ARROW UTILITIES

MEMBER MUNICIPALITIES

CITY OF BEAUMONT

CITY OF LEDUC

CITY OF FORT SASKATCHEWAN

CITY OF SPRUCE GROVE

CITY OF ST. ALBERT

TOWN OF BON ACCORD

TOWN OF GIBBONS

TOWN OF MORINVILLE

TOWN OF STONY PLAIN

LEDUC COUNTY

PARKLAND COUNTY

STRATHCONA COUNTY

STURGEON COUNTY

BOARD POLICIES: INVESTMENT

approved by ARROW Utilities Board of Directors – September 26, 2025

PURPOSE

The purpose of the investment policy is to outline investment authorities and limitations granted to ARROW Utilities by way of legislation; to outline an investment priority strategy that outlines investment priority, safety, liquidity, yield and other factors; and to review the ARROW Utilities investment activities.

DEFINITIONS

Board Members– Means the individuals appointed to the Board of Directors, who collectively make up the Board.

Board of Directors or "the Board" – Means the appointed elected officials representing the member municipalities of ARROW Utilities, responsible to govern and provide oversight to the organization, in compliance with Alberta's Municipal Government Act.

Chief Executive Officer or "CEO" – Means the individual appointed by the Board to the position of Chief Executive Officer.

Director of Finance and Corporate Services – Means the individual appointed by the CEO to oversee the financial management and corporate services functions of ARROW Utilities.

Long Term Investments – investments with a term greater than a year and include all other reserves. Investments can be attained by receiving three quotes from financial institutions.

Short Term Investments – investments with a term of one year or less and include the operating reserve and other reserves with short term cash requirements.

RESPONSIBILITIES

Board of Directors –

a. Shall approve the Investment Policy.
b. Will ensure compliance with this policy, providing resources necessary for effective management.
c. Will review investment information as provided by Administration.
d. Will review and update this policy as required, at minimum every four years.

23262 Township Rd. 540, Fort Saskatchewan, AB T8L 4A2
Located on ᐊᒥᐢᑲᐧᒌᐚᐢᑲᐦᐃᑲᐣ (Amiskwacîwâskahikan)
Treaty 6 Territory/MNA District 11

info@arrowutilities.ca
780.467.8655
ARROWUTILITIES.CA

CEO –

a. Shall provide organizational oversight ensuring compliance with the policy.
b. In partnership with the Director of Finance and Corporate Services, shall oversee the ARROW Utilities investment strategy and provide investment information to the Board at regularly scheduled board meetings.

STANDARDS/ PROCEDURES

ARROW Utilities commits to:

1. Legislative Compliance
   Compliance with the legislated authorities and limitations as outlined in Section 250 (2) (a) to (d) of the Municipal Government Act.
2. Risk Mitigation
   Diversification in its investment portfolio that considers a range of investment areas and instruments that comply with investment authorities and that are selected to avoid market erosion risk.
3. Liquidity Maintenance
   Selection of investment instruments that permit redemption prior to maturity in order to contend with emergent cash situations which may be reasonably anticipated in the short and long term.
4. Principal Preservation
   Investments that provide a guarantee on the principal investment amount.
5. Rate of Return
   Maximize the yield from its investments after having first met all other investment priorities noted above.
6. Following Order of Short-Term Investment Priorities:
   a. Priority 1 – Legislative Compliance
   b. Priority 2 – Principal Preservation
   c. Priority 3 – Liquidity Maintenance
   d. Priority 4 – Rate of Return
   e. Priority 5 – Risk Mitigation
7. Following Order of Long-Term Investment Priorities:
   a. Priority 1 – Legislative Compliance
   b. Priority 2 – Principal Preservation
   c. Priority 3 – Rate of Return

d. Priority 4 – Risk Mitigation

REFERENCE DOCUMENTS	Municipal Government Act – Section 602.26 Municipal Government Act – Section 250(2) Procurement Policy