



## Accounts – Leave Entitlement Reserve

Application	All Staff
Responsible Officer	Director Corporate and Community Services
File No	CM:POL:CWP
Authorised by	Council
Effective Date	0339/18.10.2022
Distribution	Internet / Intranet

### Purpose

The intention of this policy is to ensure that Council adequately provides financial resources for its employee leave liability.

### Definitions

Council:	Carrathool Shire Council
Employee Leave Liability:	Under the Local Government (State) Award upon retirement, transfer or resignation employees are entitled to payment of accrued annual leave and long service leave. Council also has a separate policy for payment of accumulated sick leave for eligible staff employed prior to 2007.
Funded Reserve:	Sufficient funds set aside for payment of all leave liability as it is likely to occur as an internal restriction against Council's available cash and investments.
General Purpose Financial Statements:	Council's Annual Financial (Consolidated) Financial Statements which incorporate the General Fund, Water and Sewer activities. This document is subject to external audit it includes relevant details of all revenue, operational expenditure and details of all relevant assets and liabilities as at reporting date. The document also includes the extent of all leave liability shown as a provision.

### Reference

This policy complements other legislation and where it is silent on matters referred to in the following legislation such matters must be followed in accordance with the legislation.

### Policy statements

That Council's Funded Reserve for Employees Leave Entitlement be a minimum of 40% of Council's total leave liability provision as reported in Council's most recent General Purpose Financial Statements.

### Revision Table

Minute /Date	Amendment Summary	Reason or Reference
0557 / 19.05.1987		
5425 / 20.12.1994		
1309 / 1998		
3972 / 21.10.2003		
0740 / 16.10.2018		Amended
0339/18.10.2022		Reviewed



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### **Associated Documents**

Policy 125 – Staff Gratuity Policy

### **Review**

This policy may be amended from time to time and will be reviewed within four years of its adoption (or latest amendment) with reference to any relevant legislation and best practice guides.