

PURPOSE

- 1) The intent of this policy is to indicate Council's investment objectives and overall risk philosophy and to provide a framework for the procedures to achieve our investment goals. It provides guidance and informs how Council will invest surplus funds that are not required for financial commitments within the short to medium term.

SCOPE

- 2) This policy applies to all surplus Council funds that are not immediately required for operational purposes.

DEFINITIONS

Nil

POLICY

OBJECTIVES

- 3) To ensure:
 - a) the protection of Council's investment funds while obtaining the most beneficial return for Council, with due recognition given to the risk profile of the institution being invested with.
 - b) compliance with the legislative frameworks when investing Council funds.

PRINCIPLES

- 4) Guidelines - Council's investment portfolio should be realisable, without penalty, in a reasonable timeframe, and in accordance with operational requirements.

POLICY STATEMENT

- 5) Authorised Institutions:
 - a) Council has been allocated a Category 1 investment power and in accordance with the Statutory Bodies Financial Arrangements Regulation 2007 section 44 (1) can make the following investments:
 - i) • deposits with a financial institution;
 - ii) • investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution.
 - iii) • other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution.
 - iv) • investment arrangements, managed or operated by Queensland Treasury Corporation (QTC), prescribed under a regulation.
 - v) • an investment arrangement with a rating prescribed under a regulation;
 - vi) • other investment arrangements prescribed under a regulation.
 - b) Quotations on Investment:
 - i) With the exceptions of monies put with the QTC – Cash Fund Investments (QTC) capital guaranteed cash fund, at least three (3) quotations shall be sought from authorised institutions whenever an investment is proposed. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to risk factors and the limits set below. Council will also test any offers made by assessing the interest rate in the QTC fair value tool. While having regard to the above, Council is a local community service organisation and at times will invest funds with local bank branches to ensure their continued support of and presence in the community. These investments will not be subject to competitive quoting but must provide a reasonable return to Council.

- c) Term to Maturity
 - i) The term to maturity of any Council investment may range from “At Call” to one (1) year.
- d) Placement of Investment
 - i) When placing investments, consideration will be given to the relationship between credit rating and interest rate and Council’s objectives. To minimise risk Council will manage investments so that there is an acceptable range of institutions used. This being:
 - (1) Not less than 60% of investment funds in AA rating or above or Queensland Treasury Corporation.
 - (2) Up to 40% of investment funds within an institution within the A rating range; and/or
 - (3) Up to 20% of investment funds within an institution with not less than BB rating
- e) Internal Controls
 - i) Council is at all times to have in place appropriate internal controls to prevent the fraudulent use of public monies. The following controls detail the minimum that is required:
 - (1) A person is to be identified as the responsible officer for the investment function.
 - (2) All investments are to be authorised by the Chief Executive Officer or nominated delegate.
 - (3) Confirmation advices from the Financial Institution are to be attached to the Investment
 - (4) Authorisation Form as evidence that the investment is in the name of North Burnett Regional Council.
 - (5) A person other than the responsible officer is to perform the bank reconciliation at the end of each month.

APPLICABLE LEGISLATION AND REGULATION

- 6) Local Government Act 2009
Local Government Regulation 2012
Statutory Bodies Financial Arrangements Act 1982 (SBFA) Statutory Bodies Financial Arrangements Regulation 2007 (SBFAR)Applicable legislation and regulation:

RELATED DOCUMENTS

- 7) Related documents are:
 - a) Council Annual Budget
 - b) Annual Financial Statements

RESPONSIBLE OFFICER

General Manager Corporate and Community

APPROVAL DATE

30/06/2021

REVIEW DATE

30/06/2022

REVISION HISTORY

Version	Meeting	Approval Date	History
1	Budget Meeting	07/07/2015	Revised for 2015/2016
2	Budget Meeting	06/07/2016	Revised for 2016/2017
3	General Meeting	21/06/2017	Revised for 2017/2018
4	General Meeting	27/06/2018	Review
5	Budget Meeting	17/07/2019	Amended
6	General Meeting	24/06/2020	Revised for 2020/2021
7	Budget Meeting	30/06/2021	Revised for 2021/2022