

**SHIRE OF KOJONUP**



**Audit Committee**

**MINUTES**

*31 July 2017*

**MINUTES FOR THE AUDIT COMMITTEE MEETING HELD ON 31 JULY 2017**

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## AGENDA

### 1 **DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS**

The Presiding Member declared the meeting open at 9:00am and alerted the meeting of the procedures for emergencies including evacuation, designated exits and muster points.

### 2 **ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE**

#### **MEMBERS**

Cr Jill Mathwin	(Presiding Member)
Cr Ned Radford	
Cr Judith Warland	
Mr James Hope	
Mr Roger House	

#### **STAFF (OBSERVERS)**

Mr Rick Mitchell-Collins	Chief Executive Officer
Mr Anthony Middleton	Manager of Corporate Services
Mrs Heather Marland	Senior Finance Officer (Observer)

#### **APOLOGIES**

Cr Ian Pedler

### 3 **PUBLIC QUESTION TIME**

Nil.

### 4 **SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

Nil

### 5 **APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**6      CONFIRMATION OF MINUTES**

AUDIT COMMITTEE MEETING held 6 June 2017

**OFFICER RECOMMENDATION/COMMITTEE DECISION**

**13/17      Moved Cr Radford, seconded Cr Mathwin that the Minutes of the Audit Committee Meeting held on 6 June 2017 be confirmed as a true record.**

**CARRIED    4/0**

**7      DECLARATIONS OF INTEREST**

Nil.

**8      VISITORS/GUESTS**

Nil

## **9     AUDIT COMMITTEE TIMETABLE**

As a guide and subject to availability, each Audit Committee agenda will contain the following (**list to be expanded at the suggestion of members**):

### **1st Quarter (January – March)**

- Committee Status Report
- Compliance Audit Return
- Summary of Risk Management
- Volunteer Management (*added by Cr Mathwin 27 July 2017*)
- Leave Provision Adequacy (*moved from 3<sup>rd</sup> Quarter by MCS 26 July 2017*)

### **2nd Quarter (April – June)**

- Committee Status Report
- Summary of Risk Management
- Fees & Charges Review
- Business Continuity Plan Review
- Shire President's Vehicle Log Book

### **3<sup>rd</sup> Quarter (July – September)**

- Committee Status Report
- Interim Audit Report
- Financial Management Review (each 4 years – 2014, 2018...)
- Summary of Risk Management
- Insurance Overview (*Added by MCS 26 July 2017*)

### **4<sup>th</sup> Quarter (October – December)**

- Committee Status Report
- Audit Report & Management Letter
- Annual Financial Report
- Annual Report
- Risk, Legal Compliance & Internal Controls review (each 2 years – 2014, 2016...)
- Summary of Risk Management

### **OFFICER COMMENT**

The above list will remain at the commencement of each Committee agenda to act as a timetable and enable members to add to the items to be considered.

For noting only (or additions).

## 10 **REPORTS**

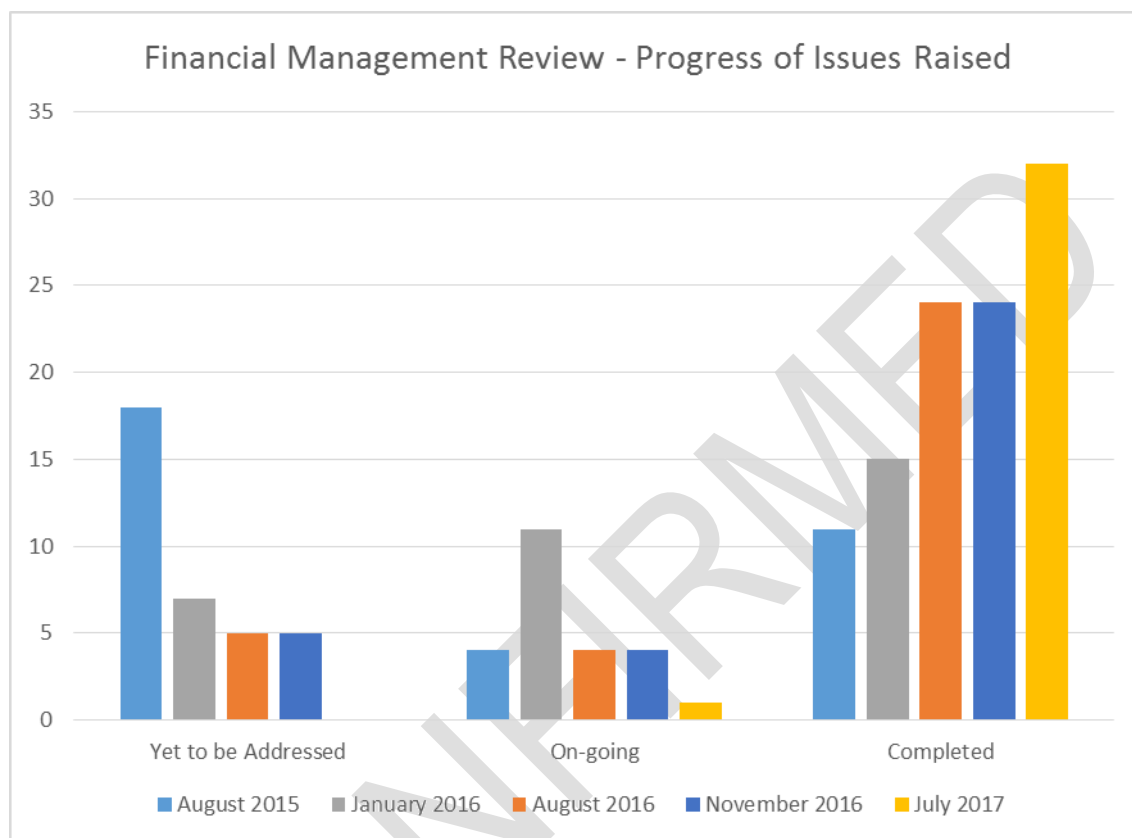
### 10.1 STATUS REPORTS

#### 10.1.1 COMMITTEE STATUS REPORT

Date	Item Number & Title	Issue	Response	Status
4 August 2015	9.1 Tendering & Performance Audits	The Committee queried the selection criteria used in tenders and requested that a Draft Council Policy be brought to a future Committee meeting.	Agenda item in this agenda – see item 10.2.	Completed – subject to Committee decision
15 November 2016	10.7 Leave Entitlements & Provisions – Draft Policy	<del>The Chief Executive Officer be requested to provide further information and/or formulate a policy on the taking of leave, leave accrual issues and any other relevant matter.</del>	<del>Agenda item contained within this agenda.</del>	Ongoing
21 February 2017	11.1 Volunteer Management / The role of Volunteers	<del>The Manager – Corporate Services be requested to provide a report regarding police and WWC checks and register of volunteers.</del>	<del>Agenda item contained within this agenda.</del>	Ongoing
6 June 2017	7 Visitors	Changing the timing of the creditor bank detail changes verification to immediately before EFT approval.		
31 July 2017	11. Other items for Discussion	Questioned costs incurred when fires get out of Control out of the prohibited and restricted burning period		

### 10.1.2 FINANCIAL MANAGEMENT REVIEW 2015 STATUS REPORT

A full copy of the Financial Management Review has previously been circulated and is available for Committee members if required. The review raised thirty three (33) matters and the status of their implementation is as follows:



At the Audit Committee Meeting held on 2 August 2016, members requested that items contained in the “yet to be addressed” and “on-going” categories be individually listed. They are as follows:

**Ongoing:  
INVESTMENTS**

- Investment Policy did not comply with FM Regulation 19C.

*The Committee noted this information.*

*9:15am – James Hope entered the meeting at 9.15am.*

### 10.1.3 RISK REGISTER

The Risk Register is undertaking an overhaul and redesign and therefore no summary is provided this meeting.

*The Committee noted this information.*

## 10.2 TENDERING AND PERFORMANCE AUDITS

In accordance with the committee status report, the following information is provided to the Committee on the Shire's present tendering processes:

A copy of the Council Policy 2.1.2 (Purchasing and Creditor Control) applicable to tendering is attached for the Committee's information.

*The Local Government Act 1995 and Local Government (Functions and General) Regulations 1996* govern when tenders must be called, the procedure to be used and record keeping requirements. The attached policy is in line with these regulatory requirements.

*Local Government (Functions and General) Regulations 1996* Regulation 14 (2a) states:

- (2a) If a local government —
  - (a) is required to invite a tender; or
  - (b) not being required to invite a tender, decides to invite a tender, the local government must, before tenders are publicly invited, **determine in writing the criteria for deciding which tender should be accepted.**

Selection criteria is currently formulated on a case by case basis for each tender. An example of a recent tender undertaken by the Shire of Kojonup lists the selection criteria as follows:

Price	40%
Timeframe	30%
Capacity	30%

*The Committee noted this information.*

## 10.3 INTERIM AUDIT

The interim audit was conducted on 28 & 29 June 2017. No issues of concern were raised during this audit however at the time of writing the minutes have not yet been received.

*The Manager of Corporate Services and CEO informed the Audit Committee that they met with Russell Harrison, Principal of Lincolns Accounting, who said that they are getting files in order ready to handover to the Auditor General. He also said he was impressed with the level of involvement by the Audit Committee.*

## 10.4 LEAVE PROVISION ADEQUACY

The Manager of Corporate Services has moved this item in the timetable from this meeting to the first quarter, to better reflect operational efficiencies and available information. In accordance with policy changes developed by the Committee in the preceding twelve months, a \$20,000 transfer to 'Employee Leave' reserve has been included in the 2017/2018 adopted budget.

*The Committee noted this information.*

## 10.5 2017 LOCAL GOVERNMENT RISK ANALYSIS

Please see attached letter from the Department of Local Government and Communities requesting that the Audit Committee reviews “the two financial and two asset ratios that were below standard for the year ended 30 June 2016.” The letter continues to state that:

**“The Council needs to endorse strategies to ensure it has action plans in place to deliver continual improvement in ratios currently below standard.”**

05 JUL 2017

 Government of Western Australia  
Department of Local Government and Communities

Our Ref: 202-17, KO3-14, E1727451

SHIRE OF KOJONUP

RECORD NUMBER:	1CR25944
FILE:	GS PRG 6
OFFICER:	SP, CEO
cc:	MCS + SFO

Cr Ronnie Fleay  
President  
Shire of Kojonup  
PO Box 163  
KOJONUP WA 6395

Dear Cr Fleay


**2017 LOCAL GOVERNMENT RISK ANALYSIS**

As part of the Department's *Compliance Framework* and monitoring role, various statutory reports prepared by local governments together with audit reports and management letters are reviewed to identify whether there are compliance issues, or financial management weaknesses that should be addressed.

This monitoring process has identified financial management issues which we draw to your attention.

The purpose of this letter is to request that the Council reviews, via its Audit Committee, the two financial and two asset ratios that were below standard for the year ended 30 June 2016. Council needs to endorse strategies to ensure it has action plans in place to deliver continual improvement in ratios currently below standard. It is requested that Council advises what actions have been endorsed to achieve those outcomes. Your response by 31 July 2017 is requested.

Should you wish to discuss any aspect of this, please contact Alan Carmichael, A/Manager Sector Monitoring on 6552 1430 or email [alan.carmichael@dlgc.wa.gov.au](mailto:alan.carmichael@dlgc.wa.gov.au).

Yours sincerely  
  
Mary Adam  
A/EXECUTIVE DIRECTOR, SECTOR REGULATION AND SUPPORT

30 June 2017

cc Mr Rick Mitchell-Collins, CEO, Shire of Kojonup

Gordon Stephenson House  
140 William Street Perth WA 6000  
GPO Box R1250 Perth WA 6844  
Tel: (08) 6551 8700 Fax: (08) 6552 1555 Freecall: 1800 620 511 (Country only)  
Email: [info@dlgc.wa.gov.au](mailto:info@dlgc.wa.gov.au) Website: [www.dlgc.wa.gov.au](http://www.dlgc.wa.gov.au)

The ratio component of the 2015/2016 Annual Financial Report was as follows:

SHIRE OF KOJONUP			
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT			
FOR THE YEAR ENDED 30TH JUNE 2016			
	2016	2015	2014
<b>19. FINANCIAL RATIOS</b>			
Current ratio	0.62	1.06	0.76
Asset sustainability ratio	0.79	1.68	1.02
Debt service cover ratio	8.40	24.01	15.38
Operating surplus ratio	(0.44)	0.01	(0.15)
Own source revenue coverage ratio	0.51	0.55	0.55
The above ratios are calculated as follows:			
Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$		
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$		
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$		
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$		
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$		
<b>Notes:</b>			
Information relating to the asset consumption ratio and the asset renewal funding ratio can be found at Supplementary Ratio Information on Page 59 of this document.			

Commentary and further information from the 2015/2016 Annual Report was as follows:

### **“Financial Summary Report**

The financial ratios required by legislation as contained in Note 19 (page 42) of the Annual Financial Report, and the two additional asset management ratios are summarised below using a ‘traffic light’ colour coding.

Each ratio should not be considered in isolation and should only be assessed in the context of an individual local government’s circumstances (for example, the Shire of Kojonup runs an aged care facility, tourism and cultural precinct, café, etc. unlike many others). Like a jigsaw, each ratio is only part of the bigger picture of the Shire’s financial performance.

	2012/2013	2013/2014	2014/2015	2015/2016
Current ratio	3.21	0.76	1.06	0.62
Asset sustainability ratio	0.89	1.02	1.68	0.79
Debt service cover ratio	19.62	15.37	24.01	8.4
Operating surplus ratio	(0.11)	(0.15)	0.01	(0.44)
Own source revenue coverage ratio	0.50	0.55	0.55	0.51
Asset Consumption Ratio	49%	55%	99%	98%
Asset Renewal Funding Ratio	n/a	n/a	70%	72%

*When analysing the final position for the 2015/16 financial year, consideration should be given to the fact that no new loans were raised during the financial year, despite \$420,000 of new loans being budgeted. This decision was made to minimise the total loan indebtedness of the organisation when considering the significant projects and scope of capital investment proposed for the 2016/17 financial year of over \$8m."*

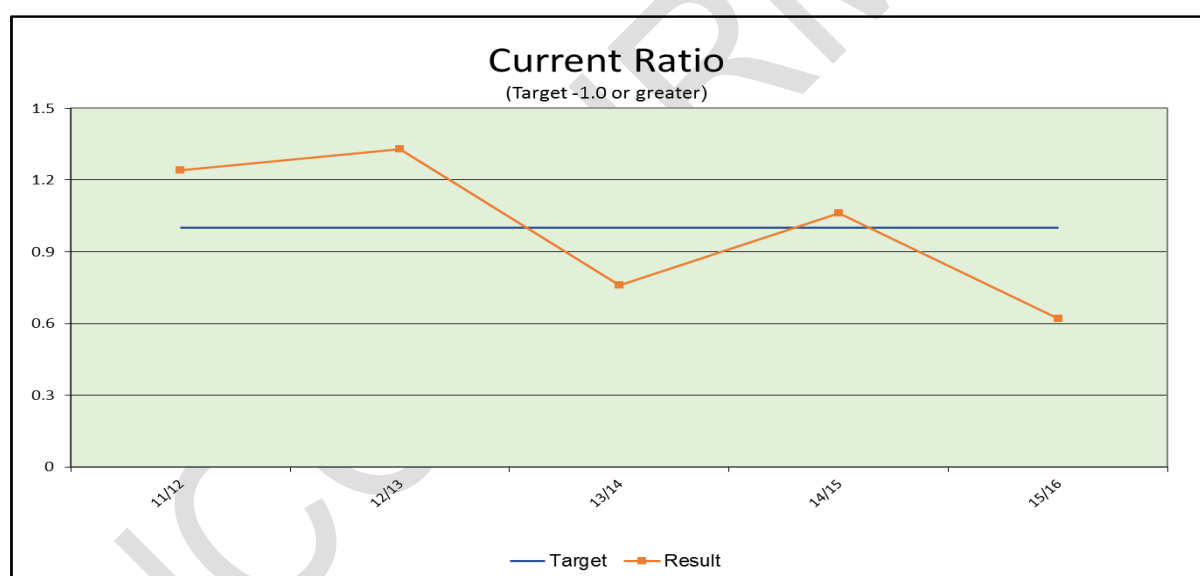
And

#### "Current Ratio

*The current ratio gives an indication of short term liquidity; that is the ability to meet financial obligations when they fall due. The current ratio changes from day to day but this is a measurement as at 30 June each year. A ratio of greater than 1 is desirable.*

*It is calculated by:*

$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$



*As can be seen above, the Current Ratio dipped below 1.0 in 2013/14 resulting from a transfer of unspent funds into reserve accounts, setting aside identified budgeted funds for a specific purpose. This forward planning has a negative impact on this ratio, albeit temporary.*

*In 2014/15 the ratio is marginally higher than the target. It should be noted however, that the WA Local Government Grants Commission prepaid some of the Shire's 2015/16 financial assistance grants. Had this prepayment not occurred, the target would not have been met.*

*The 2015/16 current ratio was affected by the decision not to raise any new loans during the financial year despite \$420,000 of new loans being budgeted. This decision was made to minimise the total loan indebtedness of the organisation and enable a 'launching pad', considering the significant projects and scope of capital investment proposed for the 2016/17 financial year of over \$8m*

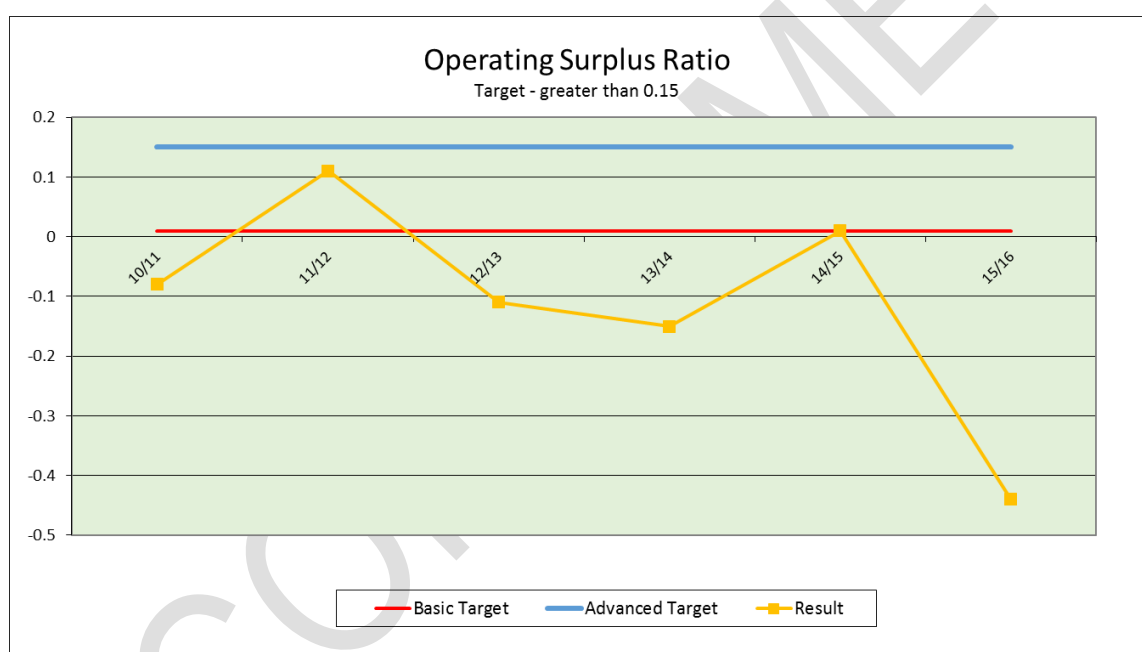
**Operating Surplus Ratio**

*This ratio is a measure of the extent to which own source revenues raised cover operational expenses. The higher the ratio, the greater the ability to operate effectively on own source revenue. Targets for this ratio are as follows:*

<i>0.1 (1%) or less</i>	<i>Concern</i>
<i>Between 0.1 &amp; 0.15 (1% &amp; 15%)</i>	<i>Basic achievement</i>
<i>0.15 (15%) or above</i>	<i>Advanced</i>

*It is calculated by:*

$$\frac{\text{Operating Revenue minus Operating Expenses}}{\text{Own Source Operating Revenue}}$$



And

*“The Council adopted its first Asset Management Plan in June 2014 which clearly sets out required investment levels to maintain existing assets at serviceable levels. The challenge for the organisation into the future will be to have meaningful information and discussions that enable the rationalisation of assets to ensure sustainability into the future. This will especially be a challenge for land and building assets.*

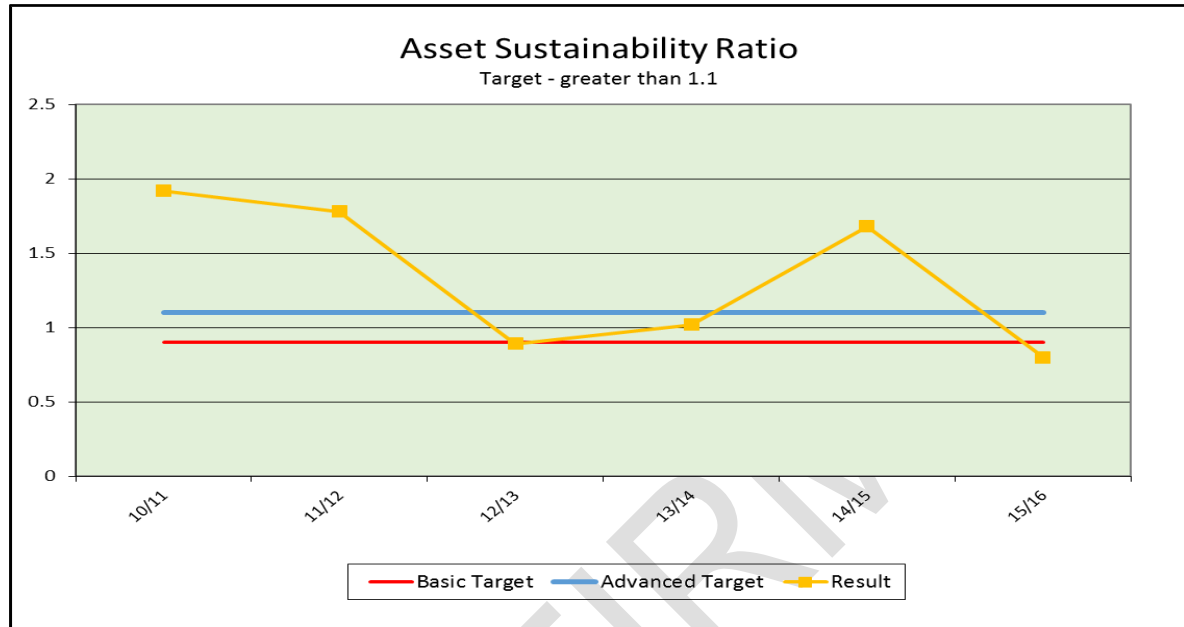
**Asset Sustainability Ratio**

*The Asset Sustainability Ratio gives a measure of the aged condition of the Shire’s physical assets, that is has expenditure on asset renewal and replacement exceeded depreciation for the year? It is calculated by:*

$$\frac{\text{Capital renewal and replacement expenditure}}{\text{Depreciation expenses.}}$$

*Targets for this ratio are as follows:*

<i>0.90 or less</i>	<i>Concern</i>
<i>Between 0.90 &amp; 1.1</i>	<i>Basic achievement</i>
<i>1.1 or above</i>	<i>Advanced</i>



*Capital expenditure in the 2015/16 financial year focused on the construction of new assets rather than the renewal and replacement of existing assets and when coupled with increased depreciation rates following asset revaluations, this ratio has dropped considerably.*

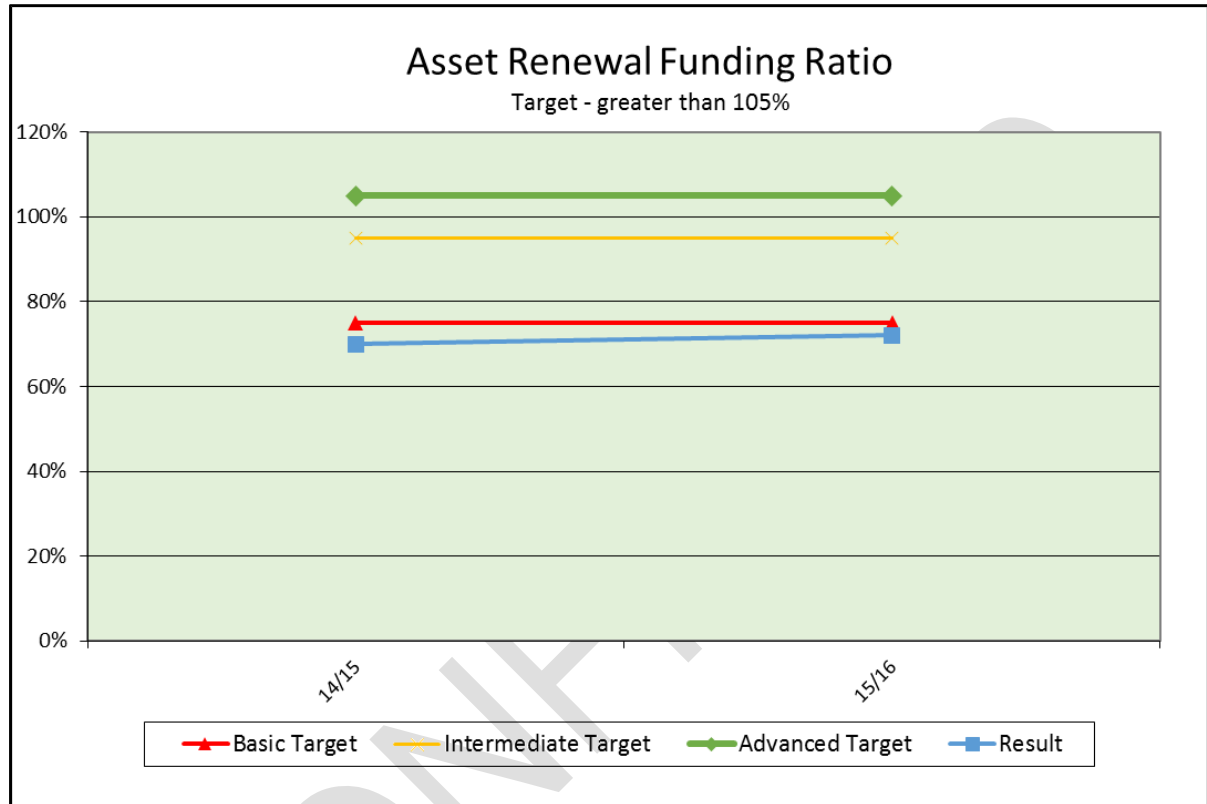
### **Asset Renewal Funding Ratio**

*The Asset Renewal Funding Ratio provides an indication of whether the Shire has the financial capacity to fund asset renewals as required and can continue to provide existing levels of service in the future without requiring additional income, reduction in expenditure or an increase in borrowings. It is calculated by:*

$$\frac{\text{NPV of Planned Capital Renewals over 10 years}}{\text{NPV of Required Capital Expenditure over 10 years}}$$

*Targets for this ratio are as follows:*

75% or less	Concern
Between 75% & 95%	Basic achievement
Between 95% & 105%	Intermediate achievement
105% or above	Advanced



*This ratio shows that the planned capital renewal expenditure proposed in our Long Term Financial Plan does not meet the levels that the Asset Management Plan has identified as being required. To address this imbalance, either more needs to be invested into asset renewal or asset rationalisation needs to be undertaken."*

It is proposed by the Manager Corporate Services that the Committee workshop these four (4) ratios, the formula's used to calculate the ratio and then prepare a Committee position for recommendation to the Council.

*The Committee workshopped the ratios and discussed that they would recommend to the Council the following positions on each ratio for reporting back to the Department of Local Government & Communities:*

#### Current Ratio

*Cash back leave provisions – the main figure influencing this ratio is employee leave provisions. The Audit Committee and the Council have spent considerable time on this issue in the previous twelve (12) months including amending a policy, which will improve this ratio over the next four (4) financial years.*

Operating Surplus Ratio

*The easiest way to improve this ratio is to double property rates, the worst is to seek grant funding. It is noted that it is the cost of doing business in small Shires, who rely on external capital grant revenue which has been received forever (question the validity of the formula for this grant).*

Asset Sustainability Ratio

*2015/2016 focussed on new projects and thus this ratio suffered. The 2017/2018 focus is on Asset renewal. The newly adopted Asset Management Framework is a guide to work to and a Capital Assessment Framework will follow.*

Asset Renewal Funding Ratio

*Decisions will be based on the Long Term Financial plan and will take into account whole of life costings.*

## 10.6 INSURANCE POLICIES 2017/2018

AUTHOR: Heather Marland – Senior Finance Officer  
 DATE: Monday, 17 July 2017  
 FILE NO: RM.REG.1  
 ATTACHMENT: 10.6.1 – Vehicle and Plant Register  
 10.6.2 – Property Register

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is to inform the Committee of the insurance levels and associated costs held by the Shire for the 2017/2018 financial year.

**BACKGROUND**

This item was considered by the Council at its meeting held 25 July 2017 where it resolved:

*“...that the information regarding the levels of the Shire’s Insurance for the 2017/2018 financial year be noted.”*

Insurance is one of the Shire’s largest annual expenses and most important risk management tasks and therefore it is appropriate that the Committee and Council, in addition to staff, be comfortable with the levels of insurance taken out.

In addition, individual Councillors have queried the value for money received from our insurance provider and the suggestion has been made that we investigate policies on the ‘open market’.

**COMMENT**

The Shire of Kojonup obtain insurance cover through LGIS (Local Government Insurance Services). LGIS is partly owned by WALGA and offer insurance through their Scheme Membership and also through policies taken out with insurers. They are able to obtain policies from main stream insurance at a reduced rate as they broker on behalf of all its scheme members.

Below is a list of insurance held by the Shire for the 2017/2018 financial year including the insurance provider, limit of liability and the cost of premium. The Shire also has a new Medical Malpractice Liability policy (Springhaven Lodge) which is not included in the table below as it is not due until 30 June 2018.

Policy	2017/18 Contribution	Insurer	Liability	Interest Protected
LGIS Bushfire	\$18,788.00	Scheme	\$500k	Volunteer Bushfire members, medical expenses, loss of salary/wages and death benefits
LGIS Liability	\$31,573.30	Scheme	\$500m	Public liability - Death or Personal Injury, Loss or Damage to Property
Casual Hirers Liability	\$ 0.00	Covered by Scheme	\$10m	Legal liability to thirds parties for death, illness or personal injury and loss of damage to property at hired facility
Crime	\$828.99	Scheme	\$400k	Direct financial loss sustained by

				member.
LGIS Property	\$90,631.36	Scheme	\$600m	Physical loss, destruction or damage to property including Machinery breakdown and electronic equipment
LGIS Workcare	\$100,485.00	Scheme	\$500k	Workers Compensation and Injury Management including Journey Accident Cover
Corporate Travel	\$825.00	Chubb Insurance	\$10m	External Journey beyond 50km
Cyber Liability	\$1,650.00	Chubb Insurance	\$1m	Data stolen/accessed/alterd
Management Liability	\$29,993.70		\$4.25m	Councillors and Officers Liability and Employment practices Liability
Marine Cargo	\$660.00	QBE	\$400k	All goods &/or interests belonging &/or appertaining whilst in transit by land, air, water and parcel post.
Motor Vehicle	\$46,442.60	Zurich Australia	\$3.2m	All motor vehicles and trailers owned leased or mortgaged under hire purchase or hired in or let out. Includes volunteer bushfire brigade member's vehicles.
Personal Accident - Volunteers , Councillors	\$467.50	Chubb Insurance	\$300k	Elected members and volunteers if injured or death whilst engaged in work for the Shire if said work is authorised by the Shire.
Pollution Legal Liability	\$0.00	Covered by Scheme	\$50m	Clean up costs resulting from Pollution conditions, onsite and offsite including bodily injury and property damage
	<b>\$322,345.45</b>			

## CONSULTATION

David Woods – Account Manager LGIS

Anthony Middleton – Corporate Services Manager

Shire of Kojonup Council – 25 July 2017

## STATUTORY REQUIREMENTS

- *Local Government Act 1995* Section 5.42(1)
- Delegation Register – Admin 007 – Entering into Contracts of Insurance  
The Chief Executive Officer is Delegated Authority to enter into appropriate contracts of insurance. In exercising the delegation the CEO is to have regard to the provisions of the Annual Budget.

## POLICY IMPLICATIONS

2.1.8 – Financial Governance – Management of financial risk prudently, having regard to economic circumstances.

## FINANCIAL IMPLICATIONS

Insurance is an annual expenses which is included in the budget each year. The figure shown above of \$322,345 for 2017/2018 is similar to previous years.

**STRATEGIC/CORPORATE IMPLICATIONS**Community Strategic Plan 2013 – 2023

## Outcomes:

- G1 – Being Well Governed

Corporate Business Plan 2013 – 2017

## Objectives:

- G1.1.2 – Maintain a structured forward planning process in accordance with legislation and community aspirations.
- G1.1.4 – Maintain robust systems and controls

**RISK MANAGEMENT IMPLICATIONS**

Insurance is the most important risk management tasks undertaken each year. Insurance is our single largest ongoing external cost, and without adequate cover the Shire is extremely exposed to financial and property loss and open to liability.

**ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications for this report.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority.

**OFFICER RECOMMENDATION/COMMITTEE DECISION**

**14/17     Moved Cr Warland, seconded Cr Radford that the information regarding the levels of the Shire's Insurance for the 2017/2018 financial year be noted.**

**CARRIED     5/0**

## Attachment 10.6.1



## SHIRE OF KOJONUP VEHICLE AND PLANT REGISTER

Updated for renewal 28/06/17

### UPDATING SCHEDULES FOR NEXT PERIOD OF INSURANCE

Please review all insured values to reflect MARKET value for Council's assets.

Please add or delete assets as appropriate.

Ensure each vehicle is noted as follows (if applicable):-

1. Vehicles usually or exclusively used for carrying flammable liquids (FL) should be marked with \*
2. Vehicles with mobile telephone, two way radio, facsimile or similar equipment (EA) fitted should be marked with +
3. If the registered owner is not the 'named insured' in your policy, provide details.

LGIS REF	ASSET NO	PLANT NO	DESCRIPTION & MAKE OF VEHICLE	FL = * EA = +	ENGINE NUMBER	REGO	SUM INSURED	PREMIUM
			<b>Graders</b>					
1		P30005	Caterpillar Grader 12MT	+	G9G01583	KO007	\$333,500	\$2,569.70
2		P30004	2008 Caterpillar 12M Grader	+	C6E12320	KO368	\$240,000	\$1,849.26
		P30006	2016 Caterpillar Grader 12M Grader		CAT0012MEB9200472	KO107	\$338,585	\$2,608.88
			<b>Trucks</b>					\$ -
3		P25009	ISUZU WHITE TIP TRUCK 2010	+	6HK1412956	KO122	\$130,000	\$1,001.68
4		P26001	UD Nissan Prime Mover	+	PF6161649B	KO 134	\$60,000	\$462.32
5		P35010	Mobile Air Compressor			KO. 5969	\$3,000	\$23.12
6		P25004	Isuzu NPR 300 Medium	+	4HK1312289	KO8073	\$45,000	\$346.74
7		P25008	Mitsubishi Light Truck	+	4M50D40375	KO08660	\$53,770	\$414.31

8		P2P26002	ISUZU WHITE PRIME MOVER 2010	+	6HK1413000	KO921	\$140,000	\$1,078.74
9		P25011	Isuzu Tip Truck	+	4HK1929749	KO006	\$76,740	\$591.30
10		P25007	2008 Isuzu NPR300 Crew Cab	+	4HK1665947	KO324	\$38,000	\$292.80
11		P25006	Isuzu Giga	+	6WG1408839	KO163	\$120,000	\$924.63
12		P25015	Hino Tip Truck	+	JHDFS1ELLXXX10276	KO8926	\$155,000	\$1,194.31
13		P36001	Fire Truck	+	4HF1406275	9JI428	\$16,363	\$126.08
14		P36002	Isuzu FireTD – Year 1999	+	GHHI286784	1DCF738	\$160,000	\$1,232.84
15		P36003	Muradup Fire Truck	+	4HK1755281	1DKK079	\$250,000	\$1,926.31
16		P25005	Hino Tip Truck		JHDFS1ELLXXX10276	KO8926	\$155,000	\$1,194.31
17			2015 Isuzu FSS600		4HK1346228	1GFG819	\$357,877	\$2,757.53
			<b>Trailers</b>					\$ -
18		P0244	Single Axel Caged Box Trailer			KO5724	\$400	\$3.08
19		P35007	Mobile Fuel Tanker Trailer			KO.5686	\$1,000	\$7.71
20		P35008	BGC Trailer			KO 5830	\$1,000	\$7.71
21		P0247	Loadstar Trailer		Chasis 6A5T20A1000000057	1TKT707	\$990	\$7.63
22		P0242	8"x5" Tandem Trailer		VIN6A5T2032000000038	1TED612	\$1,000	\$7.71
23			Boxtop Trailer (Bushfire)			1TER 728	\$669	\$5.15
24			Boxtop Trailer (Bushfire)			1TER 737	\$669	\$5.15
25			Boxtop Trailer (Bushfire)			1TER 735	\$669	\$5.15
26			Boxtop Trailer (Bushfire)			1TER 736	\$669	\$5.15
27			Boxtop Trailer (Bushfire)			1TER	\$669	\$5.15

						731		
28			Boxtop Trailer (Bushfire)			1TER 729	\$669	\$5.15
29			Boxtop Trailer (Bushfire)			1TER 730	\$669	\$5.15
30			Boxtop Trailer (Bushfire)			1TER 734	\$669	\$5.15
31			Boxtop Trailer (Bushfire)			1TER 732	\$669	\$5.15
32			Boxtop Trailer (Bushfire)			1TER 733	\$699	\$5.39
33			Boxtop Trailer (Bushfire)			1TER 738	\$669	\$5.15
34		P15005	Roadswest Low Loader		Chasis 6T925WA1DOADN165	1TOR705	\$124,000	\$955.45
35		P27004	Howard Porter Side Tipping Dog Trailer & Dolly			1TFN570	\$50,000	\$385.26
36		P35006	Skid Steer Trailer			BY81328	\$7,000	\$53.94
37		P0249	Loadstar Boxtop 2015			1TQJ322	\$1,000	\$7.71
38		P27007	All Motor Body Builder Pig Trailer		6T9T25WA1E04WX008	1TPC362	\$52,000	\$400.67
39		P27008	Roadswest Low Loader		6T9T25WA1D0ADN165	1TOR705	\$100,000	\$770.53
40		PE27005	Trailer - Custom Built for Skid Steer Loader			KO10158	\$3,500	\$26.97
			Rollers					\$ -
41		P28006	Caterpillar Roller	+		KO917	\$204,500	\$1,575.72
42		P28007	Caterpillar Roller	+		KO170	\$204,500	\$1,575.72

			Loaders					\$ -
43		P15001	Caterpillar IT28G	+	9AR00721	1AUB158	\$90,000	\$693.47
44		P15004	Caterpillar Front End Loader	+	C8N11296	1EHT 643	\$306,388	\$2,360.80
45		P17002	Caterpillar Skid Steer Loader	+	CAT0242DHDML00145	KO891	\$90,200	\$695.01
46		P28008	Caterpillar Steel Roller		CAT0CS76HCYX01004	KO11612	\$139,500	\$1,074.88
47		P29004	Caterpillar 305E2 Mini Excavator		CAT0305EKH5M01803	KO8423	\$94,250	\$726.22
			Utilities					\$ -
48		P11013	Toyota Hilux Dual Cab 2014	+	1KDA478356	KO2	\$45,000	\$346.74
49		P11014	Toyota Hilux Ute 2014	+	1KDA566014	KO118	\$47,000	\$362.15
50		P11015	Toyota Hilux Ute 2014	+	1KDA3607071	KO528	\$47,000	\$362.15
51		P11016	Toyota Hilux Ute 2014		1KDA609941	1DES444	\$45,000	\$346.74
52		P11018	Mazda BT50 2015	+	P5AT2062057	KO10	\$58,997	\$454.59
53		P11019	Toyota Hilux Ute		2GD4016211	KO11627	\$42,000	\$323.62
54		P11020	Toyota Hi-Ace Van		2TR807976	KO1022	\$36,700	\$282.78
			Mowers & Slashers					\$ -
55		P22001	Yamaha Spray Motorbike		J310E108454	KO8164	\$10,000	\$77.05
56		P12004	Toro Groundmaster 7200 - featuring Mulching cutting deck		D11058A2479	KO1123	\$15,000	\$115.58
57		P18006	John Deere Mower		1TC1445DJDT131013	KO582	\$ 35,000	\$ 269.68
			Motor Vehicles					\$ -
58		P31001	Mitsubishi Rosa Bus		4D32H85346	KO095	\$45,000	\$346.74
59		P31002	1982 Volvo Bus		THDC10044524884	1DBK105	\$22,000	\$169.52
60		P34037	KIA Carnival EX SWB Auto 2.7L V6		KNAMB752386205312	65KO	\$20,000	\$154.11
61		P34053	Toyota Rav 4		3ZR4A38094	KO914	\$25,454	\$196.13
62		P34045	Toyota Rav 4		ASA44R-ANTXKQ	KO5	\$33,650	\$259.28

63		P34046	Toyota Rav 4		2AD0489021	1KO	\$31,000	\$238.86
64		P34047	Toyota Kluger		2GRM055241	KO524	\$27,000	\$208.04
65		P34049	Toyota Rav 4		2ARE952031	KO11765	\$31,000	\$238.86
66		P34050	Holden Trail Blazer		GNNG170231176	KO784	\$42,660	\$328.71
67		P34048	Holden Caprice		6G1NP5E21FL132163	KO629	\$42,000	\$323.62
68		P34051	Toyota Prado		1KD2527722	KO16	\$56,000	\$431.49
69		P34052	Toyota Rav 4		3ZRB691528	KO11650	\$30,600	\$235.78
70			2017 Toyota Rav 4		2ARF348988	38KO	\$33,650	\$259.28
			Building Plant					\$ -
			Road Plant					\$ -
71			Train & Carriages				\$30,000	\$231.16
72			Mini Moke & Carriages				\$10,000	\$77.05
73		P29003	320DLQ Hydraulic CAT Excavator	+	GDC36014	KO8661	\$269,136	\$2,073.76
74		P18005	New Holland Tractor	+	203535D	KO8707	\$30,000	\$231.16
75		P25013	2012 Allroads Tandem Axle Dolly		6T9T23WA1C04WX011	1TNL804	\$24,248	\$186.84
76		P25012	Tandem Axle Side Tipping Trailer - Allroad Motor Body Builders		6T9T25WA1C04WX009	1TNB660	\$80,000	\$616.42
77		PO248	Custom Made Boxtop Trailer			1TOK 585	\$7,922	\$61.04
78		P27006	Allmotor Body Builders Dolly			1TOG 863	\$24,302	\$187.25
79		P35019	Duraquip Water Tanker		6K9DURATMEG112053	1TQA893	\$72,524	\$558.82
80		P19003	2015 Caterpillar 2.5 Tonne Diesel Forklift		CT18C85682		\$31,361	\$241.64
								\$ -
			Miscellaneous Equipment and Attachments				\$90,000	\$693.47

			Bushfire/brigade member vehicles (up to \$1,000,000)				\$ -	\$1,500.00
			TOTAL SUM INSURED				\$5,642,656.33	\$44,978.08
<b>MAXIMUM LIMIT OF LIABILITY</b>								
Maximum value of Vehicles at anyone location at any one time							\$3,200,000	
(e.g. over the Christmas Break - total value of vehicles stored at Depot)								

**SECTION 2**

Third Party Liability	\$30,000,000
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**DEDUCTIBLES**

Bushfire Vehicles	\$Nil
Councillors Vehicles	\$Nil
Volunteers Vehicles	\$Nil
Employees Vehicles	\$Nil
All other Vehicles (Minimum \$300)	\$500

Premium Calculation

0.771%

**11     OTHER ITEMS FOR DISCUSSION AS RAISED BY MEMBERS**

Cr Mathwin

- *Update of The Black Cockatoo lease status – Cr Mathwin provided copies of Item 15.1 from the 25 July 2017 Ordinary Council Meeting and provided a general update to the Audit Committee.*

Cr Radford

- *Questioned the costs incurred when fires get out of control out of the prohibited and restricted burning period. The Manager Corporate Services advised that it depends on who “purchases” the particular costs and under which authority this is undertaken. A further report will be provided.*

**12     NEW BUSINESS**

(of an urgent nature, introduced by a decision of the meeting).

Nil.

**13     NEXT MEETING**

The next ordinary meeting is scheduled for Tuesday, 7 November 2017 at 9:00am.

**14     CLOSURE**

There being no further business to discuss the Presiding Member thanked members for their attendance and declared the meeting closed at 10:40 am.

**15     ATTACHMENTS (SEPARATE)**

Item 10.2     Council Policy 2.1.2 – Purchasing and Creditor Control  
Item 10.6.2     Property Register

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*Presiding Member*

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*Date*