



DISTRICT COUNCIL OF LOXTON WAIKERIE

Loxton Retirement Village – Use of the Capital Reserve Policy

Policy Identification:	Loxton Retirement Village
Policy type:	Finance
Summary:	The policy articulates the purpose and use of the capital reserve generated by the operation of the Loxton Retirement Village.
Record number:	16.63.1
Date of adoption or approval:	19 September 2014
Date of last review:	17 November 2017
Date of next review:	Once in each term of Council (every 4 years)
Authorisation:	Council
Responsible department:	Executive
Responsible officer (s):	Chief Executive Officer
Review officer (s):	Manager Corporate Services; Loxton Retirement Village Administration Officer
Consultation required:	
Relevant references:	
Delegations:	
Legislation:	Local Government Act 1999 Retirement Villages Act 1987
Related procedures:	
Related policies:	

1. Purpose

The District Council of Loxton Waikerie is committed to the continued provision of affordable, quality independent living accommodation under a self sustaining model through the operation of the Loxton Retirement Village (the Village).

The Loxton Retirement Village – Use of the Capital Reserve Policy clearly articulates the purpose and use of the Capital Reserve generated by the operation of the Village by Council.

2. Strategic reference

Community leadership; strategy 2.1.1: undertake decision making that is transparent, timely and responsive to community needs, whilst maintaining a clear focus on the long term goals of the community.

Provision and maintenance of infrastructure, assets and facilities; strategy 3.3.2; examine opportunities to develop, maintain or rationalise Council owned assets and facilities based primarily on strategic objectives, assessment of risk (if any), usage, spread of potential benefit and community well being.

Strengthen our Community through the provision of Cultural, Recreational and Community Services strategy 5.3.3 – facilitate community needs in areas such as aged services and accommodation, childcare and preschool support, public transport, access to services and health care.

3. Management and use of the funds within the Capital Reserve Account

Through the operation of the Village, a Capital Reserve has been created as a repository for the funds that are able to be retained by Council upon the valid termination of a residents Licence to Occupy, either by the resident or the Council.

The capital account balance is viewed as the surplus that has resulted from the Villages' operations, and funds are available for Council's investment into other activities that benefit the wider community over the long term.

Council has determined it is appropriate to retain an amount in the Capital Reserve to fund unforeseen requirements applicable to the operation of the Village, the initial retention amount being \$500,000.00.

It is acknowledged that from time to time, Council may decide to undertake capital projects within Village. As part of the project development, the financing arrangements could mean that Council resolves to increase the balance of the Capital reserve to an amount in excess of the initial retention amount for a period of time to accommodate some or all of the agreed development costs.

Balances in excess of \$500,000.00 are able to be used by Council at its discretion to advance capital projects outside the physical bounds of the Village where these projects are deemed by Council to have a long term and wide community benefit. Funds from the Capital Reserve will not be used to support operational expenditure.

Funds and the project(s) they advance may be included in Councils Annual Business Plan which is the subject of a public consultation process and will be acknowledged within Councils Annual Report of Council and also to the Annual Meeting of residents of the Village.

4. Availability of policy

This Policy will be available for inspection at the Council Offices at Loxton or Waikerie during ordinary business hours at no charge.

Copies of this Policy will also be available from Councils website www.loxtonwaikerie.sa.gov.au or postal copies may be obtained from the Council Office, free of charge.

5. Document history and version control

Date	Version	Authorisation:- Council/ Committee/ Senior Management Team	Amendment details
19/09/2014	1.0	Council	First version
17/11/2017	1.1	Council meeting of 17 November 2017	Proposed amendment: Review period extended to that of once in each term of Council (every 4 years) and addition of the document history and version control protocols