



**INVESTMENT POLICY ADVISORY COMMITTEE
MINUTES
July 28, 2016**

PRESENT: Councillor Steve Craig, Co-Chair
Ms. René Towns, Deputy Treasurer
Mr. Michael Condé
Mr. Kim Houston

REGRETS: Ms. Dorothy MacCurdy
Mr. Daniel Hudgin

STAFF: Mr. Jerry Blackwood, Manager of Revenue/Treasurer
Liam MacSween, Legislative Assistant.

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

The agenda, supporting documents, and information items circulated to Investment Policy Advisory Committee are available online: <http://www.halifax.ca/boardscom/ipac/documents/160728ipacAgenda.pdf>

The meeting was called to order at 12:06 p.m. and adjourned at 12:52 p.m.

1. CALL TO ORDER

Mr. Jerry Blackwood, Manager of Revenue introduced Ms. Renee Towns, Deputy Treasurer and Co-Chair of the Investment Policy Advisory Committee. Introductions ensued among the committee members.

Ms. Renee Towns, Co-Chair called the meeting to order in the Media Room, 1st Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – March 17, 2016

MOVED by Councillor Craig, seconded by Mr. Condé

THAT the minutes of March 17, 2016 be approved as presented. MOTION PUT AND PASSED.

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

Additions: None.

MOVED by Councillor Craig, seconded by Mr. Houston

THAT the agenda be approved as presented.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES

In response to a question from Mr. Houston, Councillor Craig advised that the last Investment report to the Audit & Finance Standing Committee incorporated feedback from the committee in relation to exceedances of the sector weight guidelines and the steps taken by staff to address the overages. He advised that the report was well received and there were no questions from the committee.

The Legislative Assistant noted that copies of the final reports to the Audit & Finance Standing Committee can be circulated as information items to the Investment Policy Advisory Committee after they have been approved and provided to the Audit & Finance Standing Committee.

5. NEW BUSINESS

5.1 Treasurer's Report – Quarter Ending March 31, 2016

The following was before the committee:

- The Treasurer's Report – Quarter Ending March 31, 2016, dated July 28, 2016.

Ms. Towns gave an overview of the Treasurer's Report – Quarter Ending March 31, 2016, dated July 28, 2016.

In response to questions of clarification from the committee, Ms. Towns provided the following commentary:

- A letter is sent to the bank to request that any maturity funds received are redirected back to the investment bank account for reinvestment or reallocation purposes.

- Staff takes a conservative cash management approach which is in line with other municipal investment policies. She provided further commentary with respect to risk mitigation and the approach that HRM takes with respect to cash flow management.

Further discussion ensued in relation to ebb and flow of investment funds and the risk management techniques utilized in managing the funds.

The Treasurer's report was received by the committee as submitted.

5.2 Draft Investment Policy Advisory Committee Report to Audit & Finance Committee for Quarter Ending March 31, 2016

The following was before the committee:

- *A Draft Investment Policy Advisory Committee Report to Audit & Finance Committee for Quarter Ending March 31, 2016 dated July 28, 2016*

Ms. Towns provided an overview of the draft Investment Police Advisory Committee report.

MOVED by Councillor Craig, seconded by Mr. Condé

THAT the Draft Investment Policy Advisory Committee Report be forwarded to Audit & Finance Committee for Quarter Ending March 31, 2016

MOTION PUT AND PASSED.

5.3 Investment Policy Review: discuss timing and current market conditions

Ms. Towns provided an update with respect to the Cash Management Team and advised that some authority has been delegated to the Cash Management Supervisor in relation to administrative work on journal entries. She advised that the Cash Management Supervisor will be trained to act as back up for the Deputy Treasurer to cover vacations or any unplanned time off.

Mr. Jerry Blackwood, Manager of Revenue advised that the Cash Management Team is quite diligent in managing the accounts and providing updates to management.

Ms. Towns provided an update on efficiencies gained through an electronic trading platform now utilized by staff to gain better money market rates. She advised that the new tool has saved money with respect to fees and allows access to better rates.

Further discussion ensued among the committee in relation to the timing of the Investment Policy Review with consensus that the next meeting should take place in September to allow for the results of the benchmark survey.

6. Information Items / Optional Reading

6.1 TD Economic Forecast- "Canada Not Immune To Brexit Impacts"

6.2 Scotiabank Global Economics – "Canada – BoC Won't Be First To The Puck"

6.3 The Canadian Press – "Lower interest rates may be the new normal, Stephen Poloz says"

7. Next Meeting Date - TBD

8. ADJOURNMENT

The meeting adjourned at 12:52 p.m.

**Investment Policy Advisory Committee Minutes
July 28, 2016**

Liam MacSween
Legislative Assistant