



Statement of Policy and Procedure			
Department:	Financial Services	Policy No.	99
Section:	Financial Services	Issued:	September 30, 2019
Subject:	Diefenbaker Trust Policy	Effective:	September 30, 2019
Council Resolution # and Date:	Council Resolution No. 0409 dated September 30, 2019.		
		Replaces:	
Issued by:	Cheryl Tkachuk, Director of Financial Services	Dated:	
Approved by:	Cheryl Tkachuk, Director of Financial Services		

1 POLICY

- 1.01 The City of Prince Albert will manage the funds known as the Diefenbaker Trust.
- 1.02 The funds are to be invested to achieve the maximum rate of return consistent with prudent investments in order to provide income for preserving capital.
- 1.03 To establish investment guidelines and acceptable investments.
- 1.04 Use of the funds are to be authorized by City Council.

2 PURPOSE

- 2.01 The Diefenbaker Trust Policy is:
 - a) to give direction regarding the management of the trust funds;
 - b) to establish that the funds are to be used exclusively for the E.A. Rawlinson for projects or capital items as approved by City Council; and,
 - c) to assist with the capital needs of the E.A. Rawlinson to fulfil their mission to facilitate the continuing development of a vibrant and prosperous facility.

3 SCOPE

3.01 That the Diefenbaker Trust be available to the E.A. Rawlinson exclusively for projects or programs as approved by City Council, and;

3.02 That the investment guidelines be as follows:

- a) at no time will the total investment in mutual funds exceed 60% in combination of fixed income and equity components;

	Benchmark	Minimum	Maximum
Cash	5%	0%	10%
Fixed Income	60%	50%	80%
Equities	35%	10%	40%

- b) no more than 20% of the entire portfolio can be invested in any one security, bond, or debt instrument of any one company;
- c) the bond portfolio must be 'AA' or better;
- d) the equity component is to be restricted to equity mutual funds;
- i) no more than 30% of the equity component is in one industry or sector (ie. technology, financial services);
- ii) the maximum acceptable decline in any given calendar year would be 5%;
- e) any individual investment must have no more than two (2) years with a negative return in any 10-year period, and;
- f) that the Investment Policy and Procedures, Policy No. 82 be followed in conjunction with this policy.

4 RESPONSIBILITY

4.01 The Director of Financial Services or his/her designate is responsible to:

- a) ensure compliance with the policy;
- b) maintain the trust at a positive balance;

- c) assess effectiveness of the policy and associated projects or programs;
- d) bring forward amendments of the policy to City Council for consideration;
- e) approve investments and retain ultimate responsibility as the fiduciary of the assets;
- f) direct funds generated from investments to the trust fund, and;
- g) distribute funds as approved by City Council.

4.02 The Director of Community services or his/her designate is responsible for:

- a) providing advice and recommendations on proposed projects and programs;
- b) to bring forward final project requests to City Council for consideration;

4.03 Investment Advisory Group:

- a) has the responsibility and authority of supervising and coordinating investment activities;
- b) will meet on an 'as required' basis;
- c) can delegate to ensure timely investment decisions, and the Treasurer may approve investment transactions, subject to the Policy; and,
- d) review and approve investment transactions greater than \$0.5 million conducted by the Treasurer.

4.04 City Council is responsible to:

- a) approve recommended amendments of the policy; and,
- b) approve recommended projects or programs.

5 DEFINITIONS

5.01 "Diefenbaker Trust" is the trust fund established with the City of Prince Albert.

5.02 "Investment Advisory Group" shall be members noted in the Investment Policy and Procedures No.82, section 4.

5.03 "Sector" means an area of the economy in which businesses share the same or related product or service.

5.04 "Total annual return" is the sum of interest and dividends received, accrued interest, realized and unrealized capital gains and losses, after all custodial and investment management fees for a given year.

5.05 "Trust" means the Diefenbaker Trust fund.

5.06 "Treasurer" is the Director of Financial Services.

6 REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE

6.01 Investment Policy, Bylaw No. 26 of 2015.

6.02 Investment Policy and Procedures, Policy No. 82.

6.03 The Cities Act, Section 132.

7 PROCEDURE

7.01 The process to access trust funds is as follows:

Step one: The General Manager of the E.A. Rawlinson will discuss proposed project(s) with the Director of Community Services for a preliminary review.

Step two: The Directors of Financial Services and Community Services will review the project funding request for completeness and ensure all criteria are met.

Step three: The Director of Community Services will forward the request to City Council for their consideration and approval.

Step four: The Director of Community Services will forward communication to the General Manager of the E.A. Rawlinson, informing them of Council's decision.

7.02 The investment guidelines for the trust fund are to be in accordance with The City's Investment Policy and Procedures Policy No. 82.