POLICY: INVESTMENT POLICY

Purpose

The Investment Policy sets out how Barcoo Shire Council (Council) will manage investments in the 2026-27 financial year.

Scope

The policy applies to the investment of surplus funds in accordance with investment powers under Part 6 of the *Statutory Bodies Financial Arrangement Act 1982* (SBFAA).

Head of power

Section 47 of the SBFAA requires that a statutory body must use its best efforts to invest its funds:

a. at the most advantageous interest rate available to it at the time of the investment for an investment of the proposed type, and
b. in a way it considers is most appropriate in all the circumstances.

Section 191 of the *Local Government Regulation 2012* requires a local government to prepare and adopt an investment policy.

The Investment Policy must outline Council's investment objectives and overall risk philosophy. The policy must also state procedures for achieving the goals related to investment.

Policy statement

Council will hold sufficient cash reserves to ensure it can meet its financial sustainability obligations, including the unrestricted cash expense cover target set by the state government in the current *Financial Management (Sustainability) Guideline*.

Investment options may be considered if they are allowable under the SBFAA, and the investment is:

a. made with suitable credit-worthy financial institutions
b. made for a period of time that meets Council's cash flow requirements but not for a period of more than 12 months, and
c. able to provide a commercially acceptable return.

Investment parameters

Council, as a local government body, has Category 1 investment powers under the SBFAA. This allows Council to invest in at call or in fixed period deposits of no more than one year.

Council will limit its investment risk exposure by:

a. using Qld Treasury Corporation (QTC) as its default investment institution
b. investing the remaining funds with Australian financial institutions with a long-term credit rating from Standard and Poor's of BBB+ or greater
c. Council Officers may only invest surplus funds with an Australian financial institution, and
d. reporting a summary of investments to each monthly Council meeting.

Definitions

Nil.

Responsibilities

Council: Approves the Investment Policy.

CEO:

- Policy implementation.
- Strategic oversight and authorisation of Council's investment activities.

Director, Corporate and Community Services:

- Manage Council's investment processes in accordance with this policy and relevant legislation.
- Regularly monitor and report on investment performance, risk exposure and compliance.
- Ensure accurate records are maintained and provided to Council.

Governing legislation, regulations and references

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Statutory Bodies Financial Arrangement Act 1982*
- *Statutory Bodies Financial Arrangement Regulations 2007*
- *Financial Management (Sustainability) Guideline*

Document references and control:

Policy owner:	Director, Corporate and Community Services
Policy reference no.:	BSC-040
Related policies:	Nil
Related forms:	Nil
Version:	4.2
Council resolution no:	SM2026.07.004
Date approved:	8 July 2026
Review:	30 June 2027 **Review notes** This policy is reviewed when any of the following occur: 1. At least annual intervals. 2. The related information is amended or replaced. 3. Other circumstances as determined from time to time by the Chief Executive Officer. The Chief Executive Officer may, without referral to Council, review and make amendments of a minor administrative nature that do not affect the intent of the policy (e.g., change of legislation, change of personnel responsibilities, repair drafting error).