

INVESTMENT BANKING – CORPORATE TRADING ACCOUNTS AUTHORIZATION

Recommendation

The Commissioner of Finance & Corporate Services and the Director of Reserves & Investments recommends:

- 1) That the City of Vaughan enter into Corporate Trading Account Agreements with: CIBC Wood Gundy, BMO Nesbitt Burns, RBC Dominion Securities, Scotia Capital, and other financial institutions as deemed appropriate by the Treasurer; and
- 2) That the Commissioner of Finance & Corporate Services and the Director of Financial Services be authorized to sign the necessary documentation.

Economic Impact

There is no cost to implementing staff recommendations; however the objective is to obtain competitive pricing to increase investment returns to the City.

Purpose

To obtain authorization to establish Corporate Trading accounts with various financial institutions.

Background - Analysis and Options

Council at its meeting October 18, 2004 adopted an Investment Policy that provided direction on eligible investments, investment portfolio, terms of investment and portfolio mix.

The City of Vaughan invests only in securities permitted under the Municipal Act and Regulation O. Reg. 438/97, as amended from time to time with TD Canada Trust. The policy states that the City is to transact all securities purchase/sales only with approved financial institutions through a competitive process. The City will accept the offer which (a) has the highest rate of return with the maturity required; and (b) optimize the investment objective of the overall portfolio.

To ensure that the competitive selection of investment instruments is followed in obtaining the highest rate of return possible, staff request the approval and that the City of Vaughan be authorized to establish Corporate Trading Account Agreements with the following financial institutions:

1. CIBC Wood Gundy;
2. BMO Nesbitt Burns;
3. RBC Dominion Securities;
4. Scotia Bank Capital; and
5. Other Financial Institutions as deemed appropriate.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

To ensure the competitive selection of investment instruments, staff recommend that the City of Vaughan be authorized to establish Corporate Trading Account Agreements with CIBC Wood Gundy, BMO Nesbitt Burns, RBC Dominion Securities, Scotia Bank Capital, and other financial institutions as deemed appropriate.

Attachments

None

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Respectfully submitted,

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