




TASMAN COUNCIL

INVESTMENT POLICY

Policy Number	C 021
Responsible Officer	Corporate Services Manager
Policy Created	November 2012
Policy Reviewed	September 2016, June 2018, June 2020, March 2026
Policy to be Review	March 2030



PURPOSE OF POLICY

The purpose of this policy is to provide guidelines for investment of Council funds surplus to immediate requirements as well as maximise the Council's return on its investments. It also establishes an appropriate structure to ensure security and liquidity.

SCOPE

This policy applies to all Council's investments that are surplus to immediate operational requirements and aligns with Council's risk register.

POLICY

In accordance with Section 75 of the *Local Government Act 1993*, Council may invest money. Investing money should provide a higher rate of return than what is received in operational banks. Council's investment portfolio should maximise returns within agreed risk parameters.

In achieving the investment objective, the following must be considered:

- Level of security by using recognised assessment criteria.
- Diversification of investment to spread risk.
- Liquidity requirements of funds.
- Associated cost of investing.

Investments must be made in Australia and be denominated in Australian dollars.

Authorised investments include:

- Interest bearing deposits in Tascorp and bank, building society or credit union or any securities, which are issued by a body with a credit rating of:

Moody's	A2	A1	Aa3	Aa2	Aa1	Aaa
S&P	A	A+	AA_-	AA	AA+	AAA
Fitch	A	A+	AA_	AA	AA+	AAA

Lowest Highest

Preference will be given to investments where the Australian government guarantees the investment and these investments will be recognised as having the same credit rating as the Australian Government.

Quotations on investments

For direct investment, at least three (3) quotations shall be obtained from authorised institutions whenever an investment is proposed. For all other types of investments, quotations are not required but the expected yields must be known before making the investment decision.

Term maturity

The term maturity for an investment is not specified in this policy, however, an analysis of assets and liabilities must be made before making the investment decision to ensure that maturing investments meet Council's liquidity requirements.

Funds will be reasonably accessible, and the maturity date will not exceed one year.

GUIDELINES

Diversification

Council will endeavour to maintain a diversified portfolio of investments in order to spread risk.

Performance benchmark

The performance of the investment shall be compared to the 90 day Bank Bill Swap Rates (BBSW).

Reporting

The monthly finance report will be provided to Council, detailing the investment portfolio and exposure by institution. For audit purposes, certificates must be obtained from each entity holding investments on Council's behalf, confirming the amounts held as at 30 June each year.

Variation to policy

The General Manager or the delegated representative is authorised to approve variations to the policy if the investment is to the Council's and/or the Communities advantage and/or due to revised legislation. All changes to this policy are to be reported to Council at its next available meeting.

In a Council meeting 28 May 2014 resolution number 17/05.2014/C, Council approved to invest \$20,000 in shares with local Bendigo Bank to support the local community.

ROLES & RESPONSIBILITIES:

The authority is delegated to the General Manager, Corporate Services Manager and Senior Finance Officer to make investment decisions and sign investment lodgement and withdrawals.

REFERENCES

Local Government Act 1993.

POLICY APPROVAL

This policy was reviewed and approved by Council on 25 March 2026.



Belinda Nutting
Acting General Manager

Disclaimer

That this policy be read in conjunction with any or all other Council and/or Management Policies.