



The Honourable John Robertson, MP
Minister for Climate Change and the Environment
Level 30
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

4 November 2009

Dear Minister,

We have great pleasure in presenting the Annual Report for the Murray Catchment Management Authority. This Report covers the period of the financial year, 1 July 2008 - 30 June 2009.

This Report has been prepared in accordance with section 17 of the *Catchment Management Authorities Act 2003*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Annual Reports (Statutory Bodies) Regulation 2000*, for submission to Parliament.

The report details the activities, achievements and relevant statutory and financial information for the Murray Catchment Management Authority.

Yours sincerely,

Alexandra Anthony
Chairperson, Murray CMA

Sally Dye
Board Member, Murray CMA

David Leslie
General Manager, Murray CMA

Vision

“A Healthy Murray Catchment”



Mission

“The Authority provides leadership in conserving, repairing and renewing our catchment’s natural resources.

We develop meaningful partnerships with others and, by embracing a learning culture, we develop programs that strive to achieve healthy landscapes and strong communities”

About This Document

In October 2003 the NSW Premier announced the NSW natural resource management reform package based primarily on the recommendations of the Native Vegetation Reform Implementation Group. A key component of the reform package was the establishment of thirteen Catchment Management Authorities within NSW. These Authorities were formally established on 23 January 2004 with the introduction of the *Catchment Management Authorities Act 2003*.

In accordance with section 17(1) of the *Catchment Management Authorities Act 2003*, this document is the Annual Report of the Murray Catchment Management Authority.

100 copies printed at a cost of \$5,019.30

This report is available on the Murray CMA website: www.murray.cma.nsw.gov.au

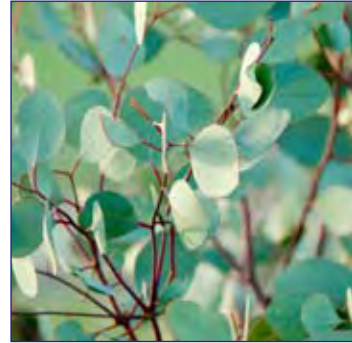


Photo Acknowledgements

Images in this report have been provided by the Murray Catchment Management Authority.



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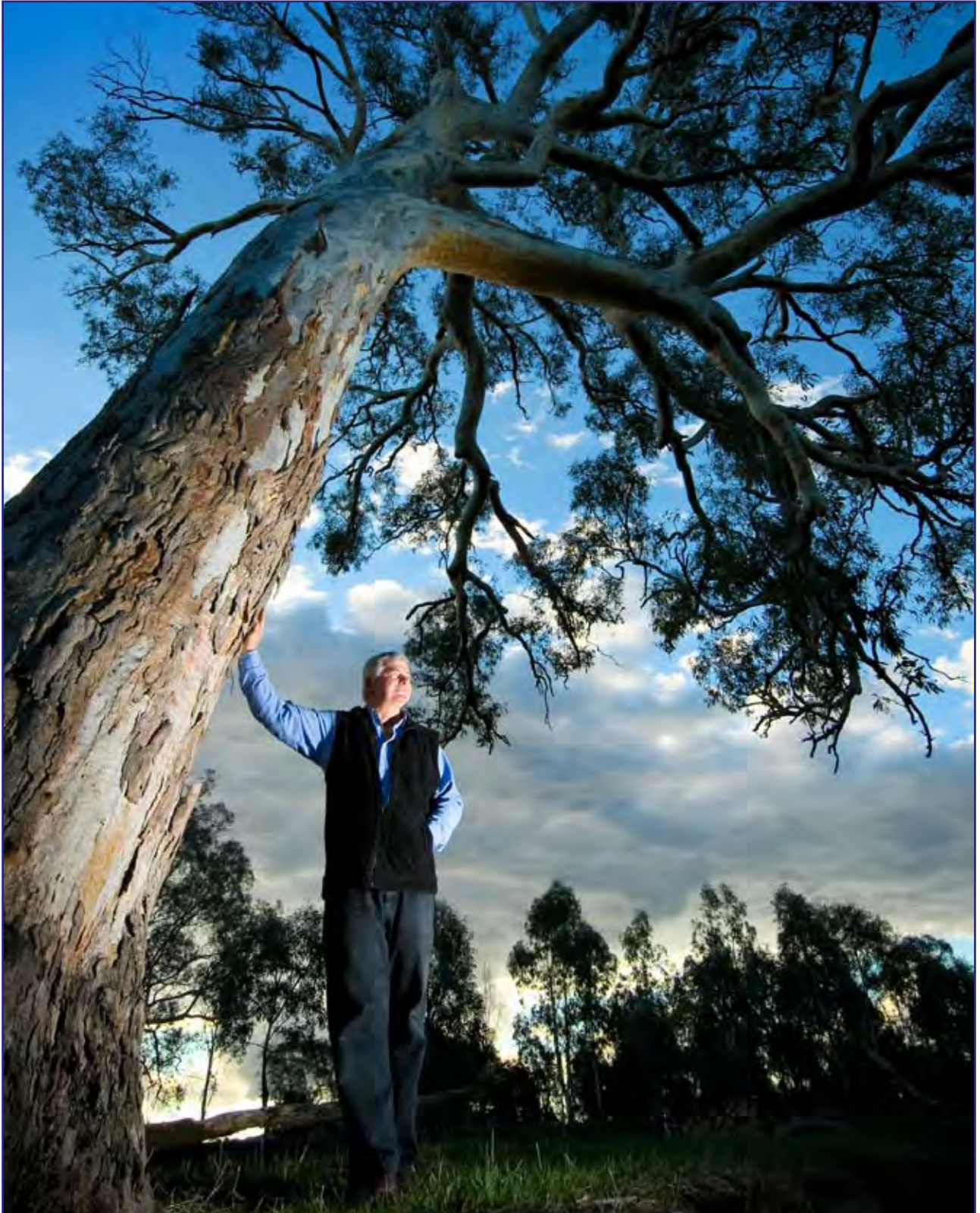
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Corporate Overview

1. What is the Murray Catchment Management Authority

The Murray Catchment Management Authority was established in 2004 under the Catchment Management Authorities Act 2003 (CMA Act). It is a statutory body that coordinates natural resource management in the NSW Murray Catchment and ensures that regional communities have a significant say in how natural resources are managed.



2. The Role of Catchment Management Authorities

Catchment Management Authorities were established to engage regional communities in the key natural resource management issues facing their catchments. They are the primary vehicle for the delivery of incentive programs funding. The funding by both the State and Commonwealth Government's seek to restore and improve the State's natural resources.

The specific functions of CMAs as described in section 15 of the Catchment Management Authorities Act 2003, are:

- to develop Catchment Action Plans (CAP) and to give effect to any such approved plans through Annual Implementation Programs;
- to provide loans, grants, subsidies or other financial assistance for the purposes of the catchment activities it is authorised to fund;
- to enter contracts or do any work for the purposes of the catchment activities it is authorised to carry out;
- to assist landholders to further the objectives of its CAP (including providing information about native vegetation);
- to provide educational and training courses and materials in connection with natural resource management, and;
- to exercise any other function relating to natural resource management as is prescribed by the regulations.



3. The Murray Catchment Area of Operations

The NSW Murray Catchment is bounded by the Murray River to the south, the Murrumbidgee River catchment divide to the north, the Australian Alps to the east, and the confluence of the Murrumbidgee and Murray Rivers to the west (Figure 1). The Catchment spans an area of 35,170 square kilometres.

The Catchment has significant natural and developed resources of a state and national significance. The natural features include the Kosciuszko National Park, the Murray River (its associated anabranches, floodplains and wetlands), the red gum forests of Barmah-Millewa (the largest natural red gum forest in the world); and the Koondrook-Perricoota and Werai Forests.

The Murray Catchment also has significant areas of endangered ecological communities, remnant terrestrial and aquatic vegetation that provide habitat for a range of threatened species including birds, plants, mammals and amphibians.

The Catchment has supported the Indigenous Nations of the Wiradjuri, Yorta Yorta, Perrepa Perrepa, Wamba Wamba, Wadi Wadi and Muthi Muthi.

Three distinct physiographic regions that are closely related to the underlying geology occur in the Murray Catchment: the Upper Murray, the South West Slopes and the Riverine Plains regions. Almost 80% of the catchment has been developed for agriculture or plantation forestry.

The resources of the Catchment support a highly developed, vibrant and diverse agricultural sector (grazing, cropping, irrigation, forestry and horticulture being predominant), a population of over 100,000 people, and a rural land capital value of about \$2.1 billion. The Catchment plays a significant role in Australia's agricultural production with an annual farm gate value in excess of \$800 million. Around 60% of the land within the Catchment is in private ownership.

The key natural resource management issues in the Murray Catchment include:

- declining water availability and quality
- dryland and irrigation salinity
- soil acidification & declining soil health
- loss of biodiversity
- native vegetation decline

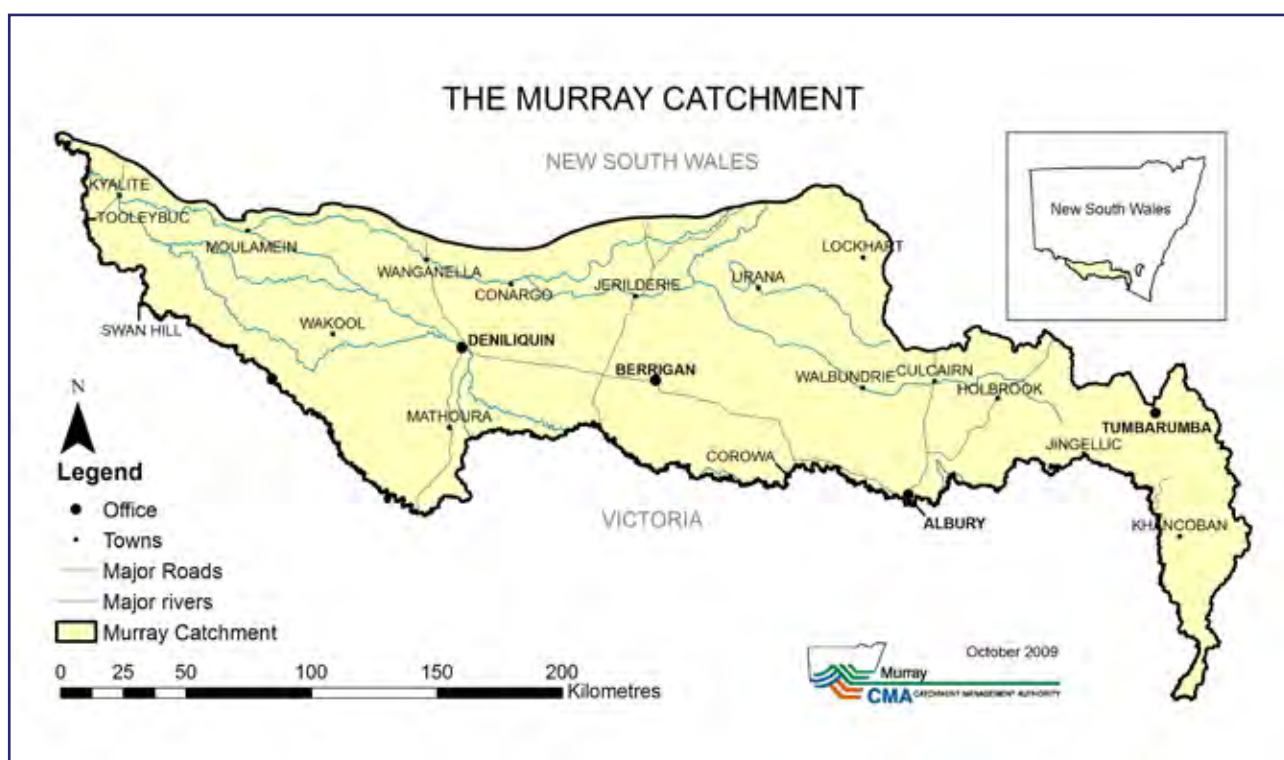


Fig 1. The Murray CMA Area of Operations

4. Chair's Report

The 2008/2009 year presented renewed opportunities for the Murray Catchment Management Authority (Murray CMA) to work towards achieving the Murray Catchment Action Plan targets.

We collaborated with numerous partners – landholders, government agencies and other organisations - to achieve natural resource management (NRM) improvements and increase the capacity and knowledge of members of our community involved with the natural environment.

This year the Murray CMA entered a new funding phase for delivering NRM programs with the commencement of the Australian Government's Caring for our Country program. This funding, which complements the NSW Government's Catchment Action NSW program, allowed us to continue to achieve significant onground improvement and deliver against the NSW State Plan E4 targets and the Caring for our Country Business Plan targets.

Many of our internal activities for the year have focused on the review, response and the progress of our organisation. The Murray CMA has undertaken a number of audits, both internally and externally within the past year. This has resulted in the Murray CMA embracing an adaptive management or "lessons learnt" approach to all of its operations. An example is the introduction of a market based approach to our annual onground incentives program, which has resulted in greater value for investment and multiple outcomes.

In early 2009 the Board commenced the development of its 2009-2013 Murray CMA Strategic Plan which provides future direction for the organisation. A shift in direction is outlined in the Plan signaling that with less funding available to spend on-ground, a major role for the CMA is to build capacity and knowledge within our catchment communities to enable them manage change more effectively.

Our catchment remains in the grip of a long dry spell which is placing pressure on the natural environment as well as our catchment communities. This is overlaid with significant policy change from governments, particularly in relation to water. The Australian government's Water for the Future program will potentially impact on many

areas of our catchment. This presents an opportunity for the Murray CMA to work with communities in preparation for change. We are preparing programs to work with local government and others to assist communities adjust to a future with reduced water availability from both purchasing programs and changing climate.

This year we have conducted many successful forums and activities to engage our communities. A highlight was the Murray CMA NRM Awards held in Corowa. This was a celebration of the commitment, innovation and enthusiasm of our community. We congratulate all nominees and our winners. These worthy recipients will feature in Murray Place Stories, an innovative web-based site which will pay tribute to their efforts and hopefully inspire others.

There have been a number of changes during the year with regard to governance. I was appointed as Chair of the Board in November 2008, taking on the role from Timothy Sheed who had been leading the organisation in an acting capacity for some time. My thanks go to Tim for his commitment and leadership. The Board membership also changed in late 2008 with Paul Trevethan not seeking re-appointment and the appointment of two new members in Judy Wettenhall from Holbrook and Angus Macneil from Rand. I would like to recognise and thank Paul for his efforts and commitment to improving natural resource management in the catchment over a long period.

I thank the Board members for their effort and commitment. I particularly thank the General Manager, David Leslie who has implemented much of the change throughout the organisation and led his team of capable and enthusiastic staff to achieve so much. Well done team.

I look forward to continuing to work towards our vision of 'a healthy Murray catchment' in the 2009/10 year.



Alexandra Anthony
Chair

5. General Managers Report

Overview

This Annual Report has been prepared to account for the investment of public funds in natural resource management by the Murray CMA during 2008/09. It contains four financial statements for the year ended 30 June 2009:

- Income Statement
- Statement of Recognised Income and Expense
- Balance Sheet
- Cash Flow Statement

The 2008/09 year marked the first year of investment under the Australian Government's Caring for our Country initiative and the State Government's Catchment Action NSW program. It also marked the last year of significant targeted investment in dryland and irrigation salinity mitigation in the Murray catchment.

Continuation of the drought has seen climate variability exacerbate over an exceptionally long period. Despite these challenges, landholders continued to partner effectively with the Murray CMA to improve the catchment's natural resources across five incentive areas. Work to develop and implement this market-based instrument took place during a busy nine-month period, and all staff demonstrated outstanding levels of commitment and innovation in its delivery.

Achievements

During 2008/09 the Murray CMA invested a total of \$20.378 million in natural resource management, of which \$15.016 million (almost 75%) went directly into on-ground or related works.

By introducing a market-based instrument, whereby landholder applications were competitive, the Murray CMA had outstanding results, significantly exceeding its milestones for on-ground works in all but one area.

The Biodiversity and Aquatic Habitat Conservation incentive was highly successful, with a ten-fold increase in remnant vegetation protected, and targets for stream banks exceeded by 5 fold, and wetlands by nearly 3 fold.

Biodiversity and Aquatic Habitat Conservation Incentive

\$1,052,169 invested in the protection and sustainable management of healthy native vegetation areas across the Murray catchment.

16 projects funded resulting in the protection and enhancement of:

- 3261 ha remnant
- 154km streambank protected
- 416ha wetlands protected

Cultural Heritage Incentive

\$78,770 invested in the protection and conservation of Aboriginal cultural heritage:

- 5 projects funded to undertake archaeological surveys and management plans.
- 2 sites with on-ground works to protect areas of cultural heritage.

Slopes to Plains Soil Health Incentive

\$290,235 invested in the improvement of soil condition and the maintenance of groundcover above critical levels in the Western catchment through the adoption of Conservation Agriculture cropping practices.

- 29 projects funded
- improved land management practices on 25,244 ha.

Eastern Murray Dryland Salinity Incentive

\$183,158 invested in increasing the area under perennial pastures in high salinity recharge areas

- 27 projects funded
- 1,753 ha of perennial pastures.

Eastern Murray Erosion and Riparian Restoration Incentive

\$708,611 invested in the rehabilitation of:

- 54.6 km of actively eroding gullies
- 37.7km greenfield streambank riparian zone protected
- 2,000 ha of catchment protected from soil erosion.

Other significant achievements in 2008/09:

(Details given in Section 9)

- The Salinity Exchange: Reinvigorating the Conversation conference hosted by the Murray CMA
- SedNet modelling for the Murray Catchment
- Multi Criteria Analysis for the South West Slopes
- Dust-Watch Project
- Meeting in the Middle – Soil Health
- Climate Change and Carbon Forums
- Carbon Futures Project
- Inaugural Murray Catchment NRM Awards
- Property Vegetation Plans
- Rehabilitation of Habitat for a Threatened Species (Booroolong Frog) in the Upper Murray
- Yanco Creek and Tributaries Advisory Committee (YACTAC) Willow Removal

Outlook for 2009/10 and beyond

The NSW Government has confirmed its commitment to regional natural resource management by extending its Catchment Action NSW program to 2012/13. The 2009/10 allocation to Murray CMA is \$1.851 million, with funding for the forward years subject to normal Budget processes.

An annual allocation of \$118,000 for the next four years has also been provided for the Murray LWMPs, which will complete the remaining NSW commitment to these plans.

Under the Australian Government's Caring for our Country initiative, the Murray CMA has been offered funding of \$12.750 million between 2009/10 and 2012/13. This effectively commits 80% of the Authority's base-level funding of \$4.015 million/year. The remaining (or uncommitted) funding will be used to target national priorities outlined in subsequent business plans.

While forecast expenditure of \$10.425 million in 2009/10 represents a further significant reduction in investment levels compared with previous years, similar levels of investment are anticipated during the next three years. Reductions since 2007/08 are mainly associated with diminishing levels of carryover funding from previous funding programs, and reduced funding from the Australian Government to the Murray Land and Water Management Plans.

A market-based instrument will again be used to deliver on-ground incentives in 2009/10. Lessons learned from 2008/09 will inform the design of the current program.

Reduced water availability will also have a significant impact on the Murray catchment's natural, social and economic capital. A significant challenge for the Authority will be to exert greater influence on water management decisions, particularly given the increasing likelihood of a step change reduction in future water availability.

Contributing effectively to the development and implementation of the new Murray-Darling Basin Plan, due for release in 2011, will be a high priority. The Australian Government's Water for the Future program provides some opportunity for greater collaboration with decision-makers and water-dependent communities, but other funding avenues will also need to be explored.

Effective implementation of the Murray Catchment Action Plan and responding to audit recommendations developed by the Natural Resources Commission will continue to be a priority.

A formal revision of the Murray CAP is planned in 2010/11. Additional focus will also be placed in more effectively engaging with Landcare, indigenous and local government stakeholders, and providing participatory learning opportunities for natural resource managers.



David Leslie
General Manager

6. The Murray Catchment Management Authority Board

The Murray CMA is governed by a Board comprising a Chair and up to six Board Members, all residents of the Catchment, who provide a range of experience, skills and knowledge in areas such as primary production, biodiversity conservation, business administration and governance.

The Murray CMA Board has three roles:

- To act in an advisory capacity to the Minister for Climate Change and the Environment. This role involves submission of a Catchment Action plan; ensuring regional environmental standards; advising on natural resource planning; and advising on all natural resource management programs in the region.
- A governing role, which involves setting strategic direction for the CMA; stakeholder liaison; developing and maintaining strong community educational programs; monitoring, evaluation and reporting of outcomes; and driving the implementation of existing catchment blueprints.
- Approving the Murray CMA annual budget; ensuring statutory compliance, managing risk, approving the prioritisation of on-ground investment programs and selecting and evaluating the performance of the General Manager.

Membership

At 30 June 2009, the Board comprised a Chair and six Board members. One Board member's term of appointment expired during the 2008/09 period. The details of all members of the Board of the Murray CMA are set out below.

Alexandra Anthony

MAICD

CMA Board member since
31 October 2007

Appointed Chair of the
Murray CMA:

7 November 2008

Term of office:

Appointed to 30 June 2011



Skills & Experience

Alex is a landholder in the Moulamein district and has been actively involved in natural resource management, primary production and community issues for many years.

Alex joined the Murray CMA Board in October 2007 and was appointed Chair of the Murray one year later. She has a strong interest in enabling the community to embrace change. During 2008 Alex completed the Certificate in Directors Essential training through the Australian Institute of Company Directors (AICD) and in 2009 completed a NSW Native Vegetation training program.

External Memberships

- Murray Irrigation Ltd Member/Director (to Nov 2008)
- Murray Darling Basin Commission Community Advisory Committee member (to Oct 2008)
- Rice Growers' Association (Wakool branch) Secretary
- NSW CMA Chairs Council member
- State Water Customer Service Committee member

Murray CMA Committee Membership

- Community and Implementation (to Feb 09)
- Landscapes (to Feb 09)
- Water (to Feb 09)
- Audit and Risk Management

Board Portfolios

- Communication
- Climate Change

Tim Sheed

CMA Board member since
5 November 2005

Acting Chair from 10 August 2007
to 7 November 2008

Term of Office:
appointed to 31 May 2010



Skills and Experience

Tim works as a consultant based in Jerilderie and has worked as a chief engineer in commercial radio broadcasting before studying Agricultural Science and managing the family property at Jerilderie. Tim is active in the Jerilderie area and is a Councillor on the Jerilderie Shire Council. He also has a strong interest in regional development holding positions on various regional and state committees.

External Memberships

- Jerilderie Shire Council
- Murray Regional Development Board, Chairman

- Regional Development Council (NSW), Chairman
- Regional Communities Consultative Council
- Murray River Crossings Group, Chairman

Murray CMA Committee Membership

- Resources and Remuneration (to Feb 09)
- Water (to Feb 09)

Board Portfolios

- Water

Sally Dye

CMA Board Member since

6 March 2006

Term of office:

Appointed to 31 October 2009

Skills & Experience

Sally is a landholder on the Edward River between Deniliquin and Moulamein where she and her husband graze sheep for meat and wool production and produce irrigated cereal crops. She has a long standing interest in all natural resource management issues through both local government and community groups, and believes that for successful environmental outcomes to be achieved it is essential to have planning at a local level to engage stakeholders, and then to ensure practical and equitable implementation. She was a member of the original Murray CMA Local Establishment Team and her particular interests lie with biodiversity, threatened species and river health.

External Memberships

- Conargo Shire Council – Deputy Mayor
- Yanco Creek and Tributaries Advisory Council (YACTAC)- delegate
- Central Murray Floodplain Management Plan Committee and Environmental Subcommittee
- North Conargo Land Management Group

Murray CMA Committee Membership

- Landscapes Committee (to Feb 09)
- Water Committee (to Feb 09)
- Audit and Risk Management Committee- Chair

Board Portfolios

- Biodiversity



Jonathan Howard

PhD. Grad Dip Nat Res, Grad Dip
Bus Mgt.B Env. Sc.,

CMA Board Member since

5 May 2004

Term of office:

Appointed to 31 May 2010

Skills & Experience

Jonathon owns a small farm in Jindera and has been actively involved in catchment management and natural resource management for over twenty years. Jonathon works at Charles Sturt University where he teaches in natural resource management and leads the social science research team within the Institute of Land, Water and Society. His own research focuses on the social psychology of water management including policy development and justice in water planning

External Memberships

- NSW Nature Conservation Trust
- Institute of Land, Water and Society Executive
- Inland Rivers Network Inland Rivers Network
- Bowna Arm Landcare Group
- Australian Association for Environmental Education

Murray CMA Committee Membership

- Community and Implementation (to Feb 09)
- Remuneration and Resources (to Feb 09)

Board Portfolios

- Policy

Brian Sharp JP

CMA Board member since

5 May 2004

Term of office:

Appointed to 31 May 2010

Skills & Experience

Brian has been involved in natural resource management for a number of years including membership of the NSW Murray Catchment Committee, the Murray Catchment Management Board, the Central Murray Floodplain Management Committee, Gulpa Creek Management Committee and Moama Floodplain Management Committee.



Brian is currently a member of the Murray Darling Association and served as President for three years. He is a former executive member of the NSW Shires Association.

External Memberships

- Murray Shire – Mayor
- Former executive member NSW Shires Association
- Member of Riverina and Murray Regional Organisations of Councils

Murray CMA Committee Membership

- Community & Implementation (to Feb 09)
- Audit & Risk Management

Board Portfolios

- Community Participation

Judy Wettenhall

B.RurSci (Hons)

CMA Board member since
1 December 2008
Term of office:
Appointed to 30 November 2011



Skills & Experience

Judy owns and operates a mixed farming business with her husband, in the Holbrook District and is actively involved in community issues. Prior to this Judy was involved with the NSW Department of Agriculture, providing extension support to the rice industry based in Deniliquin. Judy is actively involved in the volunteer sector and is Chair of the Greater Southern Area Health Service's local advisory committee in the Holbrook district. Judy is also a teacher at the Holbrook Primary School. In 2009 she completed a NSW Native Vegetation training program. She has concerns and interests in NRM in the challenging climate change situations confronting communities.

External Memberships

- Chair Greater Southern Area Health Local Advisory Committee – Holbrook district

Board Portfolios

- Implementation

Angus Macneil

CMA Board Member since 1
December 2008
Term of Office: Appointed to 30
November 2011



Skills and Experience

Angus Macneil joined the Murray CMA Board in December 2008 after an extensive period on the Board and Executive Council of the NSW Farmers Association. Angus operates his family's wheat and sheep farm near Rand where he is actively involved in many community activities. His experiences in the agri-politics sector and with many rural groups have allowed him an appreciation of the issues facing sustainable land use. During 2009 Angus completed a NSW Native Vegetation training program.

Board Portfolio

- Land

Paul Trevethan

AM, B Sc Agr, M Agr Sc

CMA Board Member since
5 May 2004
Term of office:
Expired 5 November 2008



Skills & Experience

Before farming at Howlong, Paul was a commissioned officer with the Australian Army, worked with the Shell Group of Companies in research and development and taught at secondary and tertiary levels. From 1999 he has served as a community/industry advisor to state and federal governments on matters relating to resource management and aquaculture. His family's efforts in primary production were recognised as the winner of the NSW Farmers Bicentennial Conservation Farmer of the Year in 1988 and presentation of the McKell Medal in 1999. Paul was an elected member of local government for eight years and is a graduate of the Australian Rural Leadership Program.

Murray CMA Committee Membership

- Landscapes (to Nov 08)
- Water (to Nov 08)

Attendance at Board and Committee Meetings during the year ended 30 June 2009

Meeting No.	Alex Anthony	Tim Sheed	Sally Dye	Jonathon Howard	Brian Sharp	Paul Trevethan	Judy Wattenhall	Angus Macneil
39, 9 July 08	Y	N	Y	Y	Y	Y	NA	NA
40, 13 Aug 08	Y	Y	Y	Y	Y	Y	NA	NA
41, 16 Sep 08	Y	Y	Y	Y	Y	Y	NA	NA
42, 8 Oct 08	Y	Y	Y	Y	Y	Y	NA	NA
43, 12 Nov 08	Y	NA	Y	NA	NA	R	NA	NA
44, 12 Dec 08	Y	NA	Y	NA	NA	R	NA	NA
45, 18 Feb 09	Y	Y	Y	Y	Y	R	Y	Y
46, 15 Apr 09	Y	Y	Y	Y	Y	R	Y	Y
47, 17 June 09	Y	Y	Y	Y	Y	R	Y	Y

R = retired

NA = Not appointed at this date

Board Strategy Meetings

Meeting No.	Alex Anthony	Tim Sheed	Sally Dye	Jonathon Howard	Brian Sharp	Judy Wattenhall	Angus Macneil
1, 18 Mar 09	Y	Y	Y	Y	Y	Y	Y
2, 20 May 09	Y	Y	Y	Y	Y	Y	Y

Audit & Compliance Committee

Meeting No.	Alex Anthony	Sally Dye	Brian Sharp
7, 14 Oct 08	Y	Y	N
8, 24 Nov 08	Y	Y	NA

Audit & Risk Management Committee

Meeting No.	Alex Anthony	Sally Dye	Brian Sharp
1, 16 Feb 09	Y	Y	Y

Board Committees

At 1 July 2008, the Board had five committees each with an approved Terms of Reference.

In December 2008, the Board reviewed the role of each Committee and decided to maintain the Audit & Compliance Committee. The other committees were replaced with a Portfolio holder, whereby each Board member can specialise in their particular area of interest and be an advocate for particular programs at the Board level.

Audit & Compliance Committee/Audit and Risk Management Committee

Membership of the Audit & Compliance Committee at 30 June 2008 comprised Alex Anthony, Tim Sheed, Sally Dye, Brian Sharp (Chairperson) and Graeme Haley (independent member). In February 2009 the Board endorsed changes to the name and Terms of Reference of the Audit and Risk Management Committee whose membership comprised Sally Dye (Chairperson), Brian Sharp, Alex Anthony and Graeme Haley (independent member).

The duties and responsibilities of the Committee are as follows:

- Functions associated with external audit
- Review of financial reports
- Review financial internal controls
- Review financial policies and practices
- Compliance to OH&S legislation
- Risk Management and Insurance
- Ensure Compliance with Personnel management legislation

Community & Implementation Committee

Membership of the Community & Implementation Committee as at 30 June 2008 comprised Jonathon Howard (Chairperson), Sally Dye, Paul Trevethan, Alex Anthony and Brian Sharp

The duties and responsibilities of the Committee are as follows:

- Recommend community & implementation policies to the Board
- Develop and review community & implementation policies
- Recommend change to improve delivery mechanisms and community participation in projects & programs
- Identify and direct any special projects or investigations

Landscapes Committee

Membership of the Landscapes Committee as at 30 June 2008 comprised Sally Dye (Chairperson), Jonathon Howard, Brian Sharp, Alex Anthony and Paul Trevethan.

The duties and responsibilities of the Committee are as follows:

- Recommend landscape policies to the Board
- Develop and review landscape policies
- Ensure the Authority is meeting its State and federal reporting requirements
- Evaluate effectiveness of landscape projects
- Identify and direct any special projects or investigations

Remuneration and Resources Committee

Membership of the Remuneration and Resources Committee as at 30 June 2008 comprises Tim Sheed (Chairperson) and Jonathon Howard.

The duties and responsibilities of the Committee are as follows:

- Review performance of the General Manager and ensure contract terms of employment are met
- Recommend to the Board the renewal or otherwise of the General Manager's employment contract
- Oversee the performance of Senior Staff
- Oversee the level of staff resources

Water Committee

Membership of the Water Committee as at 30 June 2008 comprised Paul Trevethan (Chairperson), Sally Dye, Alex Anthony, and Tim Sheed.

The duties and responsibilities of the Committee are as follows:

- Recommend water policies to the Board
- Develop and review water policies
- Ensure the Authority is meeting its State and federal reporting requirements
- Evaluate effectiveness of water projects
- Identify and direct any special projects or investigations



7. The Murray Catchment Management Authority Senior Management Team

General Manager

David Leslie

B. For. Sci. (Hons), M. For. Sci.

Appointed as Acting General Manager on 18 February 08

David was a Regional Ecologist with Forests NSW prior to commencing employment with the Murray CMA in 2005. David has a depth of experiences in NRM program delivery, ranging from native vegetation management to threatened species recovery and river and wetland rehabilitation. In recognition his innovative approach to natural resource management and contribution to the NSW economy and environment, David received a Certificate of Achievement from the NSW Premier in 2001.

Business Manager

Sarah Wallace

B. Bus (Accounting), CPA

Appointed: September 2005, resigned 30 January 2009

- Finance – Accounts Payable – Accounts Receivable
- Manage Human Resources
- Manage Investment
- Fleet co-ordinator

Prior to her appointment as Business Manager, Sarah was employed as an accountant at Murray Irrigation Limited. This role provided Sarah with experience in financial accounting and an understanding of natural resource management through involvement with the Murray Land and Water Management Plans. Prior to this Sarah completed a bachelor degree in business at La Trobe University in 2000 and completed her CPA in 2004.

Landscape Program Manager

Jack Chubb

Dip. App. Sc. (Agric)

Appointed: December 2004

- NRM Systems
- Oversee technical knowledge
- NRM Planning

Prior to joining the Authority, Jack had been engaged in a number of roles across the State. These positions included District Manager Soil Conservation Service and Unit Manager, Environment Assessment Unit of the former Department of Infrastructure, Planning and Natural Resources (DIPNR).

Jack has been an active Committee member of both the Lake Mulwala and Lake Hume Land and Water Management Plans and the Barmah Millewa Forum. In the past Jack has been involved in a number of projects for DIPNR, including assisting in the development of Forest Creek Water Savings Proposal, Norske Skog water reuse scheme, negotiating environmental outcomes for floodplain management plans and developing a Review of Environmental Factors (REF) for water management at Menindee Lakes system.

Business Manager

Bill Morton

B. Bus. Studies - Accounting

Appointed: 23 February 2009

Bill Morton joined the Murray CMA earlier in 2009 having held a range of senior executive positions over the preceding 20 years in the portfolios of Health, Community Services, Corrections and Treasury of the Victorian Public Service. In recent years Bill has been responsible for implementing a number of major corporate reforms and redevelopment projects in Victorian public Hospitals in both metropolitan and rural settings.

Catchment Co-ordinator – Implementation

Helen Wilson

B. Ag. Sci. (Hons), M. Appl. Sci. (Agriculture & Rural Extension)

Appointed: December 2004

- Manage the on-ground implementation program
- Coordinate the design and delivery of the Incentives Program

Prior to this role, Helen was employed in the Murray Catchment as a Regional Landcare Facilitator (since 1996). This involved working across the catchment to support Landcare groups, networks and their support staff in delivering integrated natural resource projects. Helen has spent a further seven years working for both the NSW and Victorian Departments of Agriculture in various advisory roles in irrigated horticulture, salinity management planning and implementation.

Catchment Co-ordinator – Community

Kim Krebs

MSc, BSc (Hons)

Appointed June 2008

- Manage the delivery of the community capacity building and engagement programs
- Manage Cultural Heritage program

Kim has worked as a Geomorphologist for various organisations across Australia prior to moving into the field of natural resource management. For the past 13 years, Kim has worked closely with Landcare and community groups in achieving sustainable land management practices in the Murray Catchment.

Kim joined the Murray CMA in 2004 and has worked in roles that required direct service delivery of incentives, as Regional Facilitator, represented the Australian Governments interests in the regional delivery of NRM and since 2008 has led the Community program for the Murray CMA.

Catchment Co-ordinator – Water

Tracey Brownbill

B.Sci., Grad. Dip. Water Science

Appointed: January 2005.

- Manage the delivery of the aquatic habitats program
- Contribute to Environmental Water Management planning and consultation

Tracey's career crosses Landcare, salinity management, vegetation planning, local community support and natural resource education and planning.

Tracey has previously been involved with Regional Vegetation Committees, Catchment Management Committees and Catchment Management Boards in New South Wales and Victoria. With studies in water management and experience in planning and implementation, Tracey is ensuring the Murray CMA fulfils its water management roles, including water sharing and environmental water management. A primary focus of Tracey's current role is committed to ensuring the local people are involved in the water management activities of the Authority.

Catchment Co-ordinator – Biodiversity

David Costello

B.Sci. (Hons)

Appointed: Jan 2008

- Manage the delivery of the biodiversity program
- Manage legislative responsibilities of the Native Vegetation Act 2003 (NSW)

David has been employed with Murray CMA since its inception in 2004. Prior to his acting appointment as Catchment Coordinator Biodiversity, David was the PVP and Projects Officer with Murray CMA, which involved the negotiation of Property Vegetation Plans (PVPs) with landholders throughout the Murray catchment. David has a depth of skills and experiences in NRM project delivery, particularly in relation to native vegetation management. Before his employment with Murray CMA, David was a Landcare Coordinator with the West Hume Landcare Group. This involved the delivery of incentives to implement the group's Land and Water Management Plan, as well as the preparation of farm plans with landholders.

Catchment Co-ordinator – Land

Liz Symes

B. Sc., M. Appl. Sci. (Sustainable Ag.)

Appointed: June 2008

- Manage the delivery of the land program
- Coordinate planning and prioritisation frameworks

Liz has worked for the Murray CMA since 2005 starting in the Soils and Salinity section. In her present role, she delivers programs which include sustainable agriculture, conservation farming and soil health. Prior to joining the Murray CMA she worked for Goulburn Murray Water Headworks in Land & Water Management.



Murray CMA Offices

The Murray CMA has its principal office at Deniliquin, which houses the General Manager, core Business team staff, specialist technical officers, who deliver outcomes of the Murray Catchment Action Plan, and technical professionals who develop Property Vegetation Plans under the Native Vegetation Act 2003.

During this reporting period, the Deniliquin office housed 14 CMA staff, including partner organisations of the NSW Murray Wetlands Working Group and representatives from the Murray Darling Basin Authority's The Living Murray program.

The Albury office of the Murray CMA is a service delivery centre which houses six members of the Senior Management team as well as technical specialists and extension staff. In meeting targets of Catchment Action NSW and the Australian Government's "Caring for our Country" program, the majority of projects are concentrated in the eastern part of the catchment, allowing 22 staff to be housed in the Albury office. This included staff from the NSW Murray Wetlands Working Group.

Extension staff are also located at Barham (one), Tumbarumba (two) and Berrigan (three), the latter also housing the Murray Seed Services operations.

During 2008-09, two offices were closed and staff relocated to the Albury office to meet the cost efficiency of delivering extension services.

During 2008-09 Murray Irrigation Limited continued to deliver publicly funded NRM incentive programs in the four Murray Land and Water Management Plan areas. These funds were sourced from NSW and Australian Government contracts with funding channelled through the Murray CMA. A summary of their achievements towards the outcomes of the Murray CAP is provided in Section 9.

For further reference to the operations and achievements of the Murray Land and Water Management Plans, see the annual reports of MIL or their website www.murrayirrigation.com.au.

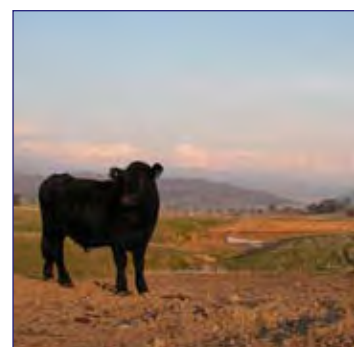
The Catchment Action Plan

8. The Murray Catchment Action Plan & Progress

The Murray CMA continues to achieve targets set in the Catchment Action Plan (CAP) by securing funding from a range of sources. The 2008/09 Investment Program aligned the Murray CAP targets with the 11 of the 13 state-wide targets outlined in the State Plan *Environment for Living – Priority E4: better outcomes for native vegetation, biodiversity, land, rivers and coastal waterways* and also the priorities of the Australian Government's *Caring for our Country* program.

Investment Program milestones for the 2008/09 year have focussed on the thematic areas of Biodiversity, Community, Land and Water with the following broad milestones:

- **Biodiversity** – Improved native vegetation and biodiversity asset management through provision of incentives, technical support, a native vegetation seedbank, and delivery of Property Vegetation Plans and a comprehensive vegetation condition monitoring program.
- **Community** – Coordination of community participation and engagement in natural resource management activities and awareness programs, facilitation of knowledge exchange and building enhanced community skills in natural resource management.
- **Land** – Improved soil condition and catchment health through provision of incentives to manage soil health, salinity, water and wind erosion; collaboration with other organisations to improve knowledge and skills in managing soil carbon and the impacts of climate change.
- **Water** – Improved riparian and aquatic habitat outcomes through provision of incentives for improved riparian and wetland management, improvement of fish habitat and collaboration with other agencies to improve adaptive management of water in the Murray system, including supporting the Living Murray Initiative.



Caring for our Country Program

2008/09 was the first year the Murray CMA delivered programs under the Australian Government's *Caring for our Country* and NSW Government's *Catchment Action NSW* Programs.

The Murray CMA's programs met five of the six *Caring for our Country* priority areas of:

- Biodiversity and natural icons
- Critical aquatic habitats
- The National Reserve System
- Sustainable farming practices
- Community skills, knowledge and engagement.

The Murray CMA received a total of \$10.778M in the 2008/09 Financial Year (\$4.3M – *Caring for our Country* (CFOC) and \$6.478M *Catchment Action NSW* (CA).

From the *Catchment Action NSW* funds, \$5.264M was allocated to delivery of the Murray Land and Water Management Plans (LWMPs).

The Murray CMA secured an additional \$318,000 through from the Open Grants of the *Caring for Our Country* program for the "Restoration of habitat of a Threatened Species (Booroolong Frog) in the Upper Murray"

Murray CMA has worked closely with the Yanco Creek and Tributaries Advisory Council (YACTAC) who also secured an Open Grant of \$363,636 for "Restoration of Yanco Creek and Tributaries" for willow control and rehabilitation works along the Yanco Creek System.

Changes to the Australian Government's funding preferences resulted in the Murray CMA delivering landholder incentives for Biodiversity and Soil Health in the Murray LWMP area in 2008-09. Previously, all funding within the Murray LWMP area had been delivered via the LWMP program.

The reduction in overall funding to the Murray CMA and changes in priorities by the Australian government resulted in a significant refinement of the landholder incentive program and its delivery.

The 2008/09 year was an interim funding year for the Australian Government's new *Caring for our Country* Program. Around 80% of Murray CMAs baseline funding over the next four years has been locked in to meet targets under the 2009/10 *Caring for our Country* business plan. This should allow greater certainty for the organisation in achieving milestones under our *Catchment Action Plan*.



Operations

9. Operations Summary

2008/09 saw the Murray CMA embark on a new competitive landholder incentive program open to all landholders within the Murray Catchment. Using a market based approach, approximately \$2.3 million invested with landholders under five incentives:

1. Biodiversity and Aquatic Habitat Conservation	\$1,040,000
2. Cultural Heritage	76,400
3. Soil Health Slopes to Plains Incentives	310,000
4. Eastern Murray Dryland Salinity	164,000
5. Eastern Murray Erosion & Riparian Restoration	686,000

The new delivery process required eligibility, pre-evaluation (short listing) and evaluation criteria to be developed for each incentive. These criteria related to priority areas for asset protection and to mitigate threats to assets such as water quality.

A Probity Plan and a Tender Evaluation Plan were established to guide a transparent and effective delivery process.

The incentive delivery process was a two stage competitive grant process. The first stage called of Expressions of Interest (EOI) from landholders interested in undertaking natural resource management works. EOI projects were short listed based on the 'pre-evaluation criteria' to determine which projects progressed to the second stage - submission of a full project application. All project applications were assessed by Project Assessment Panels against the evaluation criteria and ranked to determine funding offers.

- 275 EOIs in projects were received.
- 48 projects were not eligible.
- 71 were not shortlisted although eligible, due to funding restrictions
- 170 were asked to submit a Project Application.
- 99 projects were funded involving 73 landholders under 79 contracts.
- 20 Property Vegetation Plan (PVP) incentives were delivered – 6 in perpetuity and 14 for a 10 year period.
(PVP incentives are tied to the land rather than to the landholder).

Overall the Incentive Program in 2008-09 significantly exceeded the incentive milestones. (see Table 1 on the next page).



Table 1 Murray CMA 2008/09 Incentives Outcome Summary

Incentive summary	2008/09 Incentive Program						TOTALS
	Biodiversity	Cultural	Soil Health - Slopes	Soil Health - Plains	Erosion & Riparian Restoration	Dryland Salinity	
No. EOIs	96	7	20	72	46	34	275
No. ineligible projects at EOI	18	2	1	10	9	8	48
No. eligible, but not shortlisted EOI	65	0	0		6	0	71
No. project applications requested	26	5	19	62	31	27	170
% of EOI is progressing to project application	27%	71%	95%	86%	67%	79%	62%
No. projects funded	16	5	11	18	22	27	99
No. contracts	14	2	11	18	19	22	79
Incentive program milestones	150ha remnant 150ha hot spots 30km remnant streambank 150ha wetland	5 sites	4,250ha	10,000ha	3,000ha catchment protected 10km gully treated 10km greenfield streambank 180ha greenfield revegetation	1,450ha treated for dryland salinity control	
Milestones achieved by successful projects	2704ha remnant (inc 457ha EEC) 557 ha hot spots 154km remnant streambank 416ha wetland	5 sites surveyed 2 sites with on-ground works	6,693ha	18,531ha	2,000ha catchment protected 54.6km gully treated 37.7km greenfield streambank 200ha greenfield revegetation	1,444ha perennial pastures established 309ha associated with erosion 1,753ha TOTAL	

A review of “lessons learnt” from delivery of the 2008/09 Incentive Program was undertaken with the findings to be used to guide further refinement of the process for incentive delivery in 2009/10.

In summary the 2008/09 incentives delivery process was highly successful in delivering effective and efficient allocation of funding to projects that in many cases achieved multiple natural resource management outcomes.

Community

9.1 Community Program

Murray Catchment Target Intent

To improve the community's capacity to manage natural resources through enhancing awareness, knowledge, skills, motivation and participation.

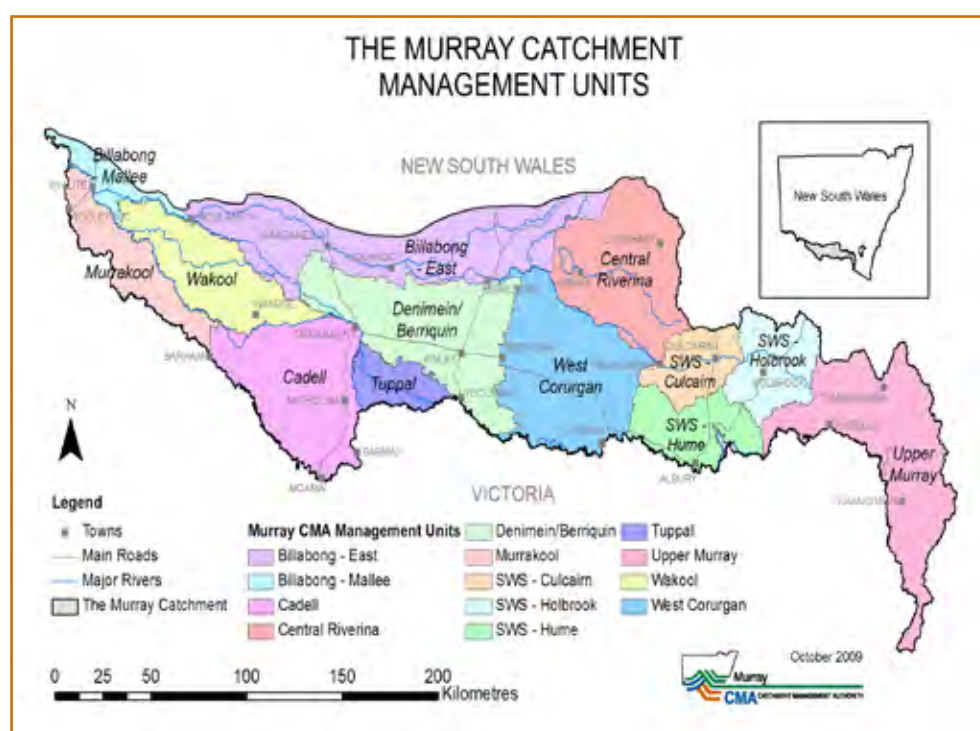
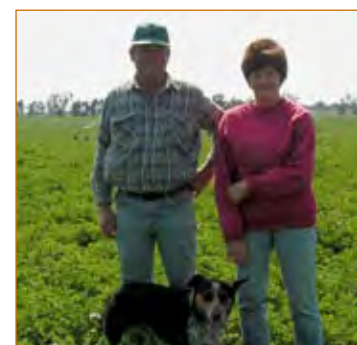


Fig 2. The Murray Catchment Management Units

Achievement Highlights

Table 2: Summary of community engagement in 2008/09

2008/09 Community Program	Events	Participants
Aboriginal matters	4%	1%
Industry/agency	16%	8%
Field days/forums	16%	47%
Landcare related	14%	6%
Communications/training	50%	38%
TOTAL 2008/09	n = 367	n = 9598

Cultural Heritage Incentive Program

2008/09 was the first year that the Murray CMA delivered dedicated indigenous cultural heritage protection incentives. Five (5) sites were protected across 1,960 hectares of Aboriginal culturally significant landscapes. These sites were predominantly located in riparian systems of the western catchment. Each site that was eligible for funding assistance was surveyed by archaeologists and listed on the Aboriginal Heritage Information Management System to secure their long term cultural protection.

Felicity Anderson

Community Engagement through events

Over the past 12 months, the Murray CMA has put greater emphasis on community engagement through seminars, liaising with Landcare groups, updating the Murray CMA website and the inaugural Murray NRM Awards.

Felicity Anderson, Community Support Officer at the Murray CMA, has been pivotal in the success of these events. Felicity comes from a grazing family in the Upper Murray and specialised in soil and pasture in her university degree. She started out with the Murray CMA in the Tumbarumba district, working with landholders

on native vegetation and biodiversity projects. This was followed by a few years working with graziers in the Fitzroy Basin in central Queensland on soils, pastures, grazing management and property planning.

Coming home to Albury, Felicity joined the Community team at the Murray CMA, where she has brought her farming perspective to the job of building a bridge between productive farming and natural resource management with landholders across the Murray catchment.

In 2008-09 the Murray CMA held its first Natural Resource Management Awards. Felicity led a small team to encourage landholders to nominate, co-ordinated a judging panel, and organise the awards presentation night. Twenty-three finalists and their families joined the Murray CMA Board, staff and representatives of Federal, State and Local government for a spectacular presentation of the outstanding work being done in the Murray, from captive breeding and release of threatened species, to learning projects for schools and sustainable biological farming.

The 10 award winners were then helped by Felicity to prepare their submissions to the State Landcare Awards. Of these, six made the State finals with the Murray Darling Association winning the State Landcare Award for Local Government for their primary school learning program – “Living River – Living Murray”. Tumbarumba Primary and High Schools were the runners-up in the Education Award for “The Booroolong Frog Project”.

With climate change and the role of soil carbon a hot topic amongst the farmers, Felicity was instrumental in a team which organised two forums in the catchment in conjunction with local Landcare groups. Over 130 farmers attended these events, with leading speakers explaining not only climate change, but the workings of the proposed carbon trading schemes.

The positive feedback from these events has not only lifted the profile of the Murray CMA, but has strengthened relationships with key stakeholders and given the community engagement program a firm foundation for further development in 2009-10.

Felicity Anderson says that she feels most at home working in the field with farmers, but has shown how those skills can make a significant difference in knowledge brokering with the community.





Murray Catchment NRM Awards

The Murray CMA sought nominations from the Murray community for the inaugural Murray NRM awards, to recognise and celebrate the achievements and efforts made in managing natural resources in the catchment. Twenty-three finalists were judged from forty-five nominations, with the winners announced at a function for 120 people, including Board members, Federal, State and Local government representatives.

Eight categories, in line with the State and Landcare Awards were celebrated along with the first ever Millewa Community Inspiration Award to Delwyn Clifton. Of these winners, 6 became NSW Landcare Award finalists: Murray Darling Association – winner for the Local Government Partnerships Award; Tumbarumba Public and High schools - 2nd place in the Education Award; Matt Drum - highly commended in Young NRM Leader Award; Jan and Neville Lubke - highly commended in the Primary Producer Award; Yarkuwa Indigenous Knowledge centre - 3rd in the Indigenous Award ; and, Ann Sloane - highly commended in the Individual Landcarer Award. Murray CMA winners included these finalists plus the Caldwell Environmental Champions Cluster Group for the Community Group Award, and Border Eco Living program (BELP) for the Urban NRM Award.

Corroboree Frog Trust

Since the Corroboree frog Conservation Program was launched by Federal Minister for the Environment Peter Garrett in Albury in May 2009, over \$17,000 in sponsorship has been raised to support Corroboree Frog Conservation. A community education and awareness program is continuing, including a dedicated website, television, cinema and radio advertising and a successful schools education program. In addition, the Murray Catchment Management Authority Charitable Trust and associated Corroboree Frog Conservation Fund were registered with the Register of Environmental Organisations and the Australian Tax Office in December 2008. This Trust provides an avenue for the CMA to receive tax-deductible donations towards Corroboree Frog conservation.

Community Advisory Groups

In February 2008, a significant review of the Landholder Community Advisory Groups commenced. A steering committee has been established to make recommendations to the Board. Consequently, no LCAG meetings were conducted during the reporting period.

Natasha Lappin

Implementation Officer working with Landcare

The interaction of CMAs with Landcare to achieve mutual goals in natural resource management is important to the Murray CMA. Communication occurs at all levels of the organisation, and across all programs – soil health, water programs, biodiversity and community engagement.

Landcare groups across the Murray Catchment vary from highly organised large groups with professional co-ordinators, to small local groups who often struggle to obtain funding and keep going.

An outstanding example of the co-operation that can be achieved is in the relationship between the Corowa Regional Landcare Network (CRLN) and the Murray CMA's Implementation Officer – Natasha Lappin, who is one of 7 Implementation Officers in the Murray CMA.

Natasha Lappin has worked as an Implementation Officer with the Murray CMA since 2005, following six years as the dedicated Landcare Officer for the Corowa Regional Landcare Network (Corowa, Rand, Walbundrie-Urana, Redlands-Mulwala), based in Corowa.

She has brought to the CMA a deep understanding of the needs of Landcare groups and their perspective on natural resource management.

In her CMA role, Natasha has helped the Corowa Landcare Network access funding from the Environmental Trust and other state and federal funding organisations, and provided technical advice for on-ground works. She has also helped the group with education and awareness activities, such as interpretative signage, brochure and information centre at the Redlands Hill Reserve, Corowa, and has recently helped them with a successful grant to fence and enhance “paper” road reserves to protect endangered Bulloak Woodlands and Grassy Box Woodlands.

At the same time, Natasha has helped many landholders, who are not Landcare members, access funds directly from the CMA and introduce them to practical natural resource management. These activities have included protecting remnant native vegetation, wetland conservation, revegetation activities, and the use of saltbush to combat salinity.

Over the past 12 months, with reduced funding and lower staff numbers at the Murray CMA, Natasha has expanded her excellent vegetation management skills, by working with the other Implementation Officers in the eastern Murray team delivering soil health, dryland salinity and gully erosion incentives. This results in keeping funding applications simple for the landholder, with the Implementation team doing all the mapping and management agreements, in addition to the monitoring, evaluation, and reporting required by funding authorities.

Natasha is passionate about bringing Landcare and the CMA together to make a difference in the landscape. She loves working with landholders to help them achieve a balance between sustainable agriculture and natural resource management outcomes.



Landcare

Murray CMA staff provided support at 51 Landcare events, such as meetings, field days and project delivery. This involved over 570 Landcarers directly. The Community Support officer provided monthly e-updates that provided a network for activities and funded sources. During the reporting period, the level of independent activity of the catchment's Landcare groups has been maintained, with several small projects funded by external funding bodies being delivered.

Print material

Four quarterly editions of the Murray CMA's "Catchment Update", were distributed by post to 5000 stakeholders. Two six-monthly updates were published on the The Living Murray Gunbower-Koondrook-Perricoota Forest environmental management plan and distributed to locally relevant stakeholders. In addition a range of brochures were produced such as the 2008-09 Incentives program, and brochures on threatened species, eg. Booroolong frog.

In 2008 the Murray CMA conducted a photographic competition across the catchment. The winning photos were published as a 2009 Murray Catchment calendar.

Media

Within its area of engagement, the Murray CMA area has seven local newspapers, three regional television stations, four local radio stations and two regional radio stations. 29 media releases were distributed to broadcast media outlets in 2008/09. This was an average of two new media releases every three weeks.

Local Government

Support for the 14 Local Government Areas within the Murray Catchment culminated in a forum that attracted 12 of the major councils to determine a works plan for 2009/10 (two LGAs have negligible country within the Murray catchment so do not participate on a regular basis). Monthly electronic updates were distributed to Council staff with information then forwarded to ratepayers. Local government support has focused on rolling out the Local Government Shires Association's framework to link Local Environment Plans with the CMA's Catchment Action Plans.

Salinity Exchange Conference: "Reinvigorating the Conversation"

Over 100 delegates attended the two day conference in Albury, including Australian and State Government representatives, together with landholders and salinity researchers and managers from Western Australia, South Australia, Victoria and New South Wales.

The "salinity exchange conference" was initiated to ensure that the previous efforts and conservation around the importance of salinity in natural resource management were not forgotten. The conference included talks outlining innovative approaches to dealing with salinity problems to a range of new tools and resources developed to help landholders identify and manage their own salinity problems on-farm.

Climate change and soil carbon forums

In response to a request by local Landcare Groups for more up to date and regionally specific information on the impacts of a changing climate in the Murray catchment, a collaborative forum was organised and held at Holbrook and Corowa on 5-6 August. These forums involved speakers from the Department of Industry and Investment NSW, NSW Department of Environment, Climate Change and Water and the Murray Catchment Authority. Topics included the impact of the Carbon Pollution Reduction Scheme on regional landholders, management options for adapting to a changing climate, the predicted impact of climate change on the regional climate and the importance of managing soil carbon. Over 130 people attended these events over the two days.

Meeting in the Middle Soil Health program

The Meeting in the Middle program concluded this year, with a field day in Holbrook attended by over 70 landholders looking at the management of native pastures in degraded grasslands.

Murray Aboriginal Advisory Group

A representative body to provide recommendations of Indigenous influence to the Murray CMA Board met 6 times to refine the 2008/09 cultural heritage incentive program, input into cross border NRM projects, potential NRM based employment opportunities and to develop a Murray Indigenous Communications Protocols and Guidelines. A call to the Aboriginal community resulted in a symbol for the MAAG being produced, that represents Aboriginal and non-Aboriginal people working together for Country.

Indigenous NRM projects

In partnership with North East CMA, Department of Sustainability and Environment (Victoria) and Green Corp. Projects included a stone carving workshop for men, two Aboriginal traineeship projects with 15 trainees who worked with Livestock Health and Pest Authority, Local Government, industry and the Murray CMA to develop skills in plant identification, seed collection and propagation and fencing.



Biodiversity

9.2 Biodiversity Program

Murray Catchment Target Intent

Improve the catchment's native biodiversity through community participation in active management

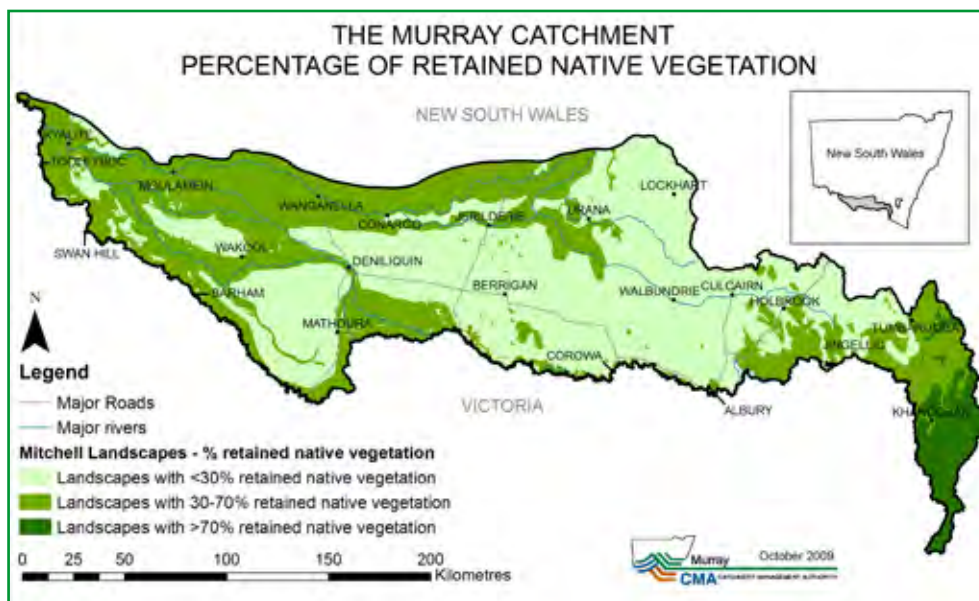
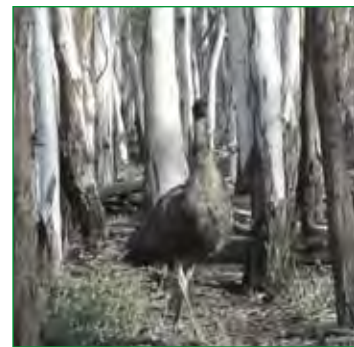
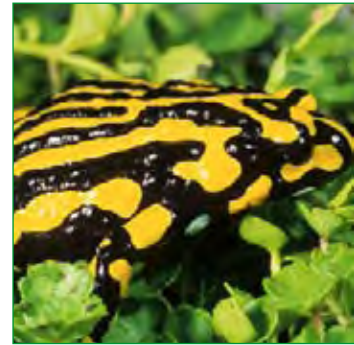


Fig 3. The Murray Catchment Percentage of Retained Native Vegetation



Achievement Highlights

Remnant Vegetation Actively Managed for Conservation

Investment of funding to protect and enhance 11,707ha of remnant vegetation. Works included fencing, pest and weed control, revegetation, and active grazing management on both private and public land, including:

- Landholder incentives - 3677ha of remnant native vegetation protected and enhanced on private property via 16 landholder agreements.
- Linear reserves - 2,443ha of high and medium conservation roadside vegetation is being protected and improved through work with five local Shire councils. Works include control of environmental and noxious weeds and direct seeding of mid-story vegetation on roadsides.
- Nest Egg - Continued engagement of landholders on protecting and improving 1270ha of habitat for ground-nesting birds on private property. The first record of successful breeding on a Nest Egg bush stone-curlew site was recorded in the 08-09 season.
- Traveling Stock Reserves (TSRs) - continued management of 4317ha of native vegetation on 11 TSRs in the Riverina. Works include fencing, weed control, and strategic grazing.

Booroolong Frog

In 2008/09, the Murray CMA was awarded an Australian Government grant of \$318,000 from the Open Grants scheme of Caring for our Country program to enable willow removal along 34.7km of streambank to enhance breeding habitat of the threatened Booroolong frog in the Upper Murray.

A number of contractors were engaged to complete 13.1km willow treatment on the Coppabella Creek, as well as 21.6km on the Mannus Creek. The project also involved 11 landholders putting up 6.2km creek fencing to protect 44.1 ha of Booroolong habitat. Sites are being monitored in October 2009 for native vegetation regrowth, willow regrowth and Booroolong Frog habitat baseline. Removal of willow regrowth is scheduled for December 2009.

Corroboree Frog

Since the Corroboree frog Conservation Program was launched by Minister Peter Garrett in Albury in May 2009 over \$17,000 in sponsorship has been raised to support Corroboree Frog Conservation. A community education and awareness program is continuing, including a dedicated website, television, cinema and radio advertising and a successful schools education program. In addition, the Murray Catchment Management Authority Charitable Trust and associated Corroboree Frog Conservation Fund were registered with the Register of Environmental Organisations and the Australian Tax Office in December 2008. This Trust provides an avenue for the CMA to receive tax-deductible donations towards Corroboree Frog conservation.



Partnership to save a Threatened Species

The Booroolong Frog Project

The Booroolong Frog, once common in the granite rocks of streams along the tablelands of NSW, is now a threatened species found only in a few streams of the south-west slopes of NSW, notably in the Tumbarumba district of the Upper Murray.

In 2007-08 the Murray CMA had undertaken a pilot project to remove willows in the frog's habitat at Maragle Creek, 15km south of Tumbarumba. This project had led to the Tumbarumba Public and High School students becoming involved in the plight of the Booroolong frog and undertaking an extensive project to publicise the role the community can play in frog conservation.

The education unit of Taronga Zoo commenced a captive breeding program for the frogs, and after a visit by the Tumbarumba schools to Taronga, a field day was held for the students at Maragle Creek. Juliet Cullen from the Murray CMA, and David Hunter from DECCW, supported by teachers, Zoo staff and the Science teachers from the primary and high schools, all helped the students understand the ecology of the creek, the frog habitat, and the impact of revegetation with native species.

Considerable publicity followed these events, with frequent newspaper coverage, involvement of the community radio station, and a large mural in Tumbarumba painted by the students.

In 2008/09 the Murray CMA was successful in gaining funding of \$318,000 from the Australian Government's "Caring for our Country" Open Grants scheme to continue the project by removing willows in the Mannus and Coppabella Creeks which had Booroolong frog habitat.

The project was a partnership between the Murray CMA, the Threatened Species Unit of the Department of Environment, Climate Change & Water, and 7 landholders on the Mannus and Coppabella Creeks, supported by three NSW government agencies (NSW Fisheries, Department of Lands, National Parks & Wildlife Service).

Basket willows (*Salix fragilius*) clog the streams and cause siltation of the rocky cobbles and fissures in granite rocks which are the Booroolong frog's habitat and breeding grounds. In some stretches of the creeks through farms, fencing was erected to exclude stock from the creek reducing turbidity and improving water quality.

Co-ordination of the project was in the hands of the two Implementation Officers based at Tumbarumba – Kylie Durant and Juliet Cullen - who drove the project with determination and energy. With autumn the ideal time for willow poisoning, when the creeks are also at a low level, there was only a short window to get the project underway.

The Mannus project site is isolated and rugged, with access quite steep in many places. Both Kylie and Juliet live and work in the Tumbarumba region, and brought their local knowledge and relationships with landholders to the project to get it underway by April 2009. Some 8 weeks later, 34 km of stream bank had been treated, and the landscape transformed.

Dr. David Hunter from the Threatened Species Unit of DECCW was integral to the project. He surveyed the creeks, noting the location of Booroolong frogs and areas of habitat which did not appear to have frogs currently in them, but would be attractive to frogs if the willows were removed. The entire area covered by the project was high value habitat. Monitoring sites were set up for tracking frog populations pre and post rehabilitation. The Booroolong frog project is now being used by Dr. Hunter as an example of best practice for rehabilitation of frog habitat.

The Tumbarumba Primary and High School students won the Education Award at the Murray NRM Awards and went on to be the runners-up in the State Landcare awards in the education category. Their mural continues to draw comment and is a constant reminder of the importance of frog habitat in the Upper Murray.

Bush stone-curlew translocation

A collaborative project with the Nature Conservation Working Group involved the release of 15 captive-bred bush stone-curlews at Moulamein in September 2009, which are still being monitored through radio-tracking. A number of birds released during 2008 are still seen regularly which has demonstrated the success obtained through this project. The project has also seen over 8,000ha of curlew habitat intensively fox baited through provision of incentives to landholders.

Fox Baiting of Travelling Stock Reserves

Murray CMA contracted the Riverina Livestock Health and Pest Authority (LH&PA) to undertake threat abatement works, namely 1080 fox-baiting in Autumn and Spring 2009, on 5021ha of nominated Travelling Stock Reserves throughout the Murray catchment. The aim of the works is to decrease fox predation pressure on breeding Bush Stone-curlews and juvenile chicks.

Seed Collection

There was reduced but more targeted collection of seed during 2008/09, due largely to the seed vault being at full capacity because of reduced sowing during the drought the previous season. Approximately 340kg of seed was collected, processed and entered on database, 41% of which was harvested from Seed Production Areas (SPAs) which continue to increase the efficiency of seed procurement in time and cost.

Direct Seeding

3295 km of seeding lines were planted across the catchment in 2009. As the majority of the sites contained remnants/ native grasslands/ wetlands, they were selectively sown at a lower density, so it represents approximately 2200 ha of area enhanced/revegetated.

Seed Production Areas (SPAs)

Five SPAs were established or expanded with additional plantings in 2008/09, bringing the total number of SPAs in the Murray catchment to 67. Two of the sites have been direct seeded with selected provenance seed. This appears to be a more cost effective and efficient means of future SPA establishment (especially given the additional watering that is required with tubestock plantings in drought conditions).

Direct Seeding Machinery Development

After extensive research of available equipment and testing, the Murray CMA commissioned a newly modified agricultural direct drill tyne into operation this year. Simpler to operate, it makes a deeper seed bed with less surface disturbance than previous models. Early results indicate a 40% increase in germination and 30-40% increase in growth. This machine may allow further reduction in sowing rates and increase the success rate in difficult sites.



Martin Driver

Murray Seedbank & Vegetation

The Murray CMA has developed one of the most extensive, integrated seedbank and revegetation systems in the state. It supplies locally provenanced native seed to ensure that over 3000 km of direct seeding can be undertaken annually by the Murray CMA to restore and revegetate under-represented species.

The Murray Seedbank is the hub of the Murray CMA's Vegetation Services team activities. These activities underpin a significant component of the Murray CMA business in relation to the delivery of native vegetation incentives and landscape repair.

The Vegetation Services team is made up of three full-time staff: Martin Driver, Sue Logie and Rick Ellis, and up to 12 casual staff who support the peak activities of seed collection over summer and direct seeding during the winter months.

The essential link to tracking, storing, processing and dispatching up to three tonnes of native seed is the temperature/humidity controlled seed vault, the specially developed database, and the staff who maintain and record seed stock.

The combined experience of the staff over two decades has resulted in bringing together a range of skills, infrastructure and networks. Early extension experience by Martin Driver highlighted that without a supply of locally native seed it was impossible to recommend species for revegetation works or for nurseries to supply customers. This led to local small scale wild native collections for community and commercial nursery production and the early roots of the seedbank network.

An increasing supply of seed and greater demand for revegetation works led to successful trials of direct seeding and in turn increased the demand for seed. It was soon apparent that small remnants could not sustain long term the seed required for harvesting and seed production areas (SPA) were established on private land.

There are now over 67 SPAs yielding up to forty per cent of our core seed species, largely unaffected by drought.

There has been continual evolution of the direct seeding equipment with the latest iteration increasing efficiency of operation, seed use strike, survival and growth by 30-40% growth.

The vegetation team is in a continual cycle of activity throughout the year, with seed collection from November to April and continuous seed cleaning, processing, storage and database entry to produce 1500-3000 kg of seed annually.

In March site inspections, preparations and seed orders are undertaken for a start of direct seeding in May. Up to five teams of seeders work daily from May to September covering 2500-3000 ha on hundreds of properties and sites. The backup team put in a huge effort keeping seed processed and dispatched.

Ongoing site inspections and support, monitoring and SPA planting, management and inspection, leads into the next seed collection season. The logistics of the network requires a great deal of organisation and dedication, particularly when seasonal conditions and daily weather brings variability in ripeness of seed and readiness of sites.

Seed collection is a tricky laborious and time consuming business that requires enormous knowledge of numerous plant species flowering patterns, and knowing when to be at a site to collect before the seeds hit the ground. Martin Driver and his team have an intimate knowledge of the flora of the Murray catchment.

Martin's vision and energy is at the heart of the success of the Murray Seedbank. Droughts and climate change only make the need for revegetation more urgent, and having a farm north of Deniliquin, he understands and is respected by the landholders, resulting in widespread support for protecting native vegetation on their properties and revegetation.

Martin is truly the "driving" force of the Murray Seedbank Services.

Biodiversity Condition – Biodiversity Baseline Project

A Biodiversity Baseline Monitoring Project is being undertaken in the South West Slopes and Riverina Bioregions within the catchment. The project is being undertaken and is largely funded by the Australian National University. The main objectives of the project are to:

- monitor the performance of biodiversity in sites where native vegetation incentives have been provided.
- provide knowledge to help improve, justify and/or prioritise, incentive delivery schemes and management actions within the Murray CMA.

The project will greatly add to the Murray CMA's knowledge about the distribution and abundance of fauna across the catchment and most importantly will provide a 'baseline' against which future changes can be tracked and compared. 226 sites have been stratified across the catchment in the main based on vegetation condition, vegetation types and management interventions. Vegetation, birds, reptiles, small mammals and arboreal mammals are all being monitored. Surveys are undertaken (for varying target groups) in early summer; early and late winter; early and mid spring.



Vegetation Condition -Vegetation Condition Monitoring Project

A vegetation condition monitoring project is being undertaken by Murray CMA implementation staff. The main project objectives are to:

- Monitor how vegetation condition is performing particularly in sites/areas where native vegetation incentives are provided.
- Obtain more effective and or efficient site management and incentive delivery.
- Obtain greater knowledge on the relationship between vegetation type, condition and fauna presence and abundance.

The project involves the long term monitoring of sites across seven vegetation classes looking at the two broad management interventions of actively managing remnants and revegetation. To date 89 sites with 224 plots have been established. All sites are monitored in mid spring every two years. The vegetation condition monitoring method is also being used by the ANU research and monitoring team (undertaking the biodiversity baseline work) to draw correlations between vegetation type, condition and fauna presence and abundance.

Development Property Vegetation Plans (PVPs)

The Murray CMA instituted a policy in 2008/09 that for works over \$60,000 a PVP would be mandatory. The policy has been very successful with 75ha of remnant native vegetation committed to active management *in perpetuity* via approval of five development PVPs.

Incentive PVPs

A further 873ha of remnant native vegetation was committed to active management *in perpetuity* under six incentive PVPs.

The policy resulted in an increasing uptake of PVP's by landholders with 20 delivered in 2008/09, as part of the Incentive Program, including six in perpetuity, compared with two in the previous three years.

Land

9.3 Land Program

Murray Catchment Target Intent

Improve the health and productivity of the catchment through adoption of sustainable land use systems, effective partnerships and enhanced knowledge.

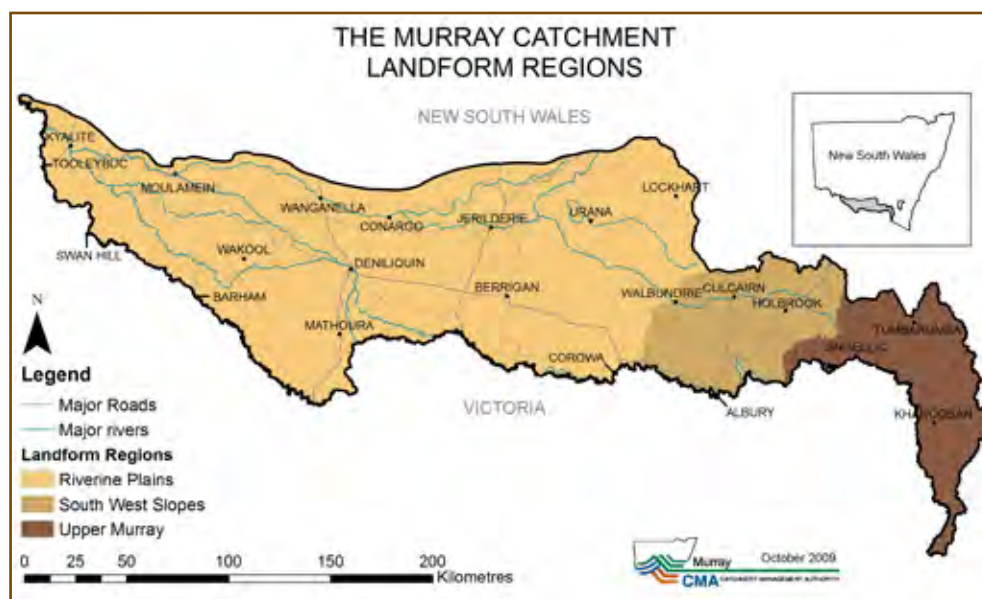
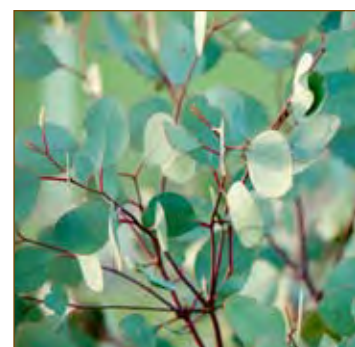


Fig 4. The Murray Catchment Landform Regions



Achievement Highlights

Soil erosion and riparian protection project

The aim of this project is to reduce the amount of sediment entering our waterways through bank and gully erosion. In 2008/09 the Murray CMA funded 22 projects assisting landholders in rehabilitating 54.6 km of gully erosion, giving protection to a further 2000 ha of upslope catchment in the process. 37.7 km of streambank riparian area was also protected from further degradation.

Eastern Murray Dryland salinity project

The 2008/09 program targeted projects that resulted in a net increase in the area of perennial based pastures on areas of high salinity recharge potential. The aim is to reduce the potential salt load in the root zone and increase the amount of deep drainage in the process.

The Murray CMA provided financial assistance to 27 landholders for projects that resulted in the establishment of an additional 1500 ha of perennial pastures.

Slopes to Plains – Soil Health Project

This project promotes the adoption of conservation agricultural cropping and the restoration of degraded grasslands throughout the Murray Catchment. 29 projects were funded in 2008/09 resulting in the protection of over 25,000 ha of the catchment's soils from further degradation by wind erosion while also improving soil health.

Sed-Net

SedNet is a robust tool for deriving catchment scale sediment budgets and identifying trends in erosion and sedimentation. The Sed-Net modelling for the Murray Catchment area was completed in 2008/09. It uses a variety of information sources, based on internationally recognised methodology, to generate sediment budgets, which enables the Murray CMA to identify key trends in sediment loss and deposition. These include where and by what process sediment is being produced in the catchment. This modelling is being used to enable the Murray CMA to prioritise the location of erosion control works, and identify where in hill country groundcover maintenance should be targeted.

The Dust-Watch project

This project, in collaboration with DECCW and Griffith University, comprises a twice yearly roadside groundcover survey where 500 sites are compared for groundcover and current land use, and two Dust-Track dust monitoring stations which continually measure the atmospheric concentrations of dust and smoke.

The first 12 month set of data, including atmospheric dust concentration and groundcover surveys, was completed in 2008/09. The information generated by this project enables the Murray CMA to prioritise its investment in wind erosion mitigation and groundcover maintenance. In 2008/09 the Murray CMA invested in a third Dust-Track monitoring machine, which will be located in the central catchment.

Early information indicates that maintaining groundcover in the western catchment during summer remains challenging.



Nathan Heath

Slopes to Plains project

The Slopes to Plains project was created to assist the Murray Catchment Management Authority meet the Catchment Targets for improving soil condition and reducing the impact of wind erosion across the catchment. Through the promotion of conservation farming cropping principles and improved management of degraded grasslands, the Murray CMA aims to work with landholders through funding onground projects that result in multiple benefits to the catchment's soils.

The project officer for Slopes to Plains is Nathan Heath, who has over 15 years experience working with landholders to improve soil condition.

Originally from New Zealand, Nathan spent two years working with landholders in Ecuador, South America prior to his arrival in Australia, addressing some of the significant land degradation issues brought about through inappropriate land management in the Andean region.

Since arriving in Australia mid-2005, Nathan worked for DPI Victoria, becoming an accredited Australian Soil Scientist, before moving to the Murray CMA in 2007.

He has a key role in the design and delivery of Slopes to Plains, helping farmers move from tradition cropping practices to conservation farming. This approach to cropping aims to maximise the long term environmental, economic and social sustainability of cropping enterprises through the adoption of practices which lead to the conservation and protection of the soil.

Key principles include:

- Reduced cultivation to maintain soil structure.
- Permanent soil groundcover to minimise soil loss from wind and water erosion and improve water use efficiency.
- Reduced trafficking across paddocks to minimise soil compaction.
- The strategic use of crop rotations to reduce the need for chemical inputs and maximise the health of the soil.

Over the last two years the Murray CMA has invested nearly \$430,000 in funding 42 projects across 55,000 ha of the catchment. The diversity of projects and innovation shown by the landholders involved in the program has been a significant bonus, and plays a key role in enabling the CMA meet its targets for soil condition and groundcover. The Sed-Net modelling completed this year and the Dust-Watch wind erosion project play important roles in guiding the CMA to target where on-ground investment through the project should occur.

Nathan's role is ensuring that the best possible outcomes for soil health are achieved in all the programs and projects the Murray CMA is involved in. He is also involved in the catchment wide "Soils Benchmarking" project and the development of a number of soil carbon related tools and resources, aimed at enabling local landholders to better manage their soils organic matter.

Nathan has a passion for soils. "I have always been fascinated with the soil and particularly enjoy working with landholders who are looking for sustainable solutions to soil and land related problems".

Multi Criteria Analysis for the South West Slopes

Significant progress was made to develop a decision support tool to spatially prioritise where key investments should occur in the South West Slopes. This tool identifies locations where significant multiple NRM outcomes are possible.

Carbon Futures Project

The final report for the Carbon Futures Project has just been completed and is available on line at <http://www.csiro.au/resources/SEED-Paper-34.html>. The report outlines the potential impact of carbon markets on natural resource management



Water

9.4 Water Program

Murray Catchment Target Intent

Improve the condition of the catchment's water systems through enhanced knowledge, planning, community participation and active management.

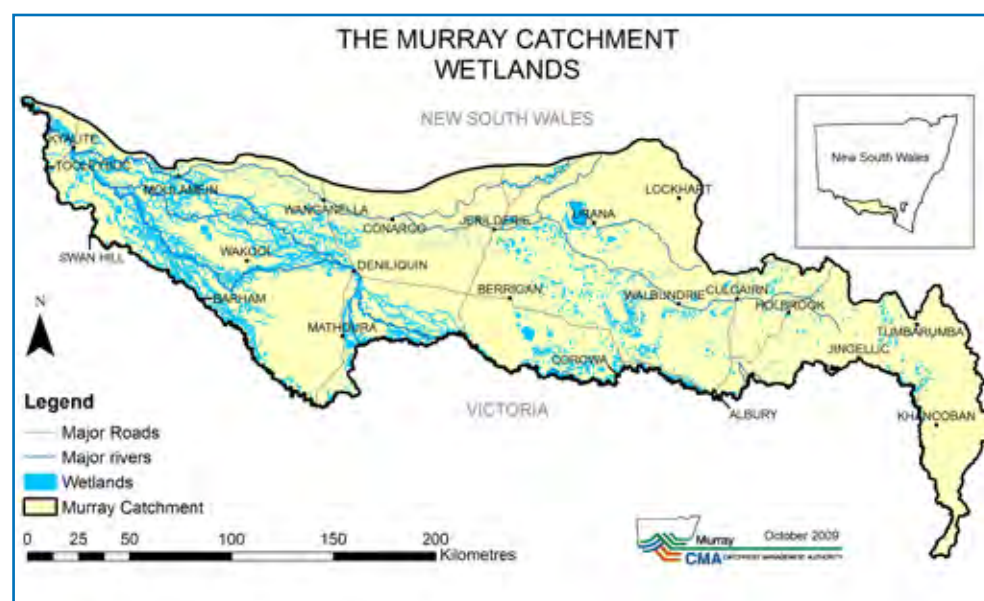


Fig 4. The Murray Catchment Wetlands



Achievement Highlights

Drought Refugia

Recent drought events in the Murray catchment have highlighted the importance of refugia in protecting threatened species and communities during periods of low flow.

In 2008/09, the Murray CMA collaborated with the NSW Department of Primary Industries and the Murray Darling Basin Authority, to undertake a fish rescue for the threatened Southern Pygmy Perch from the Coppabella Creek near Holbrook, where refuge holes were at risk of drying. To support a more planned approach to management of the threatened Southern Pygmy Perch in this area, a rapid assessment of populations and mapping of refugia was also undertaken. This information will be used in a longer term management plan.

A joint partnership with the NSW Department of Primary Industries was also developed in order to identify and prioritise drought refugia across the Murray catchment. This project was constrained by limited data. Sites monitored under the Sustainable Rivers Audit were selected as a starting point and a systematic assessment was applied to fish assemblages, connectivity and threatened species. The work represents the first step in gathering data, identifying and prioritising drought refugia, and will be used to inform investment in the future.

Jamie Hearn

The Living Murray Icon Site – Koondrook-Pericoota Forest

The Living Murray (TLM) is an initiative of the Murray Darling Basin Authority, in partnership with catchment management authorities in adjoining states.

Icon Sites have been identified for their environmental, cultural and social value, one of which is the Koondrook-Perricoota Forest near Barham in NSW. While these sites have historical connections with their surrounding communities, raising awareness of their ecological value and encouraging input into their management, requires ongoing community engagement.

This is particularly important in communities adjacent to icon sites where significant environmental works are taking place, such as the Koondrook-Perricoota Forest. The Murray CMA is a partner in this process as part of its commitment to community engagement.



Jamie Hearn, an irrigation farmer from Bunnaloo, joined the Murray CMA in October 2008 in the role of The Living Murray Project Officer. He has lived in the district all his life, was chair of the Green Gully Landcare group for six years and has connections and contacts throughout the rural community.

His focus has been on ensuring awareness of The Living Murray and providing the opportunity for community input into the Koondrook-Perricoota Flood Enhancement Project. This \$53 million dollar project will inundate up to 16,000 ha of the 30,000 ha Koondrook and Perricoota forests with environmental water, involving major engineering works within the state forest.

Although confined to the forest area, the operation of this project will impact on surrounding landholders and the community in general. While most of these impacts will be positive, some concerns have been raised and it is Jamie's role to provide opportunities for discussion and resolution. Recently he negotiated 14 kilometres of levee to be realigned to reflect the input from local government and the community.

Jamie's experience in community consultation was gained through the 1990's when he was involved with the development of the Land and Water Management Plans. As inaugural chair of the Cadell LWMP and later as the first implementation officer for the plan, he spent a total of eight years consulting, engaging and negotiating with a wide range of stakeholders from government agencies to sometimes reluctant landholders.

Jamie is passionate about the need for good community consultation and believes early knowledge of issues enables time for negotiation and adjustments. He believes lack of consultation can result in poor outcomes and a lack of support.

Jamie also believes that quality engagement with the wider community is extremely important for the CMA, especially in its role as a vehicle for natural resource information and incentive schemes. As with many of the CMA staff, Jamie works within the community he lives in - he believes it keeps him grounded, plus it provides excellent opportunities to promote The Living Murray and the commitment of the Murray CMA to its community.

The Living Murray

The CMA has continued to provide support for increased community awareness of The Living Murray program. Community knowledge of The Living Murray is particularly important at icon sites where environmental works and measures are planned, such as in the Gunbower-Koondrook-Perricoota Icon Site.

The Murray CMA has provided representation on the Barmah-Millewa and Gunbower-Koondrook-Perricoota Icon Site Community Reference Groups as well as the associated technical advisory committees.

The Murray CMA has organised numerous community and landholder meetings outlining the principles behind

The Living Murray. Where appropriate, those meetings have also provided more specific detail about proposed works aimed to achieve the environmental outcomes identified by The Living Murray.

The CMA has facilitated the community engagement process for the development of the Koondrook-Perricoota Flood Enhancement Project. This process has provided opportunity for input by the community and local government into the design and management of the project, engaging more than 100 community members through group meetings and many more through individual landholder contact. The Murray CMA is also assisting in the development of a web site and information centre for this project.



Aquatic Habitat Conservation – Riparian & Wetland Management

In 2008/09 incentives for landholders to conserve and manage riparian areas and wetlands were combined with the Biodiversity program because they are intrinsically linked.

Using a competitive market based investment approach, targets for stream banks and wetlands were exceeded, with 154km of stream banks protected and 416 ha of wetlands protected.

Waterwatch

The Murray CMA supported the implementation of the Waterwatch program across the catchment, supporting communities wanting to monitor and learn about their local waterways.

The program trained and established Waterwatch groups to monitor water quality parameters including temperature, turbidity, salinity, pH, dissolved oxygen and available phosphate and macro invertebrate surveys. Water quality and water health education was also conducted as part of the program involving groups of primary and secondary school students, landholders and community members.

A field day was held along Billabong Creek to showcase Murray CMA water health projects and included discussion on the impacts of willows, observation of direct seeding sites and impact of fencing in riparian areas, plus discussion of the issue of barriers to fish passage, testing water quality and conducting aquatic macro invertebrate surveys.

Yanco Creek and Tributaries Advisory Council (YACTAC) Willow Removal project

This project is an ongoing collaboration between YACTAC and the Murray CMA to remove willows along the Yanco Creek system. The objective is to improve remove choking willows which impede delivery of water, improve water quality and riparian rehabilitation, in an area from north of Jerilderie, east towards Urana and north towards Morundah.

During 2008/09 7km of intensive willow infestation was treated to remove willows over an area of 20 ha. In addition to the CFOC grant made to YACTAC the Murray CMA contributed \$150,000 in-kind and cash by way of staff input and technical advice.



I0. Financial Statements

STATEMENT BY BOARD MEMBERS

Certificate under Section 41 C (1B) and (1C) of the Public Finance and Audit Act 1983

Pursuant to the Public Finance and Audit Act 1983, we declare that in our opinion:

- (a) The accompanying financial report exhibits a true and fair view of the financial position of the Murray Catchment Management Authority as at 30 June 2009, and transactions for the year ended.
- (b) The financial report has been prepared in accordance with:
 - The applicable Australian Accounting Standards, which include Australian Accounting Interpretations; and
 - The requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005 and the Treasurer's Directions.
- (c) There are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.

For and on behalf of the Board

Need signature

Alexandra Anthony
Chair

Dated: __ October 2009
Need date

Need signature

Sally Dye
Board Member





GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Murray Catchment Management Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Murray Catchment Management Authority (the Authority), which comprises the balance sheet as at 30 June 2009, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Authority as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

The Board's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Authority,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



MT Spriggins
Director, Financial Audit Services

20 October 2009
SYDNEY

Murray Catchment Management Authority

Start of audited financial report

Income Statement for the year ended 30 June 2009

	NOTE	Actual 2009 \$'000	Actual 2008 \$'000
Revenue			
Revenue	3	16,268	28,791
Other income	4	998	1,991
Total revenue		17,266	30,782
 Expenses			
Personnel services expenses	5	3,585	4,630
Other operating expenses	5	4,501	5,966
Depreciation	5	73	98
Grants & subsidies	5	12,219	28,484
Total expenses		20,378	39,178
 DEFICIT FOR THE YEAR	12	(3,112)	(8,396)

The above income statement is to be read in conjunction with the attached notes.

Murray Catchment Management Authority

Statement of Recognised Income and Expense for the year ended 30 June 2009

	NOTE	Actual 2009 \$'000	Actual 2008 \$'000
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY			-
Deficit for the year	12	(3,112)	(8,396)
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR		(3,112)	(8,396)

The above statement of recognised income and expense is to be read in conjunction with the attached notes.

Murray Catchment Management Authority

Balance Sheet as at 30 June 2009

	NOTE	Actual 2009 \$'000	Actual 2008 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	5,686	7,935
Receivables	7	291	734
Inventories	8	572	629
Total current assets		6,549	9,298
Non-current assets			
Inventories	8	153	477
Plant and equipment	9	180	236
Total non-current assets		333	713
Total assets		6,882	10,011
LIABILITIES			
Current liabilities			
Payables	10	668	704
Provisions	11	394	376
Total Current Liabilities		1,062	1,080
Non-current liabilities			
Provisions	11	2	1
Total non-current liabilities		2	1
Total liabilities		1,064	1,081
Net assets		5,818	8,930
EQUITY			
Retained surplus	12	5,818	8,930
Total equity		5,818	8,930

The above balance sheet is to be read in conjunction with the attached notes.

Murray Catchment Management Authority

Cash Flow Statement for the year ended 30 June 2009

	NOTE	Actual 2009 \$'000	Actual 2008 \$'000
Cash flows from operating activities			
Receipts from customers & government		19,100	33,251
Payments to suppliers		(9,700)	(18,917)
		9,400	14,334
Grants and subsidies paid		(12,219)	(28,484)
Interest received		587	893
Net cash flows from operating activities	13	(2,232)	(13,257)
Cash flows from investing activities			
Purchases of plant and equipment		(17)	(27)
Net cash flows from investing activities		(17)	(27)
Net (decrease) in cash and cash equivalents		(2,249)	(13,284)
Opening cash and cash equivalents		7,935	21,219
Closing cash and cash equivalents	6	5,686	7,935

The above cash flow statement is to be read in conjunction with the attached notes.

Murray Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2009

NOTE 1 - REPORTING ENTITY

The Murray Catchment Management Authority (the Authority) was established pursuant to the *Catchment Management Authorities Act 2003*. The objects of the Act are:

- (a) to establish Authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels;
- (b) to provide for proper natural resource planning at a catchment level;
- (c) to ensure that decisions about natural resources take into account appropriate catchment issues;
- (d) to require decisions taken at a catchment level to take into account State-wide standards and to involve the Natural Resources Commission in catchment planning where appropriate;
- (e) to involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise;
- (f) to ensure the proper management of natural resources in the social, economic and environmental interests of the State;
- (g) to apply sound scientific knowledge to achieve a fully functioning and productive landscape; and
- (h) to provide a framework for financial assistance and incentives to landholders in connection with natural resource management.

The Authority is a Statutory Body and a separate reporting entity. There are no other entities under its control. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash-generating units.

This financial report has been authorised for issue by the Board of the Authority on 19th October 2009.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant policies have been adopted in the preparation and presentation of the financial report:

(a) Basis of preparation

The Authority's financial report is a general purpose financial report which has been prepared in accordance with:

- The applicable Australian Accounting Standards, which include Australian Accounting Interpretations;
- The requirements of the Public Finance and Audit Act 1983 and Regulation and ;

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Murray Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2009

(b) Statement of compliance

The financial report and notes comply with the Australian Accounting Standards, which include Australian Accounting Interpretations.

(c) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgement

In the preparation of the financial statements, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may vary from these estimates.

Key judgements are disclosed as part of accounting policies notes.

(ii) Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates, with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

- (i) Contributions from Government and other bodies are generally recognised as income when the agency obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.
- (ii) Sale of Goods: Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.
- (iii) Rendering of Services: Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).
- (iv) Investment Income: Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.
- (v) Rental Revenue: Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

Murray Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2009

(e) Insurance

The Authority's activities are insured through the NSW Treasury Managed Fund scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience and the insurance coverage is reviewed periodically to ensure that it is adequate.

(f) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

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

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables and payables.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(g) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Authority. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

(h) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised. All amounts below \$5,000 are expensed to profit and loss as incurred.

(i) Revaluation of plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their higher and best use.

Notes to and forming part of the financial report for the year ended 30 June 2009

(i) Revaluation of plant and equipment (CONTINUED)

Fair value of plant and equipment is determined based on the best available market evidence, including current market selling price for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Authority revalues each class of plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net assets accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of asset, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(j) Impairment of plant and equipment

As a not-for-profit entity with no cash-generating units, the Authority is effectively exempt for AASB 136 *Impairment of assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

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Notes to and forming part of the financial report for the year ended 30 June 2009

(k) Depreciation of plant and equipment

Depreciation is provided for on a straight line basis for all depreciable assets, as detailed below, so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

All material separately identifiable components of assets are depreciated over their shorter useful lives. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Land is not a depreciable asset.

The following depreciation rates were applied in 2008/09 and 2007/08:

Plant and equipment:	
Computer equipment	25%
Other plant and equipment	6.67%-25%

(l) Major inspection costs

When each major inspection is performed, the labour cost of performing inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(m) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(n) Maintenance

The day-to-day servicing or maintenance costs are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(o) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transactions costs. The Authority determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss*-The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option i.e. these financial assets are managed and their performance is evaluated on a fair value basis. In accordance with the Authority's risk management strategy, information about these assets is provided internally on that basis to the Authority's key management personnel.

Designation at fair value through profit or loss is consistent with the Authority's risk management policy.

The movement in the fair value of the Hour-Glass Investment facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item 'investment revenue'.

Notes to and forming part of the financial report for the year ended 30 June 2009

(p) Impairment of financial assets

All financial assets are measured at fair value through profit or loss and are not subject to an annual review for impairment.

(q) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers the financial asset:

- Where substantially all the risks and rewards have been transferred or;
- Where the Authority has not transferred substantially all the risks and rewards, but has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards of ownership or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset, and an associated liability for amounts it may have to pay.

(r) Inventories

Inventories are comprised of local native seed which is used for revegetation projects throughout the Murray catchment. Inventories are initially recognised at their cost at date of acquisition. This value is adjusted when applicable for any loss of service potential.

Cost at the date of acquisition is the internal cost the organisation has incurred to collect the goods held for distribution at balance date.

(s) Other assets

Other assets are recognised on a cost basis.

(t) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Income Statement when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(u) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Murray Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2009

(u) Liabilities (CONTINUED)

(ii) Personnel Services

(a) Personnel services

The Authority does not employ staff but utilises the personnel services of the Department of Environment and Climate Change (DECC). The costs of personnel services in respect of wages and salaries, superannuation, annual leave, long service leave, and for sick leave are recognised when it is probable that settlement will be required and they are capable of being measured reliably.

Provision made in respect of benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to settle within 12 months are measured at the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

The outstanding amounts of payroll tax, workers compensation insurance premium and fringe benefits tax, which are consequential to employment are recognised as liabilities and expenses when the benefits to which they relate have been recognised.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(b) Defined contribution plans

Contribution to a defined contribution funds, such as Basic Benefit and First State Super, are expensed when incurred. It is calculated as a percentage of the employees' salary. In 2007/08 and 2008/09, 9% was contributed.

(c) Long service leave and defined benefits superannuation

The Authority has no liability for long service leave and defined benefit superannuation. Personnel services are acquired from the Department of Environment and Climate Change and the liability of these items has been assumed by the Crown Entity.

(iii) Provision for restoration of leased premises

A provision for restoring leased premises has not been recognised as the amount is not significant.

(v) Assistance provided by other organisations free of charge

The maintenance of the Authority's accounting records and provision of corporate services (excluding IT services) were provided by the Department of Commerce and the Department of Environment and Climate Change free of charge under the provisions of the Corporate Services Service Level Agreement. Some agreed services were provided by "Service First" on a cost recovery basis. In addition, other organisations including community groups provide in kind assistance free of charge. The Department of Environment and Climate Change and the Department of Commerce cannot reliably estimate the fair value of these services to individual CMA's.

Notes to and forming part of the financial report for the year ended 30 June 2009

(w) Comparative information

Except where an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(x) Southern Corroboree Frog Trust

The Murray CMA Board are the trustees for the Southern Corroboree Frog Trust and will appoint independent administrators to administer the Trust. This is a trust that is supported by public donations for the survival of the endangered Southern Corroboree frog in Kosciuszko National Park.

(y) New Australian accounting standards issue

In the current year the Authority has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policies notes in the financial report.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting period. In accordance with the NSW Treasury mandate (TC 09/03), the Authority did not early adopt any of these accounting standards and interpretations that are not yet effective:

- AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations;
- AASB 8 and AASB 2007-3 regarding operating segments;
- AASB 101 (Sept 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements;
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs;
- AASB 1039 regarding concise financial reports;
- AASB 2008-2 regarding puttable financial instruments;
- AASB 2008-5 and AASB 2008-6 regarding amendments to Australian Accounting Standards arising from the Annual Improvements Project;
- AASB 2008-7 regarding costs of an investment in a subsidiary, jointly controlled entity, or an associate;
- AASB 2008-9 regarding AASB 1049 amendments consistent with AASB 101;
- AASB 2008-11 regarding business combinations with not-for-profit entities;
- AASB 2009-1 regarding borrowing costs of not for profit public sector entities;
- AASB 2009-2 regarding financial instrument disclosures;
- Interpretation 17 and AASB 2008-13 on distribution of non-cash assets to owners;

Murray Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2009

(y) New Australian accounting standards issue (CONTINUED)

- Interpretation 18 on transfers of assets from customers.

It is considered that the impact of these new standards and interpretations in future years will have no material impact on the financial statements of the Authority.

8. Appendices

A. Research and Development

Murray CMA has been involved in a variety of monitoring, evaluation, reporting, research and development during the reporting period. These include:

- Dust Watch project with University of Southern Queensland and Department of Environment, Climate Change and Water
- Spatial multi criteria analysis with CSIRO
- Biodiversity Baseline Monitoring Project with the Australian National University
- Soil Benchmarking Project with the University of Western Australia
- Riparian Restoration Experiment Project with Monash University on behalf of Murray Darling Basin Commission
- Community Stream Sampling Project with Bureau of Rural Sciences

B. Staff Statistics

Following is a summary of staff employed by the Murray CMA as at 30 June 2008:

Category	Period 1/7/2008 to 30/6/2009
Permanent Positions	17
Permanent Positions Filled	16
Temporary Staff in Permanent positions	2
Non Recurrently Funded (Temporary Positions)	30
Other Filled	1
TOTAL	48

C. NSW Government Action Plan For Women

The NSW Government is strongly committed to a whole of government approach to the principles of equity, access, rights and participation for women. The government continues to build on achievements to remove obstacles to women's full participation in society. This recognises that in some areas of social, political and economic life, women have different experiences and needs to men. The NSW Government Action Plan provides a mechanism for leadership and management of coordinated strategies across government agencies.

D. Consultants Engaged

A consultant is an organisation or individual engaged for a defined period of time solely to provide an expert opinion or recommendation to the Murray CMA on a specific issue or task.

The Murray CMA has not required any services of this nature in the reporting period.

No consultancy services valued at \$30,000 or more were engaged during this reporting period.

No consultancies less than \$30,000 were engaged during this reporting period.

E. Equal Employment Opportunity

As the Department of Environment and Climate Change (DECC) is the host employer for the CMAs, DECC's

personnel policies and practices extend in coverage to all CMAs. These policies and practices include:

- Industrial relations
- Equal Employment Opportunity
- Disability Plans
- Ethnic Affairs Priorities Statements
- Occupational Health and Safety.

Table 1. Trends in the Representation of EEO Groups¹

		% of Total Staff ²			
<i>EEO Group</i>	Benchmark or target	2006	2007	2008	2009
Women	50%	54%	58%	63%	67%
Aboriginal people & Torres Strait Islanders	2%	3%	4%	2%	4%
People whose first language was not english	19%	-	-	-	-
People with a disability	12%	-	-	-	-
People with a disability requiring work related adjustment	7%	-	-	-	-

Table 2. Trends in the Distribution of EEO Groups³

		% of Total Staff ⁴			
<i>EEO Group</i>	Benchmark or target	2006	2007	2007	2009
Women	100	101	92	98	
Aboriginal people & Torres Strait Islanders	100	83	95	105	
People whose first language was not English	100	-	-	-	-
People with a disability	100	-	-	-	-
People with a disability requiring work related adjustment	100	-	-	-	-

1 Staff numbers are as at 30 June 2009

2 Excludes casual staff

3 A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

4 Excludes casual staff

B) Commentary on initiatives to eliminate discrimination in employment and promote equal employment opportunity

The Murray CMA adopted the EEO Management Plan model in September 2008. This EEO Management Plan will be an adaptive document that reflects the staff EEO representation and distribution on an annual basis.

F. Land Disposal

Not applicable.

G. Promotion

In the July 2007 to July 2008 reporting period a number of promotional and or educational materials and publications were distributed within or across the entire Catchments area. . These include - Catchments Updates, Fact Sheets, Information Sheets, Public Notices, Newsletters, Newspaper Broadsheets, Media Releases, Advertisements, Website, Project Brochures and Resource Kits.

H. Consumer Response

No official complaints were received during the reporting period.

I. Legislation

In carrying out its role, the Murray CMA operates under the following NSW Legislation:

Annual Reports Act (Statutory Bodies) 1984

Annual Reports (Statutory Bodies) Regulation 2000

Catchment Management Authorities Act 2003

Environmental Planning and Assessment Act 1979

Fisheries Management Act 1994

Native Vegetation Act 2003

Native Vegetation Conservation Act 1997

Public Finance and Audit Act 1983

Public Finance and Audit Regulation 2000

Public Sector Management Act 1988

Soil Conservation Act 1938

Threatened Species Conservation Act 1995,

Threatened Species Legislation Amendment Act 2004

Water Management Act 2000

NSW Water Management Amendment Act 2005

J. Quarterly Summary of Accounts Payable

Quarterly Schedule of Accounts Payable - Aged analysis at the end of each quarter

Quarter	Current (ie within due date) \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$	More than 90 days overdue \$
September Quarter	3,601	0	0	0	16,393
December Quarter	273	14,206	0	0	7,165
March Quarter	500,874	404	0	0	3,871
June Quarter	1,386	24,196	0	0	97

Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid \$
	Target %	Actual %	\$	
September Quarter	90	86	4,726,148	4,948,549
December Quarter	90	90	2,040,040	4,263,777
March Quarter	90	73	916,768	1,214,889
June Quarter	90	82	7,752,809	7,973,629

Notes on above table:

- Percentage of accounts paid on time is based on SAP Payment Analysis Report, which compares vendor masterfile payment terms, invoice document date and payment document date to determine if payment was made on time, and if not, how many days it was late. The dollar value is the actual dollar value of the documents in each column (ie paid on time, not paid on time), so the percentage is based on documents, not dollar value.

Comments

Initiatives to improve payment performance include:

- Tightened controls to ensure correct data entry of payment terms and invoice dates in SAP.
- Prioritise vouchers as they are received in Financial Operations so invoices due for payment first get processed first.
- Use of extra resources, to ensure smooth workflow during peak periods.
- Improved compliance with the tax system by vendors and Departmental staff.

Procure-to Pay was established in Accounts Payable in November 2006. This is an across government initiative to streamline payment of accounts.

Penalty Interest Paid

There was no penalty interest paid during financial year 2008/09.

Payment by Corporate Card

Subject to meeting Departmental requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The Department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. The Corporate Card Guidelines/Procedures satisfy the requirements of the Revised Treasurer's Directions TD 205.01-205.08 and was based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditures are monitored for compliance with guidelines on a transaction basis and usage was considered to comply with best practice guidelines.

The Department incurred no late payment fees as a result of corporate card usage.

K. Risk Management

Effective risk management is a core management requirement. Risk management is considered at all levels of Murray CMA operations in the normal course of all activities.

DECC provided cover to the CMAs during the reporting period. This involved CMAs participating in the NSW Treasury Managed Funds (TMF) self-insurance scheme that provides insurance such as workers compensation, legal liability, motor vehicles, property and miscellaneous cover. One of the conditions of this insurance coverage is a requirement to place a high priority on the implementation of sound risk management practices.

An external risk management auditor was commissioned to conduct reviews of all CMAs in 2004. The resultant report led to the creation of a Murray CMA Risk Management Working Group. This group's role is to implement and maintain strong risk management practices in the Murray CMA.

L. Occupational Health and Safety

The Murray CMA has adopted DECC's OH&S Policies. The OH&S Committee established in January 2006 continue its work. This reporting period includes a natural attrition of members through Committee terms ending and staff leaving the Murray CMA. All representatives to the Murray OH&S Committee during 2007/08 are:

Chair/Secretary:	Rotating
Management Representative:	Sarah Wallace, Helen Wilson.
Employee Representatives:	Josh Ellis, Natasha Lappin, Martin Driver, Sue Logie, Louise Armstrong, Jeff Richards, Emma Wilson.

This committee has conducted 4 periodic meetings in the reporting period. The objective of the Murray CMA OH&S Committee is to facilitate consultation between the Authority and employees in instigating, developing and carrying out measures designed to ensure the health and safety of employees at the workplace. The Murray CMA has ensured that all areas of operation are represented on the OH&S Committee to ensure all voices are heard.

Training

The Murray CMA aims to keep all employees skills up to date by providing them with in house and external training opportunities. The following training was undertaken by employees of the Murray CMA during the reporting period.

Training Course	Number of CMA Attendees
First Aid	12
4WD	5
White card	2
SAP Train the Trainer	1
Objective End User Training	2
LMD	20
Chemical Users	4
Business writing	2
OHS Consultation	2
Financial Management	11
GIS	25
Risk management Fire Awareness	6
Crystal Report	1
Records management fundamentals	2

M. Waste

As part of the overall Procurement Policy, the Murray CMA has adopted the Waste Reduction And Purchasing Plan (WRAPP) Policy based on the Policy received from the NSW Department of Environment and Conservation. Where available the Murray CMA recycles all waste paper and cardboard.

N. Disclosure of Controlled Entities

Not applicable

O. Investment Management Performance

The following table outlines the amount invested by the Murray CMA during the reporting period.

CMA	Treasury Corporation – Hourglass Facility (Average Interest Rate 4.57%)
Murray	\$5,336.670

P. Privacy

There were no requests for access to documents, no applications for an internal review and no complaints under the *Privacy and Personal Information Protection Act 1998*. As required under the Act, DECC has a



Privacy Management Plan governing the collection, retention, accuracy, use and disclosure of personal information, including rights of access and correction.

Q. Credit Card Certification

The Murray CMA has 2 Corporate Credit Cards. Subject to meeting DECC's requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The Department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. Corporate card expenditures are monitored for compliance with the guidelines on a transaction basis. The Director General has, in accordance with the Treasurer's Directions, reviewed the certification report on corporate card usage by the officers of the Department of Infrastructure, Planning and Natural Resources. Corporate Card usage was considered to comply with best practice guidelines.

The Department incurred no late payment fees as a result of Corporate Card usage.

R. Government Energy Management Performance

Not applicable

S. Freedom Of Information

No requests under the Freedom of Information Act were sought from the Murray CMA during this reporting period.

T. Budget Forecast 2009-10 Financial Year

Funding Source/Partner	Anticipated Funding
Recurrent Allocation – NSW State Government	\$2,631,000.00
NSW Catchment Action	\$1,733,770.00
Caring for our Country	\$4,015,000.00
Interest	\$168,000.00
Other	\$971,000
Total Income	\$9,636,430.00

** Funding release is only guaranteed when project milestones are met. The absence to meet these milestones will result in delayed funding.

U. Performance and numbers of executive officers

General Manager: not appointed

Acting General Manager: David Leslie

Appointed Acting General Manager 18-02-2008

Performance Review: Not undertaken due to acting role

V. Code of Conduct

The Premiers Department Code of Conduct was adopted in 2003 and is being referenced for all matters relating to operational and management of staff within the Murray CMA's