

INVESTMENT POLICY

INVESTMENTS

To invest surplus money in terms of the Council's policy.

Investment of Council Funds

1. That it be adopted as policy that the Council firstly shall appropriate all available funds to finance expenditure before external financing is utilised.
2. That the following investment policy be determined in terms of section 59 of the Standard Financial By-Laws for the handling of medium and short term investments:
 - (a) That investments only be placed with approved financial institutions as included in Consolidated Circular 14 of 4/11/1987, as amended;
 - (b) that investments be placed directly with the financial institution and that no commission or compensation, of any nature whatsoever, be paid to the Council or official of the Council as a result of the investment;
 - (c) that quotations be invited from as many as possible approved financial institutions and that the investment be placed with the financial institution which presents the highest rate of interest with consideration of the relevant term;
 - (d) if equality between the interest rates exists, preference should be given to the financial institution with full-fledged branches in Witbank;
 - (e) if equality of interest rates exists between financial institutions in Witbank, and the Council's banker is also a party, preference should be given to the Council's banker;
 - (f) that investments be spread between the different financial institutions as far as possible in order to limit the risk to the minimum;
 - (g) that the Council be informed monthly of all investments which were made during the month;

- (h) that the handling of investments, in terms of section 58(1) of the Local Government Ordinance, (Administrations and Elections) 40 of 1960, be delegated to the Executive Committee and that the Executive Committee be empowered to delegate to the City Treasurer in terms of section 58(3) of the above-mentioned Ordinances.

Investment policy(general)(pwg)