

BRIEFING NOTE

TO: Board of Directors

FROM: Fazal Khan, Registrar

DATE: December 4, 2023

SUBJECT: Investment Policy (2-06) Monitoring Report

☐ For Decision ☐ For Information ☒ Monitoring Report

Purpose:

To provide the Board with a monitoring report on the Investment Policy, in accordance with the monitoring report schedule approved by the Board.

CEO Interpretation and Evidence:

The Investment Policy (2-06, previously 2-09) was approved by the board in October 2018.

The monitoring report covers the period from June 2023 to December 2023. The next Investment Policy Monitoring Report is due in May/June 2024.

| Policy Requirement | Interpretation and Evidence |
|-----------------------------|---|
| Investment Funds Management | The Registrar, CEO has managed the COO investments with the services of an Investment Advisor (BMO Nesbitt Burns) to provide expertise in the investment approach and investment portfolio. |
| Investment Parameters | The Registrar, CEO has met the Board's expectations of: reasonable liquidity (by maintaining a liquidity ratio over 2.0 and ensuring that invested maturity dates are split throughout the year), continued revenue (by adapting operations to virtual/hybrid functions in a post-pandemic climate), and ensured preservation of capital through a conservative investment strategy. The Registrar, CEO has invested funds that will achieve a reasonable return on investment, between 5.06 and 5.61% against the current market. The Registrar, CEO operates with a diverse investment portfolio through multiple GICs within the CDIC insurance limit and a high interest savings account that maintains a minimum of 6 months of operational funds. In addition, the Registrar, CEO has not borrowed any funds in the 2023 fiscal year. |
| Evaluation of Results | With the support of the Deputy Registrar and the Accounting Specialist, the Registrar, CEO monitors the investments to ensure compliance with the Investment Policy and the recommended investment approach. The external Investment Advisor provides additional monitoring and an investment performance overview at the time of maturity. |

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| Reporting | The Registrar, CEO provided audited financial statements to the board in June 2023. These reports include investment results for the previous fiscal year which have been reviewed and independently verified by the Auditor. |
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Recommendations/Action Required:

The Board is asked to provide comments and feedback on the following questions:

1. Was the Registrar, CEO's interpretation of the Reserves Policy reasonable?
2. Did the Registrar, CEO comply with this policy, as reasonably interpreted?

