

3.5 Policy: Investments

Effective Date:



INVESTMENTS

Operating funds in excess of the amounts needed to meet anticipated cash requirements of the Corporation will be invested until such time as they are required. The General Manager determines anticipated cash requirements on a quarterly basis and a monthly minimum cash balance for operating purposes is determined. Cash forecasts are prepared regularly and if projections warrant it, new investments are purchased.

Operating and Endowment funds will be invested in separate portfolios.

Investments will be in compliance with provincial legislation and guidelines and will be established and maintained by the General Manager.

All investments will be made with the following objectives in priority order:

- a) Preservation of capital;
- b) Management of portfolio risk;
- c) Achieve high investment returns.

Investments can be made into any prudent securities including guaranteed investment certificates, government bonds or corporate bonds (minimum of AAA rated). Board approval is required prior to investment in other types of securities.

Investment portfolios will be sufficiently liquid to fund all disbursement obligations and commitments while maintaining diversification and sufficient returns.

Where investment products have a degree of market volatility, recovery plans in the event of an economic downturn will be established.

The General Manager will provide to the Board, through the Audit Committee, an annual Investment Strategy report which will include a report on the performance and status (including benchmarks/comparatives) of current investments.

The General Manager will provide oversight on selection of investment managers and evaluations of their performance and will develop and maintain appropriate conflict of interest guidelines.