

# CITY OF SASKATOON COUNCIL POLICY

NUMBER C12-003
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<b>POLICY TITLE</b> <i>Securities Handling</i>	<b>ADOPTED BY:</b> <i>City Council</i>	<b>EFFECTIVE DATE</b> <i>October 22, 2001</i>
		<b>UPDATED TO:</b> <i>November 22, 2021</i>
<b>ORIGIN/AUTHORITY</b> <i>Legislation and Finance Committee Report No. 31-1990 and Administration and Finance Committee Report No. 14-200, amended by City Council – Item 8.4.1 - Standing Policy Committee on Finance Report - November 22, 2021.</i>	<b>CITY FILE NO.</b> <i>CK. 1790-0</i>	<b>PAGE NUMBER</b> <i>1 of 23</i>

## 1. PURPOSE

To ensure the secured movement and custody of the City's of Saskatoon's (City) investment assets.

## 2. DEFINITIONS

(a) **Corporate Investment Policy** – means the following collection of City Council Policies:

- (i) Council Policy No. C12-002, *Investment Committee*;
- (ii) Council Policy No. C12-003, *Securities Handling*;
- (iii) Council Policy No. C12-009, *Portfolio Management*;

(b) **Custodian** - means a chartered bank or trust company appointed by the City for the purpose of holding in safekeeping securities owned by the City, its Boards and Commissions.

## 3. POLICY

### 3.1 Settlement of Transactions

- a) Investment transactions undertaken by the City are to be settled on a ~~C.O.D.~~ **cash-on-delivery** basis. Securities may only be delivered or received with a simultaneous payment of the cash involved in the transaction.

~~To facilitate this procedure, the Custodian may accept from the vendor a Letter of Undertaking. Such a letter shall be worded in a~~

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~~manner that, in the opinion of the Custodian, fully protects the City in the event of non-performance by the vendor or purchaser of the securities.~~

- b) Securities settlements are to be for the full amount of the contracted transaction. No partial deliveries are to be completed.

## 3.2 Registration

To the extent possible, securities are to be registered in the nominee name selected by the Custodian. If this is not possible, securities need to **be** registered ~~directly~~ in the City's name; such securities shall be "fully" registered wherever possible.

~~To facilitate the settlement of securities transactions, the Custodian is authorized to utilize book-based registration facilities, when and where appropriate.~~

## 3.3 Custody of Securities

The ~~City Treasurer~~ **Director of Finance** shall ensure that all securities certificates are held in safekeeping by the ~~e~~Custodian, at such location(s) as may be most appropriate to the expeditious settlement of securities transactions.

## 4. RESPONSIBILITIES

4.1 **Chief Financial Officer** – is responsible for the recommendation of policy revisions as may be periodically appropriate.

4.2 **Investment Committee** – ~~is responsible for the review and update of this policy as may be required subject to City Council's concurrence.~~

- a) **Recommend revisions to the Corporate Investment Policy to City Council;**
- b) **Ensure all investment transactions are concluded in accordance with the Corporate Investment Policy; and**
- c) **Monitor the performance of the City's Custodian**

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4.3 ~~City Treasurer~~ **Director of Finance** – in addition to clause 3.3 is responsible for:

- a) the reconciling of securities held as indicated by the City record-keeping systems to the securities positions as reported by the City's eCustodian. The frequency of such reconciliations will be as follows:
  - i) Money Market Securities – reconciled on a ~~monthly~~ **quarterly** basis;
  - ii) Bonds **and Debentures** – reconciled on a ~~quarterly~~ **monthly** basis.