

## F1. Investments Policy

### Policy Objective

To outline the requirements for investing the Shire's funds in accordance with the Financial Management Regulation 19

### Policy Statement

The following processes & procedures are the policy of the Shire in relation to the establishment & documentation of internal control over the Shires investments. All investments are to be made within the scope of the Act & Regulations governing the types of investments and institutions in which local government is permitted to hold investments.

1. All funds surplus to the day to day operations of the Shire, in the opinion of the CEO, are to be placed in a cash management account with the bank. Funds withdrawn from the facility can only be deposited directly into the Shires bank account.
2. Funds in Reserves are to be placed in term deposits. The term is to be determined by when the funds are most probably going to be required to be used and the best interest available for a given term.
3. Deposits into investments are to be made by 2 signatories. A letter showing amount and term is to be presented establishing the deposit. The receipt is to be matched with the letter on file.
4. All accounts are to be reconciled as per end of month procedures by the SFAO and MFA or CEO is to sign the reconciliation each month.
  - Renewals of deposits are to be made under the same conditions laid out in 2.
  - The renewal is to be recorded in the end of month reconciliation in a manner that can be traced from one deposit to the next.
  - The record is to show maturity details, transfers, interests and charges.
  - Each investment must be separately shown.
  - Bank receipts & renewals are to be kept on file to match the investments as recorded.
  - All deposits are to have a different number.
5. Details of the current investments and their performance to be presented to the councillors on a monthly basis.
6. Where there is a proposed change to investment strategy or process, a report is to be prepared for consideration by the Council.

***Policy Reviewed October 2020***