



COUNCIL POLICY

Cash Backed Reserves – Objectives and Use

Policy Number:	PO116		
Strategic Plan Objective:	L – Responsible Leadership and Governance L4. Continue to meet all legislative requirements and compliance with Council’s internal controls.		
Policy Owner:	Director Corporate and Community Services	Record Number:	16/14154[v4]
Responsible Officer:	Manager Financial Services	Minute Reference:	351/2025
Date Adopted:	10/12/2025	Next Review Date:	December 2029

1. POLICY OBJECTIVES

To define Council’s objectives, and use, of cash backed reserves held for specific purposes in accordance with Council’s Treasury Management Policy. This policy does not guide Council practice in relation to equity or accounting reserves.

2. SCOPE

This policy applies to all Council employees responsible for expenditure of funds, management of Council’s finances, cash and related policies, procedures and decision making regarding these matters.

3. POLICY STATEMENT

That the objectives and use of respective cash reserve funds held with the Local Government Finance Authority (LGFA) as determined by Council’s Treasury Management Policy are as follows.

3.1. 24 Hour At Call Account

Any surplus funds held by Council are transferred into this Reserve until required. This allows interest to be earned with these funds ultimately being returned to Council’s main operating account for expenditure as required.

3.2. Open Space Reserve

To hold funds generated from Land Division approvals where a contribution is received from developers as a condition of approval. Required to be held in a specific fund established for this purpose under Section 198 (11) of the Planning, Development and Infrastructure Act. These funds will be utilised as deemed necessary for the purpose of acquiring or developing land as open space as endorsed by Council.

3.3. Minlaton RSL Trust Fund

Represents the balance of funds transferred from the Minlaton RSL to Council. These funds are generally used for cemetery plaques, funeral notices, ANZAC Day functions and any expenditure related to RSL or ANZAC legacy infrastructure in the Minlaton area as deemed appropriate by Council.

3.4. Erichsen Heritage Trust Fund

This trust was previously held by the District Council of Yorketown. Founder of the Trust, Ms Eleanor Witcombe created a new “Writer’s Award”, which is required to feature Yorke Peninsula, to encourage educational development and promotion of the Yorke Peninsula. The distribution of the funds from the trust are determined by the Erichsen Heritage Trust committee. This can include the distribution of funds deemed appropriate by the committee for Heritage focused projects in the Yorke Peninsula area.

3.5. Curramulka RSL Trust Fund

Represents the balance of funds transferred from the Curramulka RSL to Council. These funds are generally used for cemetery plaques, funeral notices, ANZAC Day functions and any expenditure related to RSL or ANZAC legacy infrastructure in the Curramulka area as deemed appropriate by Council.

3.6. Warooka RSL Trust Fund

Represents the balance of funds transferred from the Warooka RSL to Council. These funds are generally used for cemetery plaques, funeral notices, ANZAC Day functions and any expenditure related to RSL or ANZAC legacy infrastructure in the Warooka area as deemed appropriate by Council.

3.7. Library Reserves

Council maintains individual reserves for Community Libraries in Yorketown, Minlaton, Ardrossan and Central Yorke. The reserves ensure that Council is meeting its requirements under the grant funding agreement entered into with the State Government. The funds in reserve are the net surplus of the annual income and expenditure for each library each financial year. The funding agreement requires Council to allocate a minimum amount to be spent on the operations of each library every financial year. Any unspent funds are transferred to these reserves at year end for expenditure on libraries in future years.

3.8. Land Sale Reserves (Non-Mandatory)

Council at certain points in time will maintain a separate cash back reserve as a result of a Council land sale where this is specified in the Council report as part of the sale of the land.

3.9. Grant Funded Reserves

Council at certain points in time will maintain a separate cash back reserve as the result of a grant that has been obtained by Council for a specific purpose. This will be undertaken where the grant body, as part of the grant agreement, require funds to be kept separate, enabling interest for the funds to be assigned to the project and appropriated reported as part of the acquittal.

4. COMPLAINTS

Complaints relating to this policy can be made in writing to Council’s Director Corporate and Community Services. Complaints will be managed in accordance with Councils Complaints Policy PO147.

5. REVIEW

This policy will be reviewed every five (5) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes, guidelines and policies. Elected members and relevant employees will have the opportunity to participate in the review process.

6. TRAINING

Council is committed to providing training where required to ensure compliance with this policy.

7. RECORDS

Records shall be maintained as required by Council’s Records Management Policy (PO063) and relevant legislation.

8. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO139 Treasury Management Policy

PO147 Complaints Policy

9. REFERENCES AND LEGISLATION

Planning, Development and Infrastructure Act 2016 Section 198 (11)

10. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

11. VERSION HISTORY

Version No	Issue Date	Description of Change
1	12/10/2005	Full Revision.
2	08/05/2013	Full Revision.
3	11/11/2020	Full Revision.
4	16/12/2025	Minor Revision.