

FEDERATION COUNCIL

Title:	INVESTMENT POLICY
Council Adopted:	16 August 2016
Council Resolution No:	55/16FC
Responsible Department:	Director Finance
Date to be Reviewed:	30 June 2019

1. Purpose

- To provide guidance to staff for investing Council funds.
- Comply with requirements of the Local Government Act 1993 and other related Legislation.

2. Scope

The Policy applies to the management of Federation Council funds.

3. Legislative Requirements

- Local Government Act 1993 Section 625
- Local Government (General) Regulation 2005-Clause 212
- Investment Orders issued by the Minister for Local Government
- Trustee Amendment (Discretionary Investments) Act 1997-Section 14
- Division of Local Government Circulars
- Australian Accounting Standards
- Local Government Code of Accounting Standards

4. Policy Statement

Council will maximise earnings and security of all investments and Council shall comply with the requirements of the most current Ministerial Investment Order that has been issued by the NSW Minister for Local Government and Guidelines set by the Office of Local Government.

All Investments must be in Australian dollars.

The term of investments may range from “at call” to 2 years or as otherwise approved by Council.

Investments should be allocated to ensure sufficient liquidity to meet anticipated cash flow requirements.

Investments are to be considered in accordance with the following criteria:

- Preservation of Capital
- Diversification
- Maturity Risk
- Liquidity Risk

FEDERATION COUNCIL



A monthly Report will be provided to Council, detailing the investment portfolio in terms of performance, investment institution and amount of each investment.

5. Responsibilities

Council

Shall review the Policy from time to time to ensure it complies with the Legislation and is achieving the Council's intent.

General Manager

Shall ensure the development of an Investment Guideline and Procedures that conforms to Council's Policy.

Shall monitor the effectiveness of the Guidelines and Procedures in operation and authorise changes to improve the procedures to conform to Council's Policy.

Shall report to council any issues that arise out of the Policy.

Staff

Shall assist develop the Investment Guideline and Procedures to the satisfaction of the General Manager.

Shall implement and carry out the actions listed in the Procedures.

Shall report regularly to the General Manager on the effectiveness of the Procedures.

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