ATTACHMENT 3

Summary Table - Overview of Investment Portfolios

Characteristic	Short Term Fund (STF)	Long Term Fund (LTF)	Sinking Fund (SF)
Approximate Value as of April 30, 2021	**$4.75 Billion**	**$3.748 Billion**	**$2.14 Billion**
Purpose	The STF is utilized to meet the daily cash flow requirements of the City. Cash management is the main focus of this portfolio.	The Long Term Fund is used to meet the longer-term liabilities of Reserves and Reserve Funds, and other surplus funds not immediately required.	The SF allows for the orderly repayment of debt issued by the City. Balancing investment risk and expected investment return over the portfolio's average investment horizon is the main focus for this portfolio.
Risk and Return	The interest income generated by the STF is an important contributor to the City's budgetary revenues.	Balancing investment risk and expected investment return over the portfolio's average investment horizon is the main focus for this portfolio. Investment earnings from this portfolio should, at a minimum, keep pace with inflation. The risk tolerance to capital losses is to be minimized while weighing the benefits of higher expected returns over a longer investment horizon. The portfolio can consist of liquid and illiquid assets based on future cash flow requirements.	The SF is comprised of several sub-funds. Each of these sub-funds has a different required rate of return. Currently there are five sub-funds: 2%, 2.5%, 3.5%, 4.0%, and 5%. Investment earnings from this portfolio should, at a minimum, keep pace with the overall required rate of return of the sub-funds. The risk tolerance to capital losses is to be minimized while weighing the benefits of higher expected returns over a longer investment horizon. The portfolio can consist of liquid and illiquid assets based on future cash flow requirements.

Characteristic	Short Term Fund (STF)	Long Term Fund (LTF)	Sinking Fund (SF)
Investment Time Horizon	The portfolio's investment horizon is less than 18 months. There is no risk tolerance for capital losses and the portfolio needs to be highly liquid. Consequently, high quality, short-term investments will be held in this portfolio.	Careful considerations should be given to cash flow requirements up to 5 years. The portfolio investment horizon will be in line with the nature of the underlying liabilities, currently 10 years (approximately). Consequently, an Asset Mix consisting of several permissible investments will be maintained for the portfolio.	Careful considerations should be given to cash flow requirements up to 5 years. The portfolio investment horizon will be in line with the nature of the underlying liabilities, currently 5 years (approximately). Consequently, an Asset Mix consisting of several permissible investments will be maintained for the portfolio.
Governance	The STF will be managed by the Chief Financial Officer and Treasurer outside of the Investment Board as it consists of funds required by the City to meet its immediate cash-flow requirements.	The LTF will be managed by the Investment Board.	The SF will be managed by the Investment Board.