



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

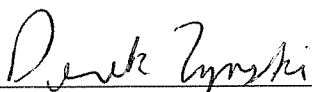
Item No. 3

**Halifax Regional Council
September 25, 2007**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Councillor Bill Karsten, Co-Chair, Investment Policy Advisory


Derek Tynski, Co-Chair, Investment Policy Advisory Committee

DATE: September 12, 2007

SUBJECT: Investment Policy Advisory Committee Report - Quarter Ending
June 30, 2007

INFORMATION REPORT

ORIGIN

The Halifax Regional Municipality Investment Policy requires that the Investment Policy Advisory Committee report to Council on compliance by staff with the Investment Objectives of the Investment Policy not less frequently than quarterly.

BACKGROUND

The Halifax Regional Municipality Investment Policy (the Policy) was adopted by Council April 23, 2002 and was approved by the Minister of Service Nova Scotia and Municipal Relations (the Minister) on May 14, 2002. Amendments to the Policy, as recommended by the Investment Policy Advisory Committee (the Committee), were approved by Council and the Minister in 2005 and 2007. Policy approvals are in accordance with Section 100 of the *Municipal Government Act*.

The mandate of the Committee is to recommend an investment policy to Council as well as provide ongoing monitoring of investment activities. Following adoption and approval of the Policy, the activities of the Committee have shifted to the monitoring role as well as annual reviews of the Policy.

DISCUSSION

The Investment Policy Advisory Committee is pleased to provide this report to Council under the provisions of the Policy. The primary focus of this report will be to report on compliance with the objectives of the Policy.

The six objectives of the Policy, stated in order of priority of importance, are as follows:

1. Adherence to Legal Requirements
2. Preservation of Capital
3. Liquidity
4. Diversification of Investment Portfolio
5. Competitive Return on Investments
6. Regular Review of Performance

Copies of the Sector Weight schedules recommended under the Policy are attached.

The Committee has reviewed the information provided by staff in the Treasurer's report to the Committee for the Quarter ending June 30, 2007 and accepts the report and the findings contained in the report that the investment activities reported for that Quarter are in compliance with the Policy.

BUDGET IMPLICATIONS

N/A

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

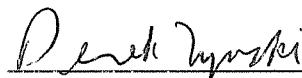
ATTACHMENTS

Sector Weight Schedules @ June 30, 2007 (Schedules A, B, C, D & E)

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by : Derek Tynski, Co-Chair, Investment Policy Advisory Committee

Report Approved by: Councillor Bill Karsten, Co-Chair, Investment Policy Advisory 490-7032



Derek Tynski, Co-Chair, Investment Policy Advisory Committee 490-6471

**Total Investments
Sector Weights @
June 30, 2007**

Schedule A

	Catagory Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	\$120,636,978	45%	\$269,418,599	100%	\$148,781,621	55%
Federal Government	Open	\$86,795,320	32%				
Business Development Bank	Open	\$0	0%				
Canada Mortgage & Housing Corp.	Open	\$0	0%				
Canadian Wheat Board	Open	\$10,195,882	4%				
Export Development Canada	Open						
Farm Credit Corp	Open	\$23,645,776	9%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	\$92,641,252	34%	\$269,418,599	100%	\$176,777,347	66%
Total Alberta (R-1 High)	Open	\$9,918,360	4%	\$67,354,650	25%	\$57,436,290	21%
Alberta (R-1 High)	Open	\$0					
Alberta Capital Finance Authority (R-1 High)	Open	\$0					
Alberta Treasury Branches (R-1 High)	Open	\$9,918,360					
British Columbia (R-1 High)	Open	\$38,578,507	14%	\$67,354,650	25%	\$28,776,143	11%
Manitoba (R-1 Mid)	Open	\$3,979,600	1%	\$67,354,650	25%	\$63,375,050	
New Brunswick (R-1 Mid)	Open	\$0	0%	\$67,354,650	25%	\$67,354,650	
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			\$67,354,650	25%	\$67,354,650	
Nova Scotia (R-1 Low)	Closed			\$67,354,650	25%	\$67,354,650	
Nova Scotia Municipal Finance Corp (R-1 Low)	Closed			\$67,354,650	25%	\$67,354,650	
Ontario (R-1 High)	Open	\$25,403,574	9%	\$67,354,650	25%	\$41,951,075	16%
Prince Edward Island (R-1 Low)	Closed			\$67,354,650	25%	\$67,354,650	
Quebec (R-1 Mid)	Open	\$14,761,210	5%	\$67,354,650	25%	\$52,593,440	
Saskatchewan (R-1 Mid)	Open		0%	\$67,354,650	25%	\$67,354,650	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	\$0		\$67,354,650	25%	\$67,354,650	25%
Calgary (R-1 High)	Open			\$26,941,860	10%	\$26,941,860	10%
Edmonton (R-1 High)	Open			\$26,941,860	10%	\$26,941,860	10%
BA's Schedule A							
Financial Institutions & their Guarantees	Canadian Banks R-1 Mid	\$56,140,369	21%	\$67,354,650	25%	\$11,214,280	4%
Bank of Montreal (R-1 High)	Open	\$10,960,860	4%	\$26,941,860	10%	\$15,981,000	6%
Bank of Nova Scotia (R-1 High)	Open	\$12,940,520	5%	\$26,941,860	10%	\$14,001,340	5%
Canadian Imperial Bank of Commerce (R-1 High)	Open	\$23,349,720	9%	\$26,941,860	10%	\$3,592,140	1%
National Bank of Canada (R-1 Mid)	Closed			\$26,941,860	10%	\$26,941,860	
Royal Bank (R-1 High)	Open	\$7,975,140	1%	\$26,941,860	10%	\$24,019,711	9%
Royal Bank - Effective Cash		-\$5,052,991					
Toronto Dominion (R-1 High)	Open	\$5,967,120	2%	\$26,941,860	10%	\$20,974,740	8%
Corporations & their Guarantees	Closed						
Total Cash and Equivalents		\$269,418,599	100%				
FIXED (Bonds, etc. over one year)							
Province of Nova Scotia (A-Low)	Open (Special)	\$11,400,000					
Federal Government		\$17,161,700	6%				
Total Fixed		\$28,561,700					
EQUITIES							
Bank of Montreal		\$6,410					
TOTAL EQUITIES		\$6,410					
TOTAL INVESTMENTS		\$297,986,709					
Interest Bearing Bank Accounts - O/S Cheque Coverage		\$16,083,187					
TOTAL INVESTMENTS & O/S Cheques Coverage		\$314,069,896					

Operating Fund
Sector Weights
@ June 30, 2007

Schedule B

	Catagory Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	\$40,864,184	45%	\$91,261,994	100%	\$50,397,810	55%
Federal Government	Open	\$29,400,769	32%				
Business Development Bank	Open	\$0	0%				
Canada Mortgage & Housing Corp.	Open	\$0	0%				
Canadian Wheat Board	Open	\$3,453,720	4%				
Export Development Canada	Open						
Farm Credit Corp	Open	\$8,009,695	9%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	\$31,381,001	34%	\$91,261,994	100%	\$59,880,993	66%
Total Alberta (R-1 High)	Open	\$3,359,714	4%	\$22,815,499	25%	\$19,455,785	21%
Alberta (R-1 High)	Open	\$0					
Alberta Capital Finance Authority (R-1 High)	Open	\$0					
Alberta Treasury Branches (R-1 High)	Open	\$3,359,714					
British Columbia (R-1 High)	Open	\$13,067,960	14%	\$22,815,499	25%	\$9,747,538	11%
Manitoba (R-1 Mid)	Open	\$1,348,037	1%	\$22,815,499	25%	\$21,467,462	
New Brunswick (R-1 Mid)	Open	\$0	0%	\$22,815,499	25%	\$22,815,499	
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			\$22,815,499	25%	\$22,815,499	
Nova Scotia (R-1 Low)	Closed			\$22,815,499	25%	\$22,815,499	
Nova Scotia Municipal Finance Corp (R-1 Low)	Closed			\$22,815,499	25%	\$22,815,499	
Ontario (R-1 High)	Open	\$8,605,126	9%	\$22,815,499	25%	\$14,210,373	16%
Prince Edward Island (R-1 Low)	Closed			\$22,815,499	25%	\$22,815,499	
Quebec (R-1 Mid)	Open	\$5,000,165	5%	\$22,815,499	25%	\$17,815,334	
Saskatchewan (R-1 Mid)	Open		0%	\$22,815,499	25%	\$22,815,499	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	\$0		\$22,815,499	25%	\$22,815,499	25%
Calgary (R-1 High)	Open			\$9,126,199	10%	\$9,126,199	10%
Edmonton (R-1 High)	Open			\$9,126,199	10%	\$9,126,199	10%
BA's Schedule A							
Canadian Banks							
Financial Institutions & their Guarantees	R-1 Mid	\$19,016,809	21%	\$22,815,499	25%	\$3,798,689	4%
Bank of Montreal (R-1 High)	Open	\$3,712,847	4%	\$9,126,199	10%	\$5,413,353	6%
Bank of Nova Scotia (R-1 High)	Open	\$4,383,430	5%	\$9,126,199	10%	\$4,742,769	5%
Canadian Imperial Bank of Commerce (R-1 High)	Open	\$7,909,409	9%	\$9,126,199	10%	\$1,216,790	1%
National Bank of Canada (R-1 Mid)	Closed		0%	\$9,126,199	10%	\$9,126,199	
Royal Bank (R-1 High)	Open	\$2,701,473	3%	\$9,126,199	10%	\$8,136,360	9%
Royal Bank - Effective Cash		-\$1,711,634	-2%				
Toronto Dominion (R-1 High)	Open	\$2,021,283	2%	\$9,126,199	10%	\$7,104,916	8%
Corporations & their Guarantees	Closed						
FIXED (Bonds, etc over one year)	Closed						
TOTAL INVESTMENTS		\$91,261,994	100%				
Interest Bearing Bank Accounts - O/S Cheque Coverage		\$16,083,187					
TOTAL INVESTMENTS & O/S Cheques Coverage		\$107,345,181					

Capital Funds
Sector Weights
@ June 30, 2007

Schedule C

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	\$0	0%	\$0	100%	\$0	0%
Federal Government	Open	\$0	0%				
Business Development Bank	Open	\$0	0%				
Canada Mortgage & Housing Corp	Open	\$0	0%				
Canadian Wheat Board	Open	\$0	0%				
Export Development Canada	Open	\$0	0%				
Farm Credit Corp	Open	\$0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	\$0	0%	\$0	100%	\$0	0%
Total Alberta (R-1 High)	Open	\$0	0%	\$0	25%	\$0	0%
Alberta (R-1 High)	Open	\$0	0%				
Alberta Capital Finance Authority (R-1 High)	Open	\$0	0				
Alberta Treasury Branches (R-1 High)	Open	\$0	0%				
British Columbia (R-1 High)	Open	\$0	0%	\$0	25%	\$0	0%
Manitoba (R-1 Mid)	Open	\$0	0%	\$0	25%	\$0	
New Brunswick (R-1 Mid)	Open	\$0	0%	\$0	25%	\$0	
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			\$0	25%	\$0	
Nova Scotia (R-1 Low)	Closed			\$0	25%	\$0	
Nova Scotia Municipal Finance Corp (R-1 Low)	Closed			\$0	25%	\$0	
Ontario (R-1 High)	Open	\$0	0%	\$0	25%	\$0	0%
Prince Edward Island (R-1 Low)	Closed			\$0	25%	\$0	
Quebec (R-1 Mid)	Open	\$0	0%	\$0	25%	\$0	
Saskatchewan (R-1 Mid)	Open		0%	\$0	25%	\$0	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	\$0		\$0	25%	\$0	0%
Calgary (R-1 High)	Open			\$0	10%	\$0	0%
Edmonton (R-1 High)	Open			\$0	10%	\$0	0%
BA's Schedule A							
Canadian Banks							
Financial Institutions & their Guarantees	R-1 Mid	\$0	0%	\$0	25%	\$0	0%
Bank of Montreal (R-1 High)	Open	\$0	0%	\$0	10%	\$0	0%
Bank of Nova Scotia (R-1 High)	Open	\$0	0%	\$0	10%	\$0	0%
Canadian Imperial Bank of Commerce (R-1 High)	Open	\$0	0%	\$0	10%	\$0	0%
National Bank of Canada (R-1 Mid)	Closed		0	\$0	10%	\$0	
Royal Bank (R-1 High)	Open	\$0	0%	\$0	10%	\$0	0%
Royal Bank - Effective Cash		\$0	0%				
Toronto Dominion (R-1 High)	Open	\$0	0%	\$0	10%	\$0	0%
Corporations & their Guarantees	Closed						
FIXED (Bonds, etc. over one year)	Closed						
Total Cash and Equivalents		\$0	0%				

Reserve Funds
Sector Weights
@ June 30, 2007

Schedule D

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	\$78,520,102	21%	\$175,358,967	100%	\$96,838,865	55%
Federal Government	Open	\$56,493,270	15%				
Business Development Bank	Open	\$0	0%				
Canada Mortgage & Housing Corp.	Open	\$0	0%				
Canadian Wheat Board	Open	\$6,636,288	2%				
Export Development Canada	Open						
Farm Credit Corp	Open	\$15,390,544	4%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	\$60,298,265	16%	\$175,358,967	100%	\$115,060,701	66%
Total Alberta (R-1 High)	Open	\$6,455,654	2%	\$43,839,742	25%	\$37,384,087	21%
Alberta (R-1 High)	Open	\$0					
Alberta Capital Finance Authority (R-1 High)	Open	\$0					
Alberta Treasury Branches (R-1 High)	Open	\$6,455,654					
British Columbia (R-1 High)	Open	\$25,109,949	7%	\$43,839,742	25%	\$18,729,793	11%
Manitoba (R-1 Mid)	Open	\$2,590,239	1%	\$43,839,742	25%	\$41,249,503	
New Brunswick (R-1 Mid)	Open	\$0	0%	\$43,839,742	25%	\$43,839,742	
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			\$43,839,742	25%	\$43,839,742	
Nova Scotia (R-1 Low)	Closed			\$43,839,742	25%	\$43,839,742	
Nova Scotia Municipal Finance Corp (R-1 Low)	Closed			\$43,839,742	25%	\$43,839,742	
Ontario (R-1 High)	Open	\$16,534,659	4%	\$43,839,742	25%	\$27,305,083	16%
Prince Edward Island (R-1 Low)	Closed			\$43,839,742	25%	\$43,839,742	
Quebec (R-1 Mid)	Open	\$9,607,765	3%	\$43,839,742	25%	\$34,231,977	
Saskatchewan (R-1 Mid)	Open		0%	\$43,839,742	25%	\$43,839,742	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	\$0		\$43,839,742	25%	\$43,839,742	25%
Calgary (R-1 High)	Open			\$17,535,897	10%	\$17,535,897	10%
Edmonton (R-1 High)	Open			\$17,535,897	10%	\$17,535,897	10%
BA's Schedule A							
Financial Institutions & their Guarantees	Canadian Banks R-1 Mid	\$36,540,600	10%	\$43,839,742	25%	\$7,299,142	4%
Bank of Montreal (R-1 High)	Open	\$7,134,196	2%	\$17,535,897	10%	\$10,401,701	6%
Bank of Nova Scotia (R-1 High)	Open	\$8,422,716	2%	\$17,535,897	10%	\$9,113,181	5%
Canadian Imperial Bank of Commerce (R-1 High)	Open	\$15,197,847	4%	\$17,535,897	10%	\$2,338,049	1%
National Bank of Canada (R-1 Mid)	Closed			\$17,535,897	10%	\$17,535,897	
Royal Bank (R-1 High)	Open	\$5,190,853	1%	\$17,535,897	10%	\$15,633,930	9%
Royal Bank - Effective Cash		-\$3,288,887	-1%				
Toronto Dominion (R-1 High)	Open	\$3,883,874	1%	\$17,535,897	10%	\$13,652,022	8%
Corporations & their Guarantees	Closed						
Total Cash and Equivalents		\$175,358,967	87%				
FIXED (Bonds, etc. over one year)							
Province of Nova Scotia (A-Low)	Open (Special)	\$11,400,000					
Federal Government		\$17,107,525					
Total Investments		\$203,866,491	13%				

Trust Funds
Sector Weights
@ June 30, 2007

Schedule E

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	\$1,252,692	44%	\$2,797,638	100%	\$1,544,946	55%
Federal Government	Open	\$901,281	32%				
Business Development Bank	Open	\$0	0%				
Canada Mortgage & Housing Corp	Open	\$0	0%				
Canadian Wheat Board	Open	\$105,874	4%				
Export Development Canada	Open						
Farm Credit Corp	Open	\$245,537	9%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	\$961,985	34%	\$2,797,638	100%	\$1,835,653	66%
Total Alberta (R-1 High)	Open	\$102,992	4%	\$699,409	25%	\$596,417	21%
Alberta (R-1 High)	Open	\$0					
Alberta Capital Finance Authority (R-1 High)	Open	\$0					
Alberta Treasury Branches (R-1 High)	Open	\$102,992					
British Columbia (R-1 High)	Open	\$400,599	14%	\$699,409	25%	\$298,811	11%
Manitoba (R-1 Mid)	Open	\$41,324	1%	\$699,409	25%	\$658,085	
New Brunswick (R-1 Mid)	Open	\$0	0%	\$699,409	25%	\$699,409	
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			\$699,409	25%	\$699,409	
Nova Scotia (R-1 Low)	Closed			\$699,409	25%	\$699,409	
Nova Scotia Municipal Finance Corp (R-1 Low)	Closed			\$699,409	25%	\$699,409	
Ontario (R-1 High)	Open	\$263,790	9%	\$699,409	25%	\$435,619	16%
Prince Edward Island (R-1 Low)	Closed			\$699,409	25%	\$699,409	
Quebec (R-1 Mid)	Open	\$153,280	5%	\$699,409	25%	\$546,129	
Saskatchewan (R-1 Mid)	Open		0%	\$699,409	25%	\$699,409	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	\$0		\$699,409	25%	\$699,409	25%
Calgary (R-1 High)	Open			\$279,764	10%	\$279,764	10%
Edmonton (R-1 High)	Open			\$279,764	10%	\$279,764	10%
BA's Schedule A							
Canadian Banks R							
Financial Institutions & their Guarantees	1 Mid	\$582,961	20%	\$699,409	25%	\$116,449	4%
Bank of Montreal (R-1 High)	Open	\$113,817	4%	\$279,764	10%	\$165,946	6%
Bank of Nova Scotia (R-1 High)	Open	\$134,374	5%	\$279,764	10%	\$145,390	5%
Canadian Imperial Bank of Commerce (R-1 High)	Open	\$242,463	8%	\$279,764	10%	\$37,301	1%
National Bank of Canada (R-1 Mid)	Closed			\$279,764	10%	\$279,764	
Royal Bank (R-1 High)	Open	\$82,814	3%	\$279,764	10%	\$249,420	9%
Royal Bank - Effective Cash		-\$52,470	-2%				
Toronto Dominion (R-1 High)	Open	\$61,962	2%	\$279,764	10%	\$217,801	8%
Corporations & their Guarantees	Closed						
Total Cash and Equivalents		\$2,797,638	98%				
FIXED (Bonds, etc. over one year)							
Federal Government		\$54,175	2%				
Total Fixed		\$54,175					
EQUITIES							
Bank of Montreal		\$6,410					
TOTAL EQUITIES		\$6,410	0%				
TOTAL INVESTMENTS		\$2,858,223	100%				