

Dundas Street Centre United Church Policy Manual

Section: C. Finance

Title: Investment Policy

Policy #: C-01

Approved/Amended: unknown

Referral Committee: Stewards

Introduction and Purpose

Recently the United Church of Canada has prepared a document entitled “Guidelines for the Investment of Personal Property of United Church Congregations”. The Stewardship Committee has studied this document and proposes this policy to the Unified Board of Dundas St. Centre based upon the Guideline document. This policy speaks to how Dundas St. Centre should invest and manage these investments to the ongoing benefit of our church.

Investment Philosophy

Investments should be managed using the “prudent investor” standard. In addition to this we will follow the guidelines of the United Church of Canada regarding social and ethics in investment. These guidelines generally exclude investment in companies whose products and services have negative or doubtful social value. At present this includes distilleries, breweries, tobacco producers and companies that produce armaments.

Governance, Responsibility and Reporting

The Committee of Stewards will make decisions with regard to all investments unless directed specifically by the Unified Board. The Stewards will review the investment portfolio at least quarterly and will report to the Unified Board at least four times per year. One of these reports will be included in the annual report to the congregation.

Investment Guidelines

The objective of our investments is the preservation of capital with the optimum return consistent with the constraints of this policy.

Assets should be held in a ratio of equity to debt not exceeding 50%/50% within a tolerance of an additional 10% (60%/40%) from time to time.

Debt investment may include government or municipal bonds having a minimum A rating. Bank, Trust Company or Corporate Bonds should be schedule A or minimum A rating for long-term debt.

Equity investment may be in mutual funds or if in common stocks should be sufficiently diversified to limit not more than 5% of our total investments in any one corporation that must be a blue chip corporation. Non blue chip corporation holdings should be limited to less than 2%.