



ADMINISTRATION & FINANCE DIVISION
Treasury Report 2021/28

TO: Mayor Caul & Members of Council

FROM: Dawn Galusha, Treasurer

DATE: May 18, 2021

SUBJECT: CIBC Wood Gundy Customized Investment Management

BACKGROUND

As you are aware from our prior meeting, we are changing over to the Public Sector and Not-for-Profit Group within CIBC in order for CIBC to support us greater as a Municipality. In doing so, this provides us the opportunity to deal with CIBC Wood Gundy for their investment services.

Currently, we invest in the high interest savings account (HISA) through One Funds for our reserves and top up with flexible GICs. The rates for GICs that renewed in April were 0.3% and the HISA interest rate was 0.165% in April. With the interest rates at all time lows, there are better ways of investing for the future of the Town. Per the Town's Investment Policy, 1.15, "It is the policy of the Town of Fort Frances to invest public funds so as to maximize the rate of investment returns and principal protection while meeting the daily cash flow and liquidity demands of the Town of Fort Frances and complying with statutory requirement of the *Municipal Act, 2001*."

As I am not an investment expert, I suggest we obtain the services of the experts. Jamie and I had a meeting with the Hobson Chahal Advisory Group, which is a group through CIBC Wood Gundy. They have prepared the attached information as a preliminary direction for us to consider. As you can see the rates presented are significantly better than what we are able to currently achieve.

The group provides customized analytics and reporting and value-added services. If so desired, they will provide a presentation to Council to allow Council to ask any questions of them.

RECOMMENDATION

The Administration & Finance Executive Committee recommends proceeding with the investment services of CIBC Wood Gundy in order to ensure that the Town is earning a reasonable interest rate and further that an RFP for banking services be brought forward at a later date.

Council approval of this report will agree with the recommendation of the Administration & Finance Executive Committee proceed with the investment services of CIBC Wood Gundy and further that an RFP for banking services be brought forward at a later date.