

SECTION:	SUBJECT:	
CORPORATE SERVICES	INVESTMENT POLICY	DATE: September 24, 2012

PURPOSE

This policy establishes guidelines to invest municipal funds in a manner which will provide the highest return with the maximum security while meeting daily cash flow demands of the municipality and conforming to the requirements of section 418 to section 420 of the Municipal Act, 2001 and of O. Reg. 438/97.

SCOPE

This investment policy applies to all investments made on behalf of the Corporation of the Town of Kirkland Lake and its agencies, boards and commissions including, but not limited to, operating, capital, trust, reserves and reserve funds and any new fund created by the Corporation of the Town of Kirkland Lake unless specifically exempted.

OBJECTIVE

- It is the objective of the Corporation of the Town of Kirkland Lake to ensure:
- a. All investments are in compliance with O. Reg. 438/97 and with section 418 to section 420 of the Municipal Act,
 - b. Preservation of capital,
 - c. Maintenance of liquidity,
 - d. Competitive return on investments.

PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, direction and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived. Authorized employees acting in accordance with this policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes.

AUTHORITY

Authority to invest public funds is derived from section 418 to section 420 of the Municipal Act, 2001. Management responsibility for the investment program of the Corporation of the Town of Kirkland Lake is hereby delegated to the Treasurer.

AUTHORIZED INVESTMENTS

The eligible investments as well as minimum credit quality ratings are governed by the Municipal Act of Ontario and O. Reg. 438/97 as amended by Ontario Regulation 655/05 or as authorized by subsequent regulations. A copy of O. Reg. 438/97, which outlines Eligible Investments for Ontario municipalities and which is in force at the time that this Investment Policy was approved, is attached to this policy as Schedule A.

CURRENCY

The Corporation of the Town of Kirkland Lake shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s.6 (1).

REPORTING

The Treasurer or designate has a specific responsibility to prepare and provide an annual investment report to council. O. Reg. 438/97, s.8 (1). This report shall contain the following information:

- a. A statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
- b. An estimated proportion of the long-term and short-term securities compared to the total investments and a description of the change, if any, in that estimated proportion since the previous year's report;
- c. A statement by the Treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investment policies and goals adopted by the municipality;
- d. A record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
- e. Such other information that the council may require or that, in the opinion of the Treasurer, should be included.

Approved by Council Resolution on October 16, 2012.