



Investment Policy

Approved: 2024-01-16

Motioned by Commissioner Van Kroonenburg

"I move that Village of Bible Hill adopt the Investment Policy and authorizes the referral of the Policy to the Minister of Municipal Affairs and Housing for approval."

Seconded by Commissioner Pitcher

Motion carried

Purpose

1. To safeguard the appropriate use of municipal funds through the establishment of goals, standards and procedures respecting investment of cash.

Definitions

2. In this policy,
 - a. "Clerk and Treasurer" means the person appointed and employed by the Village as Clerk and Treasurer as described in the Municipal Government Act, and includes a person delegated the responsibilities of the Clerk and Treasurer by the Village Commission.
 - b. "Village" means the Village of Bible Hill.
 - c. "Village Commission" and "Village Commissioners" have the same meanings as defined in the Municipal Government Act.

Principles Supporting Policy

3. Municipal Government Act section 100, titled 'Investment of Funds', authorizes a village to invest funds pursuant to an investment policy adopted by the Village Commission and approved by the Minister of Municipal Affairs.
4. The Village shall manage its cash and investments with the following primary objectives:
 - a. safeguarding of principal;
 - b. maintenance of liquidity for day-to-day budgetary needs;
 - c. maximization of returns within legislative, policy, and fiduciary responsibilities which, when considered with (a), will not necessarily produce the highest rate of return.

Terms of Policy

Currency

5. All investments shall be denominated in Canadian Dollars.

Investment vehicles

6. The Village may invest cash held in reserve bank accounts in Guaranteed Investment Certificates (GICs) issued by Canadian Banks.

Institutions

7. The Village will place its investments only with one or more of the following major Canadian Banks:
 - a. Bank of Montreal (BMO);
 - b. Bank of Nova Scotia (Scotiabank);
 - c. Canadian Imperial Bank of Commerce (CIBC);
 - d. Royal Bank of Canada (RBC); and
 - e. Toronto-Dominion Bank (TD).

Investment threshold

8. Investments may be made pursuant to this policy when the investment rate is 25 basis points or more than the rate paid within the Village's banking agreement and there is at least \$100,000 of excess cash.

Authority

9. All investments must be authorized by the Clerk and Treasurer and supported by a resolution of the Village Commission.

Liquidity

10. The Clerk and Treasurer shall ensure that the Village's cash balance is sufficient to meet daily and upcoming cash needs, including the maintenance of minimum balance requirements stipulated in the Village's current banking agreement (if any).
11. The Clerk and Treasurer shall determine the amount of cash that could reasonably be expected to be required for day-to-day use during the budget year and may, using judgement and care under circumstances then prevailing, invest excess cash.
12. The term of investments made will be for short periods of 30 days or less, unless the Clerk and Treasurer determines that a longer-term investment is manageable based on cash flow projections of budgeted expenditures, planned expenditures, and reasonable estimations of emergency needs of the Village. The maximum term shall be three years.
13. In all cases, investment terms shall reflect the short-term and/or long-term needs for cash based on the reserve fund from which the cash was sourced. A keen awareness must be maintained of pending and unplanned operational and capital requirements.

14. When making long-term investments, the penalty for early withdrawal shall be balanced against the potential need for cash and investment returns.

Segregation of funds

15. Investments may be made in investment vehicles segregated based on the reserve fund account from which the cash was sourced or cash from multiple sources may be aggregated for investment purposes.
16. Income arising from investments shall be allocated to the reserve fund accounts based on the source of principal investment, the capital reserve fund, or the operating fund.

Transfer of funds

17. A written request to transfer funds directed to the qualifying institution or online banking may be used by the Clerk and Treasurer to facilitate the transfer of funds for investment purposes between two accounts in the name of the Village, where an investment is supported by a resolution of the Village Commission.

Fraud, Misuse or Misappropriation of Municipal Funds


18. Fraudulent irregularity, misuse, or misappropriation of Village funds shall result in disciplinary action up to and including termination of employment.
19. Suspicious activity and potential misuse of funds must be reported immediately to the Audit Committee.

Policy Document Attestation

Date of Notice to Village Commission of Intent to Consider: 2024-01-09

Date of Passage of Policy: 2024-01-16

I certify that this Policy was adopted by Village Commission as documented above:



Chair

18-01-2024

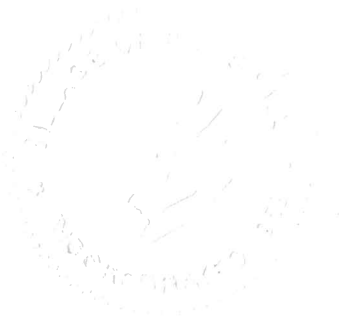
Date



Clerk and Treasurer

2024-01-18

Date



Certificate

**Investment Policy,
Village of Bible Hill**

This is to certify that, pursuant to clause 100(1)(b) of the *Municipal Government Act*, the Investment Policy, as adopted at a duly convened meeting of the Commission of the Village of Bible Hill on the 16th day of January 2024, is hereby approved.

DATED this 10th day of April, 2024.



Honourable John Lohr
Minister of Municipal Affairs and Housing