

2023 Investment Report

Presented To:	Finance and Administration Committee
Meeting Date:	June 18, 2024
Type:	Managers' Reports
Prepared by:	Liisa Lenz Financial Support & Budgeting
Recommended by:	General Manager of Corporate Services

Report Summary

This report provides information regarding the investment activities for the year and certifies that all investments made in the year 2023 were in compliance with both City's Investment Policy (Bylaw 2010-246F) and Ontario Regulations 655/05.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

Financial Implications

There are no financial implications associated with this report.

Background

In accordance with the City's Investment Policy (Bylaw 2010-246F), there is a requirement that the Treasurer present an investment report to Council annually.

This report summarizes the investment activities for the year and certifies that all investments made in the year 2023 were in compliance with both the policy and the Ontario Regulation 655/05.

The City of Greater Sudbury's investment portfolio, at cost, was as follows:

	December 31, 2023	December 31, 2022
Long Term Investment	\$149,951,352	\$149,999,243
Short Term Investment	\$483,400,987	\$521,399,388
Total Investment Portfolio	\$633,352,339	\$671,398,631

The breakdown of these investments is as follows:

	December 31, 2023	December 31, 2022
Canadian Bonds	\$2,403,553	\$2,403,553
Provincial Bonds	\$46,606,630	\$122,015,709
Municipal Bonds	\$12,908,580	\$12,908,581
Term Deposits, GIC's, etc	\$571,433,576	\$534,070,788
Total	\$633,352,339	\$671,398,631

During the year, 70 (2022 - 89) separate investment transactions were completed. Interest earned on investments, excluding capital gains, plus interest earned on average daily bank balances, yielded an average rate of return of 5.10% (2022 – 2.31%).

Total investment income from all sources in 2023 was \$37,909,700.

Investment income of \$12,221,068 (2022 - \$5,216,188) was credited to reserve and trust funds.

The balance of investment income was earned by capital and operating funds. In accordance with the investment policy, the investment income earned by the capital fund was attributed to the operating fund. Including interest earned from the bank, other sources, and capital gains, the operating fund was credited with \$25,688,632 (budget \$10,250,000) interest revenue. In 2022, \$11,713,039 of interest revenue was credited to the operating fund.

Resources Cited

Investment Policy <https://pub-greatersudbury.escribemeetings.com/filestream.ashx?documentid=26927#:~:text=The%20City%20of%20Greater%20Sudbury%20may%20directly%20invest%20in%20debt,currency%20other%20than%20Canadian%20dollars.>