

Policy Number:	C-201
Policy Owner:	Financial Services
Adopted By:	Governance and Priorities Committee
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Purpose

- 1 This policy provides directives and guidelines for the investment of public funds held on behalf of the residents of Rocky View County (the County).



Policy Statement

- 2 All monies invested by the County, including general operating funds, capital funds, dollars held in reserves, grants, trust funds and other deposits, are subject to the requirements of this policy.
- 3 The County invests publicly held funds in a manner that provides excellent security, strong rates of return, and the ability to meet daily cash flow requirements.
- 4 The primary objectives of investment activities are:
 - (1) Safety: Investment shall be undertaken in a manner that seeks to ensure the preservation of capital;
 - (2) Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonable anticipated; and
 - (3) Return: The investments of funds shall be structured with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.



Policy

- 5 Preservation of capital held in the overall portfolio is established to be the County's highest investment priority, while second priority is assigned to retaining cash flow liquidity. At the third level, the County attempts to attain optimal revenues and diversify the types of investments held in the portfolio.
- 6 To integrate security, revenue, liquidity and diversity priorities into an overall investment strategy, the County shall invest in the instruments and securities that are outlined in the *Municipal Government Act*, RSA 2000, c M-26 and related regulations. These instruments and securities must be issued or guaranteed by:
 - (1) the Government of Canada, any of the provinces or territories of Canada, and any of the municipalities in Alberta;
 - (2) related corporations of the federal government and the provincial governments; or
 - (3) a bank, treasury branch, credit union, trust corporation.
- 7 Other parameters for acquiring the types of instruments and securities in section 6 of this policy are outlined as follows:
 - (1) they may be in the form of units of pooled funds of all or any of the investments described above;
 - (2) investments are obtained solely in securities held in Canadian currency; and
 - (3) investments shall retain a minimum DBRS 'A' Rating or DBRS 'R-1 Low' Rating.
- 8 Council and the Chief Administrative Officer (CAO) delegate authority and responsibility for the day-to-day management of the Investment Portfolio to designated management and staff. These management responsibilities include but are not limited to:
 - (1) selecting investment vehicles including financial institutions and investment products;
 - (2) reviewing investment alternatives;
 - (3) acquiring and redeeming investments;
 - (4) monitoring the Investment Portfolio and related revenues;
 - (5) planning cash flows;

- (6) transferring funds between the Investment Portfolio and Bank Accounts;
 - (7) confirming that investments are physically secured; and
 - (8) reporting quarterly to Council on the overall status of the Investment Portfolio on a marked to market basis as defined by the Governmental Accounting Standards Board.
- 9 In order to obtain investments that are best suited to the parameters of this policy, the County invites selected financial institutions to participate in an Investment Tender Process in conjunction with collecting property tax levies annually.
- 10 This policy applies in the situations when the County regularly obtains investment bids from selected financial institutions throughout the year.
- 11 The County shall not engage the services of an agent to manage any portion of its Investment Portfolio.



References

Legal Authorities	<ul style="list-style-type: none"> • Municipal Government Act, RSA 2000 c M-26, including section 250;
Related Plans, Bylaws, Policies, etc.	<ul style="list-style-type: none"> • <i>Investment Procedure Manual</i>, Government Financial Officers Association
Related Procedures	<ul style="list-style-type: none"> • n/a
Other	<ul style="list-style-type: none"> • n/a



Policy History

Amendment Date(s) – Amendment Description	<ul style="list-style-type: none"> • 2019 May 07 – Primary objectives defined, updates to risk rating system, alignment with current MGA, clarify roles and responsibilities • 2009 June 23
Review Date(s) – Review Outcome Description	<ul style="list-style-type: none"> • 2018 December 18 – Update needed to reflect changes to MGA and DBRS Rating system • 2009 June 23



Definitions

12 In this policy:

- (1) “Bank Accounts” means the Accounts held at financial institutions that hold the County’s monetary assets which are not included in the Investment Portfolio;
- (2) “Chief Administrative Officer” or “CAO” means the Chief Administrative Officer of Rocky View County as defined in the *Municipal Government Act* or their authorized delegate;
- (3) “Council” means the duly elected Council of Rocky View County;
- (4) “DBRS” means Dominion Bond Rating Service. DBRS is a well-known Credit Rating Agency around the world. It is one of only 10 registered as a Nationally Recognized Statistical Rating Organization from the United States of America, and it is also registered Credit Rating Agency in European Union and Canada;
- (5) “Investment” means a monetary instrument that generates a rate of return for the County which is included in the Investment Portfolio;
- (6) “Investment Portfolio” means the County’s investment register which includes all of the monetary instruments that are generating rates of return at any given point in time;
- (7) “Rocky View County” or “the County” means Rocky View County as a municipal corporation and the geographical area within its jurisdictional boundaries, as the context requires; and
- (8) “Staff” means a person who reports directly or indirectly to the Chief Administrative Officer and provides services for Rocky View County under an employment agreement, personal services agreement, or in the capacity of an agent, student, or volunteer.