



**INVESTMENT POLICY ADVISORY COMMITTEE MINUTES
MINUTES
December 3, 2015**

PRESENT: Councillor Steve Craig, Co-Chair
Mr. Shawn Williams, Deputy Treasurer Co-Chair
Mr. Michael Conde
Mr. Dan Hudgin
Ms. Dorothy MacCurdy
Mr. Kim Houston

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

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

*The agenda circulated to the Investment Policy Advisory Committee are available online:
<http://www.halifax.ca/boardscom/ipac/documents/151203ipacagenda.PDF>*

The meeting was called to order at 12:01 p.m. and adjourned at 1:06 p.m.

1. CALL TO ORDER

Mr. Shawn Williams, Deputy Treasurer, Co-Chair called the meeting to order in the Media Room, 1st Floor City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – September 30, 2015

MOVED by Mr. Houston, seconded by Ms. MacCurdy

THAT the minutes of September 30, 2015 be approved as circulated.

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

Additions: None

MOVED by Ms. MacCurdy, seconded by Mr. Conde

THAT the agenda be approved as presented.

MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES

5. NEW BUSINESS

5.1 Treasurer's Report – Quarter Ending September 30, 2015

The following was before the committee:

- Treasurer's Report dated September 24, 2015

Mr. Williams, Deputy Treasurer provided an overview of the Treasurer's Report.

In response to a follow up question, Mr. Jerry Blackwood, Manager of Revenue noted that the variances within the sector weight guidelines were due primarily with staff vacation time. He noted that staff does not believe that there is a high amount of risk involved with anomaly as it rarely occurs and is dealt with in due course. He provided further commentary with respect to staff's management of cash flows.

The Committee expressed concern with staff's recent use of temporary discretion in the management of cash flows and recommended that corrective actions be developed. Mr. Blackwood and Mr. Williams noted that staff does not believe that a corrective action is required at this time, and advised that the objectives of the Investment Policy have been met with respect to the management of cash flows. Mr. Blackwood and Mr. Williams explained that from a preservation of capital perspective, no capital had been lost over the time when the variances had occurred. Mr. Blackwood advised that during staff vacations, government maturities are not reinvested. Mr. Williams concluded by noting that the primary goal of staff is to ensure that there is sufficient cash in HRM's bank accounts to cover planned and unexpected payments.

Mr. Williams and Mr. Blackwood responded to questions and commentary from the committee in relation to the variances in the sector weight guidelines. After further discussion, the committee was in agreement with staff's assertion that the variances did not constitute a material increase in risk to the investment portfolio.

Further discussion ensued in relation to HRM's Investment Activities over the Quarter Ending September 30, 2015.

MOVED by Mr. Conde, seconded by Mr. Hudgin

THAT the Investment Policy Advisory Committee receive the Treasurer's report dated September 24, 2015 as submitted.

MOTION PUT AND PASSED.

5.2 Draft Investment Policy Advisory Committee Report to Audit & Finance Standing Committee for Quarter Ending September 30, 2015.

The following was before the committee:

- *A draft staff report dated November 24, 2015*

Mr. Williams provided an overview of the draft committee report to be submitted to the Audit & Finance Standing Committee for its December meeting.

Mr. Conde suggested that the committee report to the Audit & Finance Standing Committee should address the variances in the sector weight guidelines over the past quarter and provide an explanation as to why the variances did not constitute a material increase in risk to the investment portfolio.

Mr. Williams noted that the input provided by the committee in relation to the sector weight guidelines and management of cash flows will be included in the committee report to the Audit & Finance Standing Committee.

MOVED by Mr. Conde, seconded by Mr. Houston

THAT the Investment Policy Advisory Committee forward the Investment Policy Advisory Committee Report dated November 24, 2015 to the Audit & Finance Standing Committee for consideration as amended.

MOTION PUT AND PASSED.

6. Information Items/ Optional Reading

6.1 Bloomberg View – "Truth Telling on China's Economy"

6.2 Bloomberg Quick Take – "Less than Zero"

7. DATE OF NEXT MEETING – To be Determined

8. ADJOURNMENT

The meeting adjourned at 1:06 p.m.

Liam MacSween
Legislative Assistant