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## FP011 – Investment of Funds

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### 1. Intention

To provide guidelines and limitations to employees to be used when investing surplus funds.

### 2. Scope

This policy applies to Elected Members and employees of the Shire of Waroona.

### 3. Statement

The Chief Executive Officer, Director Corporate Services, Manager Corporate Services, and/or such other employees who are delegated the responsibility for investing funds, shall have regard to the following:

1. That the highest consideration must be given to the security of the principal/capital of the investment, and therefore all investments are to be placed with Australian Banks, which are majority owned by Australian Shareholders;
2. No investments are to be placed for a period beyond 12 months in length;
3. No investments are to be made outside the first criteria mentioned above, and no investments are to be placed with any Building Society or Credit Union;
4. No investments will involve any 'structured financial products', or 'sub-prime mortgage market' products, or complex financial instruments, or to involve any currency risks, or any similar such matters;
5. All investments must be jointly authorised by two (2) authorised persons/employees.
6. All relevant details relating to each investment shall be included in the monthly reports to Council.
7. Allowing for the above restrictions, the provisions of the Department of Local Government, Sport & Cultural Industries' Operational Guidelines No. 19 – Investment Policy, shall apply.

### 4. Legislative and Strategic Context

The *Local Government Act 1995* and the associated subsidiary legislation provide the broad framework within which this policy operates.

### 5. Review

This policy is to be reviewed as required.

### 6. Associated Documents

Other documents that have an association to this policy and that may be useful reference material are:

- Department of Local Government, Sport and Cultural Industries: Operational Guidelines No. 19 – Investment Policy.

Division	Finance
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<b>Policy Number</b>	FP011				
<b>Contact Officer</b>	Director Corporate Services				
<b>Related Legislation</b>	Local Government Act 1995 Local Government (Financial Management) Regulations 1996				
<b>Related Shire Documents</b>	Nil				
<b>Risk Rating</b>	Low	<b>Review Frequency</b>	As required	<b>Next Review</b>	When required
<b>Date Adopted</b>	22/06/2004				OCM04/083

<b>Amendments</b>		
<b>Date</b>	<b>Details of Amendment</b>	<b>Reference</b>
18/12/2018	Updated as part of major review.	OCM18/12/126
22/06/2021	Updated as part of major review and reformatted.	OCM21/06/071
<b>Previous Policies</b>		
FIN019 – Investment of Funds 3.19 – Investment of Surplus Funds		