
Subject: Investment Report for 2022 Fiscal Year

Department: Corporate Services

Division: Finance

Report #: CPS-2023-024

Meeting Date: 2023-04-03

Recommendations

That report CPS-2023-024, Investment Report for 2022 Fiscal Year, be received.

Background and Analysis

[Ontario regulation 438/97](#) (as amended) of the Municipal Act, 2001, requires the Treasurer to annually report on investment activity to Council. The legislation requires the Treasurer to report on compliance with the Act, the municipality's investment policy, performance and composition of the current investment portfolio. The Regulation defines which investments are prescribed that the municipality may invest in.

Council adopted By-Law 65-2013 an update to the Town's Investment Policy in July of 2013. This policy, in conjunction with the Regulation, governs the management of the Town's investments.

The Town's investment portfolio as at December 31, 2022 meets the requirements under Ontario Regulation 439/97 of the Municipal Act, 2001 and the Town's Investment Policy. The Town has purchased investment funds through three Brokers: [One Investment Program](#), [TD Canada Trust](#) and [Edward Jones Investments](#). Appendix A to this report provides a summary of the short-term investments held with TD Canada Trust and bonds held with Edward Jones Investments.

One Investment Program

In 2014, the Town invested \$4,000,000 in the One Investment Program. The One Investment Program is administered by LAS (subsidiary of the Association for Municipalities of Ontario) and CHUMS Financing Corporation (Subsidiary of the Municipal Finance Officers' Association of Ontario). Income earned of \$66,354 in 2022 was automatically reinvested and equates to a 1.55% effective rate of interest earned. The market value of this investment at December 31, 2022 was \$4,326,785.

TD Canada Trust

The Town currently holds short-term investments of \$11,384,524 with TD Canada Trust Bank. A list of these investments can be found in Appendix A – Investment Summary, under the subtitle Schedule 1: Cash Equivalents held with TD Canada Trust. Income of \$119,026 was earned in 2022, income received was automatically reinvested.

Edward Jones Investments

The Town has invested \$1,236,680 with Edward Jones Investments in a variety of bonds. Appendix A – Investment Summary, under the subtitle Schedule 2: Bonds held with Edward Jones provides a summary of the portfolio holdings as at December 31, 2022. In 2022, these investments earned \$28,056 of interest income, income that was received was automatically reinvested.

Strategic Alignment

Strategic Plan

Strategic Goal: Future Readiness

Objective: Due Diligence

Sustainable Neighbourhood Action Plan

Theme: Corporate and Fiscal

Strategy: Demonstrate municipal leadership by considering the environment, social, and economic impacts of all Town decisions.

Notice Provisions

None

Financial Impact

Investment activities during 2022 earned a total of \$213,436 in interest income. General funds invested earned interest of \$69,695 that is recorded as investment income for the Town. Trust Funds invested earned interest of \$34,888 that is recorded as investment income for the Town. Reserve Funds invested earned interest of \$108,853 that is apportioned to the various reserve funds that were invested.

Respectfully submitted

Reviewed by

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Attachment(s): 1. Appendix A: 2022 Investment Summaries