



**INVESTMENT POLICY ADVISORY COMMITTEE
MINUTES
June 6, 2018**

PRESENT: Councillor Russell Walker, Co-Chair
Jerry Blackwood, Treasurer, Acting Chief Financial Officer
Kim Housten
Daniel Hudgin
Dorothy MacCurdy

REGRETS: Renée Towns, Deputy Treasurer, Co-Chair
Scarlett Kelly

STAFF: Liam MacSween, Legislative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

The agenda, reports, supporting documents, and information items circulated are online at halifax.ca.

The meeting was called to order at 12:05 p.m., and adjourned at 12:33 p.m.

1. CALL TO ORDER

Jerry Blackwood, Treasurer, Acting Chief Financial Officer called the meeting to order at 12:05 p.m.

2. APPROVAL OF MINUTES – March 22, 2018

MOVED by Daniel Hudgin, seconded by Kim Houston

THAT the minutes of March 22, 2018 be approved as circulated.

MOTION PUT AND PASSED.

3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

Additions: None

MOVED by Dorothy MacCurdy, seconded by Kim Houston

THAT the agenda be approved as circulated.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES – NONE

5. NEW BUSINESS

5.1 Treasurer's Report – Quarter Ending March 31, 2018

The following was before the committee:

- A memorandum dated March 22, 2018 from Renee Towns, Deputy Treasurer, Finance & Asset Management

Jerry Blackwood provided an overview of the Treasurer's Report, noting the following:

- There were two money market investments which totalled \$24 million. Staff's strategy has been to allocate funds to the investment bank accounts and rebalance monthly to increase the margin to provide operational capacity.
- The funds within the investment bank accounts, including terms deposits, totalled slightly over \$186 million.
- The operating fund investment income was \$2,134 000, which was slightly over budget by \$34,000. The cashflows were a little lower than forecasted.
- There were no significant changes to the short-term bond pool over the past quarter.
- Cash for operating was approximately \$9 million less than in the previous year due to capital project outlays.
- The money market pool is consistent with current benchmarking. HRM has been within the first and fifth percentiles as per the RBC survey.
- The rate of return on the government portion of the money market investments are trending as expected, there are rate hikes anticipated for the future.
- All investment activities for the Quarter Ending March 31, 2018 have been met, staff continues to monitor the portfolio and mitigate risk.

The Committee discussed the merit of comparing HRM's money market investments with another similar money market investment fund to gain a better understanding as to how HRM continues to gain returns.

In response to questions from Committee, Blackwood provided further clarification on staff daily transactional activities with respect to the investment accounts and noted that staff consistently monitors the market to ensure that returns are actualized.

5.2 Draft Investment Policy Advisory Committee Report to Audit & Finance Committee for Quarter Ending March 31, 2018

The following was before the Committee:

- A draft report entitled, Investment Policy Advisory Committee Report – Quarter ending December 31, 2017.

MOVED by Councillor Walker, seconded by Dorothy MacCurdy

THAT the Investment Policy Advisory Committee recommend the Audit and Finance Standing Committee forward the report to Halifax Regional Council and as information item.

MOTION PUT AND PASSED.

5.3 Halifax Water request to attend IPAC meetings

Jerry Blackwood noted a request from Cathie O'Toole, Chief Financial Officer of Halifax Water to attend meetings of the Investment Policy Advisory Committee meetings as an ex-Officio member. Blackwood noted that \$50 million of HRM's portfolio is comprised of Halifax Water's investments and that O'Toole's contributions would bring value to discussions held by the committee. Blackwood noted that staff will work with HRM's Legal Services as a policy change is likely required to the Committee's Terms of Reference to add in a member from Halifax Water.

6. DATE OF NEXT MEETING – September 5, 2018

7. ADJOURNMENT

The meeting adjourned at 12:33 p.m.

Liam MacSween
Legislative Assistant