

FINANCIAL INVESTMENTS

Preamble

From time to time, the Board has funds on hand, which are surplus to its immediate requirements. These funds are to be utilized in a manner designed to achieve a maximum rate of return consistent with a minimum level of risk. The Board mandates the core principals of conservative financial management.

Policy

The comptroller is responsible for cash management and the investment of funds, and is authorized to invest available cash in order to generate investment revenue, in consultation with the Finance Committee. All financial investments will be subject to on-going internal controls and the annual review.

Administrative Procedures

1. The Comptroller shall deposit funds in one or more major Canadian chartered banks or credit union.
 - a) Investment of funds shall only occur when the principal is guaranteed. This may be accomplished through the placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good credit risk. (Canadian chartered banks and Trust companies, Credit Unions incorporated under the Credit Union Act (BC) or other programs offered by chartered banks, trust companies or credit unions).
 - b) Credit risk minimization may be achieved through diversification, whenever possible and appropriate.
2. The Board also may, by motion, instruct the comptroller to use such available funds to pay down outstanding debts, such as the mortgage.
3. The Comptroller will inform the Finance Committee and, in turn, the Board on the state of the investments on a regular basis.