

RAINY DAY INVESTMENT POLICY

Manitoba Alpine Ski Division

Purpose:

- To create a Rainy-Day Investment Fund encouraged by Sport Manitoba and maintain crucial long-term viability of MASD. All “Redeemable GICs” refer to the Rainy-Day Fund.
- To provide a process of assessing current cash flow and investment needs on an annual basis.
- To implement guidelines (limits, responsibility, investment types, goals, etc) for investing surplus cash in “Rainy Day” and “non-Rainy Day” Investments.
- Establishing criteria on how the funds from the Rainy-Day Investments are to be used.

Responsibility:

- The Board will be responsible for review and approval of the policy.
- The Office Manager and the VP – Finance are responsible to ensure the ongoing cash flow is adequate for the association’s working capital needs.
- At least annually, the VP – Finance is to recommend to the Board the amount of surplus funds available (if any) for transferring to the Rainy-Day Investment Fund.
- To ensure good ongoing cash management, the Office Manager and the VP – Finance may, at their discretion, utilize non-Rainy-Day Investments provided they follow the Investment Policy Mandate (see below).

Funding:

- Minimum cash balances or “Working Capital” will be maintained at the greater of \$20,000 and 8% of the Association’s annual Expenditure Budget.
- Sport Manitoba, the association’s major stakeholder, is in the process of establishing contingency guidelines. It will likely be based on cash reserves equaling “6 months of current fixed costs”. MASD will adhere to Sport Manitoba’s guidelines.

- Annually, the budget will include an allocation to the Rainy-Day Investment Fund based on the above formula or as recommended by the VP – Finance.

Rainy Day Investment Fund Withdrawals:

- The Board will be responsible for review and approval of the withdrawals for extra-ordinary purposes. Usually, these expenses are urgent in nature and cannot be planned in current or future year's budgets. They may include, but not limited to the following:
 1. Cash flow deficiencies (losses)
 2. Legal and Accounting expenses
 3. Code of Conduct investigation and Arbitration Fees
 4. Safety equipment
 5. Marketing initiatives
 6. Van repairs
 7. Staff transitional expenses
- For working capital purposes only, the Office Manager and VP - Finance may jointly withdraw from the Rainy-Day Investment fund to cover cash flow shortages and advise reason(s) at the next available Board and/or Executive meeting. Capital purchases, regardless if in current budget, must have prior Board approval before Rainy Day Investment funds can be used.

PSO Board of Directors Approval Date: April 15, 2025