



LAC LA BICHE COUNTY PROCEDURE

TITLE: INVESTMENT OF SURPLUS CASH ON HAND	PROCEDURE NO: CS-10-001
SPECIAL NOTES/CROSS REFERENCE: CS-10-001	AMENDMENT DATE:

1. GENERAL GUIDELINES:

In order to effectively manage County’s investment portfolio, the following procedures should be implemented by administration to ensure compliance with the *Municipal Government Act (MGA)* and safeguarding County’s assets.

2. DEFINITIONS:

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| i. | Bankers Acceptance | Investment held and secured by a specific bank. |
| ii. | Best Possible Rate | The Rate of Interest that can be obtained within the guidelines of this policy. |
| iii. | Long Term Investments | Investments made for a period more than 730 days. |
| iv. | Short Term Investments | Investments made for a period not greater than 730 days. |
| v. | RFP | Request for proposal |
| vi. | Surplus Cash | Those funds as determined by Administration, as being in excess of those needed to pay the expected upcoming expenditures. |

3. PROCEDURES:

1. The Chief Administrative Officer or designate may make investments in any of the securities authorized by Section 250(2)(a) to (d) of the *Municipal Government Act*.
2. The Chief Administrative Officer or designate may not make an investment referred to in Section 250(2)(e), of the *Municipal Government Act* nor apply for Ministerial Approval to make such an investment without approval of Council.
3. Investments General:
 - i. The Chief Administrative Officer or designate will make investments in accordance with this policy to obtain the Best Possible Rate and term, considering the cash needs of the Municipality.
 - ii. All investments must maintain a 100% principal guarantee.

- iii. The Chief Administrative Officer or designate may invest surplus cash in any of the following vehicles:
 - a. See section 250 of the *Municipal Government Act (MGA)*
 - b. In any other bank, credit union or financial institution providing Provincial investment guarantees remain in place.
 - iv. The Senior Manager Finance and Grants or Manager, Finance will submit to Council a summary of the investments and rates, on a quarterly basis.
 - v. Manager of Finance will, on an annual basis, conduct a RFP process to invest the surplus funds collected from payment of taxes. The terms of investment should be determined considering the cash flow needs of the County operations.
 - vi. The results of the RFP process will be provided to Council for information purposes as part of the quarterly reporting of investments.
4. Long Term Investments:
- i. Long Term Investments will require authorization of Council. The primary purpose will be to invest at a high interest rate when rates are anticipated to drop.
 - ii. Investments for long terms may be invested in the same vehicles as identified above.

"Original Signed"

Chief Administrative Officer

September 7, 2018

Date