Procedure 5.07.1  Legally mandated and adopted investment requirements

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<tr>
<th>Department</th>
<th>Strategy &amp; Business Services</th>
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<td>Responsible Officer</td>
<td>Group Manager</td>
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Introduction

All investments must comply with the *Local Government Act 1993* (the Act) Ministerial Order dated 12 January 2011 (or its current equivalent at any time), Section 625 of the Act, Section 18(a) of the *Trustees Act 1962* (the “Prudent Person” rule) and the Local Government (General Regulation) 2005.

Guidelines

At any time, any one non-bank financial institution shall not hold more than 50% of Council’s total investment portfolio.

The General Manager, Finance Manager and any finance personnel, whose duties include investments and cash flow monitoring, have authority to invest surplus funds.

Not less than 3 quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on the day will be selected after allowing for administrative and banking costs, as well as having regard to the limits set later in this policy.

The term to maturity for an investment may range from ‘at call” to six months. On the recommendation of the Group Manager - Strategy and Business Services, the General Manager may authorise investments for a longer term if he/she believes the investment is to Council’s advantage.

If any of the funds/securities held are downgraded such that they no longer fall within Council’s investment policy guidelines, they will be divested within 30 days or as soon as it is practicable. Investments with approved non-bank financial institutions will be the only exception as they are not rated.