
FP011 – Investment of Funds

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 & Community Services, Manager Corporate Services, Director Infrastructure & Development 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 triennially.

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				
Policy Number	FP011				
Contact Officer	Director Corporate & Community Services				
Related Legislation	Local Government Act 1995 Local Government (Financial Management) Regulations 1996				
Related Shire Documents	Nil				
Risk Rating	Low	Review Frequency	Triennially	Next Review	June 2027
Date Adopted	22/06/2004				OCM04/083

Amendments		
Date	Details of Amendment	Reference
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
22/02/2022	Amended to reflect current employees.	OCM22/02/011
25/06/2024	Reviewed with amendment	OCM24/06/090
Previous Policies		
FIN019 – Investment of Funds 3.19 – Investment of Surplus Funds		