



Report to Council

To: Mayor and Council File No: 1880-03-2025
Date: July 14, 2025
From: Rena Crosson, Manager, Financial Operations
Subject: Investment Policy amendment

Purpose:

To propose amendments to the City's Investment Policy.

Recommendation:

THAT 2025-03-V2 - Investment Policy be adopted.

Background:

a. Rationale:

The current investment policy limits investments in financial Institutions with terms exceeding one year to 50% of the total portfolio. Given current market conditions, financial institutions are offering significantly higher yields compared to other investment types. To capitalize on these favourable rates, Administration recommends amending section 5.2.2, Note 5, to increase the allowable limit for long-term investments providing the investment achieve an AA- rating or higher. This change will enable the City to invest 2025 taxation revenues in multi-year instruments, thereby maximizing returns.

Additionally, we propose revising Section 10 (Reporting) to replace the term "annual" with "periodic". Investment performance will be incorporated into a new quarterly financial report with a dedicated section on investments, supporting more frequent and timely updates to Council.

b. Relevant Policy/Bylaw/Resolutions/Legislative Authority:

Community Charter section 183

c. Council's Strategic Plan Alignment:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Governance & Organizational Excellence | <input type="checkbox"/> Livability |
| <input type="checkbox"/> Recreation, Parks & Natural Areas | <input type="checkbox"/> Vibrancy |
| <input type="checkbox"/> Environmental Leadership | <input type="checkbox"/> Not Applicable |

d. Committee Recommendations:

Not applicable

Financial Implications:

The Investment Policy defines the permissible types and limits of investments made on behalf of the City. These parameters directly influence the potential for investment income generation.

Alternatives & Implications:

Maintaining the current policy limits would restrict the City's ability to invest in higher-yielding, long-term instruments, thereby reducing potential investment income.

Communication:

Should Council approve the amended Investment Policy, it will be posted on the City's website.

Attachments:

Attachment 1 - 2025-03-V2 Investment Policy marked up

Reviewed by: Elma Hamming, Director, Financial Services
Reviewed by: Kevin Poole, Director, Corporate Administration
Approved by: Peter Weeber, Chief Administrative Officer