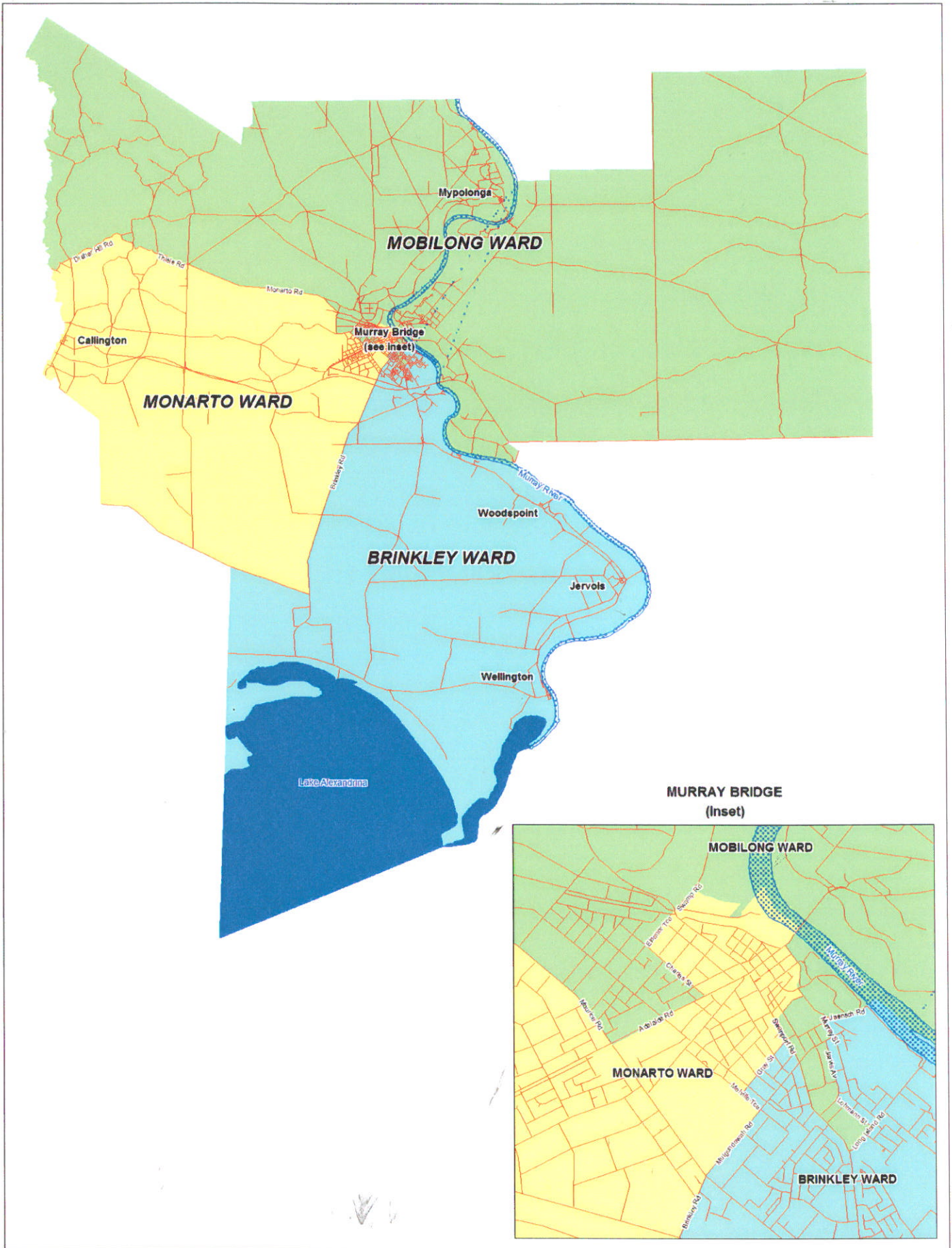


Rural City of Murray Bridge Council Ward Boundaries



Drawn By: Tony Jordan
 Date Drawn: 05/10/2004
 Plan No: Ward_Boundaries.wor



Legend	
	Monarto Ward
	Mobilong Ward
	Brinkley Ward
	Lake Alexandrina
	Murray River
	Roads

FREEDOM OF INFORMATION

INFORMATION STATEMENT

This Information Statement is published by the Rural City of Murray Bridge in accordance with the requirements of the Local Government Act 1999.

An updated Information Statement is published every 12 months.

STRUCTURE & FUNCTIONS OF THE COUNCIL

Council

Council consists of 9 Ward Councillors and the Mayor. Council is the decision making body on all policy matters. Council meetings are held on the 4th Monday of each month and commence at 7.00 pm (except if the Monday is a public holiday then the meeting is held on the following evening. Alternate arrangements may occur in December). Members of the public are welcome to attend.

Agenda and Minutes

Agendas of the Council Meetings are placed on public display no less than three days prior to those meetings. Minutes are placed on display within five days of the meeting. Associated reports are made available free of charge to members of the public who attend the meetings.

Council Boards and Committees

A number of Boards and Committees comprising elected members, staff and the public have been established to investigate particular issues. Currently these are:

Works & Finance Committee
Development Assessment Panel
Review of Arrangements for Use of Ovals Working Party
Donations/Community Grant Funding Committee
Accessibility Advisory Committee
Community Development Advisory Committee
Crime Prevention Advisory Committee
Murray Bridge Road Safety Committee
Murray Bridge Town Bus Board
Lerwin Expansion Committee
Library Facilities Committee
Traffic Safety (Manure on Roads) Committee

Management Committees

All of the following management committees have been appointed under Section 41 of the Local Government Act 1999 and manage properties on behalf of the Council.

Captain's Cottage Museum Management Committee
Murray Bridge Showgrounds Management Committee
Swanport Centre Management Committee
Johnstone Park Combined Clubs Management Committee
Monarto War Memorial Hall Management Committee
Mypolonga Community Hall Management Committee
Murray Bridge Roundhouse Management Committee

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.

In keeping with the legislative requirements of the Local Government Act 1999, delegations are made that assist Council to:

- determine policies to be applied by the Council in exercising its discretionary powers;
- determine the type, range and scope of projects to be undertaken by the Council; and
- develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Council.

The Council makes decisions which 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.

Services to the Community

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

Aged Care Transport	Planning and Development controls
Bus shelters	Playground equipment
Car Parks	Public Library
Clean air controls	Public seating
Cemeteries	Public toilets
Community halls and centres	Recreational/Sporting facilities
Cycle tracks	Respite Care
Dementia care	Roads/footpaths/kerbing
Dog control	School crossings
Environmental Health matters	Stormwater drainage
Garbage collection	Street lighting
Home assistance for the elderly	Street sweeping
Immunisation programs	Street tree planting
Litter bins	Traffic control devices
Parking bays/street closures	
Parking controls	
Parks and Reserves	

PUBLIC PARTICIPATION

Council meetings

There are a number of ways in which members of the public can put forward their views on particular issues to Council.

These are:

- Deputations/Presentations – 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.

- Petitions – written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- Written requests – a member of the public can write to the Council on any Council policy, activity or service.
- Elected Members – members of the public can contact Elected Members of the Council to discuss any issue relevant to the Council
- Personal contact – a member of the public can contact their Elected Member of Council to discuss any issue relevant to Council or members of staff during office hours.

Community Consultation

The Rural City of Murray Bridge values effective consultation in developing a positive relationship with its community and also the right of the community to be informed and influence decisions which affect their lives.

The Rural City of Murray Bridge has a Community Consultation Policy that describes in detail its commitment. The objective of this policy is to ensure Council effectively:

- Consults with its community
- Promotes community involvement
- Makes decisions which are open, transparent and responsive to the needs and aspirations of the community
- Fulfils the legislative requirements as set out in the "Public Consultation Requirements" of the Local Government Act 1999 and, where necessary, the Development Act 1993.

ACCESS TO COUNCIL DOCUMENTS

The following documents are available for public inspection at the Council Office free of charge. Member of the public may purchase copies of these documents subject to Council's Schedule of Fees and Charges.

- Council Agendas and Minutes
- Committee Agendas and Minutes
- Development Assessment Panel Agendas and Minutes
- Policy Manual
- Delegated Authority Manual
- Strategic Management Plan
- Budget Statement
- Annual Report
- By Laws
- Annual Statement
- Development Application Register
- Register of Elected Member Allowances and Benefits
- Register of Employees Salaries Wages and Benefits (including Senior Management)
- Assessment Record
- Register of Public Streets and Roads
- Register of Fees and Charges
- Voters Roll

- Access to Meetings and Documents
- Code of Conduct – Elected Members
- Code of Conduct – Employees
- Election Campaign Donation Returns
- Procedure for internal review of Council decisions
- Audited Financial Statements
- Register of Interests of Elected Members
- Register of Community Land
- Public Consultation Policy
- Contracts and Purchasing Policy
- Rating Policy
- Order Making Policy
- Charters of Council subsidiaries

Policies

The following is a list of Council's policies:

- Code of Conduct – Council members
- Council Committees
- Delegations to CEO
- Elected Members Allowances and Support
- Internal Review of Council Decisions
- Public Consultation
- Policy Procedure Policy
- Asset Sale and Disposal
- Directional Signs
- Internal Control
- Purchasing, Contracts & Tenders
- Rating Policy
- Rating Rebate – Sporting groups, halls and related groups
- Risk Management
- Hiring of Council facilities
- Outdoor dining policies/guidelines
- Building inspection
- Order Making
- Occupational Health Safety & Welfare
- Construction on Unmade Road Reserves

The following is a list of Council's internally adopted policies:

- Code of Conduct policy – employees
- Use of RCMB Motor Vehicles
- Key Document Control
- Council Press Release
- Mobile Phone usage
- Hiring Contractors
- EFT File Transfer
- Financial Delegations
- Customer Action Requests
- Cheque Requisitions
- Creditors Authorisation
- GIS
- GIS Data Reporting
- Cash Handling and Control
- Use of RCMB Credit Card

- Rating System
- Accounts Receivable (Debtors) Management
- Vehicle Registration
- Sexual Harrassment
- Discipline
- Armed Hold Up
- Customer Service
- Private Works Order
- Tree Management

Other Information Requests

Requests for other information not included above will be considered in accordance with the Freedom of Information provisions of the Local Government Act. Under this legislation, an application fee must be forwarded with the completed request form unless the applicant is due an exemption.

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 Freedom of Information provisions of 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 completed a Freedom of Information Request Form and detail the records that he/she wishes to inspect.

Freedom of Information Requests

Forms and a schedule of FOI fees are available from the Freedom of Information Officer at the Local Government Centre.

Applications will be responded to as soon as possible within the statutory 30 days of Council receiving the properly completed FOI Request Form, together with the application fees.

D.J. Altmann
CHIEF EXECUTIVE OFFICER

SHLGA

Southern & Hills Local Government Association

Constituent Councils

Adelaide Hills Council
Alexandrina Council
The Barossa Council
Kangaroo Island Council
District Council of Mount Barker
Rural City of Murray Bridge
City of Victor Harbor
District Council of Yankalilla

Annual Report 2003 - 2004

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Email: contact@fredpedler.com
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The Southern & Hills Local Government Association

The Southern & Hills Local Government Association is a Regional Association of Councils under Part 4 of the Constitution of the Local Government Association of South Australia. The Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Collectively these 8 Councils have:

- x 140,668 people (ABS est. 30th June 2003)
- x Represented by 8 Mayors and 82 Councillors, 6 State MP's (Finniss, Hammond, Heysen, Kavel, Morialta and Schubert) and 4 Federal MHR's (Barker, Mayo, Wakefield and Sturt.)
- x A regional population, which is growing at 2.5% pa, the second highest population growth rate of a rural region in South Australia.
- x 84,124 ratable properties and a further 4,439 non-ratable properties.
- x \$875 million in combined assets. (as at 30th June 2004)
- x \$63.46 million in combined loans. (as at 30th June 2004)
- x \$146.57 million in revenue of which \$74.64 million is rate revenue. (2003 - 2004)
- x 7,274 kilometers of local roads of which 2,585 are sealed, 4,440 are formed unsealed and the remaining 249 are unformed.
- x An ocean coastline of 653 Km.
- x The River Murray and lakes form the southeast boundary of the region
- x Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- x Much of the area has, (by South Australian standards) a high rainfall.
- x The whole area, including Kangaroo Island, is within 100 kilometers of Adelaide.
- x Significant growth both in population and development, placing demands on the built infrastructure and the natural environment.
- x The region is a major tourism destination.

Office Bearers 2003 - 2004

President	Mayor Kym McHugh – Alexandrina Council
Immediate Past President	vacant
Senior Vice President	Mayor Brian Hurn – The Barossa Council
Junior Vice President	Mayor Michael Pengilly – Kangaroo Island Council
Delegate to LGA State Executive	Mayor Kym McHugh – Alexandrina Council
Proxy Delegate to LGA State Executive	Mayor Tony Wales – District Council of Mount Barker
Delegates to SAROC	Mayor Kym McHugh, Mr Fred Pedler
Executive Officer	Mr Fred Pedler
Auditor	DG Scott & Co

Meetings Held

22 nd August 2003	Annual General Meeting	Stirling
17 th October 2003	Executive Committee	Goolwa
12 th December 2003	Executive Committee	Angaston
20 th February 2004	Executive Committee	Kingscote
16 th April 2004	Executive Committee	Victor Harbor
18 th June 2004	Executive Committee	Yankalilla

President's Forward

This has certainly been another challenging year for Local Government with many important Regional issues on the agenda.

I would like to thank the Mayors and C.E.O.'s as Council's Delegates to the Southern and Hill's L.G.A. for their valuable contribution through out the year which with our Executive Officer Fred Pedler's professionalism and dedication has enabled the Southern and Hill's L.G.A. to have a strong voice at the State level.

My thanks also go to Mayor Brian Hurn for his support as Snr. Vice President and Mayor Tony Wales who is doing a great job as Proxy Delegate to S.A.R.O.C. and the State Executive of the L.G.A. and to Brian Clancy for his ongoing guidance

I look forward with your help, and that of our Executive Officer Fred Pedler, to continue to progress the issues affecting the Council's of the Southern and Hill's L.G.A. during the next year.

**Mayor Kym McHugh
President**

Annual General Meeting

26 Delegates and Guests attended the Annual General Meeting hosted by the Adelaide Hills Council at Stirling. In opening the meeting, LGA Vice President, Mayor Tony Zapia, spoke of the challenges and opportunities facing Local Government and sited the NRM Bill, Zero Waste, Planning Review, Stormwater and STEDS as key issues for the year ahead.

Executive Committee

The Executive Committee of the Association meets bi-monthly and held 5 ordinary meetings during the year. Delegates are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Delegates to gain first hand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at Goolwa, Angaston, Kingscote, Victor Harbor and Yankalilla.

Ordinary meetings also provide a regional forum for speakers on topical issues to Councils. A total of 7 speakers from LGA Staff, Consultants, Regional Development Boards, and Government Agencies made presentations at these meetings.

S&HLGA Roads Working Party

The Working Party, with membership drawn from Member Councils and regional managers and infrastructure planners of Transport SA, held 6 meetings for the year at Mount Barker and Stirling, to review the implementation of the S&HLGA 2010 Transport Plan (Plan) and to make recommendations on regional priorities for the Special Local Roads Program.

Since the adoption of the Plan in 2001, the Schedule of Priority One Projects from the Plan has provided the major reference for determining the regional priorities. The regional Priority One Project for the 2003 – 2004 year was the Construction of Wagenknecht Road in the Rural City of Murray Bridge, which received grant funding of \$509,000. The priority projects for the 2004 – 2005 are:

Priority One:	Waterport Road	Alexandrina Council / City of Victor Harbor
Priority Two	Nangkita Road	Alexandrina Council
Priority Three	Ferries McDonald Road	Rural City of Murray Bridge

Since the Plan was completed the wine industry has undergone significant development across the regions, which is projected to continue, and together with the growth in the hardwood timber industry is expected to generate a significant increase in freight across the region.

Funding from the Local Roads Advisory Committee and Department of Transport and Urban Planning (DTUP) supported the preparation of an Addendum to the S&HLGA 2010 Transport Plan. The partnership project between S&HLGA and DTUP will have the following deliverables:

- The preparation of an interregional transport demand statement for the wine and timber industries for the Barossa to the Southern Fleurieu Region which identifies current and future transport demand
- The identification of a transport strategy to service the identified transport tasks.

The project will also identify significant inter-regional transport trends not addressed in the 2001 Plan. The project is due to be completed in July 2004.

S&HLGA Natural Resource Management Committee

The role of the Committee is to provide advice on the emerging natural resource management agenda and to manage identified regional Local Government projects funded by the former Mount Lofty Ranges Catchment Program that are now in transition to be funded under the Mount Lofty Ranges and Greater Adelaide NRM region.

The Committee met on 5 occasions and has membership drawn from eight Councils including the City of Playford and City of Tea Tree Gully, which are not member Councils of the S&HLGA.

The work of the Committee has been in two areas, supervision of the funding programs, and providing the consultation and input to the various submissions regarding the State Government Natural Resource Management reform program.

Regional projects included support funding for Natural Resource Centres at Mount Pleasant, Strathalbyn, Normanville and Victor Harbor, and the support of Council biodiversity projects within the Regional Biodiversity framework.

S&HLGA CEO's Forum

The Council CEO's and the Executive Officer meet bi-monthly, on alternate months to Executive Committee meetings, on an informal basis to review and provide a focus on the key issues before Councils that are most appropriate to be addressed by the Association.

SAROC

The South Australian Regional Organisation of Councils is emerging as an important LGA committee for Country Councils. With membership drawn from each of the six non-metro RLGA's at meetings held on the day before the State Executive Committee of the LGA, it provides an important focus to the key issues affecting country Councils.

SAROC has prepared a Committee Business Plan for the coming year to focus the limited resources on the key issues.

Surveys and Data Collection

To develop regional reports and submissions data was sought from Member Councils on the following issues:

- Financial and statistical data
- NRM Levy Cost Recovery Options

- European Wasp control data
- Natural Resource Centre details and quarterly reporting format

Regional Papers and Submissions

The following Papers and Submissions have been prepared during the course of the year:

- To the NRM Reform Unit commenting on the Natural Resource Management Bill 2003 Consultation Draft.
- To Planning SA re trial of residential Zone Policies in the peri urban environment.
- To the LGA re Strategic Waste Policy.
- To the Mount Lofty Ranges and Greater Adelaide Region NRM Steering Committee re Administrative Model for the region.
- To the Mount Lofty Ranges and Greater Adelaide Region NRM Steering Committee and NRM Reform Unit re Cross Boundary Discussion Paper
- To the Minister for Transport and Territories and Local Government opposing the proposed national pool selection process for the distribution of the Local Roads Strategic Pool funds under the Auslink White Paper.
- To the LGA re selection process for non-voting Local Government representation at NRM Board and Group meetings.

State Executive Committee

The President, Mayor Kym McHugh, has attended State Executive Committee meetings as the regions Delegate, supported by Mayor Tony Wales, who has attended as his proxy.

Support to LGA Processes

Part of the additional capacity of the Executive Officer has been applied to contributing to supporting LGA processes to build knowledge and capacity for Councils. During the year the Executive Officer has undertaken the following:

- Attended meetings to facilitate improved outcomes for Local Government regarding NRM integration.
- Contributed to the draft of the SAROC Business Plan 2004 – 2005.

Resources

The continuation of the \$25,000 capacity building grant from the Local Government Research and Development Scheme, together with incrementally increased subscriptions, has consolidated the capacity of the Executive Officer that has been applied across a range of Association activities during the year.

Mr Fred Pedler, Principal of Fred Pedler & Associates, provides Executive Officer services to the Association under a contract services agreement.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION
FINANCIAL STATEMENTS

Operating Statement for the Year Ending 30th June 2004

	Notes	2004	2003
		\$	\$
Operating Revenue			
Subscriptions		38,936	37,080
Operating Grants	1f	90,208	202,221
Investment Income		6,017	4,128
Other		5	420
Total Income		135,166	243,849
Operating Expenses			
Contractual Services		113,625	211,832
Finance Charges	3	446	458
Other		9,123	3,966
Total Expenditure		123,194	216,256
Surplus / (Deficit) from Operations		11,972	27,593

The above Operating Statement should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION
Statement of Financial Position as at 30th June 2004

2004 2003

	Notes	2004	2003
		\$	\$
Current Assets			
Cash		0	77,990
Investments	1g	94,946	3,924
Debtors - GST		3,295	
Total Current Assets		98,241	81,914
Current Liabilities			
Bank Overdraft		4,427	72
Sundry Creditors	1g	0	0
Total Current Liabilities		4,427	72
Net Current Assets		93,814	81,842
Non Current Assets			
Furniture, Equipment		0	0
Total Non Current Assets	1c	0	0
Non Current Liabilities			
Creditors	1c	0	0
Loans	1c	0	0
Total Non Current Assets		0	0
Net Assets		93,814	81,842
Equity			
Accumulated Surplus Reserves		93,814	81,842
Total Equity		93,814	81,842

The above Statement of Financial Position should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Change in Equity for the Year Ended 30th June 2004

	2004	2003
	Notes	Notes
	\$	\$
Accumulated Surplus		
Balance at beginning of period	81,842	54,249
Net Surplus / (Deficit)	11,972	27,593
Transfer from reserves		
Balance at end of period	93,814	81,842
Asset Revaluation Reserve		
Reserves		
Balance at end of period		
Total Equity	93,814	81,842

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2004

	2004	2003
	Notes	Notes
	\$	\$
Cash Flows From Operating Activities		
Receipts	129,144	239,721
Payments	122,560	220,180
Net Cash Used in Operating Activities	6,584	19,541
Cash Flows from Financing Activities		
Investment activities		
Net Cash Used in Financing Activities	0	0
Cash Flows from Investment Activities		
Receipts	6,017	4,128
Capital items	0	0
Net Cash Used in Investment Activities	6,017	4,128
Net Increase (Decrease) in Cash Held	12,601	23,669
Cash at the beginning of the reporting period	77,918	54,249
Cash at the end of the reporting period	90,519	77,918

The above Statement of cash Flows should be read in conjunction with the accompanying notes

1 Significant Accounting Policies

a The local Government Reporting Entity

This financial report is a special purpose financial report prepared for use by the Association. The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, The Barossa Council, Kangaroo Island Council, District Council of Mt Barker, Rural City of Murray Bridge, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

b Basis of Accounting

This financial report has been prepared to comply with the Statement of Accounting Concepts and applicable Australian Accounting Standards. It has been prepared on the accrual basis under the convention of historical cost accounting.

c On Current Assets and Non Current Liabilities

The Association has no non current assets and non current liabilities.

d Employees

The Association has no employees.

e Investments

Investments are valued at cost. Interest revenues are recognized as they accrue.

f Subscriptions

Clause 7.2 of the Charter of the Association prescribes that subscriptions by Constituent Councils are equal.

Constituent Council Subscription 2004 \$4,867
Constituent Council Subscription 2003 \$4,635

g Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

2 Functions / Activities of the Association

a Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2b.

b The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Protection of the Environment: Natural Resource Management including the forum of the S&HLGA Natural Resource Management Committee

Transport and Communication: The review and implementation of the S&H 2010 Transport Plan

Note 2b Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue		Expenses		Surplus (Deficit)
	Grants	Other	Total	Total	
2004	25,000	44,958	69,958	41,669	28,289
2003	65,000	41,208	106,208	60,652	45,556
Natural Resource Management					
2004	25,208	0	25,208	43,441	(18,233)
2003	137,221	420	137,641	154,193	(16,552)
Transport and Communication					
2004	40,000	0	40,000	38,084	1,916
2003		0	0	1,411	(1,411)
Total					
2004	90,208	44,958	135,166	123,194	11,972
2003	202,221	41,628	243,849	216,256	27,593

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

	2004	2003
Consultants:		
Fred Pedler & Associates	\$52,520	\$54,028
QED Pty Ltd	\$31,819	0
Hassel Pty Ltd	0	\$15,243
Collins Anderson Management	0	\$17,500
8 LGC Councils	\$29,286	\$123,721

4. Comparison of Budget and Actual Results

	2004		2003	
	Budget	Actual	Budget	Actual
Revenue				
Administration	87,436	69,958	103,090	106,208
Protection of the Environment	86,816	25,208	169,878	137,641
Transport and Communication	30,000	40,000	0	0
Total Revenue	204,252	135,166	272,968	243,849
Expenditure				
Administration	84,420	41,669	103,070	60,652
Protection of the Environment	86,816	43,441	169,878	154,193
Transport and Communication	30,000	38,084	0	1,411
Total Expenditure	201,236	123,194	272,948	216,256
Surplus (Deficit)	3,016	11,972	20	27,593

Executive Officer's Statement

I, **Frederick William Pedler**, the person for the time being occupying the position of Executive Officer of the Southern & Hills Local Government Association do hereby state that the financial statements for the Association for the 2002 - 2003 financial year 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.



Fred Pedler
Executive Officer

Dated 25th July 2004

Adoption Statement

Laid before the Annual General Meeting of the Southern & Hills Local Government Association and Adopted on 20th August 2004.



Mayor Kyrr McHugh
President

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Independent Auditors Report

To the member Councils of the SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Scope

We have audited the attached special purpose financial report on pages 1 to 6 comprising the Statement of Operations, Statement of Financial Position, Notes to the Financial Statements and Statement by the Executive Officer for the year ended 30th June 2004. The Southern & Hills Local Government Association's Executive Committee is responsible for the preparation and presentation of the financial report and the information contained therein, and has determined that the accounting policies used are consistent with the financial reporting requirements of their constitution and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial statements in order to express an opinion on them. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Association's financial reporting requirements. As such, we disclaim any assumption of responsibility for reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that which it was prepared. The audit has been conducted in accordance with the Australian Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1 of the financial statements. (These policies do not require the application of all statements of Accounting Concepts and Accounting Standards).

The audit opinion expressed in this report has been formed on the basis above.

Audit Opinion

In our opinion, the financial statements of the Southern & Hills Local Government Association are properly drawn up in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the Southern & Hills Local Government Association as at 30th June 2004 and the results of its operations for the year then ended.

Signed at Adelaide this 28th day of July 2004

D G SCOTT & CO
CHARTERED ACCOUNTANTS



TREVOR D HIRTH, FCA
Partner

Southern & Hills Local Government Association Summary of Actual Performance against the Business Plan 2003 – 2004

The Business Plan 2003 – 2004 prepared in accordance with Clause 18 of the Charter, and to comply with Clause 24 of Schedule 2 of the Local Government Act 1999, was adopted at the Annual General Meeting on 22nd August 2003. The Business Plan should be read in conjunction with the Cash Budget 2003 – 2004 which provides the resources for the Plan.

This report format is used to facilitate the three reviews required by Clause 18.3 of the Charter to be conducted by the Executive Committee during the course of the year. Reviews were conducted at the December 2003, and April, and June meetings in 2004.

Objective:	Business Plan 2003 – 2004		<u>Actual Performance</u>
<p>1. To achieve a high level of co-operation between Member Councils within the region.</p> <p>Strategic Plan to 2004</p> <p>Proposed Actions:</p> <p>1.1 To determine the level of effective regional support, the resource requirements to deliver that support, and an implementation plan, for the S&HLGA to support Member Councils.</p> <p>1.2 To evaluate, and co-ordinate where appropriate, as a region on structural, legislative and functional reform issues.</p> <p>1.3 To be an active member of the South Australian Regional Organisation of Councils (SAROC)</p> <p>1.4 To maximise the opportunities of information and resource sharing (plant, purchasing, service delivery and training)</p>	<p>Performance Targets:</p> <ul style="list-style-type: none"> • The Executive Officer to facilitate a major review of the S&HLGA Strategic Plan • The Executive Officer facilitate the examination of structural and legislative reform as required. • The Executive Officer and Councils to bring forward Key Issues to be jointly researched and promoted through SAROC. • The Executive Officer support the administration / research / project management of SAROC projects as required • Executive Officer and Councils to bring forward issues to be investigated for implementation. 	<p>To be measured by:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> The adoption of a the S&HLGA Strategic Plan following consultation with Councils. <input checked="" type="checkbox"/> \$ value and number of programs jointly undertaken <input checked="" type="checkbox"/> Number of Key Issues raised and outcome by SAROC action. <input checked="" type="checkbox"/> Number / role in projects supported <input checked="" type="checkbox"/> \$ value and number of programs undertaken. 	<p>The Strategic Plan was reviewed as part of the process to prepare the Business Plan.</p> <p>CEO's Forum held bi-monthly to identify regional issues and S&HLGA actions</p> <p>SAROC priorities reviewed October 2003 Input to the development of a SAROC Committee Business Plan</p> <p>SAROC outcomes reported to Executive Committee</p> <p>SAROC projects managed by EO</p> <ul style="list-style-type: none"> • Develop a 'net meeting' model <p>Regional Waste Forum conducted 29th August 2003</p> <p>Surveys and data collection:</p> <ul style="list-style-type: none"> • Comparative Financial Data Update 2003. • NRM levy cost recovery – Feb 2004 • European Wasp Control data – Feb 2004 • NRC Details and Reporting May 2004

**Southern & Hills Local Government Association
Summary of Actual Performance against the Business Plan 2003 – 2004**

Strategic Plan to 2004	Business Plan 2003 – 2004	<u>Actual Performance</u>
<p><i>Proposed Actions:</i></p> <p>1.5 Support the appointment of representation from the region on LGA Committees and State Government Appointed Committees.</p> <p>1.6 To support and facilitate effective and efficient consultation and actions within the region, and on behalf of the region, with other organisations and agencies.</p>	<p style="text-align: center;">Performance Targets:</p> <p>To be measured by:</p> <ul style="list-style-type: none"> • Where possible all nominations by Councils to be submitted to the S&HLGA for support <input checked="" type="checkbox"/> Number of representatives on LGA / Government advisory or management committees appointed. • Member Councils and the Executive Officer promote the S&HLGA as the vehicle to facilitate consultation in the region. <input checked="" type="checkbox"/> Number of issues raised and consultations facilitated. 	<p>Cr Susan Hamilton nominated to Central Region Country Arts Board</p> <p>EO is a member of the EPA Noise Devices Working Party</p> <p>Meetings / Forums addressed by:</p> <ul style="list-style-type: none"> • Neil Savery – Director of Planning • John Blumson - Zero Waste • Mr David Woodard – NRM Reform Unit • Mr Wayne Potter – Manager LGAWCS • Ian Dixon – Chair ILUA SA • Chris Russell – Director LGA • David Furness – CEO KIRDB • Leonie Taylor, Peter Boulton SCACC • Sarah Bignell - MLRGA <p>Meetings rotated around the region and held at:</p> <ul style="list-style-type: none"> • Stirling 22nd August 2003. • Goolwa 17th October 2003. • Angaston 12th December 2003. • Kingscote 20th February 2004 • Victor Harbor 16th April 2004 • Yankalilla 18th June 2004

<p><i>Objective:</i></p> <p>2. To promote the Southern & Hills Local Government Association</p> <p>2.1 To prepare a Key Issues Summary of all decisions / actions of S&HLGA and circulate to identified parties and organisations.</p>	<p>The Executive Officer to prepare a Key Issues Summary following all meetings and distribute to Member Councils, Minister for LG, MP's for the region, RDB's, Regional Tourism Committees, Regional LGA's, LGA, OLG and the media electronically.</p> <p><input checked="" type="checkbox"/> Number of Key Issues Summary Statements, and number of Key Issues prepared.</p>	<p>6 Key Outcomes Summaries prepared</p> <p>30 Key Issues reported.</p>
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**Southern & Hills Local Government Association
Summary of Actual Performance against the Business Plan 2003 – 2004**

Strategic Plan to 2004	Business Plan 2003 – 2004	Actual Performance
<p>Proposed Actions:</p>	<p>To be measured by:</p>	
<p>2.2 To promote and support the availability of S&HLGA information electronically.</p>	<ul style="list-style-type: none"> • The Executive Officer to make a all S&HLGA documents available electronically. <input type="checkbox"/> 	<p>Following available electronically / web</p> <ul style="list-style-type: none"> • Key Outcomes Summaries • Strategic Plan at a Glance • Annual Report 2002 – 2003 • Business Plan 2003 – 2004 • Agendas, minutes and Key Outcomes Summaries distributed electronically
<p>2.3 To keep the corporate image of S&HLGA under review.</p>	<ul style="list-style-type: none"> • The Executive Committee to review the Logo / Corporate image of the Association. <input checked="" type="checkbox"/> 	<p>Review of the logo / corporate image</p> <p>All documentation standardised by using SDS template software.</p>
<p>Objective:</p>	<p>3. To be an Advocate on regional issues for Member Councils</p>	
<p>3.1 To identify, gain consensus for, undertake research on regional issues</p>	<ul style="list-style-type: none"> • The Executive Officer, Councils and Regional Development Boards to bring forward regional issues for consideration for further examination and research. <input checked="" type="checkbox"/> 	<p>Number of regional issues examined and research projects undertaken.</p>
<p>3.2 To support the review / establishment of regional structures that support outcomes for Councils</p>	<ul style="list-style-type: none"> • A review of RDB's, an examination of regional DAP's, LG Waste Committees. <input checked="" type="checkbox"/> 	<p>Number of reviews and proposals conducted</p>
<p>3.3 To brief the LGA Delegate, LGA, ALGA, Members of Parliament, media and Councils on regional issues.</p>	<ul style="list-style-type: none"> • The Executive Officer to prepare a Briefing Paper / letters on key regional issues identified for Councils, Delegates to the LGA, President LGA, Ministers and MP's. <input checked="" type="checkbox"/> 	<p>Number of briefing papers / letters prepared</p>
		<p>Regional Submissions prepared on:</p> <ul style="list-style-type: none"> • Natural Resource Management Bill 2003 Consultation Draft. • Submission to Planning SA re PAR's • Submission to Zero Waste / LGA re Waste Policy • MLR&GA NRM Administration Model • NRM Cross Boundary Discussion Paper • NRM Non Voting LG attendance at Boards • Brian Clancey Paper and Collins Anderson Report reviewed August 2003 <p>• Draft SAROC Meeting Business Plan</p>

**Southern & Hills Local Government Association
Summary of Actual Performance against the Business Plan 2003 – 2004**

Strategic Plan to 2004	Business Plan 2003 – 2004	Actual Performance
Proposed Actions:	Performance Targets: To be measured by:	
Objective: 4. To support sustainable regional economic development		
4.1 To work closely with Regional Development Boards	<ul style="list-style-type: none"> Representatives of Regional Development Boards and Regional Tourism Associations be invited to attend and brief S&HLGA at bi monthly meetings. 	<ul style="list-style-type: none"> David Furness CEO KIRDB Feb 2004 <ul style="list-style-type: none"> Transport Services Electricity services / supply
4.2 To actively participate in the process to develop and implement appropriate Natural Resource Management at the regional level to support member Councils to meet their ecologically sustainable development obligations.	<ul style="list-style-type: none"> The S&HLGA Natural Resource Management Committee provide effective support to Member councils to meet their responsibilities regarding Natural Resource Management. 	<p>5 S&HLGA NRM Committee meetings held. Represented by Chair NRM Committee on the MLR&GA Region Steering Committee See submissions 3.1 above</p>
Objective: 5. To improve transport infrastructure.		
5.1 To support member Councils and Transport SA to undertake the identified transport projects of the region, in priority order where prioritised, in the S&H Transport Plan	<ul style="list-style-type: none"> The S&HLGA Roads Working Party oversee the implementation of the Plan and list projects in the Plan as they are achieved The preparation of a 'S&HLGA Transport Action Plan' by Member Councils and Transport SA 	<p>Victor Harbor Ring Road completed.</p> <p>6 S&HLGA Roads Working Party meetings held S&HLGA Roads Action Plan reviewed Preparation of Addendum Report to the S&HLGA 2010 Transport Plan. Consultant QED Fee \$35K Funding approved for Wagenknecht Road \$509K</p>
5.2 To make recommendations under Regional Road Programs that reflect the findings of the S&H Transport Plan	<ul style="list-style-type: none"> The S&HLGA to make recommendations to funding bodies that are consistent with the findings and recommendations of the S&H Transport Plan 	<p>Number of Priority Projects completed.</p> <p>S&HLGA transport Action Plan prepared and circulated</p> <p>Number of recommendations that receive grant funding.</p>

**Southern & Hills Local Government Association
Summary of Actual Performance against the Business Plan 2003 – 2004**

Strategic Plan to 2004	Business Plan 2003 – 2004	<u>Actual Performance</u>
<p>Proposed Actions:</p> <p>5.3 <i>To promote the maintenance and development of Transport SA infrastructure to better serve the existing and growing communities that they serve</i></p> <p>5.4 <i>To improve communication between Transport SA and member Councils.</i></p>	<p style="text-align: center;">To be measured by:</p> <p>Performance Targets:</p> <ul style="list-style-type: none"> • Facilitate briefings at Executive Meetings by Transport SA officers on the programs being undertaken by Transport SA in the region • Executive Officer to facilitate and promote briefings by Transport SA officers of Elected Members and officers of Member Councils 	<p>No briefings conducted. TSA regional managers and infrastructure planners attend meetings of the S&HLGA Roads Working Party.</p> <p>No briefings conducted. TSA regional managers and infrastructure planners attend meetings of the S&HLGA Roads Working Party.</p>
<p>Objective:</p> <p>6. <i>To access funds as a region</i></p>		
<p>6.1 <i>Identify the needs and opportunities to access funds as a region, and to prioritise agreed opportunities.</i></p>	<ul style="list-style-type: none"> • The Executive Officer, Councils and Regional Development Boards to bring forward regional issues for consideration for further examination and research. 	<p>S&HLGA resources are limited to only undertaking preliminary investigations and / or research.</p>
<p>6.2 <i>Undertake research for agreed projects and the possible sources of funding.</i></p>	<ul style="list-style-type: none"> • The Executive Officer to facilitate further examination and research and possible sources of funding for identified projects. 	<p>Additional funding Addendum S&HLGA Transport Plan</p>
<p>6.3 <i>prepare detailed submissions for agreed projects</i></p>	<ul style="list-style-type: none"> • The executive Officer to facilitate the preparation of submissions for agreed projects 	<ul style="list-style-type: none"> • Capacity Building LGR&DS 25K • Addendum S&HLGA Transport Plan – LRAC \$30K, DTUP funding \$10K • NRC Funding MLRGA – application for funding to 30/06/05. Funding for current year \$25K

Past Presidents and Secretaries / Executive Officers

Years	President	Council	Secretary / EO
2003-2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler
2002-2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001-2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999-2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998-1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997-1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996-1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995-1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993-1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991-1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989-1990	Cr Val Bonython	DC East Torrens	Eric March
1987-1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985-1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984-1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982-1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980-1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976-1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		

30th July 1969 First Constitution for S&HLGA Adopted

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

^a Until 12th May 2003

^b Executive Officer

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION.

ANNUAL REPORT - 2003/2004.

Comprising —
The Berri Barmera Council;
Coorong District Council;
District Council of Karoonda East Murray;
District Council of Loxton Waikerie;
Mid Murray Council;
The Rural City of Murray Bridge;
Renmark Paringa Council; and
Southern Mallee District Council.

PRESIDENT'S ANNUAL REPORT.

Having been given the honour of being the President of the Murray & Mallee Local Government Association (M&MLGA) in June 2003, I would like to say a big thank you to those who served before me. The previous Mayor of Loxton-Waikerie, Jan Cass did a lot of work in her role as President of the M&MLGA and I would like to acknowledge her great contribution to our organization.

We have been kept busy on the M&MLGA front with bimonthly meetings held in our Region that have been well supported by the member councils and we have enjoyed great communications from our LGA Executive.

One of the main topics lately has been the Natural Resource Management Bill. We are all waiting to find out how it will all work and the input from State Executive has been great. Thank you.

Ken Coventry has continued to serve the M&MLGA well as he organises all our guest speakers and represents us on a lot of other committees. He has, however, now indicated he wishes to retire as Chief Executive Officer of the M&MLGA and will stay in place until we appoint a new CEO. On behalf of the M&MLGA I would like to say a big thank you to Ken for his untiring work and dedication to his duty and he will be sorely missed. Thank you.

I would also like to thank Mayor Rod Thomas for his support as Vice President of the M&MLGA and Mayor Ian Mann as proxy to SAROC and State Executive.

I would like to thank all member councils for their support over the previous year and am looking forward to the challenges and opportunities that lay before us. I think our organization has a great future as we all strive to serve our communities better.

Mayor Allan E Arbon, JP.
President, 2003-2004.
Murray & Mallee Local Government Association.

OVERVIEW OF THE REGION.

The Murray and Mallee Local Government Association (M&MLGA) Region comprises a membership of eight Councils —

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

The Alexandrina Council — the only other Council with a direct River Murray link — participates in regional activities that are relevant to the River Murray and Lakes.

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 51,000 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, 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, Lake Bonney and National Parks are major tourist attractions throughout parts of the Riverland and Mallee.

The Riverland produces much of the State's grape, citrus, almond and stone fruit crops. Horticulture, wheat, barley, sheep and pork farming also provide a significant economic base throughout the region, with dairy farming, centred on irrigation swamps, also carried out on the lower reaches of the river valley. Murray Bridge provides regional services to the lower parts of the region and supports both an industrial and commercial base.

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

Towards the coast, the Coorong National Park, Lake Alexandrina and the shores of Lake Albert are all well known tourist attractions, particularly for recreation and fishing.

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

The M&MLGA works closely with its major Regional Partners — the Murray Mallee Strategic Task Force, the Murraylands Regional Development Board and the Riverland Development Corporation.

ASSOCIATION PRESIDENCY.

Mayor Allan Arbon, Rural City of Murray Bridge, and previously Vice President, was elected President at the Annual General Meeting held at Murray Bridge on 6th June, 2003. Mayor Rod Thomas, Renmark Paringa Council, was elected Vice President. At the subsequent elections in 2004 both Mayor Arbon and Mayor Thomas were re-elected to the Presidency and Vice Presidency respectively.

REPRESENTATION — LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA (LGA).

Mayor Ian Mann (Mid Murray) continued to serve on the State Executive of the Local Government Association of South Australia [LGA] until the Annual General Meeting of that body in October, with Mayor Arbon as proxy. Mayor Rod Thomas — the other representative - was re-elected to serve on the LGA State Executive. Following the AGM of the LGA, Mayor Arbon became a delegate and Mayor Mann the proxy delegate.

ASSOCIATION — CHIEF EXECUTIVE OFFICER SERVICES.

The Chief Executive Officer services of the Association have again been provided by Ken Coventry of Ken Coventry — Consulting Services. At the April 2003 meeting both the Association and Ken agreed to a further 12 months of his contract services [until June, 2004], with the right of renewal for a further 12 month period. The contract period of work was varied by agreement on 4th April, 2003 applicable from July 1st 2003 to 1040 per annum [20 hours per week].

In June 2004 Ken advised that he would only be seeking to extend the contract for approximately 3 months [end of September / early October] to enable the completion of the Annual Report, Financial Returns for 2003/04 and the finding of a replacement to provide future CEO services. Expressions of Interest were invited in late June.

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 the member Councils, becoming effective on 13th December, 2001. At the December 2003 meeting the Charter was varied marginally to provide that the Annual Report is to be presented to Councils by 31st October in each year.

THE PURPOSES OF THE ASSOCIATION.

The Charter of the Association identifies the following purposes —

1. To undertake co-ordinating, advocacy and representational roles for its constituent Councils at a regional level;
2. To facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of its constituent Councils;
3. To develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;
4. To develop further co-operation between its constituent Councils for the benefit of the communities of the region;
5. To 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 of the region; and
6. To undertake projects that benefit the region and its communities.

ASSOCIATION MEETINGS.

During 2003/04 the Association has met bi-monthly for general meetings.

Meetings of the Association were convened on —

- 1st. August, 2003 in the McCormick Centre for the Environment, Ral Ral Ave, Renmark — Renmark Paringa Council as host;
- 10th. October, 2003 in the Lameroo Golf Club, Chandos Terrace, Lameroo — Southern Mallee District Council as host;
- 5th. December, 2003 in the Council Chambers, Berri Barmera Council;
- 6th. February, 2004 in the Council Meeting Rooms, Coorong Council Offices, Railway Terrace, Tailern Bend; 2nd. April, 2004 in the Council Chamber, District Council of Karoonda East Murray, Karoonda; and
- 4th. June, 2004 — the Annual General Meeting - in the Council Chamber, District Council of Loxton Waikerie, Loxton.

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

- John Johnson, General Manager and Mellissa Schliebs, Senior Project Officer, Local Government, of the River Murray Catchment Water Management Board;
- Fiona Jenkins, Policy Officer, Waste and Resources Management, LGA and John Blumson, Project Manager, Waste and Pollution Prevention, EPA;
- Keith Bilsborough, EPA, Local Government Support Unit;
- Martha Savva and Sonia Albertini, both of Norman Waterhouse, re legal and liability issues and services provided to Councils;
- Lynley Jones, Regional Planner, Riverland Health Authority re the Generational Health Review;
- David Cooney [nominee Coastal Marine / Environmental Flows] and Graham Webster [attendee for the CEO — Capacity Building] as members of the Murray Darling Basin INRM Reference Groups speaking about their portfolios;
- Leon Broster, Chairman, Interim NRM Group for the SA MD Basin in SA re NRM and its status;
- Jane Gascoigne, Member, Local Roads Advisory Committee re R2R2 funding and road funding issues; and
- Rod Hook, Executive Director, Office for Infrastructure Development [OFID] and Nicki Crawford, Business Manager, OFID.

Representatives of both the LGA and the Office of Local Government attended each meeting and took the opportunity to brief the M&MLGA of the relevant matters before their respective bodies. We especially acknowledge the support of Wendy Campana, Executive Director, LGA who has been ready to assist the region and ensure that the LGA has had a presence at our meetings. The M&MLGA has also enjoyed a close working relationship with its State and Federal members of Parliament, several of whom have been regularly attendees and contributors at the meetings.

The President has continued the practice of also giving each of our guests the opportunity to address the meeting briefly about matters and issues before them that may be of interest to the M&MLGA and its member Councils. The contribution from all of the speakers and guests has kept the Association, and its delegates, abreast of a wide ranging number of issues that impact on Local Government and the communities of the Region.

EXECUTIVE MEETINGS.

The Executive Committee comprises one delegate from each member Council. No Executive Committee meetings were held throughout the year.

GENERAL ACTIVITIES.

The Association has played a co-ordinating role on occasions throughout the year in liaison with member Councils and responding to issues raised by the Local Government Association and others. It has also raised a number of issues that are of concern to our communities with other relevant parties. It has been a practice to brief Federal and State members of Parliament representing our Region, and where appropriate seek their support on critical issues.

Submissions and representations have included —

Murray and Mallee Local Government Association — Annual Report, 2003/04.

- Continued support for Renmark Paringa Council, and the other Riverland Councils, in pursuing SBS Radio for the Riverland community;
- An ongoing concern about management of Fruit Fly control mechanisms;
- The need for the State Government and the SA Ambulance to address and implement forthwith an identification system for rural and remote properties;
- A call for a Local Government representative on the Murray Darling Basin Ministerial Council, given that Local Government is a level of Government in the Australian system;
- A response to the Natural Resource Management Bill; and
- A response to the South Australia's Draft Transport Plan.

The CEO has also attended several 'Forums' and 'Briefing' throughout the year to both keep abreast of evolving issues and contribute on behalf of the M&MLGA. These have included

- Several Natural Resource Management and Investment Strategy sessions;
- A Regional Communities Consultation Council consultation at Mannum;
- Consultation on the proposed Development Sustainable Bill.

ASSOCIATION REPRESENTATION — OTHER BODIES.

During the year the Association has made/continued the following appointments to other bodies —

South Australian Regional Organisation of Councils.

[by virtue of their executive positions on the M&MLGA &/or State Executive].

President Mayor Allan Arbon;

Vice President, Mayor Rod Thomas; and

CEO, Mr. Ken Coventry.

Proxy : Mayor Ian Mann.

SAROC Representative on outside bodies.

Mr. Ken Coventry — Member, Regional Development Framework Review Project Committee.

Mr. Ken Coventry — Member, Road Classification Project Team.

River Murray Land & Water Management Plans Steering Committee.

Mr. Ken Coventry.

South Australian Fruit Fly Standing Committee.

Cr. Jack Papageorgiou — Renmark Paringa.

Resource Information Centre Steering Group.

Mr. Trevor Burgemeister — CEO, Loxton Waikerie — prior to January, 2004 retirement.

Post — Mr. Peter Ackland — Loxton Waikerie.

River Murray Environmental Flows Group.

Mr. Trevor Burgemeister — CEO, Loxton Waikerie.

Murray Mallee Soil Conservation Board.

Mr. Daryl McNeilly [for 18 months term from 5th. December, 2003].

Murray Mallee Strategic Task Force Executive.

Mr. Ken Coventry.

Murray Darling Association — Dryland Salinity Strategy Project.

Mr. Ken Coventry.

Regional Bushfire Prevention Committee.

Mayor Ian Mann and Mr. Jodi Flavel.

Integrated Natural Resource Management Group for the Murray Darling Basin Inc.

[from 1st. August, 2003].

Mayor Ian Mann.

NRM Regional Steering Committee.

[from 10th. October, 2003].

Delegates – Mayor Ian Mann, Mr. Bill Paterson.

Proxies - Cr. Leon Stasinowsky and Mr. Mike Hurley [until June, 2004-] - thereafter Cr. Josie Nelsson.

Ministerial PAR Steering Committee.

[from 6th. February, 2004].

Mr. Ken Coventry.

Integrated Natural Resource Management Group for the SA MD Basin Inc Steering Committee – Revegetation in the SA MDB.

[from 2nd. April, 2004].

Delegate - Cr. Leon Stasinowsky.

Proxy - Mr. Bill Paterson.

The Association, through the attendance of the CEO, was also represented at the Murray Darling Association National Conference and AGM at Corowa on 4th. & 5th. September, 2003. Topics that were considered at the Conference included –

the state of the Murray Darling Basin, including working towards healthy rivers and landscapes;

“The Living Murray” focus;

the mouth of the Murray and the need to ensure it remained open;

the formation by the MDA of a Living Murray Task Force, that was asked to address and subsequently report back to members on a number of matters of concern including –

the Living Murray position;

Water for Environment Flows; and

Water trading.

Mayor Ian Mann represented the Association at a 2nd. Forum convened in Melbourne on 10th. December by the Community Advisory Committee [CAC] of the Murray Darling Basin Ministerial Council. The Forum subsequently released a ‘Communique’ entitled ‘Shall We Dance? Responding to The First Step’ outlining the outcomes of the Forum. A copy of the Communique is held with the meeting minutes of 6th. February, 2004 at which Mayor Mann reported.

SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).

The President, Mayor Allan Arbon, Vice President Mayor Rod Thomas and Chief Executive Officer have attended meetings of SAROC during the year. SAROC has been meeting bi-monthly, usually on the evening prior to the LGA State Executive bi-monthly meeting. The March meeting [17th]. of SAROC was held in Renmark prior to the State Executive meeting there on the following day.

A SAROC Memorandum of Understanding that had been developed between each LGA Region and also the Local Government Association of SA was executed during the August, 2003 meeting of the Association.

The SAROC project - ‘Power to the People of Regional SA Project’ – has concluded. A meeting of member Council representatives was convened at Karoonda on 2nd. December, 2003 to discuss a number of issues with the Consultants. These included –

- Regional impediments and opportunities;

- Supply, Infrastructure and connection issues;
- Reduction in energy costs; and
- Strategy development / future issues.

SAROC is now pursuing the matter through the Local Government Association as components of the findings are relevant to all communities across our state.

FINANCIAL STATEMENTS TO 30TH. June, 2004.

The audited financial statements are included at the rear of this report. The Association has invested surplus funds with the Local Government Finance Authority during the year. This has resulted in an increase in interest earned on funds held by the Association.

REGIONAL ENHANCEMENT AND CAPACITY BUILDING.

The Association acknowledges a grant of \$25,000 from the Local Government Research and Development Scheme to provide funding assistance towards 'Regional Enhancement and Capacity Building'. The activities of the Association throughout the reporting period are testament to the principles of regional enhancement and capacity building.

INFORMING COUNCILS AND OTHER PARTIES.

The Association recognises the importance of providing succinct information about the activities of the Association to member Councils, the LGA, the OLG, Politicians and other keystakeholders within our region. The newsletter — "Murray and Mallee Briefs" has been prepared after each general meeting [6 editions during the year] and has a wide distribution to members of Parliament, kindred bodies, member Councils — for distribution to elected members, staff and community - media outlets in the region and other keystakeholders. Several media interviews have resulted from the Murray and Mallee Briefs circulation.

NATIVE TITLE AND INDIGENOUS LAND USE AGREEMENTS.

The Association has continued to engage Rosemary Craddock, LLB, to assist it in conducting a watching brief over Native Title Claims and any initial phase of the claims process. The Association, through Rosemary, has received funding assistance from the Commonwealth Attorney General towards legal costs incurred in Native Title Claims.

It was agreed that the CEO would provide a co-ordinating role, supporting Rosemary Craddock, for not only the member Councils of the M&MLGA, but also other Councils that are involved in the claims impacting on this region. Those Councils that are not members of the M&MLGA have been advised that there may be a request for recompense for the costs involved at some future time.

A meeting of all Councils involved in the claims within this region was held in Karoonda on 29th. June, 2004 where Rosemary Craddock, LLB and Carey Goodall, Barrister, Jeffcott Chambers, updated the Council representatives of the status of claims in the region and the State.

SAND DRIFT THROUGHOUT THE REGION.

In 2002/03 a submission was made to both State and Federal Governments for funding support for drought relief following the recent drought and the subsequent sand drift onto public roads throughout parts of the region.

At the Karoonda Farm Fair in 2003 the Premier of South Australia, the Hon Mike Rann subsequently announced a grant of \$120,000 to the affected Councils and asked the M&MLGA to determine a suitable formula for distribution.

The funds were to be used in returning the roads to their original condition prior to the drought. The Councils involved — District Council of Karoonda East Murray, District Council of Loxton Waikerie and Mid Murray Council — each provided detailed estimates of costs involved. The Association, through consultation with Mayors and Chairman of the Councils that did not have an interest, determined that the basis of distribution would be based on a formula that was linked to net cost.

The CEO also held discussions with the SA Local Government Disaster Fund Management Committee. This subsequently resulted in a grant from the Disaster Fund of -

- \$200,700 to the District Council of Karoonda East Murray; and
- \$101,350 to the Mid Murray Council.

Once the Disaster Fund allocation was advised distribution of the State Grant occurred based on the net cost to each of the Councils involved. The payments made were —

District Council of Karoonda East Murray -	\$18,360 + GST;
District Council of Loxton Waikerie -	\$45,480 + GST; and
Mid Murray Council -	\$56,160 + GST.

Each Council was required to provide a statement that there would be no claim on the M&MLGA, the Minister, etc and agree that “in the event that the final figure [as some work was pending, and subject to season opening to avoid further drift] is more than 5% below the projected amount upon which the grant has been determined, the M&MLGA reserves the right to recall the unused balance and redistribute it to the other recipient Councils”.

The M&MLGA, and its member Councils, have appreciated and acknowledged the support of the SA Government and the Local Government Disaster Fund during the time of plight experienced by several of our member Councils. We are disappointed however that despite the ongoing efforts of our Federal Members, the Hon Neil Andrew, MP and Patrick Secker, MP no supporting funds have been forthcoming from the Federal Government.

PARTNERSHIP / STRATEGIC ACTIVITIES — 2003/04.

The Association has continued to pursue a number of strategic issues [generally through projects] and frequently this has been achieved with the support of other keystoneholders within the region. We acknowledge the efforts of our partners and believe that jointly we have progressed many initiatives that, singularly, we would not have achieved, at least to the present status that now exists.

Strategic Focus — Telecommunications.

Our project partners are —
 the Murray Mallee Strategic Task Force,
 the Murraylands Regional Development Board and
 the Riverland Development Corporation.

The M&MLGA and its partners have been keen to continue to pursue regional enhancement of telecommunications.

The Department of Business Manufacturing and Trade announced approval for a new mobile telecommunications facility at Bowhill, within the Mid Murray Council area. Although it had not specifically emanated from the M&MLGA Telecommunications Committee it was supported ‘as it fell within our vision for enhanced mobile services across the Murray and Mallee Region’. Following an approach from the Mid Murray Council the M&MLGA contributed \$2,500 towards its installation.

The M&MLGA has continued to express a concern that mobile services fall considerably short of what members believed had been promised. We have continued to raise that with Telstra CountryWide and we acknowledge the manner in which they have endeavoured to work with us to address those concerns.

With the change in Federal Government focus for regional enhancement of telecommunications to broadband development the M&MLGA and its Regional Telecommunications Committee are now looking to explore the maximum potential for our Councils and their communities.

Strategic Focus — Transport Infrastructure.

Our project partners are —

Murraylands Regional Development Board;
Riverland Development Corporation; and
Transport SA.

In 2002/03 Connell Wagner prepared the Murray and Mallee Regional Transport Strategy that was to —

- provide a basis to enable the Association, and its member Councils, to determine future applications for Special Local Roads funding across the region;
- address all modes of transport within the region — road, rail and air;
- provide a safe, convenient, cost efficient and effective way to enable the movement of persons and goods into, within and out of the region.

2003/04 saw a process that enabled member Councils to review the initial Plan. Connell Wagner were again engaged to assist in refining the original document.

It is intention of the M&MLGA and its Transport Advisory Committee [representative of the partners] that Councils and partners be provided with the opportunity annually to comment on and address the status and currency of the Plan and a mechanism has been agreed by the M&MLGA to facilitate this.

The M&MLGA is assisting the Mid Murray Council in its endeavours to have the Blanchetown Morgan Road sealed. It is understood that this is one of only two Arterial Roads in South Australia that are not sealed. While there was a commitment by Transport SA originally to seal the road this is now not a priority for the State Government or the Department. We will continue to pursue the road sealing.

Strategic Focus — Environment.

The M&MLGA, and member Councils

- individually have continued to participate in and provide input to the Natural Resource Management legislation and proposed implementation arrangements;
- also continued to work with the Minister, Department of Water, Land and Biodiversity Conservation staff and other keystakeholders in the development of the River Murray Act and regulations;
- have agreed with the Minister for Planning to participate in a joint River Murray Planning Amendment Report. This will address those matters raised in the M&MLGA Water Management Report prepared for the M&MLGA Councils and Alexandrina by Hassell, with support funding from the Natural Heritage Trust and the River Murray Catchment Water Management Board. The Minister is keen to address those issues that will result from the enacting of the River Murray Act.

During early 2004 the Riverland Recreation, Sport and Open Space Strategy report was completed by Sue Suter and Associates. The report was funded by the Riverland Councils of Berri Barmera, Loxton Waikerie and Renmark Paringa and the Office of Recreation, Sport and Racing and Planning SA. The report has now been presented to the Councils for consideration and it will assist as a working tool in addressing community need and aspirations.

Strategic Focus — Community Transport.

Murray Mallee Transport Advisory Committee.

Following the preparation of a Community Transport Strategy for the Murray Mallee the inaugural meeting of the Advisory Committee took place on 6th November. The Committee is likely to meet half yearly, and as a Sub-Committee of the M&MLGA, will report to the Association at the following regional meeting.

Riverland Community Transport Project.

The Office of Public Transport with the support of the Project Committee is nearing completion of the Community Transport study that embraces the area of the Riverland Councils of Berri Barmera, Loxton Waikerie and Renmark Paringa, and the River North Ward [particularly the communities of Blanchetown, Morgan and Cadell] of the Mid Murray Council.

Terms of Reference addressing the ongoing roles and responsibilities of a proposed Riverland Community Transport Advisory Committee – as a Sub Committee of the M&MLGA - have been submitted to participating Councils asking that they also nominate a delegate to serve on the Committee. It is anticipated that the inaugural meeting of the Committee will take place in early 2004/05. The roll out of the program of enhanced community transport is presently anticipated to commence towards the end of 2004.

WHAT OF 2004/2005 AND BEYOND.

Meetings will continue to be held on the first Friday in the months of August, October, December, February, April and June each year. They will continue to be held throughout the region and will be hosted alphabetically within the respective Council areas.

At the AGM (4th. June) the M&MLGA endorsed a Business Plan for 2004/05 that pursues a series of strategic issues. The issues are –

- Telecommunications;
- Transport Infrastructure;
- Transport – Community needs and access;
- Environment;
- Regional Enhancement; and
- Governance.

The Association will review the status of the objectives and actions half-yearly at the December meeting.

.....
Murray and Mallee Local Government Association.

Current contact details.

President:

Mayor Allan Arbon.
PO Box 421,
Murray Bridge,. 5253.
Phone: 8531 3621.

Chief Executive Officer:

Ken (K.J.) Coventry,
Pindari, 54 Thiele Rd,
Murray Bridge. 5253.
Phone: 8531 2568.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF FINANCIAL PERFORMANCE
FOR YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Revenues from ordinary activities	8(a)	83,616	80,756
Expenses from ordinary activities	8(b)	(71,244)	(73,170)
Surplus (Deficit) for the year	6	<u>12,372</u>	<u>7,586</u>
Total change in equity of the Association		<u>12,372</u>	<u>7,586</u>

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2004

Current Assets			
Cash	2(a)	38,004	190,583
Receivables	3	3,476	-
Money held in Trust		<u>786</u>	<u>3,043</u>
Total Current Assets		<u>42,266</u>	<u>193,626</u>
Total Assets		<u>42,266</u>	<u>193,626</u>
Current Liabilities			
Payables	4	965	9,182
Unexpended Grant Funds	5	16,168	169,426
Native Title Claim Moneys unexpended		<u>786</u>	<u>3,043</u>
Total Current Liabilities		<u>17,919</u>	<u>181,651</u>
Net Assets		<u>24,347</u>	<u>11,975</u>
Equity			
Accumulated Surplus	6	<u>24,347</u>	<u>11,975</u>
Total Equity Surplus		<u>24,347</u>	<u>11,975</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
Cash Flow from Operations			
Receipts from Members		49,986	54,378
Receipts from others		25,000	25,000
Interest received		7,994	5,770
Payments to suppliers		(82,302)	(72,252)
Projects:			
Receipts from Grants		-	259,864
Payments to Suppliers		<u>(153,257)</u>	<u>(189,358)</u>
Net Cash provided by (used in) Operating Activities	2 b)	(152,579)	83,402
Net increase (decrease) in cash held		(152,579)	83,402
Cash at the beginning of the year		<u>190,583</u>	<u>107,181</u>
Cash at the end of the year	2 a)	<u>38,004</u>	<u>190,583</u>

The accompanying notes form part of this financial report.

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

Note 1: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements and the requirements of the Associations Incorporations Act (SA). The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

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

a) Income Tax

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

b) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

Note 2: Cash Flow Information	2004	2003
	\$	\$
a) Reconciliation of Cash		
Cash	100	100
Cash at Bank	2,045	935
LGFA Investment	<u>35,859</u>	<u>189,548</u>
	<u>38,004</u>	<u>190,583</u>
b) Reconciliation of net cash provided by operating activities to surplus (deficit) from ordinary activities		
Surplus (Deficit) from ordinary activities	12,372	7,586
Changes in Assets and Liabilities		
(Increase) Decrease in Debtors	(3,477)	4,392
Increase (Decrease) in Creditors	(8,217)	8,282
Increase (Decrease) in Unexpended Grant Funds	<u>(153,258)</u>	<u>63,142</u>
Cash Flow provided by (used in) Operating Activities	<u>(152,580)</u>	<u>83,402</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 3: Receivables		
GST Refund	2,840	-
Accrued Interest	<u>636</u>	<u>-</u>
	<u><u>3,476</u></u>	<u><u>-</u></u>

Note 4: Payables		
GST Payable	-	8,262
Audit Fees	<u>965</u>	<u>920</u>
	<u><u>965</u></u>	<u><u>9,182</u></u>

Note 5: Unexpended Grant Funds
Grant Funds Unexpended may be refundable and are reflected as liabilities at balance date. It is anticipated that the balance of funds unexpended will be fully utilised on the nominated project.

	2004	2003
	\$	\$
Transport Strategy Project		
Income		
Balance brought forward	7,653	46,737
Grants Commission - Roads to Recovery Funds	-	-
Transport SA	<u>-</u>	<u>-</u>
Total Income	<u><u>7,653</u></u>	<u><u>46,737</u></u>
Less Expenses		
Consultant	7,858	(30,493)
M&MLGA - Project Management Administration		
- Office Costs	<u>-</u>	<u>(8,591)</u>
Total Expenses	<u><u>(7,858)</u></u>	<u><u>(39,084)</u></u>
Project Funds not/(over) expended at 30 June 2004	<u><u>(205)</u></u>	<u><u>7,653</u></u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Murraylands Regional Recreation and Open Sports Strategy Project		
Income		
Balance brought forward	-	2,590
Grant - Dept Recreation and Sports and Racing	-	-
- Planning SA	-	-
Contributions- Murraylands Councils	-	-
Total Income	<u>-</u>	<u>2,590</u>
Less Expenses		
Consultants	-	<u>2,590</u>
Total Expenses	<u>-</u>	<u>2,590</u>
Project Funds not expended at 30 June 2004	<u>-</u>	<u>-</u>
Regional Recreation, Sport and Open Space Strategy for the Riverland		
Income		
Balance brought forward	25,400	-
Grant - Dept Recreation and Sports and Racing	-	12,500
- Planning SA	-	15,000
Contributions- Berri Barmera Council	-	5,000
- Loxton Waikerie Council	-	5,000
- Renmark Paringa Council	-	<u>5,000</u>
Total Income	<u>25,400</u>	<u>42,500</u>
Less Expenses		
Consultants	<u>(25,400)</u>	<u>(17,100)</u>
Total Expenses	<u>(25,400)</u>	<u>(17,100)</u>
Project Funds not expended at 30 June 2004	<u>-</u>	<u>25,400</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
Note 5: Unexpended Grant Funds (cont)		
Water Management Project		
Income		
Balance brought forward	16,373	56,957
Grants - National Heritage Trust	-	-
- River Murray Catchment Water Management	-	-
Contribution - M&MLGA	-	-
Total Income	<u>16,373</u>	<u>56,957</u>
Less Expenses		
Consultants	-	(40,584)
M&MLGA Administration Costs	-	-
Total Expenses	<u>-</u>	<u>(40,584)</u>
Project Funds not expended at 30 June 2004	<u>16,373</u>	<u>16,373</u>
Networking the Nation Telecommunication Grant		
Income		
Grant - Dept Communications, Information Technology and The Arts	-	90,000
Total Income	<u>-</u>	<u>90,000</u>
Less Expenses		
Telstra	-	(90,000)
Total Expenses	<u>-</u>	<u>(90,000)</u>
Project Funds not expended at 30 June 2004	<u>-</u>	<u>-</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Note 5: Unexpended Grant Funds (cont)		
Drought Assistance Program		
Income		
Balance brought forward	120,000	
Grants - Department of Primary Industry and Resources	<u>-</u>	<u>120,000</u>
Total Income	<u>120,000</u>	<u>120,000</u>
Less Expenses:		
District Council of Karoonda East Murray	(18,360)	-
District Council of Loxton/Waikerie	(45,480)	-
Mid Murray Council	<u>(56,160)</u>	<u>-</u>
	(120,000)	-
Project funds not expended at 30 June 2004	<u>-</u>	<u>120,000</u>
Total Unexpended Grant Funds at 30 June 2004	<u>16,168</u>	<u>169,426</u>
 Note 6: Accumulated Surplus		
Accumulated Surplus at the beginning of the financial year	11,975	4,389
Surplus (Deficit) attributable to the Association	<u>12,372</u>	<u>7,586</u>
Accumulated Surplus at the end of the financial year	<u>24,347</u>	<u>11,975</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

Note 7: Financial Instruments

(a) Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate		Non Interest Bearing		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Money held in Trust	-	-	-	-	-	-	786	3,043	786	3,043
LGFA Investment	5.0	4.5	35,859	189,548	-	-	-	-	35,859	189,548
Debtors	-	-	-	-	-	-	3,476	-	3,476	-
Cash	-	-	-	-	-	-	100	100	100	100
Cash at Bank	0.30	0.50	2,045	935	-	-	-	-	2,045	935
Total Financial Assets			<u>37,904</u>	<u>190,483</u>	-	-	<u>4,362</u>	<u>3,143</u>	<u>42,266</u>	<u>193,626</u>
Financial Liabilities			-	-	-	-	-	-	-	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

The association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

(c) Net Fair Values

Methods and assumptions used in determining net fair value.

For assets and liabilities the net fair value approximates their carrying value. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the financial report.

**MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION
GENERAL ACCOUNT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
Note 8:		
(a) INCOME		
Interest - Investment LGFA	8,501	5,372
- Bank	129	107
MBM LGA contributions:		
Berri Barmera Council	7,678	7,678
Coorong District Council	5,110	5,110
DC of Karoonda East Murray	2,690	2,690
DC of Loxton Waikerie	8,134	8,134
Mid Murray Council	6,076	6,076
The Rural City of Murray Bridge	10,256	10,256
DC of Renmark Paringa	6,838	6,838
Southern Mallee DC	<u>3,204</u>	<u>3,204</u>
Total MBM LGA contributions	49,986	49,986
Regional Enhancement Fund Grant	25,000	25,000
Other Income	-	291
TOTAL INCOME	<u>83,616</u>	<u>80,756</u>
(b) EXPENDITURE		
Audit Fees	965	747
Bank and Government Fees	289	251
Conference Registration	585	1,001
Executive Officer Contract Services	62,400	64,500
Insurance	841	673
Meeting Expenses		
- Association	1,194	1,388
- Working Parties	416	732
Photocopying	-	-
Postage	92	194
Presidents Travelling Allowance	570	545
Stationery	125	437
Sundry Expenses	83	123
Telephone	1,184	1,579
Telecommunications	2,500	-
SAROC Contribution	-	1,000
TOTAL EXPENDITURE	<u>71,244</u>	<u>73,170</u>
Accumulated Surplus (Deficit) at End of Year	<u>12,372</u>	<u>7,586</u>

MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

STATEMENT BY THE COMMITTEE

In the opinion of the members of the committee:

1. (a) the accompanying Statement of Financial Performance is drawn up so as to present fairly the surplus of Murray and Mallee Local Government Association for the financial year;
- (b) the accompanying Statement of Financial Position is drawn up so as to present fairly the state of affairs of Murray and Mallee Local Government Association as at the end of the financial year;
- (c) the accounts of the association have been made out in accordance with Accounting Standards and other mandatory professional reporting requirements.

2. The committee has reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

3. No officer of the association, or a firm of which the officer is a member, or a corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, a firm of which the officer is a member or a corporate in which the officer has a substantial financial interest and the association.

4. No officer of the association has received directly or indirectly from the association any payment or other benefit of a pecuniary value other than travel allowance paid to the Association's President \$570.

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

President *Alan L. Aba*

CEO *[Signature]*

Dated this *6th* day of *August* 2004.

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

Scope

We have audited the financial report of Murray and Mallee Local Government Association as set out on pages 1 to 10 for the year ended 30 June 2004. The Committee is responsible for the preparation and presentation of the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

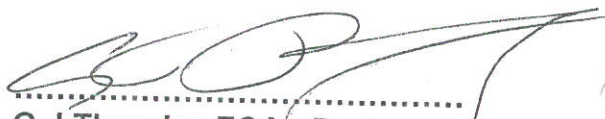
Our audit has been conducted in accordance with Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the report is presented fairly in accordance with Australian Accounting Standards, and other mandatory professional reporting requirements and the provisions of the Associations Incorporations Act (SA) so as to present a view which is consistent with our understanding of Murray and Mallee Local Government Association's financial position and the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and the provisions of the Associations Incorporations Act (SA) the financial position of Murray and Mallee Local Government Association and the results of its operations and cash flows for the year then ended.

We have obtained all of the information and explanations which we required from Murray and Mallee Local Government Association.


.....
G J Thornley FCA - Partner
MSI TILLEY MURPHY HUGHES
Chartered Accountants

Dated at Berri SA this 24 day of August 2004.



THE RURAL CITY OF MURRAY BRIDGE

RATING POLICY STATEMENT

2003/2004



THE RURAL CITY OF MURRAY BRIDGE
ADMINISTRATION CENTRE
2 SEVENTH STREET, MURRAY BRIDGE

THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY
Effective July 2003 – Adopted 11 August 2003

THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY STATEMENT – 2003/2004

CONTENTS

1	OBJECTIVES	3
2	INTRODUCTION	3
3	STRATEGIC FOCUS	4
4	ANNUAL ADOPTION OF RATING POLICY	5
5	METHOD USED TO VALUE LAND.....	5
6	ADOPTION OF VALUATIONS	5
7	NOTIONAL VALUATIONS	5
8	BUSINESS IMPACT STATEMENT	6
9	COUNCILS REVENUE RAISING POWERS.....	6
10	DIFFERENTIAL GENERAL RATES.....	6
11	MINIMUM RATES.....	7
12	SEPARATE RATES.....	7
13	SERVICE RATES & SERVICE CHARGES	7
14	PAYMENT OF RATES.....	8
15	LATE PAYMENT OF RATES.....	9
16	REMISSION AND POSTPONEMENT OF RATES.....	9
17	REBATE OF RATES	10
18	RATE CAPPING.....	11
19	APPLICATION OF POLICY.....	12
20	DISCLAIMER.....	12
21	Appendix 1 COUNCIL'S RATING REBATE POLICY	13
22	Appendix 2 - SUMMARY OF LEGAL POSITION RELATING TO THE SETTING AND COLLECTION OF RATES.....	14
23	Appendix 3 - GENERAL VALUATION (February 2003)	16

**THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

1. OBJECTIVES

The objective of this statement is to act as an informative guide to assist ratepayers to better understand the role of Council in the collection and expenditure of income derived from rates levied within the Council area. The objectives are to:

- Clearly outline the rates policy position and the approach of Council; and
- Provide information on the rating policies to ratepayers; and
- Summarise the legal position relating to the setting of and collection of rates.

This information is based on the provisions of the Local Government Act 1999, the Local Government Regulations 1999 and the Valuation of Land Act 1971.

2. INTRODUCTION

This document sets out the rating policy of the Rural City of Murray Bridge for the setting and collecting of rates from its community. The policy covers:

- | | |
|---|---|
| ▪ method used to value land | ▪ other concessions administered by Family & Youth Services |
| ▪ adoption of valuations | ▪ payment of rates |
| ▪ business impact statement | ▪ late payment of rates |
| ▪ Council's revenue raising powers | ▪ sale of land for non-payment of rates |
| ▪ differential general rates | ▪ remission and postponement of rates |
| ▪ minimum rate | ▪ rebate of rates/rates capping |
| ▪ separate rates | ▪ council's policy on rating rebates |
| ▪ service rates and charges | ▪ disclaimer |
| ▪ pensioner concessions | ▪ legal position regarding rating |
| ▪ self funded retiree concessions
(State or Commonwealth seniors card) | ▪ general valuation report |

CONTACT DETAILS FOR FURTHER INFORMATION

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2 Seventh Street
(PO Box 421)
Murray Bridge SA 5253
Phone (08) 85391100
Fax (08) 8532 2766
email:rcmb.sa.gov.au

Rates Assessment Officer
Mrs Dot Temby,
Phone (08) 85391111
Fax (08) 8532 2766,
email: rates@rcmb.sa.gov.au

This Policy is available for inspection at the Council office and persons may obtain a copy of this Policy upon payment of the fee set by the Council.

THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY

Effective July 2003 – Adopted 11 August 2003

3. STRATEGIC FOCUS

(i) In setting its rates for the 2003/2004 financial year Council has considered the following:

- current strategic plan
- Master Plan
- 20 year operational plan, including the long term objectives and priorities for the community
- current economic climate
- the expanding roles of local government
- the budget requirements for the 2003/2004 financial year
- the impact of increased valuations and subsequent rates on the community
- the relationship between Council objectives and rating policy.

In adopting its budget for the 2003/2004 financial year, Council has taken further advantage of a number of capital grants knowing that these grants may not be available in the future. These grants generally require Council to match funding on a dollar for dollar basis and are identified in the Master Plan and the Strategic Plan. Major works include stormwater programs, Lerwin Nursing Home Expansion, the continuation of the undergrounding of power for some of Adelaide Rd (PLEC) project, upgrade of the Regional Art Gallery and the continual maintenance and upgrade of roads and footpaths throughout the council area.

In addition, Council continues to support community and major events projects as well as general tourism related activities. Community and major events include the Murray Bridge Show, Christmas Parade, Pedal Prix and Australia Day Celebrations.

Council's current mission statement, "The Rural City with a Vision", states in broad terms that:

The Rural City of Murray Bridge will be a key and vibrant South Australian regional centre that cares for people, both residents and visitors, and offers them a quality and friendly lifestyle that balances their economic, social and environmental needs.

This can be achieved through the creation of a council which is responsive to its community needs, actively pursues sustainable economic development, delivers accessible and relevant community services, maintains and enhances the region's natural and built assets, delivers services to the community in a professional, innovative, sustainable and competitive manner, and provision of administrative services to meet industry and statutory requirements.

Incentives and support for businesses and community groups will continue to be an important feature for Council as it continues to foster growth and development in the community.

Council regularly conducts public consultation on a broad range of issues relating to the future direction of the Rural City of Murray Bridge area. These opportunities are always advertised in local papers. Ratepayers and other interested parties are welcome to comment in writing on these issues and are also welcome to attend public meetings which may be held. Council meetings provide the opportunity for members of the public to put forward their views on particular issues before Council. These are: deputations/presentations, petitions, written requests and personal contact.

The strategic management plans and the Council's budget are available for inspection at the Council office.

The Council also encourages feedback at anytime and such comments may be sent to:

Mr Rob Foster
Chief Executive Officer
The Rural City Of Murray Bridge
PO Box 421
MURRAY BRIDGE SA 5253
email: council@rcmb.sa.gov.au

THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY
Effective July 2003 – Adopted 11 August 2003

4. ANNUAL ADOPTION OF THE RATING POLICY

Section 171 of the Local Government Act 1999 requires a Council to prepare and adopt a rating policy each year, in conjunction with setting the rates. A copy of this policy must be available at the principal office of the Council and a summary version must be distributed with the rates notice.

5. METHOD USED TO VALUE LAND

The Rural City of Murray Bridge has decided to continue to use capital value as provided by the Office of the Valuer General 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:

- property value is a relatively good indicator of the approximate market value of a property, providing the best indication of the overall property capital value and wealth;
- 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;
- the nature of landholdings within the council area;
- the mix of land use within the council area.

6. ADOPTION OF VALUATIONS

The Council has adopted the total capital valuation of \$1,074,395,280 as gazetted by the Valuer-General and provided to Council as at 30 June, 2003, as is permitted under the Local Government Act 1999. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General 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 1999, 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:

Office of the Valuer-General
GPO Box 1354
ADELAIDE SA 5001
email: objections@saugov.sa.gov.au
Telephone 1300 653 345.

Please note that this objection process is in accordance with the Valuation of Land Act 1971 and 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.***

7. NOTIONAL VALUES

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971. A notional value is generally less than the capital value and this will result in reduced rates, **unless the minimum rate already applies**. Application for a notional value must be made to the Office of the Valuer-General. State heritage properties may also benefit in some circumstances

8. BUSINESS IMPACT STATEMENT

The Council has considered the impact of rates on all businesses, including primary production, within the Council area. In doing so it considered a range of factors from the level of support it provides to new and

**THE RURAL CITY OF MURAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

emerging business, the level of employment and increasing opportunities within the district, natural and potential growth of business and Council's active planning to create a vibrant centre for the region.

- ❑ Rates for the residential and primary production classifications have a reduced rate in the dollar, whereas, for example, vacant land is rated more highly in an effort to encourage further development within the area.
- ❑ Council believes that the current focus, planning and assistance is either directly or indirectly beneficial to business. Planning for improved transport networks, industrial land and Town Centre strategies are all key outcomes that support business growth and development
- ❑ For the 2003/04 financial year Council has decided not to raise any funding through the Central Business Area/Town Centre Separate Levy. This levy was applied to commercial properties in the defined Central Business Area and Town Centre Area for the further development and beautification of these areas.
- ❑ The introduction of rate capping to provide relief to ratepayers against what would otherwise amount to a substantial change in rates payable to rapid changes in valuation, valuation anomalies or changes in the basis of valuations of properties.

9. 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 under Section 147 of the Local Government Act 1999), 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 parts of the Council area or raise service rates and/or charges for certain prescribed services. (eg garbage, STEDS). However, from December 2001 Council has publicly consulted with its ratepayers for any proposed separate and service rates and charges. 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. The list of applicable fees and charges is available at the contact locations listed on Page 3.

10. DIFFERENTIAL GENERAL RATES

The Council has decided to impose differential general rates based on the use and locality of the land. Definitions of the use of the land are prescribed by regulation and Council has determined its differential rates based on those regulations.

At its meeting on 11 August 2003, Council decided to raise differential rate revenue of \$8,303,000, excluding the service rates and charges, in a total revenue budget of \$23,200,000. As a result of this decision the Council has set the following differential general rates to raise the necessary revenue. Listed below are the differentiating factors, as prescribed by the Local Government Act and the Rate Levy (cents per \$ of Capital Valuation) as well as the expected revenue to be raised by each differential rate.

**THE RURAL CITY OF MURRAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

DIFFERENTIATING FACTOR/ LAND USE	RATE/ \$C.V.	EXPECTED REVENUE \$
1. Residential	0.7250c	\$4,679,000
2. Commercial (Shop, Office, Other)	1.3590c	\$1,294,000
3. Industrial (Light & Other)	0.9890c	\$ 421,000
4. Primary Production	0.6130c	\$1,404,000
5. Vacant Land	0.9550c	\$ 287,000
6. Other	0.7250c	\$ 218,000
Total Expected Revenue		\$8,303,000

If a ratepayer believes that a particular land use has been wrongly classified to a particular property they may object to that classification. An objection should be addressed to Mr Rob Foster, Chief Executive Officer, The Rural City of Murray Bridge, PO Box 421, Murray Bridge SA 5253. The objection must be made **within 60 days** of receiving the first rates notice which lists the land use allocated to that property and clearly set out the basis for the objection and details of the 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.

IT IS IMPORTANT TO NOTE THAT THE LODGEMENT OF AN OBJECTION DOES NOT CHANGE THE DUE DATE FOR PAYMENT OF RATES.

11. MINIMUM RATE

Where a Council imposes a minimum rate (provided that it has not imposed a fixed charge), it must not apply the minimum rate to more than 35% of properties in the Council area. For the 2003-2004 financial year, the Council has decided to impose a minimum rate of \$485.00, which will apply to 2594 assessments and which equates to 27.5% of rateable properties. 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.

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

12. SEPARATE RATES – Town Centre including Central Business Area

The Local Government Act provides that the revenue raised from a separate rate can only be applied for the purposes for which it is raised.

Council has undertaken to provide for the development and beautification of the Town Centre, which includes commercial properties within the defined area. For the 2003/2004 financial year, Council has resolved not to raise any income from this separate rate, but to continue projects and planning for the Central Business Area.

13. SERVICE RATE & SERVICE CHARGE

The Council provides a "prescribed service" to all properties in the Riverglen Marina and Woodlane areas of the district. Section 155 of the Local Government Act 1999 provides that, the cost of this service is recoverable from assessments within these defined areas. This service provides for the provision of water supply and septic tank effluent disposal. The full cost of operating and maintaining these services for 2003-2004 financial year is budgeted to be \$50,000 for the Riverglen Marina area and \$27,000 for the Woodlane Area. Council will recover these costs through the imposition of a service charge of \$425 per rateable property and a service rate of \$0.1279 cents in the dollar for each rateable property within the defined Riverglen area, and through a service charge of \$350.00 per rateable property and a service rate of \$0.2029 cents in the dollar

THE RURAL CITY OF MURRAY BRIDGE RATING POLICY

Effective July 2003 – Adopted 11 August 2003

for each rateable property within the defined Woodlane area, to which these services are available. [Where the service is provided on non-rateable property, a service charge of \$425.00 is levied against the land within the Riverglen area and \$350.00 within the Woodlane area].

As prescribed by the Local Government Act, the revenue raised by these service rates and charges can only be applied to maintaining the prescribed services for the Riverglen Marina and Woodlane areas.

Council will continue to provide a "prescribed service" for a single fee of \$50.00 as provided for in Section 155 of the Local Government Act 1999, to all new residential properties that are provided with a garbage collection receptacle.

14. PAYMENT OF RATES

The Council has decided that the payment of rates will be by 4 approximately equal instalments, due on the following dates:

- 30 September 2003
- 19 December 2003
- 19 March 2004
- 18 June 2004

Notices regarding these instalment payments will be forwarded to the principal ratepayer at least 30 days but not more than 60 days before the instalment falls due.

The Rural City of Murray Bridge is offering a discount of 1% for the payment of all rates (in full) by 30 September 2003.

Rates may be paid by the following means:

- Pay your rates **online** by accessing Council's website: www.rcmb.sa.gov.au and using the rate payment facilities as per the instructions on site;
- By **BPay** – by contacting your financial institution ie bank, credit union or building society to make your payment from cheque, savings or credit card account;
- At any **Post Office** – present your notice at any Australia Post Office outlet;
- By **telephone**, using a debit or credit card, ring 1300 303 201, Info Pay ID 4343, 24 hours per day, 7 days per week;
- By **Mail** – cheques/money orders made payable to "Rural City of Murray Bridge" and must reach this office **before 5.00pm** on the last day to pay as marked on your rate notice
- In **person**, at the Council office location listed on Page 1 of this policy, during the normal business hours, Monday to Friday. EFTPOS facilities are available for payments. – Please note that a minimum transaction for EFTPOS is \$20.00 – and there is no cashout facility.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Mrs Dot Temby, Rates Assessment Officer, on (08) 8391 1111 or e-mail rates@rcmb.sa.gov.au to discuss alternative payment arrangements. These enquiries are treated in the strictest confidence by Council.

The Council has adopted a policy that where the payment of rates will cause a ratepayer hardship, Council is prepared to make available extended payment arrangements according to the ratepayers' financial circumstances.

15. LATE PAYMENT OF RATES

The Local Government Act provides that Councils may impose a penalty of 2% by way of a fine on any overdue liability for rates, whether payable by instalment or otherwise. A payment that continues to be late will then be charged a prescribed percentage of the amount in arrears on the expiration of each month that it continues to be late. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might

THE RURAL CITY OF MURAY BRIDGE
RATING POLICY

Effective July 2003 – Adopted 11 August 2003

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 costs the Council may incur as a result of the late payment. For the 2003/2004 financial year, interest will be charged, per month, at the prescribed percentage of 0.73% of the amount in arrears.

The Council is prepared to remit penalties for late payment of rates where ratepayers can demonstrate hardship.

Council will issue a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. Should rates remain unpaid and in arrears for more than 21 days after the issue of the third final notice then the Council will refer the debt to a debt collection agency for collection. The debt collection agency charges collection fees that are recoverable from the ratepayer.

When the Council receives a payment in respect of overdue rates the Council will apply the money received in the following manner:

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

The Council will impose late payment penalties strictly in accordance with the Local Government Act 1999.

Note: The Council has the power to remit penalties in whole or in part.

16. REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act permits the Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Mrs Dot Temby, Rates Officer, on (08) 85391111 or e-mail rates@rcmb.sa.gov.au to discuss the matter. These enquiries are treated in the strictest confidence by Council. If the Council is satisfied that payment will cause hardship the Council will make appropriate arrangements with the ratepayer.

Postponement of rates will be granted only on the ratepayer's principal place of residence and will be based on the following criteria:

- That the property has been owned by the ratepayer and has been their principal place of residence for a minimum of 10 years. A statutory declaration that the property has been the principal place of residence will be required at the time of application.
- That significant financial hardship can be demonstrated by one of the following means:
 - Presentation of their most recent tax return, or
 - Confirmation from FAYS that the ratepayer is experiencing financial hardship; or
 - Independent financial advice which confirms that the ratepayer is experiencing financial hardship, which includes details of their taxable income.
- Once approved, a postponement of rates would come into effect from the first day of the next instalment period after the date of the application; i.e. the instalment dates as set for September, December, March or June, as applicable.
- The amount postponed shall not exceed the difference between the minimum general rate and the total general rate levied for the principal place of residence each year or 30% of the total general rate levied for the property each year, whichever is the lesser.
- A ratepayer who is in receipt of postponed rates on their principal place of residence must advise Council in writing within 14 days of any change to their circumstances, in particular where there is a:

THE RURAL CITY OF MURAY BRIDGE
RATING POLICY

Effective July 2003 – Adopted 11 August 2003

- Change of ownership
 - Change of occupation
 - Alterations or improvements to the property
 - Land division
 - Change in financial circumstances
- A ratepayer who has become an owner or occupier of his principal place of residence within the last 10 years will only be assessed for a postponement of rates if they are able to demonstrate that their financial situation has changed significantly since they purchased or occupied their principal place of residence. The ratepayer must also provide confirmation that they have advised the relevant interested parties of their intention for a postponement of rates and list the contact details of those parties at the time of application.
 - Periodic eligibility audits will be conducted by the Councils Rates Officer to substantiate ongoing postponement of rates entitlements.

17. REBATE OF RATES

The Local Government Act 1999 requires Councils to rebate the rates payable on some land and gives Council discretion to rebate rates in respect of Chapter 10 Division 5 (Sections 159 to 166) for land used for certain purposes and will be available only when the applicant satisfies the requirements of the Local Government Act. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions. For further information regarding rebates that may be available to various community groups or organisation's, please contact the local council office at the address noted on the front page of this policy.

Applications for a rebate of rates for community service organisations' under Sections 161 & 166 of the Local Government Act 1999, require that the following information and documentation be provided.

- An Application for Rebate form, signed by an officer of the organisation, who has the appropriate delegated authority, attesting to eligibility for a rebate under the Act. Council has application forms prepared in a specific format, available upon application from the Rates Assessment Officer, Phone (08) 85391111, and these must be used when applying for a rebate.
- A copy of the organisation's constitution.
- A copy of the latest financial statements of the organization, or documentation that confirms that the organization providing community service without charge or for a charge that is below the cost to the body of providing the services –eg, an auditors letter of confirmation.
- Any other documentation applicable for support of the application.

Council may also apply discretionary rebates under Section 166 of the Local Government Act 1999. Council currently provides discretionary rebates, in line with Council's Sporting Clubs, Halls and Related Groups Rating Rebate Policy January 2002, for land that is leased or licensed or owned by sporting bodies and various community organizations. A copy of this policy is attached – refer Appendix 1.

THE RURAL CITY OF MURAY BRIDGE
RATING POLICY

Effective July 2003 – Adopted 11 August 2003

18. RATE CAPPING

For the 2003/04 financial year, Council has decided to introduce rate capping under Section 166 (1) of the Local Government Act 1999—Discretionary Rebates of rates – which states

- “(l) A council may grant a rebate of rates or service charges in any of the following cases (not being cases that fall within a preceding provision of this Division)
- (l) where the rebate is considered by 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”. Sec 166 (3a) “A rebate of rates or charges under subsection (1)(l) maybe granted for a period exceeding one year, but not exceeding three years.”

Council will provide a rebate of general rates for the 2003/2004 financial year to the principal ratepayer of an assessment for the following categories:

- Residential – except those assessments within the residential zone that are **not** the principal place of residence of the ratepayer:
- Industrial
- Commercial
- Primary Production
- Other

In accordance with the following criteria:

- Where the amount of general rates imposed for the 2003/2004 financial year is greater than 25 per cent over the amount of general rates payable for the 2002/2003 financial year;
 - Each application will be determined on a case by case basis and each application must be in writing to the Council;
 - The amount of the rebate applied is to be the difference between the amount of general rates that is payable but for the rebate, and the amount of rates payable after any rebate has been applied but prior to deduction of any pensioner or other concessions, for the 2002/2003 financial year plus 25 percent of those rates.
- (2) This rebate may be applied for future years based on the following formula:
- Where the amount of general rates imposed on the ratepayers principal place of residence for the 2004/2005 financial year is greater than 25 percent (or whatever percentage is applied by council) of the general rates payable for the 2003/2004 financial year;
 - excluding the 25 per cent rebate granted for the 2003/2004 financial year;
 - This formula be applied for the following financial years on application by the ratepayer; and
 - Only on a ratepayer’s principal place of residence should the ratepayer have multiple assessments.
- (3) However, that the rebate shall not apply where:
- a) Any such increase in rates is due or partly due to an increase in valuation of the land in the assessment because of improvements made to it worth more than \$10,000 or because the zoning of the land has changed; or
 - b) Any such increase in rates is due or partly due to the use of the land being reclassified for rating purposes on the date the Council declared its general rate for the 2003/2004 financial year, than on the date the Council declared its general rates for the 2002/2003 financial year; or
 - c) The ownership of the rateable property has changed in the previous financial year.

**THE RURAL CITY OF MURAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

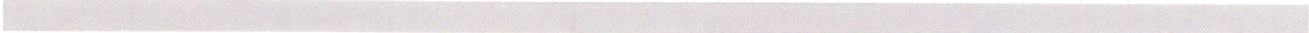
- (4) Applications for rate capping rebate must be received in writing at this office within 30 days from the date of the first rates notice.

19. APPLICATION OF THE POLICY

Where a ratepayer believes that the Council has failed to properly apply this policy they should raise the matter with the Council. In the first instance contact Mrs Dot Temby, Rates Assessment Officer on (08) 8539111, email: rates@rcmb.sa.gov.au to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to Mr Rob Foster, Chief Executive Officer, The Rural City of Murray Bridge, PO Box 421, Murray Bridge SA 5253. The disclaimer below should be noted.

20. DISCLAIMER

Pursuant to Section 171(5) a rate cannot be challenged on the basis of non-compliance with this policy and the rate must be paid in accordance with the required payment provisions of this policy.



**THE RURAL CITY OF MURAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

**SPORTING CLUBS, HALLS AND RELATED GROUPS RATING REBATE POLICY
Amended and Carried at Full Council meeting held 21st January 2002
Effective from 2002/2003 Financial Year**

Appendix 1-Council's policy regarding rating rebates

The principles for the development of that Rating Rebate policy are as follows:

1. The policy relates to those properties only where rates are legally levied, regardless of the tenure of the property (i.e. whether privately or publicly owned).
2. All ratepayers affected shall pay their own:
 - electricity charges
 - water rates
 - sewerage rates

i.e. such charges that are not subsidised by Council.
3. All organisations that are solely constituted to provide charity or cultural services to the community should not pay council rates.
4. All private schools should receive a 100% rebate of rates.
5. All organisations whose sole purpose is to provide a service to the handicapped or disabled should not pay council rates.
6. All conservation areas, heritage and national trust building that grant unrestricted access to the public should receive a 100% rebate of rates.
7. Clubrooms on council land that provide meeting places but do not carry out any business to raise funds through the sale of liquor etc (e.g. Croquet Club, Netball Clubs, Johnstone Park Combined Clubrooms) should receive a 100% rebate of rates.
8. Clubrooms on council land that have been built for members of recreation clubs etc, that undertake some form of trading to generate income, and provide some community benefits should receive a 50% rebate of rates.
9. Clubrooms on private land that have been built for members of recreation clubs etc and provide some community benefits should receive a 25% rebate of rates.
10. Clubrooms that gain revenue from poker machines should not receive any rebate of rates.
11. Retirement villages to receive 10% rebate of rates where they do not claim pensioner concessions for residents in individual units.
12. Review legislation to ensure rate rebates have been granted under law.
13. *Amendment from Council meeting 23rd June 2003 in relation to MB Show Society whose lease expires on 31st December 2007.*

"As the Show Society gave Council freehold title to the valuable showgrounds land and all the associated buildings in 1982, Council fully rebate any Council rates due for the term of this lease".

Moved: Cr Weinert, seconded: Cr England

THE RURAL CITY OF MURAY BRIDGE
RATING POLICY

Effective July 2003 – Adopted 11 August 2003

Appendix 2 - Summary of Legal Position Relating to the Setting and Collection of Rates

LOCAL GOVERNMENT ACT 1999

A Council may impose general rates, separate rates, service rates and service charges on land in its area (Section 146). Generally, all land within a Council area is rateable unless specifically exempted by Section 147 of the Act. Such exemptions include crown land, churches, cemeteries, land used for public educational purposes and Council occupied land. A Council must adopt a rating policy each year setting out broad policy framework within which the Council rates its area (Section 171). A summary of the policy must accompany the rates notice.

A rate is to be based on the value of the land multiplied by a 'rate in the dollar' set each year by Council. The basis of valuation is to be capital value, site value or annual value (Section 151). Land must be valued by either the Valuer-General or a valuer engaged by or employed by the Council (Section 167). Objections may be lodged against a valuation made by a valuer engaged or employed by the Council (Section 169) or by the Valuer-General (Valuation of Land Act). Differential general rates can be declared for land according to the location or the specific use (e.g. residential) of the land.

As part of the general rate a fixed charge may apply which means that the same amount is payable irrespective of the value, use or location of the property. The fixed charge may only be imposed against the whole of an allotment and only one fixed charge may be imposed against two or more pieces of contiguous land owned by the same owner and occupied by the same occupier or a single farm enterprise (Sections 148 and 152).

A Council may fix a minimum amount payable by way of rates or it may alter the amount to be paid by properties within a specific range of values, but may not do so if it has imposed a fixed charge. The minimum rate may only be imposed against the whole of an allotment (which can include land under a separate lease or licence) and only one minimum rate is payable by two or more pieces of contiguous land owned by the same owner and occupied by the same occupier. The minimum rate must not be applied to supported accommodation or independent living units within the same group or complex of units. The minimum rate and altered rates must not apply to more than 35% of the properties in a Council area. (Section 158).

A Council may declare either a general rate or differential general rates based on the use of the land, the locality of the land, the locality and the use of the land or (where particular circumstances apply) some other basis determined by the Council (Sections 153 & 156). A Council may declare a separate rate (or differential separate rates) on rateable land where a specific project is being undertaken to benefit the land or the occupiers of the land, which can be only a portion of the land in a Council area (Section 154). A Council may impose service rates and charges against land for any prescribed service it provides or makes available to the land. A service charge is also payable in relation to non-rateable land. Prescribed services are water supply and the collection, treatment or disposal of waste (Section 155).

Rates are a charge against the land (Section 177). The owner of the land (unless the Council is advised otherwise) is the principal ratepayer and rates may be recovered as a debt against the principal ratepayer. In certain cases the occupier of the land may be classed as the principal ratepayer.

From the financial year 2001/2002 a Council must offer all ratepayers the opportunity to pay rates in four quarterly instalments. A Council may also make arrangements with ratepayers for other instalment provisions to apply (Section 181). If an instalment of rates is not paid by the due date then the Act provides for a Council to impose a fine of 2% on the unpaid instalment and, if the instalment continues to be unpaid, to charge a prescribed interest rate (set each year by a formula in the Act) on the unpaid instalment, on a monthly basis. The Council may remit such penalties in whole or in part (Section 181). Where rates become unpaid for a period of more than three years a Council may sell the land to recover the unpaid rates (Section 184).

A Council may remit or postpone the payment of rates, on the application of the ratepayer, if the payment of the rates would impose hardship on the ratepayer (Section 182).

A Council must rebate the payment of rates for land used for various purposes - health services, community services, religious purposes, public cemeteries, the Royal Zoological Society, educational institutions - as provided in Sections 159 to 165 of the Act. A Council may also provide discretionary rebates on the payment

THE RURAL CITY OF MURRAY BRIDGE RATING POLICY

Effective July 2003 – Adopted 11 August 2003

of rates (up to 100% of the rate for a period of up to ten years) on land used for a range of purposes, including for the securing the proper development of the land; for the preservation of buildings or places of historic interest; for the provision of facilities or services for children or young persons and for the provision of accommodation for the aged or disabled (Section 166).

Note: The Local Government Act 1999 is available for inspection, free of charge at the Rural City of Murray Bridge Administration Office, 2 Seventh Street, Murray Bridge SA 5253, or at the Rural City of Murray Bridge Public Library, Level 3, Mobilong House, Seventh Street, Murray Bridge SA 5253.

VALUATION OF LAND ACT

Under Section 22A there are various qualifications laid down in relation to the provision of a 'notional value' for various properties. For example, where land is used for primary production and its value is enhanced by its potential for subdivision a valuing authority may value the land at its 'notional value', that is, as if the potential for subdivision did not exist. Where land forms part of the State heritage it may also be valued disregarding any potential for other use (Section 22B). Any owner that believes that they are entitled to a 'notional value' must apply in writing to the Office of the Valuer General.

A person may object to a valuation of the Valuer General by notice in writing, setting out the reasons for the objections, and the Valuer General must consider the objection. If the person then remains dissatisfied with the valuation, the person has a right to a review. Applications must be made within 21 days of receipt of the notice of the decision (in relation to the objection) from the Valuer General. A payment of the prescribed fee for the review to be undertaken together with the review application must be lodged in the Office of the Valuer General, who will then refer the matter to an independent Valuer. If the person remains dissatisfied with the valuation then they have a right of appeal to the Land and Valuation Court (Section 24, 25A, 25B & 25C).

**THE RURAL CITY OF MURAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

2. APPENDIX 3 - GENERAL VALUATION (JANUARY 2003)

2.1 Overview

The General Valuation of Murray Bridge was completed in March 2003. The Capital Value of the assessment has increased over the previous year by \$937,216,200 (9.87%) to \$1,042,372,480 (\$1,074,395,280 as at 30th June 2003).

The increase has principally applied to the residential market.

The number of properties recorded as being transferred in 2002 totalled 713 compared with 658 for 2001, with 627 for 2000, 465 for 1999 and 459 for 1998, In 2002 a total of 174 vacant land transfers were recorded compared with 109 in 2001, 100 in 2000, 96 in 1999 and 79 in 1998.

2.2 Residential

The market for residential properties has continued to experience strong growth. This has been mainly evident in the older character homes of the central areas of Murray Bridge, also with the homes located with views and/or access to the river.

The Housing Trust areas have shown similar market growth and a 20% increase has been applied, though from lower base level. In the South West, Long Island and North areas lesser increases of between 12% and 15% have been applied.

There have been significant increases to vacant land values and a 20% increase has been applied to all residential site values in the 2003 General Valuation.

Commercial/Industrial

The commercial and industrial market has continued to be slow, with no significant amount of sales evidence to warrant across the board changes in value. Adjustments to the values and tenancies on some assessments will be completed as part of the revisit program.

Rural Living and Rural Residential

There have been significant increases in the value of rural living properties. Having investigated this market, it is considered that the best way to upgrade these values will be by manual inspections and not across the board changes.

Many of the properties are in the outskirts of Murray Bridge and manual changes will be applied to these properties prior to the end of the 2002/2003 financial year. However, the general upgrading of rural living values will be an ongoing process earmarked for completion next financial year (2003/2004).

Rural

There has been very limited activity in the broadacre rural sector and values have not been altered for the General Valuation.

**THE RURAL CITY OF MURAY BRIDGE
RATING POLICY**

Effective July 2003 – Adopted 11 August 2003

Revisits

It is important to note that a considerable number of revisits are pending. These will be advised to council prior to the end of the financial year. The revisits will relate principally to new houses and other new improvements to properties over the past year.

The above information has been provided by:

Chris Williams

Acting Regional Valuer

On behalf of Neil Bray

Valuer General

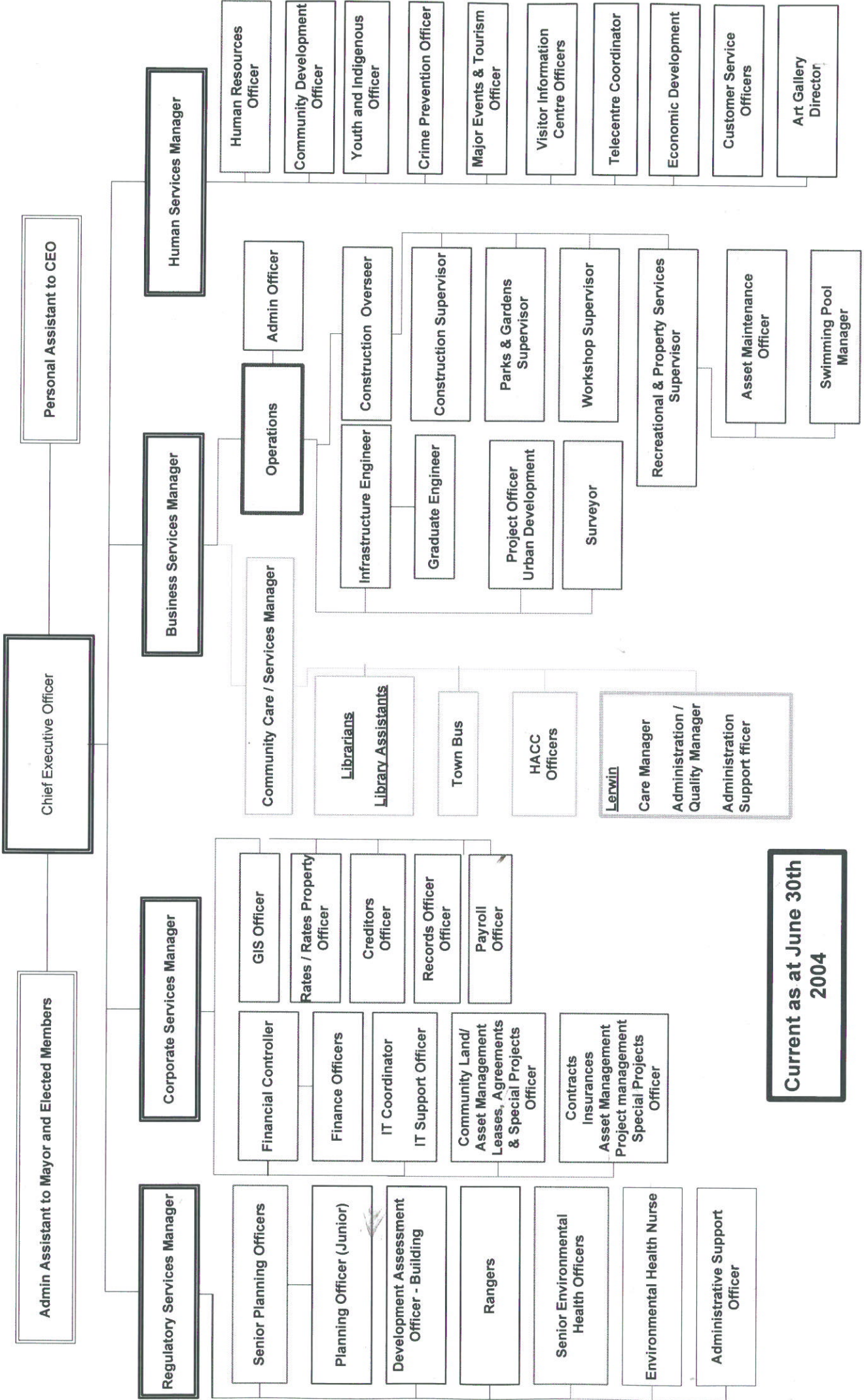
Land Services Group

Department for Administrative & Information Services

Level 2, Mobilong House

Murray Bridge SA 5253

RURAL CITY OF MURRAY BRIDGE - ORGANISATION CHART



Current as at June 30th 2004

Rural City Of Murray Bridge Annual Financial Statements

INDEX

Item	Contents	Page
1.	Operating Statement	2
2.	Statement of Financial Position	3
3.	Statement of changes in Equity	4
4.	Statement of Cash Flow	5
5.	Notes to Financial Statements	6 - 21
6.	Chief Executive Officer's Statement	22
7.	Adoption Statement	22
8.	Independent Audit Report	23

Rural City Of Murray Bridge

Operating Statement for the year ended 30 June 2004

		2003/2004		2002/2003	
	Notes	\$	\$	\$	\$
OPERATING REVENUE					
Rates					
- General	9.	8,316,676		7,279,433	
- Other	9.	85,819		154,152	
Statutory Charges	10.	304,852		303,691	
User Charges	11.	902,943		882,101	
Operating Grants and Subsidies	12.	5,151,052		4,706,979	
Investment Income		147,287		80,105	
Reimbursements	13.	384,615		1,487,525	
Gain on Disposal of Non - Current Assets		92,146		66,759	
Commercial Activity Revenue		-		-	
Other	14.	280,728		99,674	
TOTAL OPERATING REVENUE			15,666,118		15,060,419
OPERATING EXPENSES					
Employee Costs	3.	4,941,432		5,258,106	
Contractual Services	4.	2,855,137		2,898,060	
Material	5.	1,450,917		2,199,258	
Financial Charges	6.	337,422		294,316	
Depreciation	7.	3,436,565		3,361,954	
Loss on Revaluations		-		-	
Loss on Disposal of Non - Current Assets		-		-	
Other	8.	2,163,003		666,285	
TOTAL OPERATING EXPENSE			15,184,476		14,677,979
Operating Surplus/(Deficit) before Capital Revenues			481,642		382,440
CAPITAL REVENUES					
Capital Grants, Subsidies and Monetary Contributions	12.		1,652,612		701,809
Physical resources received free of charge					
Operating Surplus/(Deficit) after Capital revenues and before Extraordinary Items			2,134,254		1,084,249
Extraordinary Items			-		-
Net Surplus/(Deficit) resulting from Operations			2,134,254		1,084,249

Rural City Of Murray Bridge

Statement of Financial Position as at 30 June 2004

	Notes	2003/2004		2002/2003	
		\$	\$	\$	\$
CURRENT ASSETS					
Cash	15.	1,743,343		2,277,885	
Receivables	16.	1,245,987		996,936	
Inventory	17.	100,384		145,453	
Other	18.	155,310		388,918	
TOTAL CURRENT ASSETS			3,245,024	3,809,192	
CURRENT LIABILITIES					
Bank Overdraft		-		-	
Creditors	19.	1,598,742		1,569,828	
Provisions	20.	425,000		469,945	
Loans	21.	793,702		861,122	
Other		-		-	
TOTAL CURRENT LIABILITIES			2,817,444	2,900,895	
Net Current Assets/(Current Liabilities)			427,580	908,297	
NON - CURRENT ASSETS					
Receivables	16.	30,097		34,873	
Inventory		-		-	
Investments		-		-	
Land	22.	12,254,975		12,207,605	
Buildings	22.	10,425,837		10,114,611	
Infrastructure	22.	48,427,991		47,404,237	
Equipment	22.	2,518,512		2,021,852	
Furniture and Fittings	22.	727,497		909,570	
Library Books	22.	254,612		286,499	
Other	22.	2,715,865		2,450,410	
TOTAL NON - CURRENT ASSETS			77,355,386	75,429,657	
NON - CURRENT LIABILITIES					
Creditors		-		-	
Provisions	20.	540,517		436,020	
Loans	21.	3,811,335		4,605,074	
Other		-		-	
TOTAL NON - CURRENT LIABILITIES			4,351,852	5,041,094	
NET ASSETS			73,431,114	71,296,860	
EQUITY					
Accumulated Surplus		57,072,175		54,435,900	
Reserves		16,358,939		16,860,960	
TOTAL EQUITY			73,431,114	71,296,860	

Rural City Of Murray Bridge

Statement of Changes in Equity for the year ended 30 June 2004

	Notes	2003/2004		2002/2003	
		\$	\$	\$	\$
ACCUMULATED SURPLUS					
Balance at beginning of period		54,435,900		53,603,053	
Net Surplus/(Deficit)		2,134,254		1,084,249	
Transfer from reserves		511,000		607,537	
Transfer to reserves		<u>(8,979)</u>		<u>(858,939)</u>	
Balance at end of period			<u>57,072,175</u>		<u>54,435,900</u>
ASSET REVALUATION RESERVE					
Balance at beginning of period		15,857,313		15,857,313	
Transfer to reserve Revaluation increment		-		-	
Transfer from reserves		<u>-</u>		<u>-</u>	
Balance at end of period			<u>15,857,313</u>		<u>15,857,313</u>
OTHER RESERVE					
Balance at beginning of period		1,003,647		752,246	
Transfer to reserve		8,979		858,939	
Transfer from reserves		<u>(511,000)</u>		<u>(607,538)</u>	
Balance at end of period			<u>501,626</u>		<u>1,003,647</u>
TOTAL EQUITY			<u>73,431,114</u>		<u>71,296,860</u>



Rural City Of Murray Bridge

Statement of Cash Flows for the year ended 30 June 2004

	Notes	2003/2004 \$ Inflows (Outflows)	2002/2003 \$ Inflows (Outflows)
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		15,320,618	15,972,550
Payments		(11,380,768)	(12,245,608)
NET CASH PROVIDED BY OPERATING ACTIVITIES	28.	<u>3,939,850</u>	<u>3,726,942</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
New Loans Received		-	2,202,800
Community Group Loan Principal Repayments		9,080	11,440
Payments			
Principal Paid on Loans		(861,159)	(783,421)
NET CASH USED IN FINANCING ACTIVITIES		<u>(852,079)</u>	<u>1,430,819</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Receipts			
Capital Grants, Subsidies/Contribution		1,652,612	701,809
Sale of Plant & Equipment		645,368	179,911
Sale of Land		-	326,000
Payments			
Purchase of Land		(47,370)	(763,229)
Purchase of Buildings		(639,366)	(822,554)
Purchase of Infrastructure		(3,285,754)	(1,314,813)
Purchase of Plant & Equipment		(1,430,924)	(675,128)
Purchase of Furniture & Fittings		(91,923)	(290,222)
Purchase of Library Books		(66,513)	(59,661)
Purchase of P & G Improvements		(358,443)	(901,443)
NET CASH FLOWS USED IN INVESTMENT ACTIVITIES		<u>(3,622,313)</u>	<u>(3,619,330)</u>
NET INCREASE (DECREASE) IN CASH HELD		(534,542)	1,538,431
CASH AT BEGINNING OF REPORTING PERIOD		2,277,885	739,454
CASH AT END OF REPORTING PERIOD		<u>1,743,343</u>	<u>2,277,885</u>

This Statement should be read in conjunction with accompanying notes.

Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

1. SIGNIFICANT ACCOUNTING POLICIES

(a) *The Local Government Reporting Entity*

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. All entities controlled by the council have been consolidated.

Amounts received and paid by the Council, where the Council has merely acted as a collection agency, have been eliminated.

(b) *Basis of Accounting*

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, urgent issues Group Consensus view, other authoritative pronouncements of the AASB and the Local Government Act 1999. It has been prepared on the accrual basis under the convention of historical cost accounting, with the exception that non-current assets are included at Council or independent valuation.

(c) *Recognition of Assets*

All items of property, plant and equipment with a value greater than \$500 are recognised as assets.

(d) *Depreciation of Non-Current Assets*

Non-Current assets having limited useful lives are systematically depreciated over their useful lives in a manner, which reflects consumption of the service potential embodied in those assets. Land is not a depreciable asset.

Depreciation is recognised on a straight-line basis using rates, which are reviewed each reporting period.

Major depreciation periods are:

Bridges	- steel & concrete	50 to 80 years
	- timber	30 to 40 years
Buildings		30 to 50 years
Main Drains		75 to 85 years
Plant and Equipment		5 to 15 years
Sealed Roads & Streets	- Construction	20 to 40 years
	- bituminous seals	7 to 10 years
Unsealed roads		5 to 10 years
Improvements to park & gardens		15 to 20 years
Motor Vehicles		5 to 10 years
Library books		1 to 5 years

(e) *Expenses*

Expenses are disclosed in the accounts after deducting any amounts capitalised and included in the costs of assets constructed by the Council.

Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

(f) *Employee Benefits*

Liabilities for long service leave are measured as the present value of the estimated future cash outflows to be made by the local government in respect of services provided by the employees up to the reporting date. The interest rates attaching, as at the reporting date, to Commonwealth government guaranteed securities are used to discount the estimated future cash outflows to their present value.

Annual Leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to the reporting date. Such accruals are assessed as at each reporting date, having regard to current rates of pay and other factors including experience of employee departures and their periods of service.

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the superannuation plan, which provides benefits to its employees. Details of those arrangements are set out in Note 23.

(g) *Inventories*

Inventories are valued at cost or in cases where the net realisable value is less than cost, at their estimated realisable value.

(h) *Investments*

Investments are valued at cost. Interest revenues are recognised as they accrue.

(i) *Rates, Grants, Donation and Other Contributions*

Rates, grants, donation and contributions are recognised as revenues when the Council obtains control over the assets comprising these contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Unreceived contributions over which Council has control are recognised as receivables. In respect of uncollected rates provision is made for amounts considered uncollectible.

Where contributions recognised as revenues during the year were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions are undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 10.

(j) *Allocation between Current and Non-Current*

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid.



Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

(k) *Leases*

The local government's rights and obligations under finance leases, which are leased to effectively transfer to the local government substantially all of the risks and benefits incident to ownership of 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 plant and equipment under lease, and are amortised to expense over the period during which the local government is expected to benefit from use of the leased assets. Minimum lease payments are allocated between expense and reduction of the lease liability, according to the interest rate implicit in the lease.

Lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or after the end of the succeeding year disclosed as a current liability, and the remainder of the liability is disclosed as a non-current liability.

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

(l) *Cash*

For purposes of the statement of cash flows, cash includes cash deposits that are readily convertible to cash on hand and which are used in cash management function on a day-to-day basis, net of outstanding bank overdraft.

(m) *GST*

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenue, expenses and assets are recognised net of the amount of GST except that:

The amount of GST incurred by Council as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of an asset or part of an item of expense; and receivables and payables are stated with the amount of GST included.

The net GST receivable from the Australian Taxation Office has been recognised as a receivable in the statements of financial position.

Finance Lease liabilities are stated inclusive of the amount of GST on the finance lease liability. Council has also recognised receivables, which represent the entitlement to recover input tax credits from the Australian Taxation Office for the GST payable on the finance lease liability.

Cash flows are reported on a gross basis in the Statement of Cash Flows. The GST component of the cash flows arising from investing or financing activities, which are recoverable from or payable to the Australian Taxation Office have however been classified as operating cash flows.

(n) *Full Cost Attribution*

There was a statutory change to the Local Government (Financial management) Regulations whereupon it became mandatory for Council to provide financial information on a full cost basis from the 1st July 2002.

Accordingly Council has introduced for the full financial year, Full Cost Attribution whereby certain defined 'Administrative' costs were allocated to the 'end service or function' according to a predetermined method based on the cost driver for a project or function and according to the type of administrative cost incurred. Where appropriate, costs have been allocated to capital functions and services.

The recovery amount and the attributed cost have been offset against each other in the Operating Statement.

Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

2. FUNCTIONS/ACTIVITIES OF THE COUNCIL

The activities relating to the Council's components reported on in Note 3 are as follows:

ADMINISTRATION

General and office operations not attributable to other specific activities, rates, general grants, human services, public functions, elections and elected members.

PUBLIC ORDER AND SAFETY

Dog control, fire protection, livestock impounding and general inspection.

HEALTH

Preventive services (immunisation), health inspections, other health services (community health).

SOCIAL SECURITY AND WELFARE

Aged home, senior citizens, other community organisations.

HOUSING AND COMMUNITY AMENITIES

Cemetery, public conveniences, sanitation and garbage, street cleaning, street lighting, town planning (development control), effluent drainage and other community projects.

PROTECTION OF THE ENVIRONMENT

Protection of the environment projects.

SPORT AND RECREATION

Halls, public library, parks and gardens, sport and recreation and swimming facilities.

MINING, MANUFACTURING AND CONSTRUCTION

Administration of building act and development act.

TRANSPORT AND COMMUNICATIONS

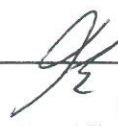
Road construction and maintenance, kerb and water table, footpaths, street trees, street furniture, traffic control, stormwater drainage, on-street parking control and bus services.

ECONOMIC AFFAIRS NEC

Tourism, visitor information centre and economic development.

OTHER PURPOSES NEC

Public debt transactions, plant operations, works depot, vandalism, asset management, geographical support, pest plants, other property, other services and private works.



Rural City of Murray Bridge

Financial Statement Notes for year ended 30 June 2004 Note 2A

Expenses and revenues have been attributed to the following functions/activities descriptions of which are set out in Note 2

	Administration		Public Order & Safety		Health		Social Security & Welfare		Housing & Community Amenities		Protection of Environment	
	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s
Expenses	3,189	(84)	179	301	146	104	3,437	2,972	1,615	2,516	139	16
Revenues												
- Grants	2,313	2,171	51	13	-	-	2,661	2,161	-	35	-	-
- Others	8,702	7,665	76	103	61	45	805	589	269	351	-	-
Total	11,015	9,836	127	116	61	45	3,466	2,750	269	386	-	-
Equity	(7,826)	(9,920)	(52)	(185)	(85)	(59)	29	(222)	(1,346)	(2,130)	(139)	(16)

	Sport & Recreation		Timing, Manufacturing & Constructi		Transport & Communications		Economic Affairs NEC		Other Purposes NEC	
	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s	30/06/04 \$'000s	30/06/03 \$'000s
Expenses	1,807	1,468	64	67	3,510	3,539	206	-	893	3,779
Revenues										
- Grants	279	384	-	-	1,500	645	-	-	-	-
- Others	125	68	56	-	145	140	12	-	264	1,392
Total	404	452	56	-	1,645	785	12	-	264	1,392
Equity	(1,403)	(1,016)	(8)	(67)	(1,865)	(2,754)	(194)	-	(629)	(2,387)

Total	
30/06/04 \$'000s	30/06/03 \$'000s
15,185	14,678
6,804	5,409
10,515	10,353
17,319	15,762
2,134	1,084

Change In Equity resulting from Operations

Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
3. EMPLOYEE COSTS		
Wages & Salaries	4,866,009	4,816,032
Superannuation Expenses	640,174	439,778
Leave Entitlement Provision	457,497	366,847
	<u>5,963,680</u>	<u>5,622,657</u>
Less: Amounts Capitalised		
Non-Current Assets Constructed by Council	1,022,248	363,483
	<u>4,941,432</u>	<u>5,259,174</u>
Actual payments to Employees per Payment Summaries	5,906,158	5,022,808
 4. CONTRACTUAL SERVICES		
Contractual services involve payments or liabilities for the external provision of services:		
Plant & Machinery	65,998	283,049
Contractors	2,151,303	2,228,887
Other	390,615	155,424
Operating Leases	247,221	230,700
	<u>2,855,137</u>	<u>2,898,060</u>
 5. MATERIALS		
Materials are payment or liability for physical goods including energy. They include:		
Energy		
- electricity	362,255	357,960
- fuel/lubricants	269,666	310,701
Water	73,297	108,028
Road Repair Materials	582,610	920,303
Other Materials	163,089	502,266
	<u>1,450,917</u>	<u>2,199,258</u>
 6. FINANCIAL CHARGES		
Finance Charges are the costs of financing councils activities and they include:		
Interest Payments		
LGFA	324,172	270,046
Banks	13,250	24,270
	<u>337,422</u>	<u>294,316</u>



Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
7. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation expense for the year was charged in respect of:		
Plant & Machinery	381,041	391,654
Office Equip, Furniture & Fittings	273,996	215,900
Library	98,400	106,400
Infrastructure	2,262,000	2,256,600
Buildings	328,140	300,800
Other	92,988	90,600
	<u>3,436,565</u>	<u>3,361,954</u>

8. OTHER EXPENSES

Other Expenses include all other expenses not included elsewhere. They include:


Insurances	476,273	407,276
Levies paid to governments	32,727	123,295
Communications	99,009	95,557
Members Expense	70,552	48,794
Bad Debts	147,717	164,637
Legal Fees	89,860	69,794
Donations	147,466	67,847
Rates & Taxes	-	75,776
Subscriptions	139,509	155,247
Bank Fees	44,444	39,414
Rates Rebates	584,138	
Others	331,308	
	<u>2,163,003</u>	

9. RATE INCOME

These are rates and charges charged against the property within the district as declared by Council.

They are made up of:

General Rates		8,316,676	7,279,433
Special Rates -	Riverglen	50,000	52,952
	Woodlane	27,018	17,482
Separate Rate -	Garbage Collection Bins	8,801	4,500
	Beautification Town Centre	-	79,218
		<u>85,819</u>	<u>154,152</u>



Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
10. STATUTORY CHARGES		
These are fees and charges from regulatory services. They include:		
Dog Act	69,360	90,384
Parking Regulations	3,829	8,376
Development Act	187,072	165,536
Health Act	42,303	36,993
Other	2,288	2,402
	<u>304,852</u>	<u>303,691</u>

11. USER CHARGES

User Charges are revenues from sale of goods and services or rent of property facilities. They include:

Aged Home Rentals	575,718	555,147
Cemetery Fees	78,896	77,360
Bus Fares	43,242	51,597
Swimming Pool	47,882	46,226
Property, Rentals & Hire	75,982	43,673
Others	81,223	
	<u>902,943</u>	

12. GRANTS & SUBSIDIES

These include all general and specific purpose grants from all Commonwealth and State Governments. They include:

Operating Grants

General Purpose Grants	2,256,535	2,051,840
Road Grants	275,509	260,560
Library Grants	49,267	109,713
Nursing Home Operating Grants	2,155,163	1,951,818
Bus Service	54,632	69,252
Aged & Related Service Grants	252,944	208,537
Crime Prevention	50,500	13,000
Other Grants	56,502	42,259
	<u>5,151,052</u>	<u>4,706,979</u>

Capital Grants

Road Grants	684,500	309,403
Parks & Gardens Grants	169,175	223,648
Stormwater Drianage Grant	485,705	-
Library Book Purchase Grant	61,037	-
Lerwin Expansion Grant	252,195	-
Other Capital Grants	-	168,758
	<u>1,652,612</u>	<u>701,809</u>

Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
13. REIMBURSEMENTS		
These are amounts received by council as payment for work done acting as an agent for third parties.		
They include:		
Reimbursement for Road works	44,237	99,960
Private Works	215,306	1,277,354
Insurance Reimbursement	31,342	52,347
Training Scheme Reimbursement	-	1,894
Home Help Project Reimbursement	2,281	1,355
Rates Charges	48,266	
Other	43,183	54,615
	384,615	1,487,525

14. OTHER INCOME

These are revenues not included elsewhere. They include:

Insurance Bonus	-	50,302
Donations	217,075	25,211
Transfer Leave Provision	7,416	
Others	56,237	
	280,728	

15. CASH

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at Bank and on Hand	96,187	136,204
Deposits At Call	1,647,156	2,141,681
Balance	1,743,343	2,277,885
Less: Bank Overdraft	-	-
Balances per Statement of Cash Flow	1,743,343	2,277,885



Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
16. RECEIVABLES		
Current		
Rates Receivable	492,850	569,180
Loans & Advances	4,776	9,080
Other Debtors	409,986	461,741
Accrued Income	281,081	-
ATO for GST Payments	139,294	225,551
	<u>1,327,987</u>	<u>1,265,552</u>
Less Provision for Doubtful Debts	82,000	268,615
	<u>1,245,987</u>	<u>996,937</u>
Non Current		
These include loans and advances to sporting clubs and other community groups.		
Loans & Advances	30,097	34,873
Less Provision for Doubtful Debts	-	-
	<u>30,097</u>	<u>34,873</u>
17. INVENTORIES		
Current		
Stores Fuel	1,084	1,285
Other Stores	99,300	144,168
	<u>100,384</u>	<u>145,453</u>
18. OTHER ASSETS		
Current		
Prepayments	155,310	388,918
	<u>155,310</u>	<u>388,918</u>
19. CREDITORS		
Current		
Creditors	1,079,411	1,305,662
Accrued Expenses	227,784	199,333
Amounts Received in Advance	291,547	64,833
	<u>1,598,742</u>	<u>1,569,828</u>

Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
20. PROVISIONS		
Current		
Annual Leave	325,000	319,969
Long Service Leave	<u>100,000</u>	<u>149,976</u>
	<u>425,000</u>	<u>469,945</u>
Non Current		
Annual Leave	126,539	70,000
Long Service Leave	<u>413,978</u>	<u>366,020</u>
	<u>540,517</u>	<u>436,020</u>
21. LOANS		
Current		
Secured Loans	707,876	748,138
Finance Leases	<u>85,826</u>	<u>112,984</u>
	<u>793,702</u>	<u>861,122</u>
Non Current		
Secured Loans	3,784,193	4,492,075
Finance Leases	<u>27,142</u>	<u>112,999</u>
	<u>3,811,335</u>	<u>4,605,074</u>
22. PROPERTY, PLANT & EQUIPMENT		
Land		
At Independent Valuation at 30 June 2000	11,417,137	11,417,137
Plus purchases at cost	<u>837,838</u>	<u>790,468</u>
	<u>12,254,975</u>	<u>12,207,605</u>
Buildings		
At Independent Valuation at 30 June 2000	10,302,563	10,302,563
Plus purchases at cost	1,489,695	850,329
Less Accumulated Depreciation	<u>1,366,421</u>	<u>1,038,281</u>
	<u>10,425,837</u>	<u>10,114,611</u>
Infrastructure		
At Independent Valuation at 30 June 2000	49,049,412	49,049,412
Plus purchases at cost	8,547,679	5,261,925
Less Accumulated Depreciation	<u>9,169,100</u>	<u>6,907,100</u>
	<u>48,427,991</u>	<u>47,404,237</u>
Plant & Equipment		
At Independent Valuation at 30 June 2000	1,626,000	1,626,000
Plus purchases at cost	1,924,290	1,358,009
Less Accumulated Depreciation	<u>1,031,778</u>	<u>962,157</u>
	<u>2,518,512</u>	<u>2,021,852</u>

Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
Office Equipment & Furniture & Fittings		
At Independent Valuation at 30 June 2000	776,130	776,130
Plus purchases at cost	900,863	808,940
Less Accumulated Depreciation	<u>949,496</u>	<u>675,500</u>
	<u>727,497</u>	<u>909,570</u>
Library		
At valuation plus cost	1,179,321	1,179,321
Plus purchases at cost	249,439	182,926
Less Accumulated Depreciation	<u>1,174,148</u>	<u>1,075,748</u>
	<u>254,612</u>	<u>286,499</u>
Other Non Current Assets		
At Independent Valuation at 30 June 2000	572,950	572,950
Plus purchases at cost	2,468,203	2,109,760
Less Accumulated Depreciation	<u>325,288</u>	<u>232,300</u>
	<u>2,715,865</u>	<u>2,450,410</u>

Independent valuation undertaken by Graham L Martin B.Bus (Prop) AAPI Certified Practicing Valuer of Maloney Field Services as at the 30th June 2000 and in accordance with AAS27 Accounting Standard.

23. SUPERANNUATION.

The council contribute in respect of its employees to a defined benefit superannuation plan established in respect of all municipalities in the State. In accordance with statutory requirements, the Council contributes to the Local Government Superannuation Scheme ("the scheme") amounts determined by the plan actuary. As such, assets accumulated in the scheme to meet members' benefits as they accrue. If the assets of the scheme were insufficient to satisfy benefits payable to its beneficiaries, the Council would be required to meet its share of the deficiency. The audited general-purpose financial report of the scheme as at 30 June 2003, which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits. No liability of the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees.

The general-purpose financial report of the scheme discloses that the most recent actuarial assessment of the plan was undertaken as at 30 June 2002 by LC Brett, BSc., FIA, FIAA and that the actuary indicated that without improvements to benefit conditions, or other unanticipated events, current Council contribution rates for contributory member are sufficient to meet members' benefits as they accrue.

The amount of superannuation contributions paid by the Council during the year was: \$ 626,503 (2002/2003 \$ 439,778).

Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
24. CAPITAL COMMITMENTS		
At the reporting date, the Council had the following obligations under non-cancellable contracts (these are not recognised as a liability):		
Not longer than one year	4,845,971	-
Longer than 1 year but not longer than 2 years	-	-
Longer than 2 year but not longer than 5 years	-	-
Longer than 5 years	-	-
	4,845,971	-

25. FINANCE LEASE COMMITMENTS		
At the reporting date, the Council had the following obligations under finance leases (the sum of which is recognised as a liability after deduction of future lease finance charges included in the obligation):		
Not longer than one year	91,815	127,182
Longer than 1 year but not longer than 2 years	28,227	91,818
Longer than 2 year but not longer than 5 years	-	28,226
Longer than 5 years	-	-
	120,042	247,226
Minimum lease payments	7,074	21,244
Less future finance charges	112,968	225,982
Lease Liability		

26. OPERATING LEASE COMMITMENTS		
At the reporting date, the Council had the following obligations under non-cancellable operating leases (these are not recognised as a liability):		
Not longer than one year	129,625	86,256
Longer than 1 year but not longer than 2 years	84,275	79,893
Longer than 2 year but not longer than 5 years	112,451	35,856
Longer than 5 years	1,008	-
	327,359	202,005

27 CONTINGENT LIABILITIES
 A wrongful dismissal claim has been brought against council. The action is being defended and is due to go to arbitration in October 2004.



Financial Statement Notes for year ended 30 June 2004

	2003/2004	2002/2003
	\$	\$
28 RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO CHANGE IN NET ASSETS RESULTING FROM OPERATIONS		
Change in Net Assets resulting from Operations	2,134,254	1,084,249
Items not involving cash:		
Depreciation	3,436,565	3,361,954
Loss (Gain) on Disposal	(92,146)	(66,303)
Bad and Provision for Doubtful Debts	(186,615)	115,320
Capital Grants	(1,652,612)	(701,809)
Changes in Operating Assets & Liabilities		
Decrease (Increase) in Receivables	(66,739)	(405,509)
Increase (Decrease) in Creditors	28,914	614,840
Increase (Decrease) in Provisions	59,552	63,827
Decrease (Increase) in Inventories	45,069	8,191
Decrease (Increase) in Prepayments	233,608	(347,818)
	<u>3,939,850</u>	<u>3,726,942</u>

Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

29. FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest Rate Risk Exposure

The council's exposure to interest risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below. Exposure arises predominantly from assets and a liability is set out below. Exposures arise predominantly from assets and liabilities at variable interest rates as council intends to hold fixed rate assets and liabilities to maturity.

	<u>Weighted Average Interest Rate</u>	<u>Floating Interest Rate</u>	<u>Fixed Interest Rates</u>			<u>Non Interest Bearing</u>	<u>Total</u>
			<u>1 year or less</u>	<u>1 to 5 Years</u>	<u>> 5 years</u>		
2003/2004							
Financial Assets							
Cash	0.25%	94,787				1,400	96,187
Deposits	5.00%	1,647,156					1,647,156
Receivables	0.30%		4,776	5,227	24,870	960,130	995,003
		<u>1,741,943</u>	<u>4,776</u>	<u>5,227</u>	<u>24,870</u>	<u>961,530</u>	<u>2,738,346</u>
Financial Liabilities							
Overdraft							-
Borrowing - Debetures	6.50%		707,876	1,746,373	2,037,820		4,492,069
Lease Liabilities	7.74%		85,826	27,142			112,968
Creditors & Accruals						1,624,287	1,624,287
		<u>-</u>	<u>793,702</u>	<u>1,773,515</u>	<u>2,037,820</u>	<u>1,624,287</u>	<u>6,229,324</u>
2002/2003							
Financial Assets							
Cash	0.25%	134,804				1,400	136,204
Deposits	4.50%	2,141,681					2,141,681
Receivables	0.30%		9,080	10,003	24,870	987,856	1,031,809
		<u>2,276,485</u>	<u>9,080</u>	<u>10,003</u>	<u>24,870</u>	<u>989,256</u>	<u>3,309,694</u>
Financial Liabilities							
Overdraft	6.15%						-
Borrowing - Debetures	6.75%		748,138	2,217,510	2,274,565		5,240,213
Lease Liabilities	7.60%		112,983	112,999			225,982
Creditors & Accruals						1,569,828	1,569,828
		<u>-</u>	<u>861,121</u>	<u>2,330,509</u>	<u>2,274,565</u>	<u>1,569,828</u>	<u>7,036,023</u>

(b) Credit Risk Exposures

Credit risk represents the loss that would be recognised if other parties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the council which have been recognised in the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debt.

The Council does not have significant exposure to any concentration of credit risk.

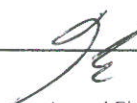
The net fair value of other monetary assets and financial liabilities is based on market prices where a market exists or be discounting expected future values by the current interest rates for assets and liabilities with similar risk properties.

Cash flows are discounted using standard valuation techniques and the applicable market yield having regard to the timing of cash flows. The carrying amount of bank term deposits, accounts receivable, accounts payable and bank loans approximate fair value.

(c) Net Fair Value of Financial Assets and Liabilities

The net fair Value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

Due to the nature of the financial instruments held by council, the costs associated with their settlement would not be material and therefore have not been considered.



Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

30. COMPARISON OF BUDGET AND ACTUAL RESULTS (OPERATING)

	Actual 2003/2004		Budget 2003/2004	
	\$	\$	\$	\$
OPERATING REVENUE				
Rates				
- General	8,316,676		7,500,000	
- Other	85,819		67,000	
Statutory Charges	304,852		350,000	
User Charges	902,943		800,000	
Operating Grants and Subsidies	5,151,052		7,000,000	
Investment Income	147,287		100,000	
Reimbursements	384,615		1,400,000	
Gain on Disposal of Non - Current Assets	92,146		-	
Commercial Activity Revenue	-		-	
Other	280,728		4,000,000	
TOTAL OPERATING REVENUE		15,666,118		21,217,000
OPERATING EXPENSES				
Employee Costs	4,941,432		5,500,000	
Contractual Services	2,855,137		3,000,000	
Material	1,450,917		2,300,000	
Financial Charges	337,422		300,000	
Depreciation	3,436,565		3,700,000	
Loss on Revaluations	-		-	
Loss on Disposal of Non - Current Assets	-		-	
Other	2,163,003		4,200,000	
TOTAL OPERATING EXPENSE		15,184,476		19,000,000
Operating Surplus/(Deficit) before Capital Revenues		481,642		2,217,000
CAPITAL REVENUES				
Capital Grants, Subsidies and Monetary Contributions		1,652,612		200,000
Physical resources received free of charge				
Operating Surplus/(Deficit) after Capital revenues and before Extraordinary Items		2,134,254		2,417,000
Extraordinary Items		-		-
Net Surplus/(Deficit) resulting from Operations		2,134,254		2,417,000

Rural City Of Murray Bridge

Financial Statement Notes for year ended 30 June 2004

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, DAVID JOHN ALTMANN, the person for the time being occupying the position of CHIEF EXECUTIVE OFFICER of the RURAL CITY OF MURRAY BRIDGE do hereby state that the financial Statements for the council for the 2003/2004 financial year 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.



Signed

11/10/2004

Date

ADOPTION STATEMENT

Laid before the RURAL CITY OF MURRAY BRIDGE COUNCIL
and adopted on the 25-10-04



Signed

27-10-04

Date

INDEPENDENT AUDIT REPORT TO THE MAYOR AND COUNCILLORS OF THE RURAL CITY OF MURRAY BRIDGE

Scope

I have audited the financial statements of the Rural City of Murray Bridge for the financial year ended **30 June 2004** as set out on pages **1 - 22**.

The Chief Executive Officer is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial statements, and the evaluation of accounting policies and significant accounting estimates.

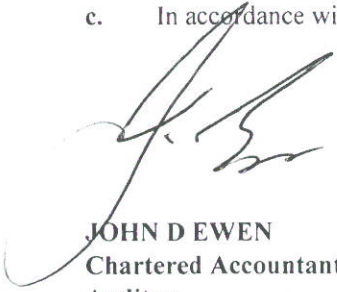
These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Concepts and Standards and the Local Government Act 1999, so as to present a view of equity which is consistent with my understanding of its financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial statements of the Rural City of Murray Bridge are properly drawn up:

- a. So as to give a true and fair view of:
 - (i) The Council's state of affairs as at 30 June 2004 and its operating result for the year ended on that date; and
 - (ii) The other matters required by chapter 8 of the Local Government Act 1999 and the Local Government Act 1999 to be dealt with in the accounts;
- b. In accordance with the provisions of the local government Act 1999 and the Local Government (Financial Management) Regulations 1999; and
- c. In accordance with Statement of Accounting Concepts and applicable Accounting Standards.


JOHN DEWEN
Chartered Accountant
Auditor

14 October 2004
Adelaide