read in conjunction with the attached Notes.

MID MURRAY COUNCIL

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2009

	Notes	2009 $	2008 $
ACCUMULATED SURPLUS			
Balance at end of previous reporting period		**13,168,004**	10,515,253
Net Surplus / (Deficit) for Year		**2,924,343**	2,527,741
Transfers to Other Reserves		**(774,155)**	(664,119)
Transfers from Other Reserves		**1,004,788**	789,129
Balance at end of period		**16,322,980**	13,168,004
ASSET REVALUATION RESERVE	9		
Balance at end of previous reporting period		**46,986,720**	46,986,720
Gain on revaluation of infrastructure, property, plant & equipment		**79,267,284**	-
Balance at end of period		**126,254,004**	46,986,720
OTHER RESERVES	9		
Balance at end of previous reporting period		**2,151,620**	2,276,630
Transfers from Accumulated Surplus		**774,155**	664,119
Transfers to Accumulated Surplus		**(1,004,788)**	(789,129)
Balance at end of period		**1,920,987**	2,151,620
TOTAL EQUITY AT END OF REPORTING PERIOD		**144,497,971**	62,306,344
Total of all revenues recognised directly in Equity		***79,267,284***	-
Total of all expenses recognised directly in Equity		-	-
NET CHANGE IN EQUITY		***79,267,284***	-

This Statement is to be read in conjunction with the attached Notes

MID MURRAY COUNCIL

CASH FLOW STATEMENT
for the year ended 30 June 2009

	Notes	2009 $	2008 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts		**16,203,806**	14,049,269
Investment receipts		**171,867**	181,806
Payments			
Operating payments to suppliers & employees		**(10,385,058)**	(9,647,821)
Finance payments		**(397,535)**	(461,612)
Net Cash provided by (or used in) Operating Activities		**5,593,080**	4,121,642
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		**769,993**	614,755
Sale of replaced assets		**157,424**	362,905
Sale of surplus assets		**-**	46,276
Repayments of loans by community groups		**15,640**	8,323
Payments			
Expenditure on renewal/replacement of assets		**(3,623,116)**	(1,494,382)
Expenditure on new/upgraded assets		**(2,867,264)**	(4,244,377)
Loans made to community groups		**(35,000)**	(122,600)
Capital contributed to associated entities		**(50,000)**	-
Net Cash provided by (or used in) Investing Activities		**(5,632,323)**	(4,829,100)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings		**1,000,000**	1,200,000
Payments			
Repayments of Borrowings		**(894,182)**	(789,422)
Net Cash provided by (or used in) Financing Activities		**105,818**	410,578
Net Increase (Decrease) in cash held		**66,575**	(296,880)
Cash & cash equivalents at beginning of period	11	**2,821,270**	3,118,150
Cash & cash equivalents at end of period	11	**2,887,845**	2,821,270

This Statement is to be read in conjunction with the attached Notes

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999*).

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar ($).

2 The Local Government Reporting Entity

Mid Murray Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 49 Adelaide Road Mannum. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other Real Estate held for resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

6 Infrastructure, Property, Plant & Equipment

6.1 Transitional Provisions

As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 *Land Under Roads.* Details of the effects of this election are given in Note 7.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

6.2 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Note 1 - Significant Accounting Policies (cont)

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* when completed ready for use.

6.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	$500
Other Plant & Equipment	$1,000
Buildings - new construction/extensions	$5,000
Park & Playground Furniture & Equipment	$2,000
Road construction & reconstruction	$5,000
Paving & footpaths, Kerb & Gutter	$2,000
Drains & Culverts	$5,000
Reticulation extensions	$5,000
Sidelines & household connections	$5,000
Artworks	$5,000

6.4 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Road earthworks	indefinite
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years

Note 1 - Significant Accounting Policies (cont)

Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite

6.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

6.7 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 1023 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Note 1 - Significant Accounting Policies (cont)

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities.

12 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed as assets under lease, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

13 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

Note 1 - Significant Accounting Policies (cont)

14 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

15 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2009 reporting period.

- AASB 3 *Business Combinations*
- AASB 101 *Presentation of Financial Statements*
- AASB 123 *Borrowing Costs*
- AASB 127 *Consolidated and Separate Financial Statements*
- AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123*
- AASB 2007-8 & AASB 2007-10 *Amendments to Australian Accounting Standards arising from AASB 101*
- AASB 2008-2 *Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation*
- AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127*
- AASB 2008-5 & AASB 2008-6 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project*
- AASB 2008-7 *Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- AASB 2008-8 *Amendments to Australian Accounting Standards - Eligible Hedged Items*
- AASB 2008-9 *Amendments to AASB 1049 for Consistency with AASB 101*
- AASB 2008-11 *Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities*
- AASB 2008-12 *Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition*
- AASB 2008-13 *Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners*
- *Interpretation 15* Agreements for the Construction of Real Estate
- *Interpretation 16* Hedges of a Net Investment in a Foreign Operation
- *Interpretation 17* Distributions of Non-cash Assets to Owners
- *Interpretation 18* Transfers of Assets from Customers
- (Standards not affecting local government have been excluded from the above list.)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 2 - INCOME

	Notes	2009 $	2008 $
RATES REVENUES			
General Rates		7,077,870	6,494,903
Less: Discretionary rebates, remissions & write offs		(62,244)	(57,238)
		7,015,626	6,437,665
Other Rates (including service charges)			
Natural Resource Management levy		93,389	92,276
TV Transmission		17,520	17,520
Water supply		32,589	32,589
Road		33,335	-
Community wastewater management systems		878,268	742,758
		1,055,101	885,143
Other Charges			
Penalties for late payment		49,140	43,314
		49,140	43,314
Less: Discretionary rebates, remissions & write offs		(934)	(481)
		8,118,933	7,365,641
STATUTORY CHARGES			
Development Act fees		78,599	77,533
Town planning fees		108,280	124,850
Animal registration fees & fines		55,002	58,451
Parking fines / expiation fees		7,067	4,364
Other registration fees		52	1,340
Other fines, penalties & expiations		1,725	-
Sundry		18,965	20,110
		269,690	286,648
USER CHARGES			
Cemetery/crematoria fees		18,054	28,339
Caravan Park Revenue		797,240	773,713
Mannum Dock Museum		172,659	125,810
Hall & equipment hire		33,721	39,008
Mannum Leisure Centre		63,242	60,254
Sales - general		57,996	72,213
Rubbish Dump Fees & Recycling		143,345	127,973
Sundry		1,631	1,301
		1,287,888	1,228,611
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		139,743	182,910
Banks & other		1,649	862
Loans to community groups		7,866	-
		149,258	183,772

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

NOTE 2 - INCOME (continued)

	Notes	2009 $	2008 $
REIMBURSEMENTS			
- for expense payments		**286,808**	304,742
- for private works		**240,366**	242,959
- by joint undertakings		**25,299**	153,821
- other		**72,986**	36,587
		625,459	738,109
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		**112,165**	13,631
Rebates, Bonus's & Refunds		**39,894**	25,878
Donations		**35,953**	-
Sundry		**6,603**	1,032
		194,615	40,541
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		**769,993**	614,755
Other grants, subsidies and contributions		**3,751,555**	3,445,519
Individually significant item - additional Grants Commission payment	see below	**774,563**	-
		5,296,111	4,060,274

The functions to which these grants relate are shown in Note 2.

Sources of grants		
Commonwealth government	**4,875,134**	3,335,120
State government	**206,241**	336,161
Other	**214,736**	388,993
	5,296,111	4,060,274

INDIVIDUALLY SIGNIFICANT ITEMS

On 26 June 2009, Council received payment of the first quarter instalment of the 2009/10 Grant Commission (FAG) grant. This represents a significant increase in income from this source for 2008/09, with an equivalent reduction in 2009/10	***774,563***	-

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

NOTE 2 - INCOME (continued)

	Notes	2009 $	2008 $
Conditions over grants & contributions			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at the close of the previous reporting period		***429,902***	*473,758*
Less: expended during the current period from revenues recognised in previous reporting periods			
Roads Infrastructure		***(220,843)***	*(290,843)*
Heritage & Cultural Services		***(54,446)***	*(50,750)*
Subtotal		***(275,289)***	*(341,593)*
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
Roads Infrastructure		-	*220,843*
Heritage & Cultural Services		***411,048***	*76,894*
Subtotal		***411,048***	*297,737*
Unexpended at the close of this reporting period		***565,661***	*429,902*
Net increase (decrease) in assets subject to conditions in the current reporting period		***135,759***	*(43,856)*
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Roads, Bridges & Footpaths		**918,608**	1,532,570
TOTAL PHYSICAL RESOURCES RECEIVED		**918,608**	1,532,570

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 3 - EXPENSES

	Notes	2009 $	2008 $
EMPLOYEE COSTS			
Salaries and Wages		**4,115,537**	3,957,271
Employee leave expense		**1,014,104**	754,599
Superannuation - defined contribution plan contributions	18	**252,773**	253,154
Superannuation - defined benefit plan contributions	18	**165,061**	149,661
Workers' Compensation Insurance		**151,582**	142,828
Less: Capitalised and distributed costs		**(547,415)**	(495,035)
Total Operating Employee Costs		**5,151,642**	4,762,478
Total Number of Employees		***91***	*90*
(Full time equivalent at end of reporting period)			
MATERIALS, CONTRACTS & OTHER EXPENSES			
Prescribed Expenses			
Auditor's Remuneration			
- Auditing the financial reports		**5,250**	5,000
Bad and Doubtful Debts		**27,551**	48,995
Elected members' expenses		**242,672**	222,714
Election expenses		**7,673**	10,944
Operating Lease Rentals - non-cancellable leases	18		
- minimum lease payments		**20,340**	18,643
Subtotal - Prescribed Expenses		**303,486**	306,296
Other Materials, Contracts & Expenses			
Contractors		**1,092,921**	1,566,634
Energy		**273,523**	267,352
Telephone		**98,726**	97,865
Water and Sewer		**108,532**	61,961
Insurances		**350,859**	334,677
Vehicle Registration & TPI		**82,366**	73,091
Fuels & Oils		**681,474**	660,940
Legal Expenses		**154,128**	136,940
Levies paid to government - NRM levy		**92,331**	91,055
- Other Levies		**85,692**	73,249
Parts, accessories & consumables		**1,265,143**	1,139,707
Professional services		**550,046**	112,978
Rubbish Collection Contractor		**295,542**	276,180
Less Full Cost Attribution transferred to Capital		**(1,794,119)**	(1,568,455)
Sundry		**492,949**	470,139
Subtotal - Other Materials, Contracts & Expenses		**3,830,113**	3,794,313
		4,133,599	4,100,609

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 3 - EXPENSES (cont)

	Notes	2009 $	2008 $
FINANCE COSTS			
Interest on overdraft and short-term drawdown		**561**	-
Interest on Loans		**393,883**	362,724
		394,444	362,724
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		**282,695**	362,770
Infrastructure		**3,219,248**	2,462,825
Plant & Equipment		**591,242**	713,535
Furniture & Fittings		**183,370**	160,763
		4,276,555	3,699,893

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2009 $	2008 $
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
Assets renewed or directly replaced			
Proceeds from disposal		**157,424**	362,905
Less: Carrying amount of assets sold		**128,507**	372,837
Gain (Loss) on disposal		**28,917**	(9,932)
Assets surplus to requirements			
Proceeds from disposal		-	46,276
Less: Carrying amount of assets sold		-	27,774
Gain (Loss) on disposal		-	18,502
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		**28,917**	8,570

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 5 - CURRENT ASSETS

	Notes	2009 $	2008 $
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		**266,857**	147,265
Deposits at Call		**2,600,658**	2,674,005
Short Term Deposits & Bills, etc		**20,330**	-
		2,887,845	2,821,270
TRADE & OTHER RECEIVABLES			
Rates - General & Other		**672,129**	594,822
Accrued Revenues		**18,977**	41,586
Debtors - general		**144,160**	483,825
Other levels of Government - Capital		**17,593**	112,408
Other levels of Government - Operating		**104,635**	-
GST Recoupment		**157,852**	87,043
Prepayments		**21,361**	
Loans to community organisations		**21,009**	13,015
Total		**1,157,716**	1,332,699
Less: Allowance for Doubtful Debts		**50,862**	54,309
		1,106,854	1,278,390
INVENTORIES			
Stores & Materials		**78,160**	119,440
Trading Stock		**18,785**	19,588
		96,945	139,028

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 6 - NON-CURRENT ASSETS

	Notes	2009 $	2008 $
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		**133,219**	121,853
TOTAL FINANCIAL ASSETS		**133,219**	121,853
EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES			
The Mid Murray and Karoonda East Murray District Councils Plant Committee	19	**116,344**	75,240
		116,344	75,240

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2008 $				2009 $			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	7,400,372	-	-	7,400,372	**17,484,886**	**-**	**-**	**17,484,886**
Buildings & Other Structures	8,669,845	2,270,223	(1,716,044)	9,224,024	**24,184,071**	**1,776,556**	**(11,544,597)**	**14,416,030**
Infrastructure	40,586,322	16,370,887	(11,245,365)	45,711,844	**160,812,596**	**-**	**(48,493,654)**	**112,318,942**
Plant & Equipment	-	7,840,684	(3,627,759)	4,212,925	**-**	**8,442,786**	**(3,989,808)**	**4,452,978**
Furniture & Fittings	-	1,499,657	(1,030,971)	468,686	**-**	**1,763,645**	**(1,147,420)**	**616,225**
TOTAL PROPERTY, PLANT & EQUIPMENT	56,656,539	27,981,451	(17,620,139)	67,017,851	**202,481,553**	**11,982,987**	**(65,175,479)**	**149,289,061**
2008 Totals	***56,505,949***	***21,696,953***	***(14,355,876)***	***63,847,026***	***56,656,539***	***27,981,451***	***(17,620,139)***	***67,017,851***

This Note continues on the following pages.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2008 $	CARRYING AMOUNT MOVEMENTS DURING YEAR $					2009 $
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals				
Land	7,400,372	-	-	-	-	10,084,514	17,484,886
Buildings & Other Structures	9,224,024	1,695,890	80,665	-	(282,695)	3,698,146	14,416,030
Infrastructure	45,711,844	1,824,071	2,517,651	-	(3,219,248)	65,484,624	112,318,942
Plant & Equipment	4,212,925	7,008	951,930	(127,643)	(591,242)	-	4,452,978
Furniture & Fittings	468,686	258,903	72,870	(864)	(183,370)	-	616,225
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	67,017,851	3,785,872	3,623,116	(128,507)	(4,276,555)	79,267,284	**149,289,061**
2008 Totals	***63,847,026***	***5,196,987***	***2,074,343***	***(400,612)***	***(3,699,893)***		***67,017,851***

This Note continues on the following pages.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost for the purposes of AIFRS.

Plant, Furniture & Equipment

Pursuant to Council's election, these assets are recognised on the cost basis.

Land & Land Improvements

Land and improvements are recognised on the cost basis deriving from a valuation by Maloney Field Services as at 1 July 2008 at written down current replacement cost. Additions are recognised at cost.

Buildings & Other Structures

Buildings and other structures are recognised on the cost basis deriving from a valuation by Maloney Field Services as at 1 July 2008 at written down current replacement cost. Additions are recognised at cost.

Infrastructure

Infrastructure assets were valued by Gayler Professional Engineering at written down current replacement cost as at 1 July 2008. All acquisitions made after the valuation are recorded at cost.

All other assets

Pursuant to Council's election, these assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 8 - LIABILITIES

		2009 $		2008 $	
TRADE & OTHER PAYABLES	Note	**Current**	**Non-current**	Current	Non-current
Goods & Services		**811,978**		1,193,229	
Payments received in advance		**11,470**		49,873	
Accrued expenses - employee entitlements		**1,101,858**		883,006	
Accrued expenses - other		**69,480**		72,571	
Deposits, Retentions & Bonds		**39,018**	**20,330**		1,440
Other		**124,463**	**4,390**	122,862	
		2,158,267	**24,720**	2,321,541	1,440
BORROWINGS					
Loans		**971,565**	**5,130,936**	894,182	5,102,501
		971,565	**5,130,936**	894,182	5,102,501

All interest bearing liabilities are secured over the future revenues of the Council.

PROVISIONS					
Employee entitlements (including oncosts)		**76,604**	**770,205**	65,526	762,098
		76,604	**770,205**	65,526	762,098

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 9 - RESERVES

ASSET REVALUATION RESERVE	Notes	1/07/2008 $	Net Increments (Decrements) $	Transfers on Sale $	30/06/2009 $
Land		1,481,873	10,084,515		**11,566,388**
Buildings & Other Structures		8,497,117	3,698,145		**12,195,262**
Infrastructure					
- Roads, bridges, footpaths		37,007,730	65,484,624		**102,492,354**
Total Infrastructure, Property, Plant & Equipment		46,986,720	79,267,284		**126,254,004**
TOTAL		46,986,720	79,267,284		**126,254,004**
2008 Totals		*46,986,720*			***46,986,720***

OTHER RESERVES	1/07/2008	Transfers to Reserve	Transfers from Reserve	30/06/2009
Building & Infrastructure Reserve	1,248,439	579,810	(681,298)	**1,146,951**
Effluent Drainage Reserve	142,361	167,377		**309,738**
Projects Reserve	562,000	26,968	(124,670)	**464,298**
Bonds & Trusts Reserve	1,440		(1,440)	
Plant Replacement Reserve	197,380		(197,380)	
TOTAL OTHER RESERVES	2,151,620	774,155	(1,004,788)	**1,920,987**
2008 Totals	*2,276,630*	*664,119*	*(789,129)*	***2,151,620***

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets and available-for-sale financial assets.

Building & Infrastructure Reserve:

This reserve is made up of funds set aside for various purposes i.e. Mannum Caravan Park $551,553 made up from profits set aside for capital improvements: Property Development Morgan/Cadell $18,918 proceeds from sale of Council house being used for Morgan Musuem upgrades; Truro Office Building $27,155 balance of proceeds from sale of Truro Town Hall to be used on community projects in Blanchetown; Open Space $20,411 developer contributions awaiting project; Specific Grant Funds for Riverfront Reserve Development $15,685 - projects partly completed; Effluent Construction $18,532 balance of loan funds being used to construct new effluent drainage schemes; Truro Clubrooms $100,696 proceeds from insurance claim being used towards reconstruction of Clubrooms following fire; Federal Infrastructure Grants $394,000 being used for Community Projects to be completed by 30 September 2009.

Separate Rate Reserve: $309,738: Balance of maintenance funds for Effluent Drainage Schemes, Water Supply and TV Transmission Services some of which is to cover replacement of the schemes.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 9 - RESERVES

Projects Reserve: Morgan Telecentre $6,000 community group funds held; Youth Skate Park $25,000 for construction of Skate Park; Libraries $19,000 funds held on behalf of libraries; Revegetation Project $12,260 grant funds not spent; Heritage $11,600 grant funds not spent; Heroes Grant $47,498 to be spent in 2009/2010; Bowhill Community Projects $23,924 funds from sale of hall earmarked for community projects; Swan Reach Houseboat CWMS $55,043 Govt contribution for maintenance in advance; Morgan Houseboat CWMS $68,835 Govt contribution for maintenance in advance; Blanchetown Houseboat Pumpout Station $166,254 grant funds for construction of new facilities; Morgan Museum $8,106 community funds held by Council; Morgan Community Vehicle $9,561 community funds held by Council; Younghusband Boat Ramp Grant Funds to be repaid to Govt. $11,218.

The above Reserve Funds are not necessary cash backed as Council internally borrows against these reserve funds to save interest.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

		2009	2008
CASH & FINANCIAL ASSETS	Notes	$	$
Unexpended grants received from Federal & State Govt.		553,412	429,902
		553,412	429,902
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		553,412	429,902

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2009 $	2008 $
Total cash & equivalent assets	5	**2,887,845**	2,821,270
Balances per Cash Flow Statement		**2,887,845**	2,821,270
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus (Deficit)		**2,924,343**	2,527,741
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		**4,276,555**	3,699,893
Equity movements in equity accounted investments (increase) decrease		**8,896**	(8,709)
Net increase (decrease) in unpaid employee benefits		**238,037**	166,479
Change in allowances for under-recovery		**(3,447)**	(5,547)
Non-cash asset acquisitions		**(918,608)**	(1,532,570)
Grants for capital acquisitions treated as Investing Activity		**(769,993)**	(614,755)
Net (Gain) Loss on Disposals		**(28,917)**	(8,570)
		5,726,866	4,223,962
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		**182,977**	(88,284)
Net (increase) decrease in inventories		**42,083**	(48,894)
Net increase (decrease) in trade & other payables		**(358,846)**	21,447
Net increase (decrease) in other liabilities		**-**	13,411
Net Cash provided by (or used in) operations		**5,593,080**	4,121,642
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical resources received free of charge	3	**918,608**	1,532,570
Amounts recognised in Income Statement		**918,608**	1,532,570
		918,608	1,532,570

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Bank Overdrafts	**1,200,000**	1,200,000
Corporate Credit Cards	**17,500**	17,500

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 12 - FUNCTIONS

	INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL				
	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $
Administration	8,169,696	7,403,691	803,673	294,743	7,366,023	7,108,948	8,000	-	8,302,007	6,059,218
Public Order & Safety	60,233	61,060	261,336	236,017	(201,103)	(174,957)	-	-	383,482	751,343
Health	69,588	50,370	268,444	318,194	(198,856)	(267,824)	-	-	119,678	507,023
Social Security & Welfare	34,756	34,294	197,364	217,480	(162,608)	(183,186)	28,200	35,087	488,546	459,277
Housing & Community Services	572,250	770,062	4,346,579	4,050,199	(3,774,329)	(3,280,137)	10,000	396,705	16,987,711	13,985,012
Recreation & Culture	244,090	135,655	1,313,242	1,232,242	(1,069,152)	(1,096,587)	16,284	73,434	19,184,653	9,523,063
Agriculture	4,067	9,474	107,682	109,411	(103,615)	(99,937)	-	-	-	-
Building	45,046	42,932	298,833	259,507	(253,787)	(216,575)	-	-	-	-
Works	1,634,260	1,403,438	4,585,248	4,069,303	(2,950,988)	(2,665,865)	1,374,159	704,902	97,111,353	32,475,671
Economic Affairs	1,008,527	984,889	1,111,672	1,258,766	(103,145)	(273,877)	6,000	42,914	5,050,321	2,685,892
Other Purposes	3,329,448	2,401,685	671,063	879,842	2,658,385	1,521,843	3,083,475	2,192,477	6,030,857	5,007,133
					-	-				
TOTALS	15,171,961	13,297,550	13,965,136	12,925,704	1,206,825	371,846	4,526,118	3,445,519	153,658,608	71,453,632

Excludes net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Council Administration
Governance, Administration N.E.C., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Telecommunications Networks, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, Separate and Special Rates.

Public Order & Safety
Regulatory Services - Dog and Cat Control, Litter Control, and Other Regulatory Services. Emergency Services, Other Fire Protection

Health
Regulatory Services - Clean Air/Pollution Control, Health Inspection.. Immunisation, Nursing Homes, Preventive Health Services, Other Health Services. Pest Control

Social Security & Welfare
Community Services – Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Crime Prevention, Other Services for the Aged and Disabled, Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support

Housing & Community Services
Sewerage/CWMS, Water Supply – Domestic, Cemeteries, Public Conveniences, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facilities, Other Waste Management, Support for Local Area Planning Committees, Stormwater and Drainage, Street Cleaning, Street Lighting, Town Planning,

Recreation & Cultural Services
Static Libraries, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Outdoor, and Other Recreation.

Agriculture
Contributions to Natural Resource Management Board, Other Environmental support.

Building
Building Control,

Works
Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.. Footpaths and Kerbing, Gravel Pits/Quarries, , Private Road works, Bus Shelters, Town Bus Service, Car Parking (provision and regulation), Streetscaping, Wharves, Boat Ramps and Other Marine Facilities, Aerodrome, Bridges, Bus Service,

Economic Affairs
Caravan Parks, Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism Promotion, information services, venues and events, other Economic Development.

Other Purposes NEC
Development of Land for Resale, Plant Hire & Depots, Revenues, LGGC – General Purpose.

The activities relating to Council functions are as follows:

Business Undertakings
Abattoirs, Caravan Parks, Electricity Supply, Gravel Pits/Quarries, Development of Land for Resale, Marinas/Boat Havens, Markets/Saleyards, Off-street Car Parks – fee paying, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic, Town Bus Service, and Other – please specify.

Community Services

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Nursing Homes, Preventive Health Services, Other Health Services, Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child Care Centres, Children and youth Services, community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Cemeteries/Crematoria, public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

Culture

Library Services, Mobile Libraries and Housebound Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

Economic Development

Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

Environment

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Recreation

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Indoor, Swimming Centres – Outdoor, and Other Recreation.

Regulatory Services

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

Transport

Aerodrome, Bridges, Bus Service, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Plant Hire & Depot

Unclassified Activities

Council Administration

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	**Accounting Policy:** Carried at lower of cost and net realiseable value; Interest is recognised when earned. **Terms & conditions:** Deposits are returning fixed interest rates between 2% and 3% (2008: 6% and 7%). **Carrying amount:** approximates fair value due to the short term to maturity.
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	**Accounting Policy:** Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. **Terms & conditions:** Secured over the subject land, arrears attract interest of 11.25% (2008: 10.2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State. **Carrying amount:** approximates fair value (after deduction of any allowance).
Receivables - Fees & other charges	**Accounting Policy:** Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. **Terms & conditions:** Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. **Carrying amount:** approximates fair value (after deduction of any allowance).
Receivables - other levels of government	**Accounting Policy:** Carried at nominal value. **Terms & conditions:** Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State. **Carrying amount:** approximates fair value.
Liabilities - Creditors and Accruals	**Accounting Policy:** Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. **Terms & conditions:** Liabilities are normally settled on 30 day terms. **Carrying amount:** approximates fair value.
Liabilities - Interest Bearing Borrowings	**Accounting Policy:** Carried at the principal amounts. Interest is charged as an expense as it accrues. **Terms & conditions:** secured over future revenues, borrowings are repayable six monthly; interest is charged at fixed rates between 5.35% and 8.2% (2008: 5.25% and 8.2%) **Carrying amount:** approximates fair value.
Liabilities - Finance Leases	**Accounting Policy:** accounted for in accordance with AASB 117.

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2009		Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
		$	$	$	$	$
Financial Liabilities						
Payables		**986,929**	**24,720**		**1,011,649**	**1,011,649**
Non-Current Borrowings		**971,565**	**3,320,773**	**1,810,163**	**6,102,501**	**6,102,501**
	Total	**1,958,494**	**3,345,493**	**1,810,163**	**7,114,150**	**7,114,150**

2008		Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
		$	$	$	$	$
Financial Liabilities						
Payables		1,367,404			1,367,404	1,367,404
Non-Current Borrowings		894,182	3,282,134	1,820,367	5,996,683	5,996,683
	Total	2,261,586	3,282,134	1,820,367	7,364,087	7,364,087

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2009		30 June 2008	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	$	%	$
Other Variable Rates	**0**	**1,011,649**	0	1,367,404
Fixed Interest Rates	**6.64**	**6,102,501**	6.87	5,996,683
		7,114,150		7,364,087

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 14 - COMMITMENTS FOR EXPENDITURE

	Notes	2009 $	2008 $
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Infrastructure		**234,644**	61,895
		234,644	61,895
These expenditures are payable:			
Not later than one year		**234,644**	61,895
		234,644	61,895
Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		**7,000**	12,375
Waste Management Services		**909,090**	1,171,716
Employee Remuneration Contracts		**773,931**	173,593
		1,690,021	1,357,684
These expenditures are payable:			
Not later than one year		**558,539**	386,049
Later than one year and not later than 5 years		**1,131,482**	971,635
		1,690,021	1,357,684

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 15 - FINANCIAL INDICATORS

	2009	2008	2007
These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.			
Operating Surplus	1,206,825	371,846	(2,252)
Operating Surpus (without FAG prepayment)	*432,262*		
Being the operating surplus (deficit) before capital amounts.			
Operating Surplus Ratio			
Operating Surplus	15%	5%	0%
Rates - general & other less NRM levy			
Operating Surplus Ratio (without FAG prepayment)	*5%*		
This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.			
Net Financial Liabilities	5,004,379	4,925,775	4,225,088
Net Financial Liabilities (without FAG prepayment)	*5,778,942*		
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses.			
Net Financial Liabilities Ratio			
Net Financial Liabilities	33%	37%	33%
Total Operating Revenue less NRM levy			
Net Financial Liabilities Ratio (without FAG prepayment)	*38%*		
Interest Cover Ratio			
Net Interest Expense	(1.0%)	(1.4%)	1.6%
Total Operating Revenue less NRM levy less Investment Income			
Asset Sustainability Ratio			
Net Asset Renewals	81%	31%	58%
Depreciation Expense			
Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.			
Asset Consumption Ratio			
Carrying value of depreciable assets	67%	77%	80%
Gross value of depreciable assets			
Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.			

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2009 $		2008 $	
Income		**15,171,961**		13,297,550
less Expenses		**(13,965,136)**		(12,925,704)
		1,206,825		371,846
Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	**(3,623,116)**		(1,494,382)	
less Depreciation, Amortisation and Impairment	**4,276,555**		3,699,893	
less Proceeds from Sale of Replaced Assets	**157,424**		362,905	
		810,863		2,568,416
Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets *(including investment property & real estate developments)*	**(2,867,264)**		(4,244,377)	
less Amounts received specifically for New and Upgraded Assets	**769,993**		614,755	
less Proceeds from Sale of Surplus Assets *(including investment property and real estate developments)*	-		46,276	
		(2,097,271)		(3,583,346)
Net Lending / (Borrowing) for Financial Year		**(79,583)**		(643,084)

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis whereever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Lessees commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

	2009	2008
	$	$
Not later than one year	**16,925**	11,860
Later than one year and not later than 5 years	**7,833**	-
	24,758	11,860

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members
Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2008/09 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2007/08). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) Members
Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6% (6% in 2007/2008) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

After the end of the financial year Council was advised that due to the global financial crisis the Salarylink Plan is no longer fully funded. Discussions are being held as to how the shortfall will to be funded. This may involve a future increase in the Employer contribution rate.

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES

Bullamakanka Garbage Disposal
Established by Coalface, Black Stump and Bullamakanka Councils, this organisation is responsible for the creation and disposal of unnecessary paperwork within the combined area.

	2009	2008
The Mid-Murray & Karoonda East Murray District Cncls Plant Committee	**$**	$
Council's respective interests are:		
- interest in outputs of the joint operation	50%	50%
- ownership interest in the joint operation	50%	50%
- the proportion of voting power in the joint operation	50%	50%
Movements in Investment in Joint Operation	**$**	$
Opening Balance	**75,240**	66,531
New Capital Contributions	**50,000**	-
Share in Operating Result	**(8,896)**	8,709
Share in Equity of Joint Operation	**116,344**	75,240

MID MURRAY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 20 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported elsewhere in these Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 3,380 km of road reserves of average width 20 metres.

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

Council has estimated that there are no significant potential losses arising from claims known at reporting date. Other potential claims not reported to Council may have existed at reporting date.

3. BANK GUARANTEES

Council has not guaranteed any loans or other banking facilities to community organisations and sporting bodies.

4. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 5 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

5. WASTE DISPOSAL SITES

Requirements of the Environmental Protection Agency for rehabilitation of Waste Disposal Sites have the potential to cost our community considerable funds. These are estimated to be $1,250,000.

MID MURRAY COUNCIL

Note 21 - COMPARISON OF ACTUAL TO BUDGET FOR THE PERIOD 1 JULY 2008 TO 30 JUNE 2009

BUDGET COMPARISON INCOME STATEMENT

	Notes	BUDGET 2009 $	ACTUAL 2009 $	VARIANCE $
INCOME				
Rates		8,070,534	**8,118,933**	48,399
Statutory charges		275,700	**269,690**	(6,010)
User charges		1,241,691	**1,287,888**	46,197
Grants, subsidies and contributions		3,558,837	**4,526,118**	967,281
Investment income		153,050	**149,258**	(3,792)
Reimbursements		533,645	**625,459**	91,814
Other revenues		57,831	**194,615**	136,784
Total Revenues		**13,891,288**	**15,171,961**	**1,280,673**
EXPENSES				
Employee costs		5,050,316	**5,151,642**	(101,326)
Materials, contracts & other		4,437,090	**4,142,495**	294,595
Finance costs		406,974	**394,444**	12,530
Depreciation, amortisation &		3,724,702	**4,276,555**	(551,853)
Total Expenses		**13,619,082**	**13,965,136**	**(346,054)**
OPERATING SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS		**272,206**	**1,206,825**	934,619
CAPITAL INCOME				
Net gain (loss) on disposal or revaluation of assets		0	**28,917**	28,917
Sale of Assets		157,000		(157,000)
Amounts specifically for new or upgraded assets		-	**769,993**	769,993
Physical resources received free of		0	**918,608**	918,608
CHANGE IN FINANCIAL POSITION RESULTING FROM OPERATIONS		**429,206**	**2,924,343**	**2,495,137**
CAPITAL EXPENDITURE				
Land, Buildings, Infrastructure, Plant & Equipment, Furn, Fitts & Office Equip		**4,486,180**	**6,490,381**	**(2,004,201)**

The Budget adopted by Council on 14 July 2008 was prepared in the manner prescribed under the Local Government Regulations in operation at that time. During the course of the 2008/2009 financial year, material differences between budget and actual were identified in Council's September, December and March Budget Reviews.

MID MURRAY COUNCIL

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2009

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Dean Hillary Gollan, the person for the time being occupying the position of Chief Executive Officer of Mid Murray Council, do herby state that the Financial Statements of the Mid Murray Council for the year ended 30 June 2009 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999* made under that Act.

Dean Hillary Gollan

CHIEF EXECUTIVE OFFICER

Dated this 26 day of OCTOBER 2009

ADOPTION STATEMENT

Laid before the Mid Murray Council and adopted on the 30 day of November 2009.

Ian R. Mann OAM

MAYOR

John D. Ewen & Associates
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MID MURRAY COUNCIL

We have audited the accompanying Financial Report of Mid Murray Council which comprises the balance sheet as at 30 June 2009 and the income statement, cash flow statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration as set out on pages 1 – 38.

THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

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

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

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

AUDITOR'S INDEPENDENCE DECLARATION

In conducting our audit we have complied with the independence requirements of the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 1999* and the Australian professional accounting bodies.

Liability limited by a scheme approved under Professional Standards Legislation

AUDIT OPINION

In our opinion the financial report of Mid Murray Council is properly drawn up:

a) To give a true and fair view of :
   i) the Council's state of affairs as at 30 June 2009 and changes in equity resulting from operations and cashflows for the year ended on that date.
   ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.

b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 1999 made under that Act; and

c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at Adelaide this 5th day of November 2009.

JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of Mid Murray Council.

I confirm that, for the audit of the financial statements of Mid Murray Council for the year ended 30 June 2009, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

Signed at Adelaide this 5th day of November 2009.

JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

MID MURRAY COUNCIL

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2009

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Mid Murray Council for the year ended 30 June 2009, the Council's Auditor, John Ewen, has maintained his independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.

.....

Dean Hillary Gollan
CHIEF EXECUTIVE OFFICER

Date: 4/11/2009

.....

Councillor Inez Bormann
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 4/11/2009

Annual Report 2008/2009

APPENDIX 2

Mid Murray Council
Annual Business Plan 2008/2009

MID MURRAY COUNCIL

ANNUAL BUSINESS PLAN

2008-2009

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MID MURRAY COUNCIL

ANNUAL BUSINESS PLAN

2008-2009

1. INTRODUCTION

The annual business plan sets out the Council's proposed services, programs and projects for 2008-09. It aims to maintain efficient services for the community and continue progress towards the longer term objectives for the Mid Murray Council set out in the strategic management plan adopted by the Council on 10/07/2006.

Council is in the process of formulating new long-term financial and asset management plans to ensure the long-term sustainability of the Council's financial performance and position. When finalised, the annual business plan will be consistent with these plans.

Principal Office
and
Administration Office:

49 Adelaide Road, Mannum, SA 5238
P O Box 28, Mannum, SA 5238
Telephone: (08) 8569 0100 Facsimile: (08) 8569 1931
Email: postbox@mid-murray.sa.gov.au

Environmental Services Division:

(Development/Building/Health)
Main Street, Cambrai SA 5353
Telephone: (08) 8564 6020 Facsimile: (08) 8569 1931

Works Division:

Corner Fourth & Eighth Streets, Morgan, SA 5320
Telephone: (08) 8540 0060 Facsimile: (08) 8569 1931

Elected Members Structure

Mid Murray Council is a corporate body consisting of a Mayor and 11 Councillors.

MAYOR	
Ian Mann OAM	(08) 8569 1646
RANDELL WARD	
Cr Mick F Morrissey	0411 632 932
Cr Brian Taylor	(08) 8569 1239
Cr Kerry Yeates	0439 877 849
RIVER SOUTH WARD	
Cr Dave Burgess	(08) 8570 8320
Cr Peter Milsom	0439 189 690
STURT WARD	
Cr Inez K Bormann	0438 806 112
Cr Ros N Schultz	0408 849 043
RIVER NORTH WARD	
Cr Marie Rudloff	0412 096 888
Cr Kevin P Myers	0428 518 994
Cr Ken B Sayers	(08) 8540 5258
REEDY CREEK WARD	
Cr Jeff L Howie	(08) 8569 7221

Senior Officers at 30 June, 2008

Chief Executive Officer	Mr Dean Gollan
Manager, Corporate & Financial Services	Mr Robin Bourne
Manager, Environmental Services	Mr Kelvin Goldstone
Manager, Works	Mr Jon Fry

GENERAL STATISTICS

Area	6,266 square kilometres
Population	8,448
Length of Council Roads	3,376 Kms
Replacement Cost of Infrastructure	$132,723,534
Mayor	1
Councillors	11
Wards	5
Employees (includes part-time employees)	114 (89.2 FTE's)

ASSESSMENTS AND RATES

Details of the Mid Murray Council's Assessment and Rates Information for 2008/09.

Assessed Capital Value	$1,905,151,860
Valuer –	Valuer General
Date of Last New Valuation	2008
Number of Rateable Properties	9,598
General Rate Income	7,006,330
Effluent Drainage Rates	849,922
NRM Levy	92,330
Other Separate Rates	$82,952
Percentage of Rateable Assessments Affected by the Minimum Rate	26.2%

MID MURRAY COUNCIL

The Mid Murray Council was formed on 1st July, 1997 through the amalgamation of the District Council of Mannum, District Council of Morgan, District Council of Ridley-Truro and part of the District Council of Mount Pleasant. The Council area comprises land within regions generally known as the Murraylands, Riverland and the eastern slopes of the Mount Lofty Ranges. The major topographical feature of the area being the valley of the River Murray with some 220 kms of this picturesque waterway passing through the district.

The principal office of Council is situated in Mannum. This is the site for Council's administration and finance functions. The Cambrai Office houses the planning, building control and environmental health functions, whilst the works functions are based at the Morgan Office.

Major issues confronting the Council:

- The need to maintain our infrastructure (especially a very large road network) in a safe and trafficable condition.
- Continual promotion and upgrade of our very large tourist infrastructure based mainly on the River Murray.
- Major deficiencies exist in the provision of effluent drainage schemes for our townships and shack areas along the river. Shack areas are being addressed as a priority.
- Development pressure for growth in the Council area.
- Funding disparities between Rural and Metropolitan Councils.
- Increased rules and regulations imposed by other levels of government on Local Government, especially environmental matters in relation to Waste Management Services.
- Financial Sustainability Program.

Council is continually confronted with new challenges which it meets as they arise. Many of these challenges put pressure on rate income increases above inflation.

VISION STATEMENT

We celebrate our rich and diverse country lifestyle built on a strong economy, a vibrant community and family spirit and the ongoing protection of the River Murray and our precious natural and built heritage.

MISSION STATEMENT

We will be:
Proactive in planning for and facilitating business and industry investment and economic growth;
Committed to the protection of our natural and built environment;
Open and inclusive in encouraging community involvement and partnership in Council plans and policies;
Advocates for and providers of services and facilities that support community wellbeing;
An efficient and responsible manager of Council assets, infrastructure and resources in partnership with the community;
A professional organisation that attracts and retains high quality staff and Elected Members.

VALUES

We will be known for our:
Honesty, integrity and reliability;
Professional, hard working and responsive approach;
Positive and progressive attitude;
Demonstrated concern for our community's built heritage and natural environment;
Openness, balance and pragmatism when making decisions;
Strong leadership in the best interests of the whole community.

GOALS

1. NATURAL AND BUILT ENVIRONMENT

1.1.1 Protect and manage sensitive environments by establishing criteria for sustainable access and use.
1.1.2 Improved river management and environmental flows.
1.1.3 Provide leadership in responsible natural resource management practices on Council controlled land.
1.1.4 Recognise and protect our significant built and cultural heritage.
1.1.5 Acknowledge the ongoing relationship of Aboriginal people with the land, the river and their resources.
1.1.6 Ensure that the Development Plan incorporates sustainability principles in respect to all forms of development.
1.1.7 Promote the environmental benefits of STEDS and alternative wastewater treatment systems including the re-use of treated wastewater, where applicable.
1.1.8 Develop and implement a waste management strategy that reduces the volume of waste going to landfill.

2. COMMUNITY

2.1.1 Address employment and infrastructure barriers to attract new families and to encourage our young people to stay or return to the district.
2.1.2 Provide services and facilities to support an ageing population and for those people with disabilities.
2.1.3 Recognise the particular needs of holiday home communities and small country towns.
2.1.4 Cater for the needs of young people.
2.1.5 Maintain co-operative relationships with our community to achieve our shared goals.

3. ECONOMY

3.1.1 Secure appropriate development through private sector investment.
3.1.2 Facilitate the provision of suitably zoned land for residential, industrial, commercial and retail purposes.
3.1.3 Work with the Regional Development Boards to attract industry and employment opportunities to our area.
3.1.4 Work with the Regional Tourism Marketing Committees and adjoining Councils to promote the value of tourism and recreation to our economy.
3.1.5 Promote on-farm value adding to primary production.
3.1.6 Work with relevant Government agencies and landholders to prevent threats to agricultural production.

4. INFRASTRUCTURE, ASSET AND FACILITY MANAGEMENT

4.1.1 To provide effective management of assets
4.1.2 Continue to maintain and improve the road system
4.1.3 Promote greater utilisation of and/or rationalisation of existing facilities.
4.1.4 Maintain land under our care and control and assets associated with the River Murray to a high standard.

5. GOVERNANCE

5.1.1 Strengthen the capacity of Elected Members to provide leadership and direction.
5.1.2 Increase the community's awareness of the roles and responsibilities of Elected Members.
5.1.3 Provide support to attract and retain high quality elected member representatives drawn from a broad cross-section of the community.

6. FINANCE AND ADMINISTRATION

6.1.1 To be accountable and responsible managers of our financial resources
6.1.2 Build a culture where staff are consulted and involved in making decisions about their working environment.
6.1.3 Maintain the level of debt repayments at less than 15% of annual rate revenue (not including self-funding loans)
6.1.4 Establish and maintain efficient and effective operations and procedures.

2. LINKING STRATEGIC GOALS TO BUDGET

Service Area – Administration					
Function	Net Total $	Operating (Recurrent) Expenses $	Operating (Project) Expenses $	Capital Expenditure $	Revenue $
Consultants	70,000	39,000	70,000		-39,000
Insurances	0	198,580			-198,580
General Administration	161,606	1,768,340		22,110	-1,628,844
Information Technology	0	298,889		99,660	-398,549
Elected Members	258,660	258,660			
Donations	64,100	64,100			
Rates	-8,070,534				-8,070,534

Projects for 2008-2009 include:-

- Office extensions at Mannum
- Asset Management Plans to be completed
- Long Term Financial Plans to be completed
- Land, Buildings and Major Structures to be re valued and insurance values updated
- Review of monthly, quarterly and annual financial reporting to Council
- Developing an Indigenous Land Use Agreement with the First Peoples of the River Murray Group, and continue discussions with Mannum Aboriginal Community Association

Strategic Objectives to be achieved:-

- ✓ Maintain efficient and effective operations and procedures
- ✓ To be accountable and responsible managers of our financial resources
- ✓ To provide effective management of assets
- ✓ Maintain co-operative relationships with our community to achieve our shared goals
- ✓ Acknowledge the ongoing relationship of Aboriginal people with the land, the river and their resources

Service Area – Public Order & Safety					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Dog Control	65,722	124,722			-59,000
Emergency Services	83,121	85,241		880	-3,000
General Inspectors duties including livestock issues	51,201	40,301		11,000	-100

Service Area – Health					
Function	**Net `Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Medical Centres	37,197	42,558			-5,361
Immunisation Program	22,800	27,800			-5,000
Health Inspection	199,301	202,301			-3,000
Other Health Services including Septic Tanks, mosquito monitoring and control, food premises inspections	34,840	74,840			-40,000

Service Area – Social Security & Welfare					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Support for Aged Care Facilities	23,460	23,460			
Morgan Day Care Centre	95,472	95,472			
Youth Services	40,700	35,000	10,000		-4,300
Home & Community Care	900		30,000		-29,100
Contribution to CHIPS	15,000		15,000		
Mental Health Support	5,000		5,000		
Other Welfare Support	35,121	20,121	15,000		

Projects for 2008-2009 include:-

- Provision of part-time youth officer
- Contribution to CHIPS to provide community welfare support

Strategic Objectives to be achieved:-

- ✓ Cater for the needs of young people
- ✓ Provide services and facilities to support an ageing population and for those people with disabilities

Service Area – Housing and Community Amenities					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Cemeteries	68,190	88,690		5,500	-26,000
Effluent Drainage	939,570	904,212		62,358	-27,000
Public Conveniences	415,007	348,127		66,880	
Sanitation & Garbage	976,792	1,085,592	20,000		-128,800
Street Cleaning	52,468	52,468			
Street Lighting	101,938	101,938			
Town Planning	670,462	688,462	101,000		-119,000
Council Property Maintenance including Disabled Access Program	32,172	7,172	25,000		
Other Housing & Community Services	242,805	247,805	35,000	2,200	-42,200
Urban Stormwater Drainage	30,710	30,710			
Other Protection of the Environment	19,341	212,746			-193,405

Projects for 2008-2009 include:-

- Recreational Boating Facilities Strategy Plan
- Mannum Township DPA and Selected Townships & Settlements DPA
- River Murray Zone Townships, Settlements & General Policy Review DPA
- Heritage Places DPA and Survey Work
- STEDS Development Program
- Disabled Access Program
- Public Conveniences Upgrade Program including Hettner Landing Toilets

Strategic Objectives to be achieved:-

- ✓ Ensure that the Development Plan incorporates sustainability principles in respect to all forms of development
- ✓ Recognise and protect our significant built and cultural heritage
- ✓ Facilitate the provision of suitably zoned land for residential, industrial, commercial and retail purposes
- ✓ Promote the environmental benefits of STEDS and alternative wastewater treatment systems including the re-use of treated wastewater, where applicable
- ✓ Provide services and facilities to support an ageing population and for those people with disabilities
- ✓ Develop and implement a waste management strategy that reduces the volume of waste going to landfill

Service Area – Recreation & Culture					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Halls	96,650	98,500			-1,850
Libraries	141,126	157,276			-16,150
Parks, Gardens & Reserves	523,849	459,799	40,000	41,700	-17,650
Sport & Recreation	585,432	557,342		107,395	-79,305
Cultural Services	50,800	62,800			-12,000

Projects for 2008-2009 include:-

- Implementation of Community Land Management Plans
- New Library at Morgan

Strategic Objectives to be achieved:-

- ✓ Protect and manage sensitive environments by establishing criteria for sustainable access and use
- ✓ Provide services and facilities to support an ageing population and for those people with disabilities

Service Area – Agriculture					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Support for NRM Boards, salinity, River Murray ecosystems, Water Quality, Water Use, Land Management, Pest Management & Biodiversity	108,163	115,413			-7,250

Service Area – Building					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Building assessment	225,621	266,931			-41,310

Service Area – Transport and Communication					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Roads	5,063,124	3,865,204		2,396,667	-1,198,747
Bridges	190,980	48,530		142,450	
Footpaths & Kerbing	400,205	181,255		218,950	
Stormwater Drainage	252,375	110,875		141,500	
On-street Parking	24,852	27,652			-2,800
Private Works	-405	233,595			-234,000
Wharfs & Boat Ramps	164,667	103,167		64,500	-3,000
Bus	-375	1,325			-1,700

Projects for 2008-2009 include:-

- Resealing of 15 kilometres of road
- Resheeting of 35 kilometres of unsealed road
- Completion of Male Road Stormwater Drainage
- Footpath construction at Truro, Tungkillo, Swan Reach and Mannum
- Stage 2 Under-grounding of Power at Truro
- Boat Ramp Upgrades
- Streetscape Project in Truro

Strategic Objectives to be achieved:-

- ✓ To provide effective management of assets
- ✓ Continue to maintain and improve road system
- ✓ Undertake streetscape and township improvements in accordance with Master Plans completed for various towns, staged within annual budget provisions
- ✓ Increase the focus on tourism through developing trails and facilities for visitors to encourage longer stays in these areas

Service Area – Economic Affairs					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Caravan Parks	-21,722	602,093		189,200	-813,015
Tourism Events and Promotion	130,190	130,690			-500
Mannum Dock Museum	95,021	276,042			-181,021
Mannum Tourist Information Office	107,518	107,518			
Economic Development	85,450	52,950	32,500		

Projects for 2008-2009 include:-

- Capital improvements to the Mannum Caravan Park including one new cabin, paving around existing cabins, willow removal and advancement of park extensions planning
- Grant writing assistance for Community groups

Strategic Objectives to be achieved:-

- ✓ Increase the focus on tourism through developing trails and facilities for visitors to encourage longer stays in these areas
- ✓ Work with the Regional Development Boards to attract industry and employment opportunities to our area

Service Area – Other Purposes Not Elsewhere Classified					
Function	**Net Total $**	**Operating (Recurrent) Expenses $**	**Operating (Project) Expenses $**	**Capital Expenditure $**	**Revenue $**
Plant Operations	980,216	2,462,500		878,730	-2,361,014
Depot Operations	102,598	102,598			
Works Overheads	-72,483	1,501,904			-1,574,387
OH&S & Risk Management	151,877	151,877			
Public Debt	144,905	265,455			-120,550
Grants Commission General Purpose Grant	-2,286,540				-2,286,540
Other Property & Services	69,758	37,258		34,500	-2,000

Projects for 2008-2009 include:-

- Completion of the Machinery Wash Down Bay at Cambrai
- Finalise the sale of land at Blanchetown
- Plant Replacement Program

Strategic Objectives to be achieved:-

- ✓ Maintain and improve Council plant
- ✓ Identify surplus assets that can be realised for a greater community benefit and ensure that communities are effectively consulted about how these benefits are delivered

3. MEASURING PERFORMANCE – OBJECTIVES FOR THE YEAR

To enable both the Council and the community to assess Council's performance over the 2008-2009 year, "Performance Targets" have been set for a number of selected activities as shown below.

These "Performance Targets" will be reviewed throughout the year and at its conclusion. A report on the performance outcomes will then be included in the 2008-2009 Annual Report and the 2008-2009 Annual Business Plan.

Goal 1 – Acknowledge the ongoing relationship of Aboriginal people with the land, the river and their resources.		
	Activity	***Performance Target***
1	*Developing an Indigenous Land Use Agreement with the First Peoples of the River Murray Group*	*Discussions held to advance progress by June 2009*
2	*Continue discussions with Mannum Aboriginal Community Association*	*Discussions held by June 2009*

Goal 2 – Recognise and protect our significant built and cultural heritage.		
	Activity	***Performance Target***
1	*Heritage Places DPA*	*Review completed and DPA drafted by 30/6/2009*

Goal 3 – Protect and manage sensitive environments by establishing criteria for sustainable access and use.		
	Activity	***Performance Target***
1	*Staged implementation of Community Land Management Plan recommendations*	*Development of four riverfront reserves being Haythorpe Reserve, Bolto Reserve, Hogwash Bend and Section 868, Hundred of Younghusband, completed by 30 June 2009*

Goal 4 – Ensure that the Development Plan incorporates sustainability principles in respect to all forms of development and facilitate the provision of suitably zoned land for residential, industrial, commercial and retail purposes.		
	Activity	***Performance Target***
1	*Mannum Township DPA and Selected Townships & Settlements DPA*	*Review completed and DPA lodged with Planning Minister by 30/6/2009*
2	*River Murray Zone Township DPA*	*Review completed and DPA lodged with Planning Minister by 30/6/2009*
3	*Recreational Boating Facilities Strategy Plan*	*Completed by 30/6/2009*
4	*Minimum Development Unit DPA*	*Statement of Intent lodged with Minister by June 2009*

Goal 5 – Promote the environmental benefits of STEDS and alternative wastewater treatment systems including the re-use of treated wastewater, where applicable.		
	Activity	***Performance Target***
1	*STEDS Development Program, Cowirra and Wongulla*	*Completion of Public Consultation Process by 30 June 2009*
2	*Development of Integrated Water Management Plan for Truro*	*Plan to be completed by 31 March 2009*

Goal 6 – Develop and implement a waste management strategy that reduces the volume of waste going to landfill.		
	Activity	***Performance Target***
1	*Regional Waste Management Plan Development – Riverland sub-group*	*Expression of Interest completed and considered by Council by 31/12/2008*

Goal 7 – Provide services and facilities to support an ageing population and for those people with disabilities.		
	Activity	***Performance Target***
1	*Disabled Access Audits*	*Planned work recommended in Access Audits completed by 30 June 2009*

Goal 8 – Maintain co-operative relationships with our community to achieve our shared goals.		
	Activity	***Performance Target***
1	*New five year Industry and Employment Agreement with Regional Development Board Inc. and Minister for Regional Development*	*Agreement achieved by 31/12/2008*
2	*Provide support to Community Groups*	*All community group requests considered by Council in line with Community Grants Scheme*

Goal 9 – Continue to maintain and improve road system.		
	Activity	***Performance Target***
1	*Resealing of 15 kilometres of road*	*Planned work completed by 30/6/2009*
2	*Resheeting of 35 kilometres of road*	*Planned work completed by 30/6/2009*
3	*Completion of Male Road Stormwater Drainage*	*Planned work completed by 31/12/2008*
4	*Road Construction Program*	*Planned work completed by 30/6/2009*

Goal 10 – To provide effective management of assets.		
	Activity	***Performance Target***
1	*Asset Management Plans to be completed*	*Planned work completed by 30/11/2008*
2	*Revaluation of Assets to be completed*	*Planned work completed by 31/10/2008*

Goal 11 – Undertake streetscape and township improvements in accordance with Master Plans completed for various towns, staged within annual budget provisions.		
	Activity	***Performance Target***
1	*Truro Streetscape Project including development of Pioneer Park*	*Planned work completed by 30/6/2009*
2	*Footpath construction in Mannum, Tungkillo, Truro and Swan Reach*	*Planned work completed by 30/6/2009*
3	*Stage 2 Undergrounding of Power in Truro*	*Planned work completed by 31/12/2008*

Goal 12 – Maintain efficient and effective operations and procedures.		
	Activity	***Performance Target***
1	*Office extensions at Mannum*	*Temporary additional offices and storage facilities operational by 31/12/2008*
2	*Continuation of Records Management Upgrade*	*Planned consultancy and system upgrade completed by 30/6/2009*

Goal 13 –To be accountable and responsible managers of our financial resources.		
	Activity	***Performance Target***
1	*Long Term Financial Plans*	*New Long Term Financial Plan to be completed by 30/11/2008*

Goal 14 – Develop a Training Plan to assist in providing appropriate training resources and access to relevant courses and seminars for elected members.		
	Activity	***Performance Target***
1	*Elected Member training plan as provided by the LGA of SA*	*Elected member attendance at training sessions*

CUSTOMER SATISFACTION SURVEY

Mid Murray Council participates in the Local Government Associations survey of property owners in the Council area to assess their satisfaction with the four key areas of Governance, Community Satisfaction, Financial and Asset Management, and Quality of Life. It is Councils aim to achieve at least an 80% customer satisfaction rating in the categories of:

Community Perception of Quality of Life
Safety and Security
General Satisfaction
Asset Management
Awareness of Strategic Direction
Community Consultation
Public Access

FINANCIAL INDICATORS

Whilst financial indicators provide a ready assessment of financial performance and sustainability, they need to be interpreted in the context of a Council's operating environment. They do not replace the need for sound judgment.

	TARGET	2009	2008	2007	2006
Operating Surplus/(Deficit)	SURPLUS	'000 272	'000 -114	'000 -4	'000 -578
Operating Surplus/(Deficit) Ratio	0%	3%	-2%	0%	-9%
Net Financial Liabilities	'000 <$6,877	'000 $6,050	'000 $5,718	'000 $4,225	'000 $4,670
Net Financial Liabilities Ratio	<50%	44%	45%	33%	41%
Interest Cover Ratio	<10%	1.9%	1.8%	1.6%	1.7%
Asset Sustainability Ratio	<100%	86%	68%	58%	74%
Asset Consumption Ratio	**40% to 80%**	80%	86%	80%	84%

Indicator 1 – Operating Surplus
An operating surplus indicates the extent to which operating revenue is sufficient to meet all operating expenses including depreciation and consequently the burden of expenses is being met by current ratepayers.

An operating deficit occurs when total operating expenses exceed total operating revenues and consequently the burden of a portion of expenses will need to be met by future ratepayers.

Proposed Performance Target:
To achieve and maintain an operating surplus.

Indicator 2 – Operating Surplus Ratio
This ratio expresses the operating surplus (deficit) as a percentage of general and other rates, net of rebates.

A negative ratio indicates the percentage increase in total rates required to achieve a break-even operating result.

A positive ratio indicates the percentage of total rates available to fund capital expenditure over and above the level of depreciation expense without increasing Council's level of net financial liabilities. If this amount is not required for capital expenditure it reduces the level of net financial liabilities.

Proposed Performance Target:
To achieve and maintain an operating surplus ratio above 0%.

Indicator 3 – Net Financial Liabilities
Net financial liabilities measure a Council's total indebtedness.

Net financial liabilities is a broader measure than net debt as it includes all of a Council's obligations including provisions for employee entitlements and creditors.

The level of net financial liabilities increases when a net borrowing result occurs in a financial year and will result in a Council incurring liabilities and/or reducing financial assets.

The level of net financial liabilities decreases when a net lending result occurs in a financial year and will result in a Council purchasing financial assets and/or repaying liabilities.

Proposed Performance Target:
Council's level of net financial liabilities is no greater than 50% of its annual operating revenue.

Indicator 4 – Net Financial Liabilities Ratio
(how significant is the net amount owed compared with income)

Proposed Performance Target:
Net financial liabilities ratio is no greater than 50% of total operating revenue.

Indicator 5 – Interest Cover Ratio
(how much income is used in paying interest on loans.)
The ratio indicates the extent to which a Council's operating revenues are committed to interest expenses.

Proposed Performance Target:
Net interest is less than 10% of operating revenue.

Indicator 6 – Asset Sustainability Ratio
(are assets being replaced at the rate they are wearing out)
Capital expenditure on renewal or replacement of existing depreciable assets/depreciation expenses.

Proposed Performance Target:
Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is less than 100% of depreciation.

Indicator 7 – Asset Consumption Ratio
(the average proportion of (as new condition' left in assets)
Total written down value of depreciable assets/Total reported value of depreciable assets before accumulated depreciation.

It highlights the aged condition of a Councils stock of physical assets and the potential magnitude of capital outlays required in future to preserve their service potential.

Proposed Performance Target:
The average proportion of 'as new condition' left in assets is greater than 40% and less than 80%.

4. SIGNIFICANT INFLUENCES AND PRIORITIES

A number of significant factors have influenced the preparation of the Council's 2008-2009 annual business plan. These include:

- Local Government Cost Index increases on relevant goods and services of 4.5% for the year;
- enterprise bargaining agreements which provide for wages and salary increases of 4.5%;
- requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council properties;
- service and infrastructure needs for a growing Council area, including finding funding to advance disabled access plans, township streetscape plans, and land management and asset renewal plans;
- commitments to continuing projects and partnership initiatives over more than one year, including installation of effluent drainage schemes;
- considerable increases in waste management costs and the need to provide future funding for rehabilitation of waste sites;
- Pressure from ratepayers for a higher level of service in the control of motor bikes on road reserves;
- The continuing drop in the River Murray water level has resulted in the need to expend additional funds keeping riverbanks safe and boat ramps useable;
- The need to achieve a high level of roadworks output in order to ulitise Roads to Recovery Grant funds;
- Pressure for the employment of additional staff in certain areas so that State Government Legislative requirements can be met.

In response to these factors, and to minimise the burden on rate-payers, the annual business plan has been prepared within the following guidelines;

- Given ongoing drought conditions within our Council area, there is a need to keep rate rises as low as possible, but Council cannot ignore cost increases forced upon it by the State Government and problems associated with the River Murray.
- South Australia Strategic Plan – Creating Opportunity.
- Regional Waste Management Plan.
- Rising Fuel and Oil costs.
- Total operating expenses to be held within 5% of the current year's level;
- Major projects including those partnered with other entities i.e. Federal, State, private.
- The need to ensure that Council is adequately resourced to comply with legislative requirements.

The Council's priorities for *2008 – 2009* are:

- The completion of comprehensive Infrastructure and Asset Management Plans that will identify, plan and facilitate the funding of important replacement/renewal and recurrent maintenance of Council's infrastructure assets.
- The completion of Council' s new Long Term Financial Plan including links to Council's Asset Management Plan.
- Advancement of extensions to the Mannum Office Accommodation.
- A comprehensive capital works program of $4.6 M, including $3.4 M for the replacement and renewal of existing assets and $1.2 M for new and upgraded assets.
- Continuation of existing service levels provided to our community.
- Environmental issues with the River Murray especially the need to continue with the construction of new effluent drainage schemes for the shack areas.
- Completion of Section 30 Town Planning Reviews which will allow for continued development to occur within the Council area.
- Addressing the need for Youth Welfare and services.
- Continuation of a program to bring records management processes up to legislative compliance requirements.
- Reseal of bitumen roads.
- Addressing the future of our Waste Disposal Sites and their rehabilitation.

Budget Financial Statements can be found under Appendix B.

5. CONTINUING SERVICES

All Councils have basic responsibilities under the Local Government Act and other relevant legislation. These include:

- regulatory activities e.g. maintaining the voters roll and supporting the elected Council;
- setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- management of basic infrastructure including roads, footpaths, parks, sporting facilities, public open space, street lighting and storm-water drainage;
- street cleaning and rubbish collection;
- development planning and control, including building safety assessment;
- various environmental health services.

In response to community needs the Council also provides further services and programs including:

- *Libraries;*
- *Community centres;*
- *Economic development;*
- *Environmental programs;*
- *Community programs;*
- *Effluent Drainage Schemes;*
- *Tourist facilities including information Services;*
- *Age Care and Youth Services;*
- *On-street parking management to maximise use of kerbside space.*

In all services the Council seeks to be responsive to changing needs. Community surveys are undertaken to check levels of satisfaction and areas for improvement.

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the Mid Murray Council.

- *Caravan Parks;*
- *Waste Management Facilities;*
- *Recreation facilities including swimming pools, recreation centre etc.*

Please refer to Appendix A for a more detailed explanation of recurrent expenditure.

6. LINKING TO STATE STRATEGIC PLAN

South Australia's Strategic Plan is a commitment to making this State the best it can be – prosperous, environmentally rich, culturally stimulating, offering its citizens every opportunity to live well and succeed. These aspirations are shared by the Mid Murray Council for our own area. Community consultation is an important part in the continual improvement to plans Mid Murray Council has for its area.

7. FINANCIAL SUSTAINABILITY

Mid Murray Council is committed to implementing the recommendations from the Local Government's Independent Inquiry into the Financial Sustainability of SA Local Government. The Local Government Association is guiding Councils in a staged implementation program. Mid Murray Council's staff attend all these training programs and Council is on target to achieve all the goals. Council assists with the attainment of these goals by providing funding within the budget. Council's Internal Audit Committee will monitor progress on implementation.

Mid Murray Council has been rated as a level 4 under the Financial Sustainability Criteria. This means that if unanticipated financial shocks/risks eventuate on top of known developments, the Council should be able to avoid a substantial per-property rates increase with a moderate margin of comfort provided its revenue and spending policies remain unchanged over time.

Findings of the report included:

Most Councils are running deficit budgets and are struggling to meet the needs of communities.

Councils have put the needs and demands of communities ahead of their own financial sustainability.

Councils have not received any "windfalls" from property valuation growth.

Falls in the growth of Federal and State Government funding since the late 1980s are partially to blame for the current position of Councils.

Councils cannot and should not continue to operate as if other Governments will come good on Council funding expectations.

If other solutions were not found many communities faced significant rate rises, service cuts and ongoing infrastructure decay.

8. FUNDING THE BUSINESS PLAN

Consistent with the Council's long-term financial plan, an operating surplus of $272,206 is being targeted in 2008-2009. The operating surplus measures the difference between operating revenue and expenses for the period. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

The Council's revenue in 2008-2009 includes $7,006,330 proposed to be raised from general rates and $1,025,204 from separate rates (NRM Levy, STEDS, TV, Water and Road Construction).

Other sources of revenue for the Council are:
User Pay charges set by Council. These comprise charges for the Council's fee based facilities such as:
Admission charges; Caravan Park fees; Cemetery fees; Rubbish collection fees and tip fees, sundry sales; hall hire, equipment hire, client contributions (home assist).

Statutory Charges set by State Government. These are fees and charges from regulatory services set by regulation and collected by the Council for regulatory functions including:
Development Act fees, Town planning fees; rate searches; Animal registration fees and fines; Parking fines and expiation fees, Health fines; Environmental control fines; Litter control fines; Septic tank fees; and other licence fees/fines. Revenues generally off-set the cost of the service.

Grants and Partnerships. The Council normally seeks to attract as much grant funding as possible from other levels of government, and major projects of wider State benefit are usually jointly funded in partnership with the State government and other relevant parties.

Impact on Council's Financial Position
After taking account of planned net outlays on existing and new assets in 2008-2009, the Council's net lending (net borrowing) in 2008-2009 is expected to be ($332 thousand). Accordingly, the level of the Council's net financial liabilities is expected to increase by approximately that amount to be $6,050 thousand at 30 June 2009. Net financial liabilities is a key indicator of the Council's financial position. It measures total liabilities less financial assets (i.e. what the Council owes to others, less money the Council has or is owed). The expected level of net financial liabilities at 30 June 2008 represents 44% of estimated operating revenue in 2008-2009. This compares with a targeted level for this indicator of under 50% of revenue.

9. RATING POLICY STATEMENT

Council rates are imposed on all rateable properties in the Council area in accordance with the provisions of the Local Government Act.

Council is only able to provide the works and services desired by the community by the imposition and collection of Council rates which are the principal source of revenue.

Mid Murray Council's policy for setting and collecting rates from its community covers:

- method used to value land
- adoption of valuations
- business impact statement
- Council's revenue raising powers
- general rates
- differential general rates
- minimum rate
- service rates and/or charges
- water catchment levy (the Council's collection role)
- rate concessions
- payment of rates
- late payment of rates
- remission and postponement of rates
- rebate of rates
- sale of land for non-payment of rates
- disclaimer

CONTACT DETAILS FOR RATE INFORMATION

Contact Rates Officer on 85690100, fax 85691931,
Email: postbox@mid-murray.sa.gov.au

Mid Murray Council
PO Box 28,
MANNUM SA 5238

STRATEGIC FOCUS

In setting its rates for the 2008/2009 financial year the Council has considered the following:

- its current strategic plan, which was adopted on the 10th July 2006. The strategic plan was developed following an extensive community consultation program.
- the current economic climate in which the major factors are continued poor full employment prospects, generally rising inflation and rising interest rates.
- the specific issues faced by our community, particularly the affects of the current climatic drought conditions.
- the budget for the 2008/2009 financial year and long term financial plan;
- the impact of rates on the community including:
  1. householders, businesses, primary producers and holiday home owners;
  2. the broad principle of achieving equity in the distribution of the rate burden;
  3. minimising the level of general rates required by levying fees and charges for goods and services on a user pays basis where that is possible to recover the full cost of operating or providing the service or goods.
- as may be relevant, the Council's consideration of issues of consistency and comparability across Council areas in the imposition of rates on sectors of the community such as business**;** and
- community feedback based on the level of community concerns expressed regarding the need for improved or new services, or the level of rates being paid whether in the whole area or specific parts.
- Council's Debt Strategy;
- funding for future asset replacement;
- issues of equity arising from circumstances where ratepayers provide or maintain infrastructure that might otherwise be provided or maintained by Council and whether discretionary rebates will be granted.

Council's Strategic Management Plan, Annual Business Plan and Budget are available for inspection at the Council offices at Mannum, Cambrai and Morgan.

Council has developed a Community Consultation Policy.
Decisions on budget allocations for works and the provision of services are made by elected members who are the eyes and ears of our community.
Ratepayers and electors can provide information to the Council in writing addressed to the CEO, through their elected representative or by personal delegation to a meeting of Council.
Levels of rating are influenced by the demographics of our area (i.e. size of area, number and population of towns, length of road network to be maintained and total population)
Council's Strategic Management Plan was adopted on 10th July, 2006.

Business Impact Statement assessing the impact of the Council's rates on businesses in the area. No major rate rises are levied on businesses which provide them with the opportunity to set their own budgets confident that there will be no major variation in rates from year to year. This is assuming that valuation rises are consistent across the Council area.

1. METHOD USED TO VALUE LAND

Councils may adopt one of three valuation methodologies to value the properties in its area. They are:

- *Capital Value* – the value of the land and all the improvements on the land.
- *Site Value* – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- *Annual Value* – a valuation of the rental potential of the property.

The Council has decided to continue to use capital value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- Rates constitute a system of taxation and the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- Property value is a relatively good indicator of wealth, and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value;
-

2. ADOPTION OF VALUATIONS

A Council may employ or engage a Valuer to value the land in the area or it may use the valuations provided by the Valuer General, or it may use a combination of both subject to certain restrictions. The Valuer General is a statutory officer appointed by the Governor.

The Council has adopted the valuations made by the Valuer-General and provided to the Council in April 2008. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the State Valuation Office in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided they have not:

(a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or

(b) previously had an objection to the valuation considered by the Valuer-General. The address of the office of the Valuer-General is:

State Valuation Office
GPO Box 1354
Adelaide SA 5001
or Email: lsg.objections@saugov.sa.gov.au

and the telephone number is 1300 653 345. Please note that the Council has no role in this process. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

2.1 Notional Values

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer, under the Valuation of Land Act 1971. This also relates to some primary production land or where there is State heritage recognition.

3. BUSINESS IMPACT STATEMENT

The Council has considered the impact of rates on all businesses in the Council area, including primary production. In considering the impact Council assessed the following matters:

- Council consultations with business groups, including primary producers;
- The equity of the distribution of the rate burden between classes of ratepayers;
- Council's policy on facilitating local economic development;
- Information from the Australian Bureau of Statistics on business and farm incomes, compared with average resident incomes;
- Current local, state and national economic conditions and expected changes during the next financial year ;
- changes in the valuation of all properties from the previous financial year ;
- specific Council projects for the coming year that will solely or principally benefit businesses and primary producers ;
- specific infrastructure maintenance issues that will solely or principally benefit businesses and primary producers ;
- the profile of businesses including the size, range, type and level of employment provided;
- the affects of the current climatic drought conditions.

4. COUNCIL'S REVENUE RAISING POWERS

All land within a Council area, except for land specifically exempt (e.g. crown land, Council occupied land and other land prescribed in the Local Government Act – and Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. The Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues.

5. GENERAL RATES

The Council has decided to impose differential general rates on the following classes of properties:

- Between rateable property in townships and outside of townships;
- Between land use categories as described in the Local Government (Land Use) Regulations.

- Council reached its decision based on historical rating practices in the pre-amalgamated Councils and in particular the amalgamation proposal statement "The new Council will be extremely cautious and sensitive to ensure fairness and equity in establishing rating parity within the legislative requirement and time frame".

It is proposed to raise general rates of $7,006,330 in a total revenue budget of $13,891,288

Differential rates are based on the different level of services and infrastructure available to residents of township areas in comparison to residents of residential type properties located outside of the townships and in comparison to rural properties:

a) Townships are generally provided with sealed roads, kerbing, footpaths, stormwater drainage, street lighting, parks & gardens, recreation reserves, wheelie bins and a weekly domestic garbage collection service, town planning and library services.
b) Residential properties outside of townships are provided with all weather road access and in some instances these roads are bituminised, banks of wheelie bins for the collection of domestic garbage, some areas have street lighting, development plan controls.
c) Rural properties are provided with all weather road access and in some areas these roads are bituminised. Development Plan controls aim to retain primary production land.

Land use is used as a factor to levy differential rates. If a ratepayer believes that a particular property has been wrongly classified by the Council as to its land use, then the ratepayer may object to that land use (to the Council) within 21 days of being notified. The objection must be in writing setting out the basis for the objection and details of the predominant land use that in the opinion of the ratepayer, should be attributed to that property. The Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court.

Objections to the Council's land use decision may be lodged with the Land & Valuation Court. Please contact Councils Rates Officer, on 85690100 who will provide information to assist you in lodging an objection. The Council will provide, on request, a copy of Section 156 of the Local Government Act which sets out the rights and obligations of ratepayers in respect of objections to a land use. It is important to note that the lodgement of an objection does not change the due date for the payment of rates.

6. MINIMUM RATE

A Council may impose a minimum amount payable by way of rates, provided that it has not imposed a fixed charge. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate it must not apply to more than 35% of properties in the Council area.

The Council has set a minimum rate of $406.00

The reasons for imposing a minimum rate are:

- the Council considers it appropriate that all rateable properties make a minimum level of contribution to the cost of administering the Council's activities.
- the Council considers it appropriate that all rateable properties make a minimum contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

The minimum rate affects 2,518 properties being 26.2% of the total and raises $440,162 additional in rates through the use of a minimum rate, which represents 6.28% of total general rate revenue.

7. SERVICE CHARGE

The Council manages Effluent Disposal Drainage Schemes for various areas within the Council which provides benefits to those connected to the schemes. A service charge is raised to maintain the systems. The revenue raised from this charge can only be applied to maintenance and replacement of the scheme and only those properties receiving the service will be levied.
The charge is levied on the concept of user pays based on the cost to operate and maintain the service, and the cost to improve or replace the service, and recognition that the value of a property is enhanced by the availability of the service.

To recover the cost of construction property owners have the choice of paying their share up front, or by repayments of loans taken out over a 10 year period. Following completion of the schemes a service charge will be raised.

For the 2008/2009 financial year the following service charges will apply to properties involved in these schemes:

Bolto (Includes levy for major upgrading works)	$1,540.00 per unit maintenance
Big Bend	$400.00 per unit maintenance
Blanchetown	$200.00 per unit maintenance
Bowhill	$200.00 per unit maintenance
Brenda Park/Morphett Flat	$200.00 per unit maintenance
Caloote Landing Area	$350.00 per unit maintenance
Caurnamont	$350.00 per unit maintenance
Five Mile	$450.00 per unit maintenance
Greenways Landing	$500.00 per unit maintenance
Idyll Acres	$350.00 per unit maintenance
Kroehn's Landing	$600.00 per unit maintenance
Marks Landing	$250.00 per unit maintenance
North West Bend/Beaumonts	$350.00 per unit maintenance
Pelican Point	$350.00 per unit maintenance
Pellaring Flat	$350.00 per unit maintenance
North Punyelroo	$250.00 per unit maintenance
Scotts Creek	$300.00 per unit maintenance
Scrubby Flat Area	$600.00 per unit maintenance
Seven Mile Shacks	$600.00 per unit maintenance

South Punyelroo	$350.00 per unit maintenance
Swan Reach Area	$450.00 per unit maintenance
Teal Flat	$350.00 per unit maintenance
Old Teal Flat	$600.00 per unit maintenance
The Rocks	$600.00 per unit maintenance
Walker Flat Area	$400.00 per unit maintenance
Truro	$300.00 per unit maintenance
Blanchetown	$646.00 per unit capital
Brenda Park/Morphett Flat area	$557.00 per unit capital
Marks Landing area	$724.00 per unit capital
Pelican Point	$988.00 per unit capital
Scotts Creek	$756.00 per unit capital
Teal Flat	$764.00 per unit capital
South Punyelroo	$898.00 per unit capital
North West Bend/Beaumonts	$937.00 per unit capital
Idyll Acres	$1,141.00 per unit capital
Rob Loxton Road	$725.00 per unit capital

Where Council takes over the management of any other schemes during the financial year a service charge is raised on a pro rata basis.

Service Charges are set in accordance with Section 155 of the Local Government Act 1999. These charges are based on recovering the ongoing costs of management and maintenance of the scheme from the residents serviced by the schemes. Charges set for 2008/2009 are:

Bowhill Multi-Access Television System	$120.00 per occupied property.
Bowhill Water Supply System	$213.00 per property serviced

by the system which includes the consumption of up to 120 kilolitres of water plus an excess water charge of 75 cents per kilolitre for water consumed in excess of 120 kilolitres during the 12 month period.

SEPARATE RATES:

Council has resolved to recover a 50% share of the total project cost of sealing Rob Loxton Road, Walker Flat from each of the 113 properties abutting Rob Loxton Road by declaring a separate rate in accordance with the provision of Section 154 of the Local Government Act.

Rob Loxton Road, Walker Flat – Fixed Charge	$295.00 per property.

CHANGES TO EFFLUENT RATE MAINTENANCE CHARGE:

Following an audit carried out by United Water on all of the STEDS Schemes in the Mid Murray Council area, Council proposes to increase the maintenance rates for STEDS Schemes, but to a lesser extent than was recommended in the audit. It is recognised that it is more expensive to maintain many small schemes than one large scheme. The principles of social justice are taken into consideration when setting individual scheme rates. It is also recognised that the State Government charges for sewerage services are comparable with Mid Murray Councils charges.

In comparison the State Government's SA Water Department charge 0.206% of property value or $284.00 minimum per annum. On a property valued at $200,000 this would equate to a yearly charge of $412.00.

8. NATURAL RESOURCE MANAGEMENT ACT

State Government legislation requires Council to raise a separate rate to fund a Natural Resource Management Board established under the Natural Resource Management Act. This separate rate is identified separately on rate notices, and Council pays these funds to the Board to fund various environmental projects, management of the River Murray Catchment, soil conservation and pest animals and weeds control.
Council is part of the South Australian Murray-Darling Basin Natural Resources Management Region and the Board has determined that the Councils that are part of this region will raise their contribution by way of a rate in the dollar on the value of rateable land within the area of the Council.
Further information on the NRM Levy and how the funds will be spent can be found on the South Australian Murray-Darling Basin Natural Resources Management Board Website: www.samdbnrm.sa.gov.au

9. RATE CONCESSIONS

The State Government, in providing equity across SA in this area, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

9.1 State Senior Card Ratepayer (self funded retiree)

If you are a self-funded retiree and currently hold a State Seniors Card you may be eligible for a concession toward Council Rates. In the case of couples, both must qualify, or if only one holds a State Senior's Card, the other must not be in paid employment for more than 20 hours per week. If you have not received a concession on your rates notice or would like further information please contact the RevenueSA Call Centre on 1300 366 150.

9.2 Pensioner Concession

If you are an eligible pensioner you may be entitled to a rebate on Council rates (and water and effluent charges where applicable), if you do not currently receive one.

Application forms, which include information on the concessions, are available from the Council at any of our offices. They are also available from the SA Water Corporation and its District Offices and Revenue SA.

An eligible pensioner must hold a Pension Card, State Concession Card or a Repatriation Health Card marked TPI Gold, EDA Gold or War Widow. They must also be responsible for the payment of rates on the property for which they are claiming a concession.

Applications are administered by the State Government. Application forms, which include information on the concessions, are available from the Council, SA Water Corporation and its District Offices or the Department of Human Services. This concession is administered by SA Water on behalf of the Department of Human Services and further information can be obtained by telephoning SA Water. Payment of rates must not be withheld pending assessment of an application by the State Government as penalties apply to unpaid rates. A refund will be paid if Council is advised that a concession applies and the rates have already been paid.

9.3 Other Concessions

The Department for Families and Communities administers Council rate concessions available to a range of eligible persons receiving State and Commonwealth allowances. This includes, but is not limited to, ratepayers who are in receipt of: Austudy, Newstart, Parenting Payment, Partner Allowance, Sickness Allowance, Special Benefit, Widow Allowance, Youth Allowance, Abstudy, CDEP or a New Enterprise Initiative Scheme. It may also apply to ratepayers in receipt of a pension as a war widow under legislation of the United Kingdom or New Zealand and the holders of a State Concession Card issued by the Department for Families and Communities. All enquiries should be directed to the Department for Families and Communities (refer to page 75 of the Barossa Valley, Murray Lands, Riverland, South Coast and Kangaroo Island White Pages for telephone details).

10. PAYMENT OF RATES

It is proposed that the payment of rates will be as follows:

All rates are payable in four equal (or approximately equal) quarterly instalments (unless otherwise agreed with the Principal Ratepayer) with instalments falling due on the following dates:

1st quarterly instalment due on	15th September, 2008
2nd quarterly instalment due on	15th December, 2008
3rd quarterly instalment due on	16th March, 2009
4th quarterly instalment due on	15th June, 2009

provided that in cases where the initial account requiring payment of rates is not sent at least 30 days prior to the due date for payment, or an amended account is required to be sent, authority to fix the date by which rates must be paid in respect of those assessments affected is delegated to the Chief Executive Officer.

Rates may be paid:

- In person at the Council Office or branches being 49 Adelaide Road, Mannum; Main Street, Cambrai; or 10 Fourth Street, Morgan between the hours of 9 am and 5 pm Monday to Friday or Truro Post Office during business hours.
- By following the BPay directions located on the rate notice.
- By post to PO Box 28, Mannum 5238.
- In person at any Post Office (please present rate notice when paying)
- By Telephone (24 hour service), direct debit and/or credit card accepted. Follow instructions on rate notice.
- Payments via Internet.

Credit card & EFTPOS facilities are available at Mannum, Morgan and Cambrai. Telephone payments to 1300 301 090 will accept Mastercard, Visa, American Express and Diners Club cards.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Council's Rates and Assessment Officer on (08) 85690100 to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council.

11. LATE PAYMENT OF RATES

The Local Government Act provides that Councils impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. This formula is calculated as follows:

$$P = \frac{CADR + 3\%}{12}$$

where 'P' is the prescribed percentage and 'CADR' is the cash advance debenture rate for that financial year.

The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may meet because it has not received the rates on time.

The Council imposes late payment penalties strictly in accordance with the Local Government Act.

Council may remit fines in accordance with its Fines and Interest Rating Policy however all requests must be made in writing.

If an instalment is not paid by the due date, fines will appear on the next rates notice. Should rate instalments not be paid, Council may forward a "letter of demand" (being our final notice) requesting full payment within (14) days of date of letter. Failing any response, the outstanding account will be placed in the hands of Council's Collection Agency. Should rates be outstanding for greater than one year, the outstanding account will be placed in the hands of Council's Collection Agency without notice. The debt collection agency charges collection fees to the ratepayer. Legal fees are also charged to the ratepayer.

When the Council receives a payment in respect of overdue rates the Council applies the money received as follows:

- first – to satisfy any costs awarded in connection with court proceedings or debt collection recovery;
- second – to satisfy any interest and fines;
- third – in payment of any overdue rates;
- fourth – in payment of current rates, in chronological order (starting with the oldest account first).

12. REMISSION AND POSTPONEMENT OF RATES

Provision exists under Section 182 (1) of the Local Government Act (in circumstances of hardship) that Council can remit or postpone the payment of rates. Ratepayers should apply in writing to the Council stating the reason for the request. Generally remissions would only be granted under exceptional circumstances.

For the 2008/2009 period Council proposes that a remission of rates be given pursuant to Section 182(1) of the Local Government Act 1999, to any Principal Ratepayer who applies for the same to the Council on the following basis –

1. the Principal Ratepayer's assessment in respect of which the remission is to be granted is used for the purposes of primary production;
2. the assessment is also used in conjunction with other land also being used for those purposes;
3. the minimum amount payable by way of rate is payable in respect of the assessment; and

the amount of the remission to be given shall be the difference between the minimum amount payable by way of rates and the amount of rates payable in respect of that assessment if the minimum amount had not been imposed, or the sum of $125, whichever is the smaller sum.

A remission of rates paid will be made to all approved Sporting Clubs and Community Organisations who are ratepayers of the Mid Murray Council.

Council is willing to consider applications under Section 182 (1)(a) of the Local Government Act for the postponement of rates until some change in the ratepayers circumstances, or until a change of ownership of the property takes place.

Any postponement granted is subject to fines being added in accordance with Section 182(2) of the Local Government Act.

Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Council's Rates and Assessment Officer, on (08) 85690100 to discuss the matter. Such inquiries are treated confidentially by the Council.

13. REBATE OF RATES

The following rebates of Rates are available under the Local Government Act:

- Health Services. (Section 160) Provides for 100% rebate for hospitals and health centres incorporated under the SA Health Commission Act 1976.
- Community Services. (Section 161) Provides for a rebate of 75% (or at the discretion of Council, at a higher rate). A community services organisation is a body that is incorporated on a not-for-profit basis for the benefit of the public; and provides community services without charge or for a charge that is below the cost to the body of providing the services; and does not restrict its services to persons who are members of the body.
- Religious purposes (Section 162) Provides for 100% rebate.
- Public cemeteries. (Section 163) Provides for 100% rebate.
- Royal Zoological Society. (Section 164) Provides for 100% rebate.

- Educational Purposes. (Section 165) Provides for a rebate of 75% (or at a higher rate at the discretion of Council)
- Discretionary rebates. (Section 166).
    1. For securing the proper development of the area or part of the area.
    2. For assisting or supporting a business in its area;
    3. For the preservation of buildings or places of historic significance;
    4. Where the land is being used for educational purposes.
    5. Where the land is being used for agricultural, horticultural or floricultural exhibitions;
    6. Where the land is being used for a hospital or health centre;
    7. Where the land is being used to provide facilities or services for children or young persons.
    8. Where the land is being used to provide accommodation for the aged or disabled;
    9. Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 or a day therapy centre;
    10. Where the land is being used by an organisation which, in the opinion of the Council provides a benefit or service to the local community.
    11. Where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment;
    12. Where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.

14. RATE CAPPING

To provide relief against what would otherwise amount to a substantial change in general rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the 2008/2009 financial year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (l) of the Act, on application to the Council.

Limit 12% increase in general rates to eligible ratepayers.
Where the amount of any increase in general rates in respect of that Assessment in monetary terms between the amount of general rates payable for the 2007/2008 financial year (after any rebate was applied) and the amount of general rates imposed for the 2008/2009 financial year, is greater than 12%. The amount of the rebate will be the difference between the amount of general rates in monetary terms imposed for the 2008/2009 financial year and the amount of general rates in monetary terms payable for the 2007/2008 financial year (after any rebate was applied but prior to deducting any pensioner or other concessions) plus 12% of that amount.

The rebate will not apply where:

(a) any such increase is due in whole or part to an increase in valuation of the property in the Assessment because of building improvements made to it,
(b) any such increase is in whole or part because the zoning of the property has changed,
(c) any such increase is in whole or part because the land use of the property has changed,
(d) the ownership of the rateable property has changed since 1st July 2007.

15. POSTPONEMENT OF RATES – SENIORS

Application may be made to Council for a postponement of the payment of any amount or rates in excess of $500 for the current or a future financial year by:

- A ratepayer who holds a current State Seniors Card issued by the State Government, (prescribed ratepayer) or the spouse of a prescribed ratepayer;
- The rates are payable on the principal place of residence;
- The land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and no other person has an interest, as owner, in the land.

As rates which are postponed will become due and payable;

- When the title to the land is transferred to another person; or
- Failure to comply with a condition of postponement.

Interest will accrue on the amount postponed at the prescribed rate per month until the amount is paid.

Postponement is available as a right and can only be refused when the applicant/s have less than 50% equity in the property.

16. SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

The Mid Murray Council enforces the sale of land for non-payment of rates after three years.

10. FUNDING DISPARITIES BETWEEN RURAL AND METROPOLITAN COUNCILS

It is recognised that Rural Councils have a severe funding disparity with Metropolitan Councils. This is due to low population numbers in rural areas resulting in less people being available to fund a comparative level of services. As a result rural residents have access to a considerably lower level of services and infrastructure. There are many rural townships still waiting for basic services such a sewerage services, walkable footpaths, stormwater drainage, kerb and guttering and bitumen roads. Whilst communications have improved in recent years, this is still well under the services available in metropolitan areas.

The Local Government Grants Commission provides untied grants to Council to assist in reducing these disparities. Mid Murray Council receives a high level of these grants each year which are determined by a range of factors including revenue raising capacity, and expenditure functions. The grants are to assist each local government body in the State to function, by reasonable effort, at a standard not lower that the average standard of other local government bodies in the State. However there is a need for considerably more grants to be paid to rural Councils than is currently the case.

11. COMMUNITY CONSULTATION

This Draft Annual Business Plan has been prepared in accordance with the provisions of Section 123 of the Local Government Act, 1999 but importantly to provide the community with guidance on Council's proposed activities for the 2008-2009 financial year. It was adopted for community consultation purposes at a Meeting of Council held on 10 June 2008.

The community are invited and encouraged to make either verbal or written submissions on this draft annual business plan as follows:-

1. A Council Meeting will be held on Monday 14 July 2008 to provide members of the public with an opportunity to ask questions or make submissions in relation to the draft annual business plan. A period of one hour will be made available for this purpose. This one hour period may be extended at the discretion of the Council where the number of persons wanting to make a submission requires that action to be taken.
2. Submissions may also be made in writing and such must be submitted to the following no later than 5pm on 4 July 2008 addressed to:

The Chief Executive Officer
Mid Murray Council
PO Box 28,
MANNUM SA 5238
or by email to – postbox@mid-murray.sa.gov.au
or hand delivered to Mid Murray Council Offices at Mannum, Cambrai or Morgan.

All comments and suggestions will be carefully considered by Council in the interests of the whole community and if appropriate incorporated into the draft plan.

Following consideration of submissions, and taking into consideration any changes required, the Annual Business Plan will be endorsed by Council prior to setting the 2008/2009 financial year budget.

APPENDIX A

RECURRENT OPERATING EXPENDITURE:

WHERE YOUR MONEY GOES

ADMINISTRATION

Council has an extensive administration network to cater for the size of the area, number of ratepayers and residents, tourists and community support. These comprise employees working the following fields:
Customer service,
Accounts Payable and Receivable,
Payroll,
Rates,
Support staff for Planners, Building & Health Inspectors, Senior Works Staff, Managers and Elected Members,
Accountant,
Records Management.

Information Technology

This is an area of Council that many of our staff rely on, as much of their work is performed using computers and other IT equipment. Council has 50 desktop computers and laptops which have a life of around 5 years. A computer replacement program is in place for most of our IT equipment. The cost of software licences is expensive and Council has a contract for Microsoft licences for basic office programs including excel spreadsheets, outlook, word etc., and the IT Vision Software for General Ledger, records management, payroll, debtors and creditors, etc. Council also has a MapInfo Site Licence. The mapping program is used extensively by Works Senior Management, Town Planning, Rating and other functions of Council.
Elected member laptops are being phased in for those elected members that wish to use them.

PUBLIC ORDER & SAFETY

This service covers dog and cat control, fire protection, livestock and other general inspectoral duties. Many of the services in this area are undertaken to comply with legislative requirements, and therefore they will continue in 2008/2009.

Dogs

Council has 2,753 dogs registered in the area. Staff are kept busy with noise complaints, dogs wandering at large and dog attacks/harassments. Door knocks to check on unregistered dogs are undertaken when time permits.

Fire Protection

Bushfire Prevention is a major focus of fire protection and Council employs a bushfire prevention officer. Council has a legislative responsibility to control the burning of rubbish and stubble and the issuing of fire permits during the fire danger season.

Council supports CFS crews with rural fires in the provision of water tankers. The sooner a fire can be brought under control, the less damage and distress is suffered by those affected.

Livestock
Whilst not a major function Council inspectors are called to investigate stock wandering on roadsides.

HEALTH

Existing Health Services will be maintained in 2008/2009. These comprise:

Immunisations
Council carries out immunisations on a regular basis to prevent disease and protect the health of residents.

Medical Centres
Council supports medical centres in the smaller river communities at Morgan, Swan Reach and Blanchetown.

Health Inspection
Council employs qualified Environmental Health Officers who are kept busy undertaking a range of duties including:-

- immunisation
- health services and inspections
- mosquito control
- waste control system installations/approvals/inspection
- regulation and monitoring of swimming pools
- food premises inspection
- STEDS installation co-ordination
- European wasp control

SOCIAL SECURITY AND WELFARE

Existing Welfare Services will be maintained in 2008/2009. These include:

Aged Care
Council supports the establishment of aged care facilities throughout the Council area. This may involve provision of land and use of Council labour and plant to assist with the construction. Administrative support is available to accept grant funds and pay accounts during the construction phase. Once completed Council has minor ongoing costs and assists when requested.

Councils biggest cost in Aged Care is the Morgan Day Activity Centre where Council pays for the Manager of the Centre and operational costs. This valuable service was established by the former Morgan Council prior to amalgamation to ensure that their elderly residents would be catered for in the future.
Council provides and maintains the Senior Citizens' Clubrooms at Mannum. The clubroom forms part of the Mannum Leisure Centre.

Youth Services
Council's Youth Services Program has been under review. These services were formerly carried out by contractual employees, but all areas of Council were not being covered. It is planned to employ a part-time youth officer who will be responsible for youth services within the whole Council area.
Skate board facilities have been under investigation for some years, and are expected to continue under the new officer.

Home and Community Care Services
Council administers the provision of home assistance services designed to help elderly residents stay in their own homes by providing home help such as minor building maintenance, mowing and gardening and provision of grab rails. The State Government provides grant funding for this service which is very much appreciated by those needing the service.

Cemeteries
Council has thirty two cemeteries within our Council area, most of which are maintained by Council. Council appreciates the work of volunteers who help with some of the maintenance. A register of burials in maintained on Councils website, with future plans to display pictures of headstones.

Effluent Drainage
Considerable Council resources are being allocated to the construction of effluent drainage schemes for shack areas along the River Murray. This was initiated to accommodate the freeholding and development of shack properties and to provide environmental improvement in terms of the removal of effluent from the River Murray floodplain.

Council maintains the effluent drainage schemes and special rates are levied to cover the costs of maintenance. Twenty six schemes and two houseboat pump out stations are maintained by Council. New schemes under development are at Rob Loxton Road at Walker Flat, Jalunker/Younghusband and Wongulla Landing. The Bolto Scheme received a significant upgrade in 2007/2008.

An effluent drainage maintenance officer was employed in 2006/2007 to help meet the ongoing resource needs. This officer has taken over much of the work previously carried out by contractors in maintaining and checking the operations of the schemes.

Public Conveniences
Council maintains twenty seven public conveniences throughout the Council area. These are regularly cleaned and maintained. An upgrade program has been in existence for some years, but due to resources needed in the effluent drainage area, this program has not progressed to the level planned.

Sanitation & Garbage
Council provides a weekly household collection to each town within the Council area, plus bin bank collection from shack areas along the River Murray. Rubbish Dumps are located at Mannum, Cambrai and Morgan, with transfer stations at Blanchetown, Bowhill, Cadell, Swan Reach, Truro, Tungkillo and Walker Flat. Regular street bin and reserves collection takes place.

A yearly drum-muster collection project is also carried out to remove toxic containers from the Council area.

The cost of operating landfill sites has been increasing over recent years due to growing environment controls.

Street Cleaning
Streets in larger towns are regularly swept with specialised street sweeping machinery.

Planning
The planning and development section of Council has increased considerably over recent years in order to cope with the demands of growth. Three qualified Planning Officers are now employed by Council to assess development applications and assist with plan amendment reports which allow for further controlled growth throughout the Council area.

Following the recent completion of a detailed review of Council's Development Plan, Council will be undertaking a number of policy amendments focussing on amongst other things, heritage, township boundaries and general policy issues. Planning staff are also kept busy in working with Council's Compliance staff in regard to illegal developments and compliance monitoring.

Disabled Access Program
Council has a program in place to improve access for disabled people to facilities. This is an ongoing project. Funds are allocated yearly to progress the plans.

Other Community Services
Council supports the community in various ways besides the traditional roads, rates and rubbish. Support and funding is provided for Rural Transaction Centres at Morgan and Blanchetown, TV Blackspots retransmission services at Mannum, Swan Reach and Truro, Keyneton Water Supply, Bowhill TV and Water Supply.

Urban Stormwater Drainage
A major drainage study has been undertaken of Mannum designed to assess the probability of homes being flooded, and plans to reduce the impact of flooding if it occurs.

Funding is provided in the budget for major stormwater drainage works to continue remedial action.

Other Protection of the Environment
Council supports Local Area Planning Groups in our Region by providing Administrative support in the form of payroll services, accounts payable, office accommodation at Cambrai and lease vehicles. Administrative support is provided free of charge, and the groups reimburse Council for their staff wages, vehicle hire and operating costs.

RECREATION AND CULTURE

Halls
Council maintains fourteen halls throughout the Council area. Many of these facilities no longer enjoy the patronage that they had in past years, with these remaining in Council possession more from a cultural heritage value, than a usable asset.

Libraries
Council provides a library service at Morgan, plus contributes to the joint provision of services at Blanchetown, Swan Reach, Cambrai and Mannum. Grant funding is provided by the State Government to support this valuable service.

Parks, Gardens and Reserves
All residents and tourists would be aware of Councils high quality parks, gardens and reserves. Council provides recreation facilities in all towns and river areas. These are regularly maintained in a clean and safe condition. Funding has been provided to advance Land Management Plans for these facilities.

Sport and Recreation
Ovals on land that Council is responsible for are maintained in a tidy and safe condition.

Council also assists sporting bodies in the maintenance and upgrade of these facilities.

Mannum Leisure Centre
This is a purpose built facility which provides gymnasium, squash, basketball, table tennis, roller-skating, fitness classes and various other leisure activities to the community, including the clubroom for the Mannum Senior Citizens' Club.

Swimming Centres
Council owns and operates a swimming pool during summer at Cambrai, and contributes to the operation of the Mannum Community College swimming pool. Swimming classes are held in the Christmas school holidays by Vacswim.

Other Cultural Services
Council supports Museums in the Council area. Morgan Museum has been undergoing a major upgrade. Mannum Dock, Cambrai and Swan Reach Museums also receive Council support.

AGRICULTURAL SERVICES

The former Animal and Plant Control Board is now integrated with the State Government Natural Resource Management Board. State Government legislation requires Council to collect a separate rate, which is payable to the Board to support their operations. The new NRM Board has already contributed towards environmental projects that Council is involved in designed to protect the ecology of the River Murray.

BUILDING

Council employs two qualified Building Surveyors who are responsible to approve and inspect all building work. These officers are based at our Environmental Services offices situated in Cambrai, and appointments can be made for visits at the Mannum and Morgan Offices if required.

TRANSPORT

Council has the second longest length of road network to maintain in the State. This includes 306 kilometres of sealed road and 3,073 kilometres of unsealed road. Considerable resources are allocated to maintain this network, with a planned level of reseals and resheeting carried out yearly. Grader numbers have been reduced since amalgamation. The introduction of improved work practises has resulted in newer graders working longer days and weekends.
Because of the need to maintain existing infrastructure there is not a lot of resources available for new and improved services. Bitumen roads are still required in some rural townships and major town connector roads.
Like most other rural townships in the State, footpaths are basic with many still natural surface. Regular weed spraying takes place to control weeds, especially caltrop.

Mannum Randell Street footpath has been on the budget for many years with some paving being carried out each year in order to improve the appearance of this commercial and tourist hub area. Truro Main Street footpaths have been on the budget for many years but work has been deferred until after the power line undergrounding works are completed. Swan Reach Footpaths in the main foot traffic areas have had construction works carried out over the last few years.
Bridges always come up on the agenda for budget discussions, but upgrades and replacements generally rely on outside State or Commonwealth grant assistance.
Roadside signage in the country faces constant vandalism. Council does its best to replace vandalised signs and improve signage within the district.
Council has a roadside tree trimming gang that patrols the Council area to prevent encroachment of vegetation onto the trafficable road surface. This is carried out for safety reasons.
Streetscape designs have been prepared for a number of towns, and these plans await funding so that the plans can be implemented.
Parking Bays are regularly maintained and street trees receive attention when required.
Road line marking is carried out each year.

On and Off Street Parking

Parking controls exist within the Council area and Council staff monitor time restrictions.

Mannum commercial main street parking is not sufficient to cater for tourist influxes during holiday periods and special events during the year. A planned new shopping complex on the outskirts of the town will alleviate this traffic problem.

Wharf Maintenance

Council maintains eleven wharves and one recreational jetty. Improvements with grant funding assistance are ongoing with Mannum's Mary Ann Reserve Wharf and the Bowhill Wharf the latest to receive major works.
The most significant wharf is the Morgan structure which has historical value dating back to the early steam driven paddle boat days.

Boat Ramps
Council provides, maintains and regularly monitors boat ramps along the River Murray.
This is an essential tourist and recreation facility. Council regularly applies for boating levy funding for the upgrade of facilities detailed in Council's Boating Facility Strategy.

ECONOMIC

Caravan Parks
The Morgan Caravan Park owned by Council is leased out and Council has no operational control over this facility.
The Mannum Caravan Park is managed by a Committee of Council and is regarded as one of the best parks in the State. Profits from this park are used to upgrade the park and provide support for tourist promotional activities.
Discussions are taking place to enlarge the size of the park.
Capital projects planned for the Mannum Caravan Park in 2008/2009 are:
Disabled Access Ramp
Entrance Fencing
Kerbing Repairs
Signage Upgrade
Resealing of Roadways
One new cabin
Paving around Cabins

Special Events
Tourism is a major Council focus. The annual Houseboat Open Day on Mary Ann Reserve is a yearly tourism success bringing thousands of tourists to Mannum.

Tourist Information Service
Council provides a tourist information service from a restored historic building at Arnold Park Mannum. It is run by a paid manager, and also manned by many volunteers. Tourist numbers visiting the centre grow from year to year.

Mannum Dock Museum
Council is responsible for the operations of the Mannum Dock Museum Board. This Board has under its care and control, the paddle steamer Marion, which is a State Heritage listed item. A historic paddle boat dry dock forms part of the museum display.

Other Economic Activities
Council is part of the Murraylands Regional Development Board which promotes industry to our Council area. Council also provides funding for tourism promotion projects. The Murray Mallee Strategic Task Force, Riverland Tourism Sign Audit, Riverland Tourism Strategic Plan and Regional Investment Prospectus are in progress.

OTHER PURPOSES NEC

Plant Operations

Council operates a large plant and machinery fleet. This includes 6 Graders, 6 semi-side tipping trucks, 13 tipper and garbage trucks of various sizes, 6 heavy front end loaders and two skid steer loaders, 2 excavators, 34 passenger vehicles and utes, and various rollers, street sweeper, tractors and other minor plant.

The budget provides $700,000 for fuel and oil, $730,000 for repairs and maintenance and $125,000 for registration and insurance. Plant operational costs are allocated to projects via hours of plant usage on each job.

Main capital items listed in the budget for replacement are one grader and one low loader.

Passenger vehicles are being run to higher kilometres since Council's low cost changeover deal expired, and a further deal could not be secured at a cost effective price. At this stage it is proposed to change over seven passenger vehicles.

Depots

Operational works depots are maintained at Cambrai, Morgan and Mannum. Other depots exist at Truro and Blanchetown.

All operational depots are receiving ongoing upgrades to comply with occupational health and safety guidelines.

APPENDIX B

KEY BUDGET FINANCIAL STATEMENTS

(as required by Regulation 5B of Local Government (Financial Management) Regulations 1999 (as amended)

	SUMMARY INCOME AND EXPENDITURE BY FUNCTION					
	2008/2009					
		OPERATING EXPENDITURE BUDGET	OPERATING INCOME BUDGET	CAPITAL EXPENDITURE BUDGET	CAPITAL INCOME BUDGET	TOTAL
PROGRAM 10	ADMINISTRATION	468,696	-8,106,634	121,770	0	-7,516,168
						0
PROGRAM 11	PUBLIC ORDER & SAFETY	250,264	-62,100	11,880	0	200,044
						0
PROGRAM 12	HEALTH	347,499	-53,361	0	0	294,138
						0
PROGRAM 13	SOCIAL SECURITY & WELFARE	249,053	-33,400	0	0	215,653
						0
PROGRAM 14	HOUSING & COMMUNITY AMENITIES	3,948,922	-536,405	136,938	0	3,549,455
						0
PROGRAM 16	RECREATION & CULTURE	1,375,717	-126,955	149,095	0	1,397,857
						0
PROGRAM 17	FUEL & ENERGY	0		0	0	0
						0
PROGRAM 18	AGRICULTURAL SERVICES	115,413	-7,250	0	0	108,163
						0
PROGRAM 19	TOTAL MINING, MANUFAC. & CONST.	266,931	-41,310	0	0	225,621
						0
PROGRAM 20	TRANSPORT & COMMUNICATION	4,571,603	-1,440,247	2,964,067	0	6,095,423
						0
PROGRAM 21	ECONOMIC AFFAIRS	1,201,793	-994,536	189,200	0	396,457
						0
PROGRAM 22	OTHER PURPOSES	823,191	-2,489,090	913,230	-157,000	-909,669
		13,619,082	-13,891,288	4,486,180	-157,000	4,056,974
				Add Back Depreciation		-3,724,702
				Less Net Loan Repayments		878,938
				Less Net New Loans Received		-904,954
				Less Transfers to Reserves		256,109
				Add Transfers from Reserves		-376,163
				Effluent Adjustments		-180,189
				Budget Deficit		6,013

			MID MURRAY COUNCIL	
			INCOME STATEMENT	
			BUDGET	
			for the year ended 30 June 2009	
Budget	Actual	Budget		
2006/2007	2006/2007	2007/2008		2008/2009
$	$	$	INCOME	$
6,854,418	6,813,025	7,338,694	Rates	8,070,534
243,888	280,062	266,000	Statutory charges	275,700
1,150,565	1,192,886	1,228,914	User charges	1,241,691
3,213,152	3,221,039	3,191,078	Grants, subsidies and contributions	3,558,837
82,200	169,330	102,750	Investment income	153,050
578,233	1,019,327	542,185	Reimbursements	533,645
40,310	58,641	48,894	Other revenues	57,831
			Share of profit - joint ventures & associates	
12,162,766	12,754,310	12,718,515	**Total Revenues**	13,891,288
			EXPENSES	
4,444,005	4,528,060	4,935,233	Employee costs	5,050,316
3,905,614	4,105,437	4,093,899	Materials, contracts & other expenses	4,437,090
411,183	364,668	436,926	Finance costs	406,974
3,322,283	3,760,066	3,676,280	Depreciation, amortisation & impairment	3,724,702
			Share of loss - joint ventures & associates	
12,083,085	12,758,231	13,142,338	**Total Expenses**	13,619,082
79,681	-3,921	-423,823	OPERATING SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS	272,206
	46,442		Net gain (loss) on disposal or revaluation of assets	
	746,245		Amounts specifically for new or upgraded assets	
	612,049		Physical resources received free of charge	
79,681	1,400,815	-423,823	NET SURPLUS (DEFICIT)	272,206

MID MURRAY COUNCIL
CASH FLOW STATEMENT
BUDGET
2008/2009

Budget 2006/2007 $	Actual 2006/2007 $	Budget 2007/2008 $		2008/2009 $
			CASHFLOWS FROM OPERATING ACTIVITIES	
			Receipts	
6,854,418	6,762,660	7,338,694	Rates	8,070,534
243,888	280,062	266,000	Statutory Charges	275,700
435,837	262,662	464,385	User Charges	389,041
3,213,152	3,221,039	3,191,078	Grants and Subsidies	3,558,837
82,200	150,785	102,750	Interest Received	153,050
2,500	49,474	2,500	Donations	9,000
578,233	1,019,327	542,185	Reimbursements	533,645
714,728	770,097	764,529	Commercial Activities	852,650
37,810	9,608	46,394	Other	48,831
12,162,766	12,525,714	12,718,515	TOTAL RECEIPTS	13,891,288
			Payments	
4,444,005	4,433,930	4,935,233	Wages and Salaries	5,050,316
1,771,224	2,062,668	1,990,407	Contractual Services	2,158,829
2,145,026	1,953,964	2,201,243	Materials	2,309,110
411,183	358,268	436,926	Interest Payable	406,974
-10,636	-149,692	-97,751	Other	-30,849
8,760,802	8,659,138	9,466,058	TOTAL PAYMENTS	9,894,380
3,401,964	3,866,576	3,252,457	**NET CASH USED IN OPERATING ACTIVITIES**	3,996,908
			CASH FLOWS FROM INVESTING ACTIVITIES	
			Receipts	
1,670,000	1,000,000	1,762,769	Loans Received	914,954
	6,791		Community Group Loan Repayments	15,244
			Payments	
704,501	703,916	804,835	Loan Principal Repayments	894,182
	13,600		Loans Provided	10,000
965,499	289,275	957,934	**NET CASH PROVIDED BY FINANCING ACTIVITIES**	26,016
			CASH FLOWS FROM OTHER ACTIVITIES	
			Receipts	
454,000	283,927	624,500	Sale of Capital Assets	157,000
1,632,744	746,245	738,305	Capital Grants & Subsidies	0
			Payments	
6,245,133	3,869,646	5,719,556	Capital Expenditure	4,486,180
-4,158,389	-2,839,474	-4,356,751	**NET CASH USED IN OTHER ACTIVITIES**	-4,329,180
209,074	1,316,377	-146,360	NET INCREASE (DECREASE) IN CASH HELD	-306,256
2,699,453	1,801,773	3,303,519	CASH AT BEGINNING OF YEAR	1,923,263
2,908,527	3,118,150	3,157,159	**CASH AT END OF YEAR**	1,617,007

			MID MURRAY COUNCIL	
			BALANCE SHEET	
			BUDGET	
			for the year ended 30 June 2009	
Budget 2006/2007 $	Actual 2006/2007 $	Budget 2007/2008 $		2008/2009 $
			ASSETS	
			Current Assets	
2,908,527	3,118,150	3,157,159	Cash and cash equivalents	1,617,007
640,269	1,179,440	944,848	Trade & other receivables	1,179,439
236,273	90,134	118,974	Inventories	90,135
3,785,069	4,387,724	4,220,981	**Total Current Assets**	2,886,581
			Non-current Assets	
10,400	11,354	10,100	Financial Assets	118,710
	66,531		Equity accounted investments in Council businesses	66,531
66,719,614	63,847,026	65,106,366	Infrastructure, Property, Plant & Equipment	66,523,024
			Other Non-current Assets	
66,730,014	63,924,911	65,116,466	**Total Non-current Assets**	66,708,265
70,515,083	68,312,635	69,337,447	**Total Assets**	69,594,846
			LIABILITIES	
			Current Liabilities	
2,158,663	2,219,081	1,493,529	Trade & Other Payables	2,219,081
704,501	789,421	804,835	Borrowings	894,182
60,000	69,386	63,684	Short-term Provisions	69,386
2,923,164	3,077,888	2,362,048		3,182,649
			Liabilities relating to Non-current Assets held for Sale	
2,923,164	3,077,888	2,362,048	**Total Current Liabilities**	3,182,649
			Non-current Liabilities	
1,000	1,440	1,000	Trade & Other Payables	1,440
5,679,654	4,796,684	5,738,619	Long-term Borrowings	5,123,274
550,000	658,020	596,663	Long-term Provisions	658,020
6,230,654	5,456,144	6,336,282	**Total Non-current Liabilities**	5,782,734
9,153,818	8,534,032	8,698,330	**Total Liabilities**	8,965,383
61,361,265	59,778,603	60,639,117	**NET ASSETS**	60,629,463
			EQUITY	
12,598,755	10,515,253	11,738,917	Accumulated Surplus	11,837,362
46,986,720	46,986,720	46,986,720	Asset Revaluation	46,986,720
1,775,790	2,276,630	1,913,480	Other Reserves	1,822,216
61,361,265	59,778,603	60,639,117	**TOTAL EQUITY**	60,629,463

			MID MURRAY COUNCIL BUDGET STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2009	
Budget 2006/2007	**Actual 2006/2007**	**Budget 2007/2008**		**Budget 2008/2009**
$	$	$	**ACCUMULATED SURPLUS**	$
10,418,657	9,496,442	11,429,996	Balance at end of previous reporting period	11,439,267
1,712,425	1,400,815	314,482	Net Result for Year	272,206
-63,511	-674,915	-120,109	Transfers to Other Reserves	(256,109)
531,184	292,911	114,548	Transfers from Other Reserves	376,163
12,598,755	10,515,253	11,738,917	**Balance at end of period**	11,831,527
			ASSET REVALUATION RESERVE	
46,986,720	46,986,720	46,986,720	Balance at end of previous reporting period	46,986,720
			Gain on revaluation of infrastructure, property, plant & equipment	
			Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	
46,986,720	46,986,720	46,986,720	**Balance at end of period**	46,986,720
			OTHER RESERVES	
2,243,463	1,894,626	1,907,919	Balance at end of previous reporting period	1,931,270
63,511	674,915	120,109	Transfer from Accumulated Surplus	256,109
-531,184	-292,911	-114,548	Transfer to Accumulated Surplus	(376,163)
1,775,790	2,276,630	1,913,480	**Balance at end of period**	1,811,216
61,361,265	59,778,603	60,639,117	**TOTAL EQUITY AT END OF REPORTING PERIOD**	60,629,463

MID MURRAY COUNCIL
BUDGET
2008-2009

Note 16

UNIFORM PRESENTATION OF FINANCES

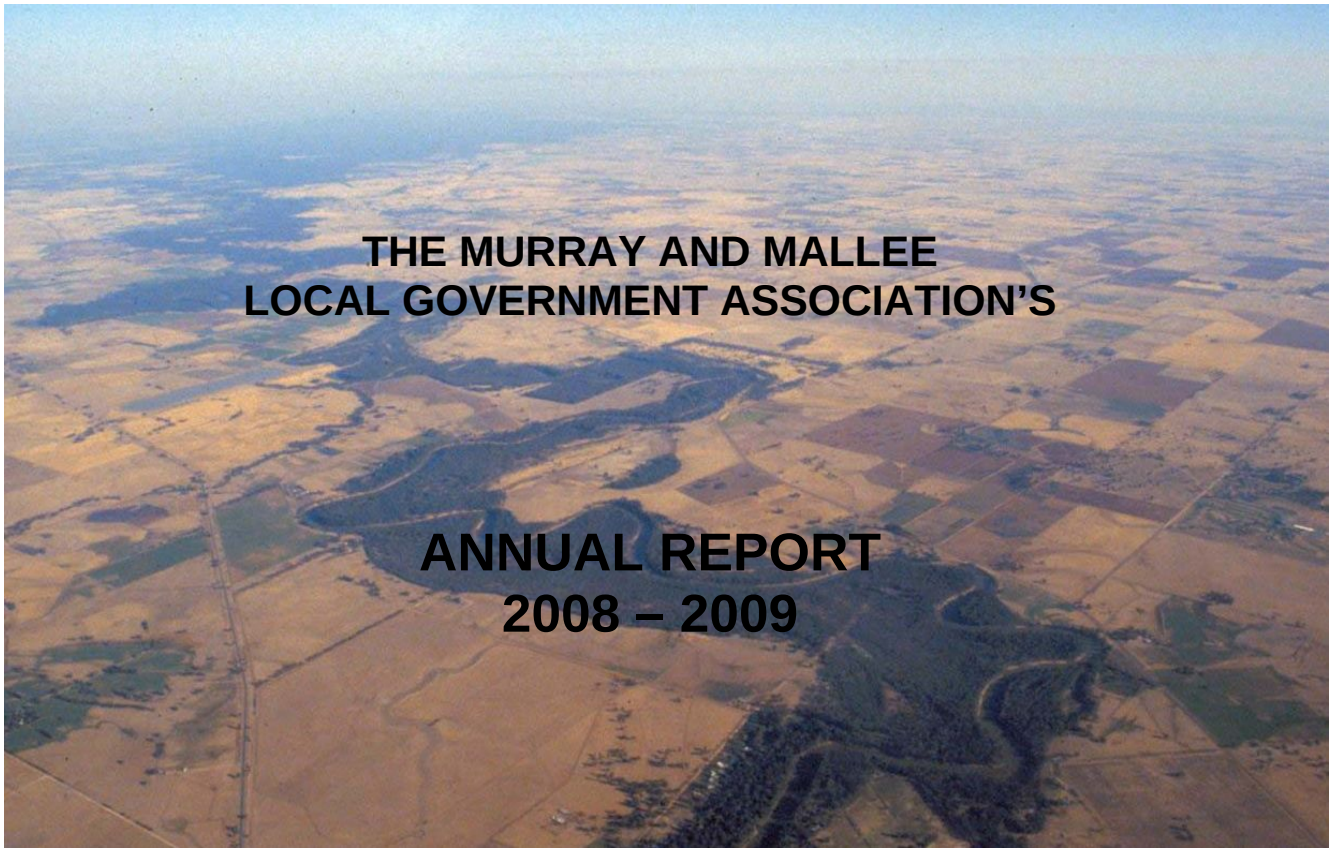
	2009 $'000	2008 $'000	2007 $'000
Operating Revenues	13,891	13,274	12,754
less Operating Expenses	-13,619	-13,389	-12,758
Operating Surplus/ (Deficit) before Capital Amounts	272	-115	-4
less Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	3,368	2,683	2,350
less Depreciation, Amortisation and Impairment	-3,725	-3,676	-3,760
less Proceeds from Sale of Replaced Assets	-157		-171
	-514	-993	-1,581
less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	1,118	3,368	1,534
less Amounts received specifically for New and Upgraded Assets		-693	-746
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)		-304	-113
	1,118	2,371	675
Net Lending / (Borrowing) for Financial Year	-332	-1,200	902

Annual Report 2008/2009

APPENDIX 3

Murray and Mallee Local Government Association Annual Report 2008/2009

The Murray and Mallee
Local Government Association



THE MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION'S

ANNUAL REPORT 2008 – 2009

Comprising:

Berri Barmera Council: (BBC)
Coorong District Council: (CDC)
District Council of Karoonda East Murray: (DCKEM)
District Council of Loxton Waikerie: (DCLW)
Mid Murray Council: (MMC)
The Rural City of Murray Bridge: (RCMB)
Renmark Paringa Council: (RPC), and the
Southern Mallee District Council:

PRESIDENT'S ANNUAL REPORT

President, Cr. Leon Stasinowsky.

Over the 2008-2009 period I am proud to report that the Association has conscientiously followed the essential actions outlined in the Association's Strategic Plan 2008-2011 and Annual Business Plan 2008-2009. We have addressed many new issues with special emphasis on those arising from the effects of the prolonged drought on irrigators, farmers and general water availability for the community.

As this is my second term as President, I again take this public opportunity to sincerely thank Vice President, Mayor Ian Mann, OAM, Member Council Mayors, Delegates, both past and present and Member Council CEO's, many of whom have provided local government representation on internal and external committees and working parties.

This Local Government Association would not have been able to achieve outcomes or address issues detailed below without the continued full participation of Member Councils. I am grateful for their involvement and urge them to continue into the future.

The main matters and issues addressed over the past year are summarized as follows:

Projects and activities completed:

Completion of Special Local Roads Program (SLRP) funding applications for road construction and improvements, resulting in $1.346m funding assistance for the region.

Regional Zero Waste SA priority funding application completion resulting in $42,950 funding assistance for the region to forward the aims and outcomes tabulated in the Association's Regional Waste Strategy Management Report.

Expansion of the Association's website.

Annual Review and adoption of the Association's new Strategic Plan 2008-2011.

Provision of a Report to Member Councils on Community Waste-water Management Scheme (CWMS) management options.

Association files sentencing and archiving.

Expansion and a revised format of the Murray and Mallee Briefs bi-monthly Newsletter.

Completion of an independent Report on the suitability of the REMPLAN Program to assist regional Councils throughout the State.

Projects and activities forwarded:

Continuation of support for the Riverland and Murraylands Waste Management sub-groups including hosting a forum and providing comment on the proposed Waste to Resources Environment Protection Policy (EPP).

Working with the Regional Broadband Project Officer, DFEEST, DTED, Member Councils and the Association's Regional Broadband Steering Committee to successfully obtain $2.47m funding from both State and Federal Governments to expand the Clever Networks Project to include Broadband availability to the western section of the Murray and Mallee region.

Rural Property Addressing Standard and implementation program.

Continued provision of Local Government representation on external Boards and Committees including the SA MDB NRM Board, the LGA State Executive Committee, the South Australian Regional Organisation of Councils (SAROC), the Regional Fire Prevention Committee, the River Murray and Lower Lakes Risk Assessment Committee, the SAMRIC Management Committee, the South Australian Fruit Fly Standing Committee, the Murray and Mallee Country Arts Board, the LGA Native Vegetation Working Party and the Riverland Drought Taskforce.

Ongoing assistance provided to the region's community transport schemes, including, forwarding with the LGA the proposed formation of a Community Transport Peak Body to assist with lobbying the State Government for equitable funding arrangements akin to our metropolitan cousins.

Provision of further input into the State's Regional Infrastructure Plan.

Further consideration and input provided for the revised Heavy Vehicle Access Framework (HVAF) project.

Facilitation of the Local Government/NRM Regional Delivery Relationships Project.

Submission provided to the MDB Consultative Committee regarding the Lower Lakes sulphate trigger levels.

Input and representation provided for the Federal Government's Adelaide Rail Freight Study Project.

Successful application to the Local Government Research and Development Fund for $70,000 to undertake the Ensuring Local Government Services Provision Project, currently underway.

Addressing the proposed Country Health Reform and Shared Services Reform proposals both directly and through the SAROC Committee.

Continued Local Government membership provision on the Riverland and Murraylands State Government Regional Coordination Networks.

Working with the LGA and directly to request the State Government to provide continued Drought Program availability for eligible farmers and businesses due to the continuing drought.

Regional and sub-regional input provided into Planning SA's Regional Landuse Planning Framework project.

Provision of support for the Common Purpose Group to forward rail freight integration and the formation of an intermodal transport hub at Monarto.

In conjunction with SAROC and the LGA, addressing the matter of agreements with SAFECOM for the utilisation and hire of Council resources during emergency incidents, including the formulation of a model agreement.

With the LGA, State Government and the SA CFS Region 3, addressing the matter of Dead Plantings and associated bushfire hazards resulting from the drought and abandoned land.

New Projects and activities:

Addressing issues referring to the proposed merger of the activities of rationalized Regional Development Boards with Area Consultative Committees including CEO representation as the SAROC representative on the Intergovernmental Working Group.

Submission provided to Planning SA on the proposed River Murray Houseboat Strategy, resulting in a further review of proposals.

Successful submission provided to the SAROC Committee requesting greater uniformity and adequate announcements of Fire Danger Season dates.

Successful submission provided to the SAROC Committee to address issues relating to the illegal off-road use, with special emphasis on vegetation degradation and destruction culminating in a proposed LGA Stakeholder Forum.

Comment provided via the LGA on the draft Miscellaneous Amendment Bill as it relates to the operations of Regional Subsidiaries.

Forwarding of Climate Change templates and workshops as it relates to Local Government activities.

Provision of M&MLGA regional representation on the LGA Water Project Working Party.
Comments provided on the proposed River Murray Water Allocation Concept Plan.

Consideration of Services SA provision of services to Member Councils.

Position determined and relayed to the State Government on opposition to the extension of Daylight Saving proposals.

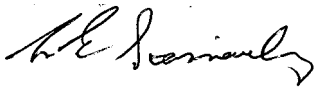
Presentation of regional community expectations on State Government Agency local purchasing arrangements with the Regional Coordination Networks.

Commencement of the process for a potential review of the River Murray 1956 Flood Line.

Support provided for the “Touched by the Road Toll” internet project.

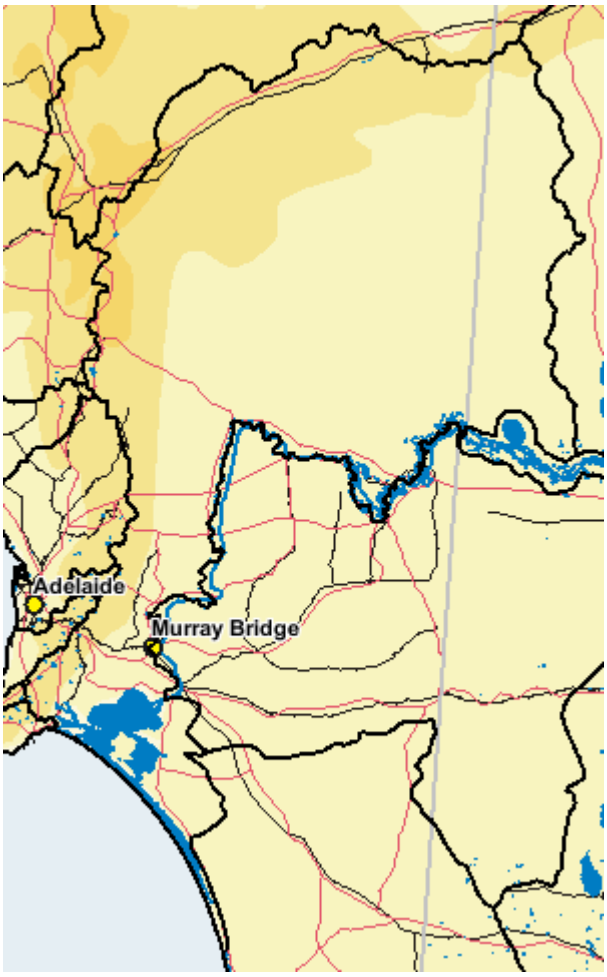
I take this opportunity to recognize the support and timely information provided to the Association over the past year from the Local Government Association of SA, specially mentioning the efforts of Wendy Campana, the LGA SA Executive Director and Barry Parsons, Manager - Member Services & Strategic Projects.

I would also thank our CEO, Peter Campbell for his commitment and support over the past year. I look forward to working with him in the future, albeit as an office holder or Association Delegate.
During 2008-2009 I have enjoyed being your President and once again thank the Association for the opportunity provided to me.



Cr. Leon Stasinowsky.
President, 2008 – 2009.
Murray and Mallee Local Government Association.

OVERVIEW OF THE REGION.



The Region is located in the Murraylands Statistical Region in eastern South Australia and is dissected by the River Murray. It covers a large area in excess of 50,000 km2 taking in the areas from the Riverland in the north, agriculture areas in the central, west, south and east along the Victorian border, and south westerly to the coast and lakes. Rural based communities throughout the area share a common interest in agriculture/horticulture, with towns primarily servicing the farming and horticultural communities and supporting a growing tourism sector. The Region has a population base of approximately 68,000 (approx. 4.6% of the State population).

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

Murray Bridge provides regional services to the lower parts of the Region and supports both an industrial and commercial base.

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

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

The Association works closely with its major regional partners - the Murraylands and Riverland Regional Coordination Networks, the Murraylands Regional Development Board and the Riverland Development Corporation.

ASSOCIATION PRESIDENCY.

Cr. Leon Stasinowsky, District Council of Loxton Waikerie was re-elected President at the Annual General Meeting held at Berri on the 5th June, 2009 and Mayor Ian Mann OAM, Mid Murray Council was re-elected Vice President. The term of these positions, as per the provisions of the Association's Charter, is for the ensuing 12 months.

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

Cr. Leon Stasinowsky and Mayor Ian Mann OAM continued to serve on the State Executive of the Local Government Association of South Australia, with Mayor Allan Arbon, Rural City of Murray Bridge, as proxy.

ASSOCIATION: CHIEF EXECUTIVE OFFICER SERVICES.

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

In accordance with a resolution of Member Council Delegates, the Chief Executive Officer underwent performance review process in April, 2009, coinciding with the production of the Association's draft 2009-2010 Annual Business Plan and draft 2009-2010 Budget. This process is undertaken annually.

The Review Panel consists of the President and Vice-President of the Association and Dean Gollan, CEO Mid Murray Council and Barry Hurst, CEO of the Renmark Paringa Council. The Association has noted that satisfactory Chief Executive Officer services have been provided.

CONSTITUTIONAL STRUCTURE OF THE ASSOCIATION:

The Association operated as a Regional Subsidiary under the transitional provisions of the Local Government Act 1999 until December, 2001 with a formal Charter, agreed to by Member Councils, becoming effective on the 13th December, 2001.

To ensure legal compliance with the Local Government Act 1999, a review of the Charter took place in 2008-2009, the outcome being that it was considered by Delegates that no changes were deemed necessary at that point in time.

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

THE PURPOSE OF THE ASSOCIATION:

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, the Charter gazetted on the 8th February, 2007 (reviewed June 2009) as provided for under the Local Government Act 1999. The purpose for which the Association has been established is to:

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

ASSOCIATION MEETINGS:

During 2008 – 2009, the Association has met bi-monthly for General Meetings.

Meetings of the Association were convened on:

1st August, 2008 - General Meeting - at the District Council of Loxton Waikerie Council Chamber, East Terrace, Loxton, the District Council of Loxton Waikerie as host.

3rd October, 2008 - General Meeting - at the Barn Conference Centre, Randell Street, Mannum, the Mid Murray Council as host.

5th December, 2008 - General Meeting - at the Community and Civic Centre, 61 Eighteenth Street, Renmark, the Renmark Paringa Council as host.

6th February, 2009 - General Meeting - at the Local Government Centre, Rural City of Murray Bridge, 2 Seventh Street, Murray Bridge, the Rural City of Murray Bridge as host.

3rd April, 2009 - General Meeting - at the Lameroo Bowling Club, Needs Road, Lameroo, the Southern Mallee District Council as host.

5th June, 2009 – Annual General Meeting – at the Berri Barmera Council Town Hall, 19 Wilson Street, Berri, the Berri Barmera Council as host.

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 have made presentations to the Association meetings throughout the year. They include:
Hon. Karlene Maywald, MP, Member for Chaffey.
Hon. Adrian Pederick, MP, Member for Hammond.
Hon. Ivan Venning, MP, Member for Schubert.
Hon. John Dawkins, MLC.
Wendy Campana, Executive Director, LGA SA.
Brenton Lewis, CEO, Murraylands Regional Development Board.
Bob Stevenson, Planning Officer, SES.
John Coombe and Huxley Lawler, Local Government Managers Association.
Mayor Miriam Smith, Tea Tree Gully Council.
Mike Penhall, SA MDB NRM Board.
Paul Muskett, Regional Broadband Project Officer.
Terry Banks, SA MDB NRM Board.

Representatives of both the LGA and the Office of Local Government attended each meeting and took the opportunity to brief the Association of the relevant matters being addressed by their respective bodies.

We acknowledge the support of Wendy Campana, Executive Director, LGA SA who has been ready to assist the Region and ensure that the LGA SA has had a presence at our meetings.The Association has also enjoyed a close working relationship with its State and Federal Members of Parliament, a number of whom have been regular attendees at our meetings.

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

MEMBER COUNCIL DELEGATES TO THE ASSOCIATION:

The following are the current Delegates representing Member Councils as at the AGM of the 5th June, 2009.

Berri Barmera Council (BBC): Mayor Peter Hunt, Deputy Mayor Bruce Richardson and David Beaton, CEO (proxy).

Coorong District Council (CDC): Mayor Roger Strother, Deputy Mayor Paul Simmons and Cr. Sharon Bland (proxy).

District Council of Karoonda East Murray (DCKEM): Mayor Kevin Burdett, Peter Smithson, CEO and Deputy Mayor Margaret Size (proxy).
District Council of Loxton Waikerie (DCLW): Mayor Dean Maywald, Deputy Mayor Leon Stasinowsky, (President) and Peter Sellar, Acting CEO (proxy).

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

The Rural City of Murray Bridge (RCMB): Mayor Allan Arbon, Cr. Barry Laubsch, Cr. Milton Weinert, (proxy) and Kym Miller, Acting CEO (proxy).

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

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

ASSOCIATION COMMITTEE AND WORKING PARTY MEMBERSHIPS:

The following are the current Association Committee Members as at the AGM of the 5th June, 2009.

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

President M&MLGA as Chair, Cr. Leon Stasinowsky.

Cr. Barry Laubsch, Rural City of Murray Bridge.

Barry Hurst, CEO, Renmark Paringa Council. (by virtue of position held)

Stephen Yam, Coorong District Council.

Brenton Lewis, CEO Murraylands Regional Development Board.

Mayor Roger Strother, Coorong District Council.

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

Mayor Ian Mann, Mid Murray Council.

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

Peter Sellar, Acting CEO, District Council of Loxton Waikerie. *(by virtue of position held)*

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

Peter Smithson, CEO, District Council of Karoonda East Murray - proxy John Claydon. *(by virtue of positions held)*

Tom King, Manager Infrastructure Services, Berri Barmera Council. *(by virtue of position held)*

David Beaton, CEO, Berri Barmera Council. *(by virtue of position held)*

Martin Waddington, Environmental Services Manager, Rural City of Murray Bridge. *(by virtue of position held)*

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

Cr. George Gum, Southern Mallee District Council.

Cr. Trevor Kerley, District Council of Karoonda East Murray.

Justin Lang, Zero Waste SA. (external appointment)

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

Marina Wagner, EPA. (external appointment)

Ken Smith, CEO, Riverland Development Corporation or nominee. (external appointment)

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

Cr. Bob England, Rural City of Murray Bridge.

Cr. Mark Ward, District Council of Loxton Waikerie.

Cr. Ted Freak, Coorong District Council.

Cr. Trevor Kerley, District Council of Karoonda East Murray.

Cr. Gordon Hancock, Southern Mallee District Council.

Stephan Yam, Coorong District Council.

Kelvin Goldstone, Mid Murray Council *(by virtue of position held)*

Martin Waddington, Rural City of Murray Bridge *(by virtue of position held)*

Mayor Allan Arbon, Rural City of Murray Bridge.

Mary deacon, Berri Barmera Council *(by virtue of position held)*

Neil Martinson, District Council of Loxton Waikerie *(by virtue of position held)*

Peter Broughill, Southern Mallee District Council *(by virtue of position held)*

Peter Smithson, District Council of Karoonda East Murray *(by virtue of position held)*

Robert Wood, Renmark Paringa Council *(by virtue of position held)*

Richard Crabb and Richard Gayler, LGA SA (external appointments)

Murray and Mallee Local Government Association Regional Transport Strategy Committee:

Mayor Ian Mann, Mid Murray Council, Chair

Cr. Leon Stasinowsky, President (ex officio)

Peter Campbell, CEO, M&MLGA.

Chair, Murraylands Regional Development Board (external appointment)

Brenton Lewis, Murraylands Regional Development Board (external appointment)

Chair, Riverland Development Corporation (external appointment)

Ken Smith, CEO, Riverland Development Corporation (external appointment)

DTEI (Transport SA) - 2 nominees (external appointment)

Murray and Mallee Local Government Association Broadband Steering Committee:

Anthony McCabe, Southern Mallee District Council *(by virtue of position held)*

Craig Chadwick, Mid Murray Council *(by virtue of position held)*

Cr. Leon Stasinowsky, President (ex officio)

Peter Smithson, District Council of Karoonda East Murray *(by virtue of position held)*

Peter Sellar, District Council of Loxton Waikerie *(by virtue of position held)* with proxy Nathan Wishart *(by virtue of position held).*

Mayor Roger Strother, Coorong District Council.

Brenton Lewis, Murraylands Regional Development Board (external appointment)

Ken Coventry, Murraylands Regional Development Board (external appointment)

Ken Smith, CEO, Riverland Development Corporation (external appointment) - with proxy Robyn Ormsby.

Peter Triantafilou, DFEEST (external appointment)

Paul Muskett, Murray and Mallee Regional Broadband Project Officer.

M&MLGA Transport Reference Group. – Community Transport:

Peter Smithson, CEO, District Council of Karoonda East Murray. *(by virtue of position held)*

Andrew Haig, Berri Barmera Council. *(by virtue of position held)*

M&MLGA "Ensuring Local Government Services Provision" Working Group:

Anthony McCabe - Southern Mallee District Council.

Kym Miller, Acting CEO - Rural City of Murray Bridge.

David Beaton, CEO - Berri Barmera Council.

John Claydon - District Council of Karoonda East Murray.

Peter Sellar, Acting CEO - District Council of Loxton Waikerie.

Robert Wood- Renmark Paringa Council.

Robin Bourne - Mid Murray Council.

Tim Drew - Coorong District Council.

David Hitchcock - LGA (external appointment).

Jane Gascoigne - PIRSA - OS/LGR (external appointment).

Trevor Bennett - DTED (external appointment).

ASSOCIATION REPRESENTATION – OTHER BODIES.

During the year the Association has made and or continued the following appointments to other bodies, as at the AGM of the 5th June, 2009.

LGA State Executive Committee:

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

Vice President, Mayor Ian Mann, Mid Murray Council *(by virtue of position held).*

Proxy for President or Vice President, Mayor Allan Arbon, Rural City of Murray Bridge.

South Australian Regional Organisation of Councils (SAROC):

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

Vice President Mayor Ian Mann, OAM, Mid Murray Council *(by virtue of position held)*.

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

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

SA MDB NRM Board:

Rodney Ralph, CEO, Southern Mallee DC.

Regional Fire Prevention Committee:

Mayor Ian Mann, OAM, Mid Murray Council and Cr. Jodi Flavell, DC Loxton Waikerie.

SAMRIC Management Committee:

Neil Martinson, DC Loxton Waikerie.

South Australian Fruit Fly Standing Committee:

Cr. Les Hill, Berri Barmera Council.

LGA Native Vegetation Working Group:

Cr. Inez Bormann, Mid Murray Council with Cr. Les Hill, Berri Barmera Council as proxy.

Murraylands Regional Coordination Network:

Peter Campbell, CEO, M&MLGA.

Riverland Regional Coordination Network:

David Beaton, CEO, Berri Barmera Council.

Riverland Drought Taskforce:

President, Cr. Leon Stasinowsky.

State Strategic Plan Regionalisation Working Groups:

Murraylands sub-group:

Cr. Barry Laubsch and Mayor Allan Arbon (proxy), Rural City of Murray Bridge.

Riverland sub-group:

Mayor Peter Hunt, Berri Barmera Council.

River Murray and Lower Lakes Water Quality Risk Assessment Committee:

Mayor Roger Strother, Coorong DC.

LGA Bushfire Management Reference Group:

Mayor Ian Mann, OAM, Mid Murray Council.

Country Arts Board:

Mrs. Poppy Papageorgio.

EXECUTIVE MEETINGS:

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

GENERAL ACTIVITIES:

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

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

Submissions and briefings undertaken include:

- Submission for Special Local Roads applications for 2009-2010 funding round.
- Further submissions to the SAROC Committee with reference to integrated Community Passenger Transport Services.
- Submission to Zero Waste SA for Regional Waste Strategy Implementation funding assistance.
- Submission to the State and Federal Governments to provide greater geographical broadband coverage for the region.
- Provision of comment to Planning SA's Regional Landuse Planning Framework.
- Review and referral to the State Government on the Murray and Mallee Regional Infrastructure Plan.
- Ministerial submission with reference to the proposed Country Health Reform.
- Submission to the MDB Community Advisory Committee on River Murray issues.
- Comment provided on the proposed River Murray Water Allocation Concept Plan.
- Review and comment provided on the Agri-Food Industry Workforce Development Plan.
- Submission to Zero Waste SA Regional Implementation Program.
- Review and comment provided on DTEI Broadband proposal.
- The submitting of comment to the LGA SA on the Federal, State and Local Government draft MoU on the integration of ACC's and rationalisation of Regional Development Boards.
- Submission to the SA MDB NRM Board on Planning matters.
- Review of Section 298 Amendment Bill and provision of comment on audit requirements in relation to Regional LGA's.

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

- Murraylands Regional Coordination Network Workshop Meetings.
- Murraylands Economic Outlook Conference.
- DEH Drought and Water Forum.
- Murray and Mallee Local Government Association Strategic Planning Workshop.
- LGA President's Forum.
- SA MDB NRM Board's Mayoral and CEO Forums.
- Murray and Mallee Regional CEO's Workshops.
- LGA Climate Change Summit.
- Country Health SA Reform Briefing.
- NRM/LG NRM Relationships Project Workshop.
- SA MDB NRM Board Community Science Forum.

- Dept. Broadband, Communication and Digital Economy Clever Networks and ABG Briefings.
- Planning SA Houseboat and Marina Strategy Workshop.
- LGA General Meeting and associated forums.

SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).

The President, Cr. Leon Stasinowsky, Vice President Mayor Ian Mann, OAM, (Mayor Allan Arbon as proxy on occasions) and the Chief Executive Officer have attended SAROC meetings during the year.

The meetings are usually held bi-monthly on the day preceding the meeting of the LGA State Executive.
SAROC has a Memorandum of Understanding between Regional Local Government Associations and the Local Government Association of South Australia, which was completed in August, 2003.

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

- Community Passenger Network Transport.
- Regional broadband Coverage.
- Regional Development Australia.
- Regional Drought Programs.
- Off Road Motor Bike and Vehicle Use on Road Reserves.
- Native Vegetation issues.
- Regional Fire Danger Dates.
- SAFECOM MoU for use of Council Assets.
- Rural Property Addressing Standard.
- Country Health SA proposed reforms.
- NRM/LG Relationships.
- Ensuring Local Government Services Provision Project.
- SA State Government Shared Services Reform.
- Regional Water-proofing.

FINANCIAL STATEMENTS TO 30TH JUNE, 2009.

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

REGIONAL ENHANCEMENT AND CAPACITY BUILDING.

The Association acknowledges and thanks the Local Government Research and Development Fund Scheme for their annual 2008-2009 grant of $36,149 to the Association.

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

INFORMING COUNCILS AND OTHER PARTIES.

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

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

The Association's website www.mmlga.sa.gov.au contains a wealth of information on the Association's activities, including all Agendas, Appendices and Minutes for General and Committee Meetings.

NATIVE TITLE AND INDIGENOUS LAND USE AGREEMENTS.

The Association has continued to engage Rosemary Craddock LLB, to assist Member Councils in Native Title negotiations in and adjacent to the Region.

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

PARTNERSHIP/STRATEGIC ACTIVITIES 2008 – 2009.

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

Strategic Focus – Telecommunications.

The project partners are:

The Riverland Development Corporation,
The Murraylands Regional Development Board,
Dept. of Further Education, Employment, Science and Technology (DFEEST),
Dept. of Broadband Communications and the Digital Economy (DBCDE),
Dept. Transport, Energy and Infrastructure (DTEI), and
Regional Broadband Project Officer – Mr. Paul Muskett.

The Broadband Development Project commenced in January 2008 with funding secured for a two year period through the Australian Government as part of the Department of Broadband, Communications and the Digital Economy's (DBCDE) Clever Networks Broadband Development Network Program. The project covers both the Murraylands and Riverland regions.

During the time of this project, the OPEL project (a scheme designed to provide wireless access to underserved areas) was cancelled and a National Broadband Network (NBN) announced and opened for Requests for Proposals (RFP).

The original NBN RFP process was cancelled in April 2009 and significantly remodelled. The new NBN's stated aim is to provide fibre optic cable to 90% of Australian homes and premises with a service of a minimum speed of 100 Mbps, and to serve the remaining 10% of Australia with a variety of wireless services at a minimum speed of 12 Mbps.

During the year the Association's Regional Broadband Steering Committee advertised for Expressions of Interest to provide broadband services to the region, with a closing date of 18th July 2008.

Due to several extensions of the application date for providers to the anticipated main funding source for the project, the Australian Broadband Guarantee (ABG) deciding on a preferred supplier was continually delayed, until the entire process was cancelled in February 2009 due to a number of issues, including doubts around the availability of ABG funding.

The main reason was the announcement of a new preferred supplier for the Department of Transport, Energy and Infrastructures' High Speed Broadband project, funded primarily by Clever Networks. The project will deliver fibre optic cable to the townships of Berri, Murray Bridge and Port Pirie, and wireless access in the three townships and some surrounding areas.

As the two projects were very similar in their scope and in the physical areas they were seeking to cover, it was established to be more efficient to cancel the stand alone M&MLGA regional project and partner with the existing funded project. The Association became a partner in the DTEI project due to the commitment of in-kind support from councils and gained a position on the project management committee.

Six wireless broadband towers broadcasting to surrounding areas will be built as part of the project, and there is the possibility of further towers and broadband services being built off the initial infrastructure if further funding can be secured.

These developments indicate significant progress in gaining high quality broadband services across the majority of the region. This will provide major benefits to the economy of the region, as well as having a positive impact on the lifestyle and experiences of those receiving high quality broadband services.

This past year also saw another long term issue resolved; with a broadband solution provided to the sand mine at Mindarie and surrounds. This connection allows the mine to maintain its administrative staff on-site at Mindarie, due to the provision of a high speed connection between the Mindarie and Adelaide offices.

Due to this added infrastructure, high quality broadband and telecommunication services are now available to areas of the Murray and Mallee that were previously only serviced by satellite.

An application to the South Australian Governments' Broadband Development Fund (BDF) is currently in the final stages of preparation, and is anticipated to be lodged before 30 June 2009. The application is to provide funding to further extend the current DTEI broadband project to provide additional coverage in the Mid Murray, Loxton Waikerie and Southern Mallee council districts. If successful, it is anticipated that the new infrastructure will be built by the end of December 2009.

Despite of the constantly changing playing field in terms of broadband funding for projects at all levels of State and Federal Government, the broadband project has made significant progress in the last year.

The possibility of future broadband based positions in the region is still unclear; however with just over six months remaining of the current project, the aims will be to ensure the progress of the current broadband project remains on target, progress the application to the South Australian Governments BDF to expand the coverage areas further into the region, and to further develop the use of broadband technology for business, education and personal use.

The Association acknowledges the untiring efforts of Paul Muskett, Regional Broadband Project Officer. Without his assistance, the Association's Regional Broadband Project would not have achieved the more than satisfactory outcomes for the year.

Strategic Focus – Transport Infrastructure.

Our Project Partners are:

- The Riverland Development Corporation,
- The Murraylands Regional Development Board,
- Transport SA, and
- The Local Government Transport Advisory Panel (LGTAP).

For the period 2008-2009, Member Councils resolved not to review the Murray and Mallee Regional Transport Strategy Plan to support this year's road funding submissions. General agreement is that the matter of a review will be considered for the latter part of 2008-2009.

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

Applications for funding in the 2007-2008 round were lodged with the Local Government Transport Advisory Panel at the end of April, 2008 resulting in $1.346m funding availability for identified road construction in the region.

Applications for funding in 2008-2009 were lodged with the Local Government Transport Advisory Panel on the 24th April, 2009, and the Association awaits the results of the Panel's recommendation for the Special Local Roads component to the Local Government Grants Commission.

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

Our partners are:

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

As was actioned during 2007 – 2008, the Association, through the SAROC Committee and the Riverland and Murraylands Regional Coordination Networks, continued to pursue the issue of the integration of Community Passenger Network (CPN) Schemes throughout the region.

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

Following receipt by the SAROC Committee of a report from the Association at the 16th July, 2008 SAROC Committee meeting, the LGA wrote to the Minister for Transport seeking redress to the current financial assistance arrangements for Community Passenger Transport Networks. The Association and SAROC Committee positions are that these arrangements are far from satisfactory.

The subsequent reply from the Minister restated that there would be no change to the current arrangements.

Separate from the Ministers reply the LGA SA commissioned a report to undertake research and development on the most appropriate community transport business model to represent SA community transport providers, coordinators, volunteers and users.
With the report has now been completed, it is the view of the LGA SA that a further report is required which will provide clarification of the following contextual matters:

- current provision of passenger transport services and where the gaps and opportunities exist;
- options for filling the gaps including opportunities and challenges in responding to issues that have emerged;
- how the providers of passenger transport are making their services available, funding options they are securing and issues for the future; and
- the intergovernmental responsibilities for passenger transport service provision.

In conjunction with Partners and sister organisations, the Association will continue to pursue equitable transport arrangements for the region on an equivalent basis as enjoyed by our metropolitan cousins.

Strategic Focus – Environment - Drought.

Our partners are:

The Riverland Development Corporation,
The Murraylands Regional Development Board,
Primary Industries and Resources SA,
Riverland Furures Project,
Regional Coordination Networks,
Riverland Drought Taskforce,
Lower Murray Drought Collaboration Group,
Irrigation Authorities and Associations,
The SAROC Committee, and
The Local Government Research and Development Fund (LGR&DF).

The Drought has severely affected environmental and economic stability and planned growth throughout the region including the potential to affect Local Government services to the community.

In order to quantify this potential effect, the Association sought and received $70k form the LGR&DF for the purpose of determining the availability of a "plug-in type tool" that could be made available to all regional Councils, which would allow Councils to determine the effect on Council and the Community given certain economic impacts.

Such a tool has been identified and forwarding of Council's agreement to the concept will be undertaken in the ensuing year.

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

- Provided an Association representative on the River Murray Water Quality Risk Assessment Committee.
- Provided a Local Government non-voting Member to the SA MDB NRM Board.
- Provided information to Member Councils regarding Adaptation Actions for Local Government on Climate Change issues.
- Provided Association representation on the LGA Native Vegetation Working Party and input into legislative review, and
- With the LGA, State Government and the SA CFS Region 3, addressed the matter of Dead Plantings and associated bushfire hazards resulting from the drought and abandoned land.
- Provision of a Report to Member Councils on Community Waste-water Management Scheme (CWMS) management options.
- Facilitation of the Local Government/NRM Regional Delivery Relationships Project.
- Submission provided to the MDB Consultative Committee regarding the Lower Lakes sulphate trigger levels.
- Forwarding of Climate Change templates and workshops as it relates to Local Government activities.

- Provision of M&MLGA regional representation on the LGA Water Project Working Party.
- Comments provided on the proposed River Murray Water Allocation Concept Plan.
- Commencement of the process for a potential review of the River Murray 1956 Flood Line.
- Lobbied State and Federal Governments for extensions of the Drought Programs into the year 2009-2010.

BEYOND 2009.

General Meetings of the Association will continue to be held during 2008-2009 on the first Friday in the months of August, December, February, April with the Annual General Meeting to be held in June. They will be held throughout the Region, hosted alphabetically by the Member Councils.

At the General Meeting held on the 3rd April, 2009, the Association endorsed their revised Strategic Plan, 2008-2011. The Annual Business Plan 2009-2010, extracted from the Strategic Plan 2008-2011 and associated Annual Budget was adopted at the Association's Annual General Meeting held on the 5th June, 2009. These documents are available to be viewed and downloaded from the Association's website at www.mmlga.sa.gov.au

The status of the objectives and actions in the Association's Annual Business Plan 2009-2010 will be reviewed half yearly at the December General Meeting and the June Annual General Meeting as per the provisions of the Association's Charter.

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Murray & Mallee Local Government Association Incorporated

Financial Statements

For the Year Ended 30 June 2009

Murray & Mallee Local Government Association Incorporated

For the Year Ended 30 June 2009

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Murray & Mallee Local Government Association Incorporated

Income Statement

For the Year Ended 30 June 2009

	Note	2009 $	2008 $
Regional Enhancement Fund Grant	2	**32,904**	31,487
Interest received	2	**6,177**	6,097
MBM LGA contributions	2	**76,095**	75,595
		115,176	113,179
Other operating expenses	3	**(102,772)**	(97,762)
Profit attributable to members		**12,404**	15,417

Murray & Mallee Local Government Association Incorporated

Balance Sheet

As At 30 June 2009

	Note	2009 $	2008 $
ASSETS			
Current assets			
Cash and cash equivalents	4	**127,442**	47,174
Trade and other receivables	5	**3,718**	3,675
Money held in Trust		**2,962**	2,962
Total current assets		**134,122**	53,811
TOTAL ASSETS		**134,122**	53,811
LIABILITIES			
Current liabilities			
Trade and other payables	6	**1,733**	1,287
Unexpended Project Funds	7	**93,234**	19,730
Native Title Claim Moneys unexpended		**2,962**	2,962
Total current liabilities		**97,929**	23,979
TOTAL LIABILITIES		**97,929**	23,979
NET ASSETS		**36,193**	29,832
EQUITY			
Retained earnings		**36,193**	29,832
TOTAL EQUITY		**36,193**	29,832

Murray & Mallee Local Government Association Incorporated

Statement of Recognised Income and Expense

For the Year Ended 30 June 2009

2009

	Note	Retained Earnings $	Total $
Balance at Tuesday, 1 July 2008		29,832	29,832
Profit attributable to members		12,404	12,404
Transfer from retained earnings	7	(6,043)	(6,043)
Sub-total		6,361	6,361
Balance at 30 June 2009		36,193	36,193

2008

		Retained Earnings $	Total $
Balance at Tuesday, 1 July 20081 July 2007		26,150	26,150
Profit attributable to members		15,417	15,417
Transfer from retained earnings	7	(11,735)	(11,735)
Sub-total		3,682	3,682
Balance at 30 June 2008		29,832	29,832

Murray & Mallee Local Government Association Incorporated

Cash Flow Statement

For the Year Ended 30 June 2009

	Note	2009 $	2008 $
Cash from operating activities:			
Receipts from members		**76,095**	75,595
Receipts from Grants		**32,904**	31,487
Interest received		**6,177**	6,097
Payments to suppliers		**(102,369)**	(98,060)
Project receipts		**70,000**	-
Project payments		**(2,539)**	(1,100)
Net cash provided by (used in) operating activities	8	**80,268**	14,019
Net increase (decreases) in cash held		**80,268**	14,019
Cash at beginning of financial year		**47,174**	33,155
Cash at end of financial year	4	**127,442**	47,174

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

1 Accounting policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act of South Australia.

The financial report covers Murray & Mallee Local Government Association Incorporated as an individual entity. Murray & Mallee Local Government Association Incorporated is an association incorporated in South Australia under the Associations Incorporations Act 1985.

The financial report of Murray & Mallee Local Government Association Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Basis of preparation

Reporting Basis and Conventions

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

(c) Comparatives

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

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(e) Income taxes

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

(f) 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 balance sheet are shown inclusive of GST.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

1 Accounting policies continued

(g) Financial Instruments

Recognition and Initial Measurement

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

Financial liabilities

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

Impairment

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

(h) Impairment of assets

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

Critical accounting estimates and judgments

Key estimates - Impairment

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

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

2 Revenue

	2009	2008
	$	$
Interest received	**6,177**	6,097
MBM LGA contributions		
- Berri Barmera Council	**11,719**	11,642
- Coorong District Council	**7,762**	7,711
- DC of Karoonda East Murray	**4,109**	4,082
- DC of Loxton Waikerie	**12,403**	12,322
- Mid Murray Council	**9,283**	9,222
- The Rural City of Murray Bridge	**15,523**	15,422
- DC of Renmark Paringa	**10,425**	10,356
- Southern Mallee DC	**4,871**	4,838
Total MBM LGA contributions	**76,095**	75,595
Regional Enhancement Fund Grant	**32,904**	31,487
Total Revenue	**115,176**	113,179

3 Profit from Ordinary Activities

Expenses

	2009	2008
	$	$
Audit fees	**1,383**	1,225
Bank charges	**120**	153
Executive Officer Contract Services	**90,702**	87,360
Insurance	**2,038**	1,019
Meeting Expenses	**1,619**	1,369
Postage	**37**	50
President's Travelling Allowance	**2,500**	2,635
Printing and stationery	**433**	485
SAROC Regional Meeting costs	**459**	150
Sundry expenses	**326**	403
Telecommunications/Broadband	**-**	1,004
Telephone and fax	**3,050**	1,803
Website maintenance	**105**	106
Total expenses	**102,772**	97,762

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

4 Cash and cash equivalents

	2009 $	2008 $
Cash on hand	100	100
Cash at bank	1,644	1,569
LGFA Investment	125,698	45,505
	127,442	47,174

5 Trade and other receivables

	2009 $	2008 $
CURRENT		
Accrued Interest	997	1,202
GST Refund	2,721	2,473
	3,718	3,675

6 Trade and other payables

	2009 $	2008 $
CURRENT		
Trade payables	1,733	1,287

7 Other Liabilities

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

	2009 $	2008 $
Water Management Project		
Income		
Balance brought forward	4,373	4,373
Total Income	4,373	4,373
Project Funds not expended at 30 June 2009	4,373	4,373

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

7 Other Liabilities continued

	2009 $	2008 $
Regional Broadband Project		
Income		
Balance brought forward	**1,400**	2,500
Total Income	**1,400**	2,500
Contribution - Broadband project	**-**	(1,100)
- Travel expense	**(39)**	-
Total Expenses	**(39)**	(1,100)
Project Funds not expended at 30 June 2009	**1,361**	1,400
Discretionary Projects		
Income		
Balance brought forward	**13,957**	2,222
Transfer from Retained Earnings	**1,043**	11,735
Total Income	**15,000**	13,957
Less Expenses		
Project funds not expended at 30 June 2009	**15,000**	13,957
Provision LG Services Project		
Income		
Local Goverment Research and Development Scheme	**70,000**	-
Transfer from Retained Earnings	**5,000**	-
Total Income	**75,000**	-
Less Expenses		
Consultancy	**(2,500)**	-
Total Expenses	**(2,500)**	-
Project funds not expended at 30 June 2009	**72,500**	-
Total	**93,234**	19,730

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

8 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2009	2008
	$	$
Net income/loss for the period	**12,404**	15,417
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade receivables	**205**	(407)
(Increase)/decrease in GST Rec/Pay	**(248)**	7
Increase/(decrease) in creditors	**73,950**	10,737
Increase/(decrease) in Retained earnings from transfers	**(6,043)**	(11,735)
	80,268	14,019

9 Financial instruments

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

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

(i) Financial instrument composition and maturity analysis

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

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

9 Financial instruments continued

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	%	%	$	$	$	$	$	$
Financial Assets:								
LGFA Investment	**2.75**	7.00	**125,698**	45,505	**-**	-	**125,698**	45,505
Cash at bank	**1.60**	1.60	**1,644**	1,569	**-**	-	**1,644**	1,569
Cash	**-**	-	**-**	-	**100**	100	**100**	100
Trade and other receivables	**-**	-	**-**	-	**3,718**	3,675	**3,718**	3,675
Money held in trust	**-**	-	**-**	-	**2,962**	2,962	**2,962**	2,962
Total Financial Assets			**127,342**	47,074	**6,780**	6,737	**134,122**	53,811
Financial Liabilities:								
Trade and other payables	**-**	-	**-**	-	**1,733**	1,287	**1,733**	1,287
Unexpended project funds	**-**	-	**-**	-	**93,234**	19,730	**93,234**	19,730
Native title claims	**-**	-	**-**	-	**2,962**	2,962	**2,962**	2,962
Total Financial Liabilities			**-**	-	**97,929**	23,979	**97,929**	23,979

All financial assets and liabilities disclosed mature within 12 months, with the exception of money held in trust and native title claims which have a maturity of greater than 12 months and less than 5 years.

(ii) Net fair values

The net fair values for other assets and other liabilities approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Interest Rate Risk Sensitivity Analysis

At 30 June 2009, the committee considers that the only material risk arises in relation to interest rates. Should interest rates have increased / decreased by 2%, the associations profit would have increased / decreased by approximately $2,546 (2008: $941).

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2009

10 Contingent Liabilities and Contingent Assets

At 30 June 2009, the Committee is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

11 Capital Commitments

At 30 June 2009, the Committee is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

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.

13 Key Management Personnel Compensation

(a) **Key Management Personnel Compensation**

	Short term Benefits	Total
2009		
Total compensation	90,702	90,702
2008		
Total compensation	87,360	87,360

Murray & Mallee Local Government Association Incorporated

Statement by the Committee

In the opinion of the members of the committee:

1. (a) the accompanying Income Statement is drawn up so as to present fairly the profit of Murray and Mallee Local Government Association for the financial year;

   (b) the accompanying Balance Sheet is drawn up so as to present fairly the state of affairs of Murray and Mallee Local Government Association as at the end of the financial year;

   (c) the accounts of the association have been made out in accordance with Accounting Standards and other mandatory professional reporting requirement.

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

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

4. No officer of the association has received directly or indirectly from the association any payment or other benefit of a pecuniary value, except for chairman allowances paid.

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

.....
President

.....
CEO

Dated 7th August 2009.

WHK Thomsons
Audit Services

Murray & Mallee Local Government Association Incorporated

Independent Audit Report to the members of Murray & Mallee Local Government Association Incorporated

Report on the Financial Report

We have audited the accompanying financial report of Murray & Mallee Local Government Association Incorporated, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended that date a summary of significant accounting policies, other explanatory notes and the statement by the committee..

Committee Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Total Financial Solutions ..... A WHK Group Firm

Member Horwath International
ABN: 27 161 274 861
PO Box 101, Berri SA 5343
27 Vaughan Terrace, Berri SA 5343
Phone: 1300 WHK TFS
Phone: (08) 8582 1955 Fax: (08) 8582 3014
E-mail: info@whkthomsons.com.au

Horwath refers to Horwath International Association, a swiss verein.
Each member of the Association is a separate and independent legal entity.

Murray & Mallee Local Government Association Incorporated

Independent Audit Report to the members of Murray & Mallee Local Government Association Incorporated

Independence

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

Auditor's Opinion

In our opinion the financial report of Murray & Mallee Local Government Association Incorporated is in accordance with the Associations Incorporations Act(SA) 1985, including:

(a) giving a true and fair view of the association's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act(SA) 1985.

WHK THOMSONS AUDIT SERVICES

Grant Martinella CA

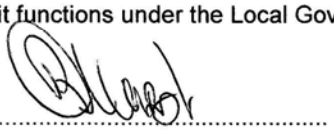
Signed at Berri SA 07/08/2009

WHK

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Barry Charles Hurst, the person for the time being occupying the position of chief executive of the Renmark Paringa Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



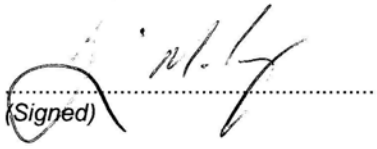
..... 23/7/09.....

(Signed) *(Dated)*

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Damian Maloney, the person for the time being occupying the position of chief executive of the Rural City of Murray Bridge, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



..... 23/7/2009.....

(Signed) *(Dated)*

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Rodney Ralph, the person for the time being occupying the position of chief executive of the Southern Mallee District Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.

....

(Signed) *(Dated)* 23-7-2009.

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Peter Smithson, the person for the time being occupying the position of chief executive of the District Council of Karoonda East Murray, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.

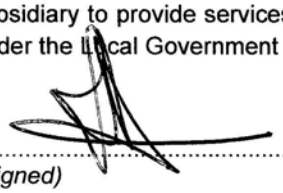
....

(Signed) *(Dated)* 23.7.2009.

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Timothy Francis Drew, the person for the time being occupying the position of chief executive of the Coorong District Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



.....
(Signed)

23.7.2009.
(Dated)

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, David Beaton, the person for the time being occupying the position of chief executive of the Berri Barmera Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.

.....
(Signed)

23/7/09
(Dated)

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE-

AUDITOR INDEPENDENCE

I, Dean Gollan, the person for the time being occupying the position of chief executive of the Mid Murray Council Council, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the Auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.

(Signed) ..... (Dated) 23/7/09

CHIEF EXECUTIVE OFFICERS CERTIFICATE OF COMPLIANCE –

AUDITOR INDEPENDENCE.

I, Des Schliebs, the person for the time being occupying the position of acting chief executive officer of the District Council of Loxton Waikerie, being a constituent council of the Murray and Mallee Local Government Association subsidiary do hereby certify (for the purposes of Regulation 16A(2) of the Local Government (Financial Management) Regulations 1999) that the auditor, WHK Thomsons, of the subsidiary has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.

(Signed) ..... (Dated) 23rd July 2009

Annual Report 2008/2009

APPENDIX 4

Mid Murray & Karoonda East Murray District Councils Plant Committee Financial Statement for the Year Ended 30 June 2009

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

General Purpose Financial Reports
for the year ended 30 June 2009

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MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

INCOME STATEMENT
for the year ended 30 June 2009

	Notes	2009 $	2008 $
INCOME			
User charges	2	**27,315**	24,195
Grants, subsidies and contributions	2	**-**	-
Investment income	2	**2,223**	6,686
Total Income		**29,538**	30,881
EXPENSES			
Materials, contracts & other expenses	3	**21,144**	5,664
Depreciation, amortisation & impairment	3	**13,292**	7,800
Net loss - joint ventures & associates	19		
Total Expenses		**34,436**	13,464
OPERATING SURPLUS / (DEFICIT)		**(4,898)**	17,417
Net gain (loss) on disposal or revaluation of assets	4	**(12,893)**	-
NET SURPLUS / (DEFICIT)		**(17,791)**	17,417

This Statement is to be read in conjunction with the attached Notes.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

BALANCE SHEET
as at 30 June 2009

	Notes	2009 $	2008 $
ASSETS			
Current Assets			
Cash and cash equivalents	5	**18,832**	112,926
Trade & other receivables	5	**325**	10,056
Inventories	5	**-**	10,698
Total Current Assets		**19,157**	133,680
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	**220,579**	18,559
Total Non-current Assets		**220,579**	18,559
Total Assets		**239,736**	152,239
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	**7,048**	1,760
Total Current Liabilities		**7,048**	1,760
Non-current Liabilities			
Trade & Other Payables	7	**-**	-
Total Non-current Liabilities		**-**	-
Total Liabilities		**7,048**	1,760
NET ASSETS		**232,688**	150,479
EQUITY			
Accumulated Surplus		**232,688**	150,479
TOTAL EQUITY		**232,688**	150,479

This Statement is to be read in conjunction with the attached Notes.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2009

	Notes	2009 $	2008 $
ACCUMULATED SURPLUS			
Balance at end of previous reporting period		**150,479**	133,062
Contributions from Member Councils		**100,000**	
Net Surplus / (Deficit) for Year		**(17,791)**	17,417
Transfers to Other Reserves		-	-
Transfers from Other Reserves		-	-
Balance at end of period		**232,688**	150,479
TOTAL EQUITY AT END OF REPORTING PERIOD		**232,688**	150,479
Total of all revenues recognised directly in Equity		-	-
Total of all expenses recognised directly in Equity		-	-
NET CHANGE IN EQUITY		-	-

This Statement is to be read in conjunction with the attached Notes

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

CASH FLOW STATEMENT
for the year ended 30 June 2009

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2009 $	2008 $
Receipts			
Operating receipts		**58,839**	16,070
Investment receipts		**4,079**	6,145
Payments			
Operating payments to suppliers & employees		**(28,807)**	(3,904)
Net Cash provided by (or used in) Operating Activities		**34,111**	18,311
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		-	
Sale of replaced assets		**5,666**	-
Sale of surplus assets		-	
Sale of investment property		-	
Net disposal of investment securities		-	
Sale of real estate developments		-	
Repayments of loans by community groups		-	
Contributions from Member Councils		**100,000**	
Payments			
Expenditure on renewal/replacement of assets		**(233,871)**	-
Expenditure on new/upgraded assets		-	
Purchase of investment property		-	
Net purchase of investment securities		-	
Development of real estate for sale		-	
Loans made to community groups		-	
Capital contributed to associated entities		-	
Net Cash provided by (or used in) Investing Activities		**(128,205)**	-
Net Increase (Decrease) in cash held		**(94,094)**	18,311
Cash & cash equivalents at beginning of period	8	**112,926**	94,615
Cash & cash equivalents at end of period	8	**18,832**	112,926

This Statement is to be read in conjunction with the attached Notes

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999*.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar ($).

2 The Local Government Reporting Entity

The Mid Murray & Karoonda East Murray District Councils Plant Committee is a Regional Subsidiary incorporated under the SA Local Government Act 1999 and has its principal place of business at Adelaide Road, Mannum. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 1 - Significant Accounting Policies (cont)

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other Real Estate held for resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

6 Infrastructure, Property, Plant & Equipment

6.1 Transitional Provisions

As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 *Land Under Roads*. Details of the effects of this election are given in Note 7.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 1 - Significant Accounting Policies (cont)

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

6.2 Initial Recognition
All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* when completed ready for use.

6.3 Materiality
Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Plant & Equipment	$1,000

6.4 Subsequent Recognition
Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.5 Depreciation of Non-Current Assets
Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	
Vehicles and Road-making Equip	5 to 8 years

6.6 Impairment
Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 1 - Significant Accounting Policies (cont)

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

9 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

10 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2009 reporting period.

- AASB 3 *Business Combinations*
- AASB 101 *Presentation of Financial Statements*
- AASB 123 *Borrowing Costs*
- AASB 127 *Consolidated and Separate Financial Statements*
- AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123*
- AASB 2007-8 & AASB 2007-10 *Amendments to Australian Accounting Standards arising from AASB 101*
- AASB 2008-2 *Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation*
- AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127*
- AASB 2008-5 & AASB 2008-6 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project*
- AASB 2008-7 *Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- AASB 2008-8 *Amendments to Australian Accounting Standards - Eligible Hedged Items*
- AASB 2008-9 *Amendments to AASB 1049 for Consistency with AASB 101*
- AASB 2008-11 *Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities*
- AASB 2008-12 *Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition*
- AASB 2008-13 *Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners*
- *Interpretation 15* Agreements for the Construction of Real Estate

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 1 - Significant Accounting Policies (cont)

- *Interpretation 16* Hedges of a Net Investment in a Foreign Operation
- *Interpretation 17* Distributions of Non-cash Assets to Owners
- *Interpretation 18* Transfers of Assets from Customers
- (Standards not affecting local government have been excluded from the above list.)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 2 - INCOME

	Notes	2009 $	2008 $
USER CHARGES			
Machine Hire		**27,315**	24,195
		27,315	24,195
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		**2,223**	6,686
		2,223	6,686

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 3 - EXPENSES

	Notes	2009 $	2008 $
MATERIALS, CONTRACTS & OTHER EXPENSES			
Prescribed Expenses			
Auditor's Remuneration			
- Auditing the financial reports		**500**	500
Subtotal - Prescribed Expenses		**500**	500
Other Materials, Contracts & Expenses			
Public Liability Insurance		**-**	520
Bank Charges		**120**	120
Repairs and Maintenance		**18,528**	2,891
Insurance and Registration		**1,396**	1,133
Sundry		**600**	500
Subtotal - Other Materials, Contracts & Expenses		**20,644**	5,164
		21,144	5,664
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Rockbuster		**-**	3,400
MB 1300		**-**	4,400
John Deere Tractor		**8,250**	-
Kirpy Rockbreaker		**5,042**	-
		13,292	7,800

Note 4 - GAIN OR LOSS ON DISPOSAL OR REVALUATION OF ASSETS

INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
Assets renewed or directly replaced		
Proceeds from disposal	**16,364**	
Less: Carrying amount of assets sold	**29,257**	
Gain (Loss) on disposal	**(12,893)**	-
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	**(12,893)**	-

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 5 - CURRENT ASSETS

	Notes	2009 $	2008 $
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		**2,161**	2,281
Deposits at Call		**16,671**	110,645
		18,832	112,926
TRADE & OTHER RECEIVABLES			
Accrued Revenues		**75**	1,931
Debtors - general		**250**	8,125
		325	10,056
INVENTORIES			
Stores & Materials		**-**	10,698
		-	10,698

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2008 $				2009 $			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Rockbuster	-	68,000	(63,145)	4,855	-	-	-	-
MB 1300	-	44,000	(30,296)	13,704	-	-	-	-
John Deere Tractor	-	-	-	-	-	117,446	(8,250)	109,196
Kirpy Rockbreaker	-	-	-	-	-	116,425	(5,042)	111,383
TOTAL PROPERTY, PLANT & EQUIPMENT	-	112,000	(93,441)	18,559	-	233,871	(13,292)	220,579
2008 Totals		***112,000***	***(85,641)***	***26,359***	-	***112,000***	***(93,441)***	***18,559***

This Note continues on the following pages.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2008 $	CARRYING AMOUNT MOVEMENTS DURING YEAR $							2009 $
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Blank	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals						
Rockbuster	4,855	-	-	(4,855)	-	-	-	-	-
MB 1300	13,704	-	-	(13,704)	-	-	-	-	-
John Deere Tractor	-	-	117,446	-	(8,250)	-	-	-	109,196
Kirpy Rockbreaker	-	-	116,425	-	(5,042)	-	-	-	111,383
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	18,559	-	233,871	(18,559)	(13,292)	-	-	-	**220,579**
2008 Totals	***18,559***								***18,559***

This Note continues on the following pages.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 7 - LIABILITIES

		2009 $		2008 $	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		**7,048**		1,760	
		7,048	-	1,760	-

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2009 $	2008 $
Total cash & equivalent assets	5	**18,832**	112,926
Balances per Cash Flow Statement		**18,832**	112,926
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus (Deficit)		**(17,791)**	17,417
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		**13,292**	7,800
Net (Gain) Loss on Disposals		**12,893**	-
		8,394	25,217
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		**9,731**	(9,207)
Net (increase) decrease in inventories		**10,698**	1,760
Net increase (decrease) in trade & other payables		**5,288**	-
Net Cash provided by (or used in) operations		**34,111**	17,770

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 9 - FUNCTIONS

	INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL				
	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $
Transport & Communication	29,538	30,881	34,436	13,464	(4,898) -	17,417 -			239,736	152,239
TOTALS	29,538	30,881	34,436	13,464	(4,898)	17,417	-	-	239,736	152,239

Excludes net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2009

Note 10 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	**Accounting Policy:** Carried at lower of cost and net realiseable value; Interest is recognised when earned. **Terms & conditions:** Deposits are returning fixed interest rates between 2% and 3% (2008: 6% and 7%). **Carrying amount:** approximates fair value due to the short term to maturity.
Receivables - Fees & other charges	**Accounting Policy:** Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. **Terms & conditions:** Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. **Carrying amount:** approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	**Accounting Policy:** Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. **Terms & conditions:** Liabilities are normally settled on 30 day terms. **Carrying amount:** approximates fair value.

MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS
PLANT COMMITTEE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2009	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	$	$	$	$	$
Financial Liabilities					
Payables	**7,048**			**7,048**	**7,048**
Total	**7,048**	-	-	**7,048**	**7,048**

2008	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	$	$	$	$	$
Financial Liabilities					
Payables	1,760			1,760	1,760
Total	1,760	-	-	1,760	1,760

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2009		30 June 2008	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	$	%	$
Other Variable Rates	**0**	**7,048**	0	1,760
		7,048		1,760

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

John D. Ewen & Associates
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MID MURRAY & KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

We have audited the accompanying Financial Report of the Mid Murray & Karoonda East Murray District Councils Plant Committee which comprises the balance sheet as at 30 June 2009 and the income statement, cash flow statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration as set out on pages 1 – 19.

THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

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

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

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

AUDITOR'S INDEPENDENCE DECLARATION

In conducting our audit we have complied with the independence requirements of the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 1999* and the Australian professional accounting bodies.

Liability limited by a scheme approved under Professional Standards Legislation

AUDIT OPINION

In our opinion the financial report of the Mid Murray & Karoonda East Murray District Councils Plant Committee is properly drawn up:

a) To give a true and fair view of :
   i) the Committee's state of affairs as at 30 June 2009 and changes in equity resulting from operations and cashflows for the year ended on that date.
   ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.

b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 1999 made under that Act; and

c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at Adelaide this 5th day of November 2009

JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of Mid Murray & Karoonda East Murray District Councils Plant Committee.

I confirm that, for the audit of the financial statements of the Members of Mid Murray & Karoonda East Murray District Councils Plant Committee for the year ended 30 June 2009, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999.*

Signed at Adelaide this 5th day of November 2009

JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

MID MURRAY AND KAROONDA EAST MURRAY DISTRICT COUNCILS PLANT COMMITTEE

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2009

STATEMENT BY SECRETARY

I, Dean Hillary Gollan, the person for the time being occupying the position of Secretary of the Mid Murray and Karoonda East Murray District Councils Plant Committee, do herby state that the Financial Statements of the Committee for the year ended 30 June 2009 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999* made under that Act.

Dean Hillary Gollan

SECRETARY

Dated this 6th day of November 2009