



TO: Mayor and Council

FROM: Anna Lazar- Manager of Finance

DATE: May 16, 2022

RE: **CIBC GIC Maturity**

ISSUE:

CIBC GIC's have reached the maturity date.

BACKGROUND:

The GIC's due at this time are:

May 9, 2022: Concentra Bank CA 1.78A% - \$100,000.00

May 12, 2022: GBC A 0.8% - \$100,000.00

May 12, 2022: Equitable Banks A 0.81% - \$100,000.00

At the April 12, 2022 Special Meeting of Council, the following resolution was made, "THAT upon renewal, the three investments with CIBC Wood Gundy in the amount of \$100,000.00 each be reinvested in the Haventree Bank 1 year GIC at the variable rate."

With that resolution our advisor renewed one GIC with Haventree Bank A 2.86% - \$100,000.00 which will be due April 21, 2023. It was the advice of our advisor to not put more than \$100,000.00 dollars with one company, that way we keep our CIDC insurance. CIDC insurance is only eligible for \$100,000.00 per company.

ALTERNATIVES:

1. Council can approve the CIBC laddered GIC strategy and authorize the revolving investments to be re-invested at the best available rate in \$100,000.00 increments to ensure there is CIDC protection.
2. Council can deny the laddered GIC strategy. Then re-invest the matured GIC's at the best available rate in \$100,000.00 increments to ensure there is CIDC protection.

FINANCIAL IMPLICATIONS:

The goal is to gain interest revenue and have funds available if need be.

ANALYSIS:

There are 37 different companies that CIBC has to work with to allow us to take advantage of the best available rate. One of the main goals of the laddered strategy is to be able to take advantage of those available rates. Second goal is to have the cash available for expenses when the Town requires.

ADMINISTRATIVE RECOMMENDATION(S):

THAT, Council authorize CIBC Wood Gundy Investment Advisor Kel Ostapowich and administration after suitable discussion surrounding terms offered for said GIC, to work toward the goal of the laddered GIC strategy discussed and documented May 6, 2022.

FUTHERMORE, that Council authorizes the revolving investments be re-invested at the best available rate in \$100,000.00 increments to ensure that CIDC protection is maintained on the principal of each allocation.

ATTACHMENT(S):