



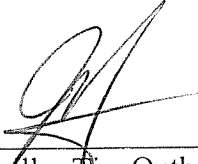
PO Box 1749
Halifax, Nova Scotia
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Item No. 4

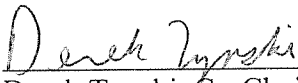
Halifax Regional Council
March 9, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Councillor Tim Outhit, Co-Chair, Investment Policy Advisory Committee



Derek Tynski, Co-Chair, Investment Policy Advisory Committee

DATE: February 24, 2010

SUBJECT: Investment Policy Advisory Committee Report - Quarter Ending
December 31, 2009

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, 2007 and 2008. Policy approvals are in accordance with Section 121 of the Halifax Regional Municipality Charter.

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 December 31, 2009 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

The Committee has been advised by staff that 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.

ALTERNATIVES

N/A

ATTACHMENTS

Sector Weight Schedules @ December 31, 2009 (Schedules A, B, C, D & E)

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Approved by: Councillor Tim Outhit, Co-Chair, Investment Policy Advisory Committee
 Derek Tynski, Co-Chair, Investment Policy Advisory Committee

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

**Total Investments
Sector Weights
@ December 31, 2009**

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	87,610,790	35%	252,434,840	100%	164,824,050	65%
Federal Government	Open	87,610,790	35%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	112,248,673	44%	252,434,840	100%	140,186,167	56%
Total Alberta (R-1 High)	Open	27,538,840	11%	63,108,710	25%	35,569,870	14%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	27,538,840					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	23,710,407	9%	63,108,710	25%	39,398,303	16%
Manitoba (R-1 Mid)	Open	0	0%	63,108,710	25%	63,108,710	25%
New Brunswick (R-1 Mid)	Open	0	0%	63,108,710	25%	63,108,710	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			63,108,710	25%	63,108,710	25%
Ontario (R-1 High)	Open	45,577,601	18%	63,108,710	25%	17,531,109	7%
Quebec (R-1 Mid)	Open	8,864,161	4%	63,108,710	25%	54,244,549	21%
Saskatchewan (R-1 Mid)	Open	6,557,664	3%	63,108,710	25%	56,551,046	22%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		63,108,710	25%	63,108,710	25%
Calgary (R-1 High)	Open			25,243,484	10%	25,243,484	10%
Edmonton (R-1 High)	Open			25,243,484	10%	25,243,484	10%
Financial Institutions & their Guarantees /Corporations		52,575,377	21%	126,217,420	50%	73,642,043	29%
	BA's Schedule A						
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	42,579,077	17%	126,217,420	50%	83,638,343	33%
Bank of Montreal (R-1 High)	Open	12,995,430	5%	25,243,484	10%	12,248,054	5%
Bank of Nova Scotia (R-1 High)	Open	10,996,020	4%	25,243,484	10%	14,247,464	6%
Canadian Imperial Bank of Commerce (R-1 High)	Open	13,632,282	5%	25,243,484	10%	11,611,202	5%
Royal Bank (R-1 High)	Open	0	0%	25,243,484	10%	25,286,989	10%
Royal Bank - Effective Cash		-43,505					
Toronto Dominion (R-1 High)	Open	4,998,850	2%	25,243,484	10%	20,244,634	8%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	9,996,300	4%	63,108,710	25%	53,112,410	21%
National Bank of Canada (R-1 Mid)	Open	9,996,300	4%	12,621,742	5%	2,625,442	1%
OMERS Realty Corporation (R-1 High)	Open	0	0%	12,621,742	5%	12,621,742	5%
CDP Financial Inc (R-1 High)	Open	0	0%	12,621,742	5%	12,621,742	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	12,621,742	5%	12,621,742	5%
Desjardins Total		0	0%	12,621,742	5%	12,621,742	5%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
Total Cash and Equivalents		252,434,840	100%				
FIXED (Bonds, etc. over one year)		5,960,517	2%				
Federal Government		5,960,517					
Total Fixed		5,960,517					
Equities		6,410					
Bank of Montreal		6,410					
Total Equities		6,410					
Total Investments		258,401,767					
Interest Bearing Bank Accounts - O/S Cheque Coverage		15,668,504	*				
Total Investments and O/S Cheques Coverage		274,070,271					

**Operating Funds
Sector Weights
@ December 31, 2009**

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	43,480,736	35%	125,281,974	100%	81,801,238	65%
Federal Government	Open	43,480,736	35%				
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	55,708,377	44%	125,281,974	100%	69,573,597	56%
Total Alberta (R-1 High)	Open	13,667,370	11%	31,320,494	25%	17,653,124	14%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	13,667,370					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	11,767,340	9%	31,320,494	25%	19,553,153	16%
Manitoba (R-1 Mid)	Open	0	0%	31,320,494	25%	31,320,494	25%
New Brunswick (R-1 Mid)	Open	0	0%	31,320,494	25%	31,320,494	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	0		31,320,494	25%	31,320,494	25%
Ontario (R-1 High)	Open	22,619,904	18%	31,320,494	25%	8,700,590	7%
Quebec (R-1 Mid)	Open	4,399,233	4%	31,320,494	25%	26,921,261	21%
Saskatchewan (R-1 Mid)	Open	3,254,531	3%	31,320,494	25%	28,065,962	22%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		31,320,494	25%	31,320,494	25%
Calgary (R-1 High)	Open			12,528,197	10%	12,528,197	10%
Edmonton (R-1 High)	Open			12,528,197	10%	12,528,197	10%
Financial Institutions & their Guarantees /Corporations		26,092,860	21%	62,640,987	50%	36,548,127	29%
BA's Schedule A							
Canadian Banks R-1							
Tier 1 - Financial Institutions & their Guarantees	Mid	21,131,753	17%	62,640,987	50%	41,509,234	33%
Bank of Montreal (R-1 High)	Open	6,449,558	5%	12,528,197	10%	6,078,639	5%
Bank of Nova Scotia (R-1 High)	Open	5,457,262	4%	12,528,197	10%	7,070,935	6%
Canadian Imperial Bank of Commerce (R-1 High)	Open	6,765,624	5%	12,528,197	10%	5,762,573	5%
Royal Bank (R-1 High)	Open	0	0%	12,528,197	10%	12,549,789	10%
Royal Bank - Effective Cash		-21,591					
Toronto Dominion (R-1 High)	Open	2,480,901	2%	12,528,197	10%	10,047,297	8%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	4,961,107	4%	31,320,494	25%	26,359,387	21%
National Bank of Canada (R-1 Mid)	Open	4,961,107	4%	6,264,099	5%	1,302,992	1%
OMERS Realty Corporation (R-1 High)	Open	0	0%	6,264,099	5%	6,264,099	5%
CDP Financial Inc (R-1 High)	Open	0	0%	6,264,099	5%	6,264,099	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	6,264,099	5%	6,264,099	5%
Desjardins Total		0	0%	6,264,099	5%	6,264,099	5%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
Total Investments		125,281,974	100%				
Interest Bearing Bank Accounts - O/S Cheque Coverage		15,668,504	*				
Total Investments and O/S Cheques Coverage		140,950,478					

**Capital Funds
Sector Weights
@ December 31, 2009**

	Catagory 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						
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					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	0	0%	0	25%	0	0%
Manitoba (R-1 Mid)	Open	0	0%	0	25%	0	0%
New Brunswick (R-1 Mid)	Open	0	0%	0	25%	0	0%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			0	25%	0	0%
Ontario (R-1 High)	Open	0	0%	0	25%	0	0%
Quebec (R-1 Mid)	Open	0	0%	0	25%	0	0%
Saskatchewan (R-1 Mid)	Open		0%	0	25%	0	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%
Financial Institutions & their Guarantees /Corporations		0	0%	0	50%	0	0%
	BA's Schedule A						
Tier 1 - Financial Institutions & their Guarantees	Canadian Banks R-1 Mid	0	0%	0	50%	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%
Royal Bank (R-1 High)	Open	0	0%	0	10%	0	0%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	0	0%	0	10%	0	0%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	0	0%	0	25%	0	0%
National Bank of Canada (R-1 Mid)	Open	0	0%	0	5%	0	0%
OMERS Realty Corporation (R-1 High)	Open	0	0%	0	5%	0	0%
CDP Financial Inc (R-1 High)	Open	0	0%	0	5%	0	0%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	0	5%	0	0%
Desjardins Total		0	0%	0	5%	0	0%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
Total Cash and Equivalents		0	0%				

SCHEDULE D

**Reserve Funds
Sector Weights
@ December 31, 2009**

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	42,962,954	35%	123,790,075	100%	80,827,122	65%
Federal Government	Open	42,962,954	35%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	55,044,984	44%	123,790,075	100%	68,745,091	56%
Total Alberta (R-1 High)	Open	13,504,614	11%	30,947,519	25%	17,442,905	14%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	13,504,614					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	11,627,211	9%	30,947,519	25%	19,320,308	16%
Manitoba (R-1 Mid)	Open	0	0%	30,947,519	25%	30,947,519	25%
New Brunswick (R-1 Mid)	Open	0	0%	30,947,519	25%	30,947,519	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			30,947,519	25%	30,947,519	25%
Ontario (R-1 High)	Open	22,350,539	18%	30,947,519	25%	8,596,980	7%
Quebec (R-1 Mid)	Open	4,346,845	4%	30,947,519	25%	26,600,674	21%
Saskatchewan (R-1 Mid)	Open	3,215,775	3%	30,947,519	25%	27,731,744	22%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		30,947,519	25%	30,947,519	25%
Calgary (R-1 High)	Open			12,379,008	10%	12,379,008	10%
Edmonton (R-1 High)	Open			12,379,008	10%	12,379,008	10%
Financial Institutions & their Guarantees /Corporations		25,782,138	21%	61,895,038	50%	36,112,900	29%
	BA's Schedule A						
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	20,880,110	17%	61,895,038	50%	41,014,928	33%
Bank of Montreal (R-1 High)	Open	6,372,754	5%	12,379,008	10%	6,006,253	5%
Bank of Nova Scotia (R-1 High)	Open	5,392,275	4%	12,379,008	10%	6,986,732	6%
Canadian Imperial Bank of Commerce (R-1 High)	Open	6,685,057	5%	12,379,008	10%	5,693,951	5%
Royal Bank (R-1 High)	Open	0	0%	12,379,008	10%	12,400,342	10%
Royal Bank - Effective Cash		-21,334					
Toronto Dominion (R-1 High)	Open	2,451,357	2%	12,379,008	10%	9,927,650	8%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	4,902,028	4%	30,947,519	25%	26,045,491	21%
National Bank of Canada (R-1 Mid)	Open	4,902,028	4%	6,189,504	5%	1,287,475	1%
OMERS Realty Corporation (R-1 High)	Open	0	0%	6,189,504	5%	6,189,504	5%
CDP Financial Inc (R-1 High)	Open	0	0%	6,189,504	5%	6,189,504	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	6,189,504	5%	6,189,504	5%
Desjardins Total		0	0%	6,189,504	5%	6,189,504	5%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
Total Cash and Equivalents		123,790,075	100%				
FIXED (Bonds, etc. over one year)		5,960,517	5%				
Federal Government		5,960,517	5%				
Total Fixed		5,960,517					
Total Investments		129,750,592					

**Trust Funds
Sector Weights
@ December 31, 2009**

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	1,167,100	35%	3,362,790	100%	2,195,690	65%
Federal Government	Open	1,167,100	35%				
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	1,495,312	44%	3,362,790	100%	1,867,479	56%
Total Alberta (R-1 High)	Open	366,856	11%	840,698	25%	473,841	14%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	366,856					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	315,856	9%	840,698	25%	524,841	16%
Manitoba (R-1 Mid)	Open	0	0%	840,698	25%	840,698	25%
New Brunswick (R-1 Mid)	Open	0	0%	840,698	25%	840,698	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	0		840,698	25%	840,698	25%
Ontario (R-1 High)	Open	607,158	18%	840,698	25%	233,539	7%
Quebec (R-1 Mid)	Open	118,083	4%	840,698	25%	722,614	21%
Saskatchewan (R-1 Mid)	Open	87,357	3%	840,698	25%	753,340	22%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		840,698	25%	840,698	25%
Calgary (R-1 High)	Open			336,279	10%	336,279	10%
Edmonton (R-1 High)	Open			336,279	10%	336,279	10%
Financial Institutions & their Guarantees /Corporations		700,379	21%	1,681,395	50%	981,017	29%
	BA's Schedule A						
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	567,214	17%	1,681,395	50%	1,114,181	33%
Bank of Montreal (R-1 High)	Open	173,118	5%	336,279	10%	163,161	5%
Bank of Nova Scotia (R-1 High)	Open	146,483	4%	336,279	10%	189,796	6%
Canadian Imperial Bank of Commerce (R-1 High)	Open	181,601	5%	336,279	10%	154,678	5%
Royal Bank (R-1 High)	Open	0	0%	336,279	10%	336,859	10%
Royal Bank - Effective Cash		-580					
Toronto Dominion (R-1 High)	Open	66,592	2%	336,279	10%	269,687	8%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	133,165	4%	840,698	25%	707,533	21%
National Bank of Canada (R-1 Mid)	Open	133,165	4%	168,140	5%	34,975	1%
OMERS Realty Corporation (R-1 High)	Open	0	0%	168,140	5%	168,140	5%
CDP Financial Inc (R-1 High)	Open	0	0%	168,140	5%	168,140	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	168,140	5%	168,140	5%
Desjardins Total		0	0%	168,140	5%	168,140	5%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
Total Cash and Equivalents		3,362,790	100%				
Equities							
Bank of Montreal		6,410					
Total Equities		6,410					
Total Investments		3,369,200					