



## LAC LA BICHE COUNTY POLICY

TITLE: INVESTMENT OF SURPLUS CASH ON HAND	POLICY NO: CS-10-001
RESOLUTION: 18.970	EFFECTIVE DATE: JANUARY 12, 2010
LEAD ROLE: MANAGER, FINANCE	NEXT REVIEW DATE: AUGUST 31, 2023
SPECIAL NOTES/CROSS REFERENCE: CS-10-001	AMENDMENT DATE: AUGUST 14, 2018

### POLICY STATEMENT:

Lac La Biche County is committed to effectively manage its investment portfolio and maximize the return on cash investments while minimizing the risk. This policy authorizes the Chief Administrative Officer or designate to invest surplus funds for short-term periods. Long-term investments require the authorization of Council.

"Original Signed"  
Chief Administrative Officer

September 7, 2018  
Date

"Original Signed"  
Mayor

September 7, 2018  
Date



## 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:

- |      |                        |  |
|------|------------------------|--|
| 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"

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Chief Administrative Officer

September 7, 2018

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Date