

POLICY ON ALLOWING PARISHES TO WITHHOLD MONIES FROM THE CONSOLIDATED TRUST FUND IN THE SHORT TERM

When a parish receives funds, which would normally be invested in the CTF, and which the parish intends to utilize in the short-term i.e. within eighteen (18) months, it would generally be prudent not to make an investment in the CTF, but to place the funds in a short-term vehicle, such as a GIC, so that they are sufficiently liquid to meet the cash needs when required. In this way, the parish is guaranteed a small rate of return. If the funds are invested in the CTF for a few months, there is a chance that the value could decrease in the short-term, depending on the volatility of the investment markets, which naturally affect the performance of the CTF portfolio.

Procedure

The following is the procedure for a parish to follow when it receives a lump sum that would normally be deposited in the CTF per By-law B.3.24 (4), but which the parish decides should be withheld for a period of up to 18 months:

1. Obtain approval from Parish Council.
2. Obtain approval from the Property and Finance Committee. Application must be made by way of completing Section 3 of the [Application Form](#).
3. The withheld funds should be shown on Line 25 of the annual statistical return, and are, therefore, to be included for Parish Fair Share (PFS) purposes. If special consideration is sought for this income when calculating PFS, then the appropriate box should be checked on the statistical return, with a letter of explanation for consideration by the Parish Fair Share Review Committee attached.
4. It would be prudent for the parish to set aside a portion of the monies withheld to pay for the PFS that will be assessed on the income.