

# Chairman's report

Friday 17 April 2015

This is the Chairman's report, following a meeting of the Murray Irrigation Board of Directors yesterday.

## Chief Executive Officer recruitment

Murray Irrigation is continuing to interview prospective candidates for the Chief Executive Officer (CEO), this included interviewing two candidates today with additional potential candidates to be considered. The Board is still aiming to finalise the appointment of a new CEO prior to the conclusion of Dr Stephen Gumley's appointment as interim CEO.

## Water availability update

I am pleased to report that this week the company has delivered 700GL on-farm, this is 100GL above our forecast sales and 2014/15 budget which is a positive. However, after a review of the water available to the company there is no opportunity for a further efficiency allocation at this time.

## Resignation of Matthew Watts, Company Secretary

The Board acknowledged Matthew's contribution to the company and its shareholders in his 12 years of employment. Matthew's diligence, knowledge and talents will be greatly missed by the Board and Murray Irrigation. In particular Matthew's knowledge of corporate governance and his capacity to use IT systems to innovate, improve services and increase the efficiency of our administration.

The Board thanks Matthew for his service and wishes him well in his future endeavours.

Murray Irrigation has commenced recruitment for a new Company Secretary/Risk Officer. Recruitment has also commenced for a new position as Information Communication and Technology Manager. This position will oversee the development of the company's technology systems. This position is critical to allowing Murray Irrigation to use technology to improve the effectiveness and efficiency of our business. It is also critical to our operations because as the company modernises, it is increasingly reliant on technology for our core service.

## Impact of increased resources in our Private Irrigation Infrastructure Operators' Program (PIIOP)

Early work completed by Stephen Gumley in his business review was the identification of the need for additional resources in our PIIOP project. We are now seeing the impact of these additional resources being recruited, this includes additional resources in consultation, engineering and program management. In addition, I look forward to welcoming the new PIIOP Executive Project Manager, Warren Jose, who will commence next week.

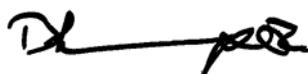
## Business health check

The business health check completed by our interim CEO, Stephen Gumley is assisting the Board identify and focus on the key issues that need to be addressed by the Board. These include:

- Our long-term stewardship of multigenerational assets including considering maintenance and reinvestment;
- Continuing to recognise the cyclic nature of our water sales and improving the capacity of our business to respond to this;
- Identifying opportunities to innovate how we work so we are more effective and efficient.

A key part of this work has been the development of improved financial modelling which is providing the Board with more comprehensive and robust information to assist their decision making. The business health check, combined with financial modelling, is assisting the Board with the development of its 2015/16 budget and associated fees and prices. The work being completed has highlighted medium and long-term issues, which need to be considered in consultation with our shareholders.

As advised late last week in *Talking Water* the company is currently planning its end of season arrangements. I encourage shareholders to familiarise themselves with these key dates and to plan their irrigation and dam filling around these dates.



**Bruce Simpson**  
Chairman