

## **POLICY ON INVESTMENT**

### **PURPOSE**

The Lethbridge Pride Fest Society has a mandate to organize and provide an annual gay pride festival to citizens of Southern Alberta, to organize and promote events and/or gathering when deemed necessary that upholds the mission of the Society, to promote LGBTTTQQIA pride throughout Southern Alberta through the pride festival, to promote equality of LGBTTTQQIA members of Southern Alberta communities through the pride festival, to lease, rent or acquire facilities necessary to provide events during pride, to raise funds in any way to achieve the objects of the society, and to use the funds of the Society only according to and in pursuit of these objects. Policies are essential in providing substance to this mandate. The purpose of this policy is to clarify the roles and responsibilities of the Lethbridge Pride Fest Society Board, with respect to investment of funds in the best interest of the society.

### **PERSONS AFFECTED**

Lethbridge Pride Fest Society Board

### **POLICY STATEMENT**

It is the policy of the Lethbridge Pride Fest Society Board to invest unexpected budget overages at the end of each fiscal year in order to create a reserve fund that can be used to cover deficits in a yearly budget.

### **RESPONSIBILITIES**

Authorized Signing Authorities:

- a. Shall be responsible be responsible for the administration of the Society's cash assets and investments with a view to:
  - generating modest income through interest,
  - meeting liquidity requirements,
  - achieving stability by investing only in low volatility, low risk instruments thereby
  - maintaining the security of the principle and rates of return and
  - maintaining sufficient cash on hand for the day-to-day operations of the Society.
- b. Shall be responsible for reporting annually to the membership detailing the state and performance of investments.

Elected Members of the Society's Board:

- a. Shall be responsible for reviewing and approving new plans for investment of Society's funds.

Membership:

- a. Shall receive annually updates from the Authorized Signing Authorities detailing the state and performance of investments.
- b. May offer comments and guidance regarding Society's investments.

### **PROCEDURES**

1. Interest from all of the Society's investments shall be considered as revenue in the annual operating budget.
2. After the conclusion of both the fiscal year (April 30) and an audit of the Society's financial accounts has been conducted, the Authorized Signing Authorities shall calculate unpredicted budget surpluses

3. The signing authorities shall prepare a plan on how to invest the unpredicted budget surplus
4. The signing authorities shall present the plan on how to invest to the Elected Members of the Society's Board for review and approval
5. Once a plan of investment has been approved, the Authorized Signing Authorities shall carry out the plan of investment
6. At every Annual General Meeting of the Society the Authorized Signing Authorities will update the membership regarding the state and performance of investments.

#### DEFINITIONS

- Unpredicted Budget Surplus
  - a. An unpredicted budget surplus shall be calculated by subtracting the operating budget for the year from the total revenue amount for the year.
    - i. For example  
If the operating budget was \$50,000, and the total revenue amount was \$70,000, then the unpredicted budget surplus would be \$20,000.

#### REVISION HISTORY

- September 27, 2017: New Policy