



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF CORPORATE SERVICES

Mission Statement: As stewards of the Town of Amherstburg, we strive to improve the quality of life of all residents through the delivery of effective, efficient, and affordable services.

Author's Name: Tracy Prince	Report Date: December 16, 2024
Author's Phone: 519 736-0012 ext. 2254	Date to Council: January 13, 2025
Author's E-mail: tprince@gmail.com	Resolution #:

To: Mayor and Members of Town Council

Subject: Investment Policy Update

1. RECOMMENDATION:

It is recommended that:

1. The amendment to the Investment Policy **BE ADOPTED** in accordance with the report of January 13, 2025.

2. BACKGROUND:

The Corporation of the Town of Amherstburg's ("The Town") funds are subject to the requirements of the *Municipal Act, 2001* ("The Act"). *Ontario Regulation 438/97- Eligible Investments*, as amended, which states that before a municipality invests in a security prescribed under the regulation, the Council of the municipality shall adopt a statement of the municipality's investment policies and goals. The regulation also governs eligible investments and prescribes conditions under which the municipality may make investments.

The Act specifies a municipality must exercise the care, skill, diligence, and judgment that a prudent investor would exercise when making investments, regardless of which category of eligible investments a municipality chooses to follow.

In 2016 an investment policy was adopted by Council, this policy requires updating as the *Municipal Act, 2001* section 438/97 was updated in 2022. The section 438/97 updates relate to Eligible Investments, Related Financial Agreements and Prudent Investment for Municipal investment of tax dollars.

3. DISCUSSION:

The purpose of this policy is to guide the investment decisions of the Town when funds are not immediately required or are in surplus position to the day-to-day operating requirements. As a guiding document it outlines the options available for investments within the scope of the *Municipal Act* and Council risk tolerance.

This investment policy applies to all financial assets of the Town held within the following three portfolios:

- a) Operating Funds Portfolio;
- b) Reserve Funds Portfolio; and
- c) Trust Funds Portfolio

The policy developed aligns with the updates to the *Municipal Act*, and favours low risk investments to protect the principal invested.

The development of a 5 year capital budget facilitates the ability to utilize an enhanced investment strategy to provide an additional stream of income from investments for reserves and reduce risk associated with having money in a bank account.

At this point the Town is not of sufficient size to have operating dollars to invest and will continue to receive interest rates from the revolving Bank balances, however this policy will allow the ability in the future if an opportunity becomes available.

4. RISK ANALYSIS:

There are always inherent risks with investments whether it be a regular bank account receiving interest or an investment in a GIC. The Investment Policy is recommended to mitigate these risks and provide the opportunity to improve the returns of the Town where possible. By the diversification of investments and ensuring that investments are appropriate to the municipality with the intent to protect principal investment while improving the returns. Providing the ability to utilize expertise in municipal investments and the current investment market opportunities.

5. FINANCIAL MATTERS:

There is no financial impact with the adoption of this policy as the policy is intended to provide guidance based on the municipal act and council risk tolerance to allow Administration to seek expertise to improve returns on investment based on cash flow needs and availability of funds.

6. ASSET MANAGEMENT IMPACTS:

There is no impact with the adoption of this policy.

7. CONSULTATIONS:

Senior Management

8. CORPORATE STRATEGIC ALIGNMENT:

Vision: Preserving our past while forging our future.

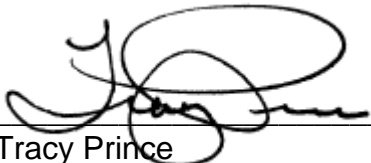
<i>Amherstburg Community Strategic Plan 2022 - 2026</i>	
<p>PILLAR 1 Deliver Trusted & Accountable Local Government</p> <ul style="list-style-type: none"><input type="checkbox"/> Improve trust between council and staff, and residents, by strengthening governance and internal accountability structures.✓ Deliver transparent and efficient financial management.<input type="checkbox"/> Increase effective communication and engagement with residents.<input type="checkbox"/> Develop our staff team, resources, and workplace culture.<input type="checkbox"/> Continue to deliver strong core municipal services.<input type="checkbox"/> Ensure Amherstburg is an inclusive accessible and welcoming community committed to reconciliation.	<p>PILLAR 3 Encourage Local Economic Prosperity</p> <ul style="list-style-type: none"><input type="checkbox"/> Encourage development of commercial and industrial lands.<input type="checkbox"/> Continue to promote local tourism industry, especially overnight accommodation.<input type="checkbox"/> Continue to facilitate downtown development for residents and visitors.<input type="checkbox"/> Continue to leverage partnership opportunities with other provincial, federal, and local governments, agencies, and organizations.
<p>PILLAR 2 Invest in Community Amenities and Infrastructure</p> <ul style="list-style-type: none"><input type="checkbox"/> Maintain safe, reliable and accessible municipal infrastructure and facilities.<input type="checkbox"/> Increase access to recreation opportunities for all ages.<input type="checkbox"/> Finalize and execute plans for town-owned lands (e.g. Duffy’s site, Belle Vue)<input type="checkbox"/> Create public access to water and waterfront<input type="checkbox"/> Prioritize opportunities to reduce environmental impacts of Town	<p>PILLAR 4 Shape Growth Aligned with Local Identity</p> <ul style="list-style-type: none"><input type="checkbox"/> Define and communicate a vision for the Town’s future and identity.<input type="checkbox"/> Promote and plan for green and “climate change ready” development.<input type="checkbox"/> Review and implement policies that promote greater access to diverse housing.<input type="checkbox"/> Protect the Town’s historic sites and heritage.

operations and increase Town resilience to climate change.

Preserve the Town's greenspaces, agricultural lands, and natural environment.

9. CONCLUSION:

It is recommended that Council adopt this policy update to align with the updates in the *Municipal Act*, 2001 Ontario Regulation 438/97 Eligible Investments.



Tracy Prince

CFO/Director of Corporate Services/Treasurer

Report Approval Details

Document Title:	Investment Policy .docx
Attachments:	- 2025 01 13 - Investment Policy CLEAN RM.pdf
Final Approval Date:	Jan 16, 2025

This report and all of its attachments were approved and signed as outlined below:



Valerie Critchley



Kevin Fox