

South Saskatchewan Community Foundation 2018 Report on Investment Results



Prudent Stewardship

The South Saskatchewan Community Foundation's (SSCF) strategic plan includes service driven priorities as a part of our overall mission *to advance community well-being by supporting and assisting charities, individuals, and companies achieve their charitable goals and dreams*. These priorities include monitoring investments, adhering to a regularly reviewed investment policy and using third party expertise to ensure pooled investments are meeting reasonable and acceptable targets consistent with best practices, performance and the Foundation's fiduciary responsibility. The Foundation's strategic priorities also speak to ensuring investments are receiving optimal returns consistent with those of our national counterparts.

Oversight and Direction

The SSCF Board of Directors is responsible for determining the investment and grant spending policies. The Finance Committee provides advice to the Board and is made up of individuals with a solid understanding of investments and their prudent oversight. This committee is assisted by analysis and advice from third party consultants George & Bell Consulting. The Committee usually meets four times each year, including a scheduled review with our professional investment management firms:

- **Greystone Managed Investments** – manages the global equity and infrastructure portfolio
- **Phillips, Hager & North** – manages Canadian equity and fixed income portfolio
- **RBC Dominion Securities** – manages GICs and handles donations of stock to the foundation

Operation of the Fund

The SSCF was established in 1969 and currently has close to 100 funds. Donated funds are pooled for investment purposes and share in a collective earned rate of return. This allows for diversification of the total portfolio for lower risk and performance improvement. It also minimizes investment management fees (just .45% in 2017) and other related costs.

Each year SSCF funds earn a collective rate of return (net of investment management fees) and the Foundation typically charges a cost recovery fee of .25% per quarter as permitted by its Investment Policy. In line with the true purpose of the funds at the SSCF, annual disbursements are made by each fund to provide much needed support to the community through the charitable sector.

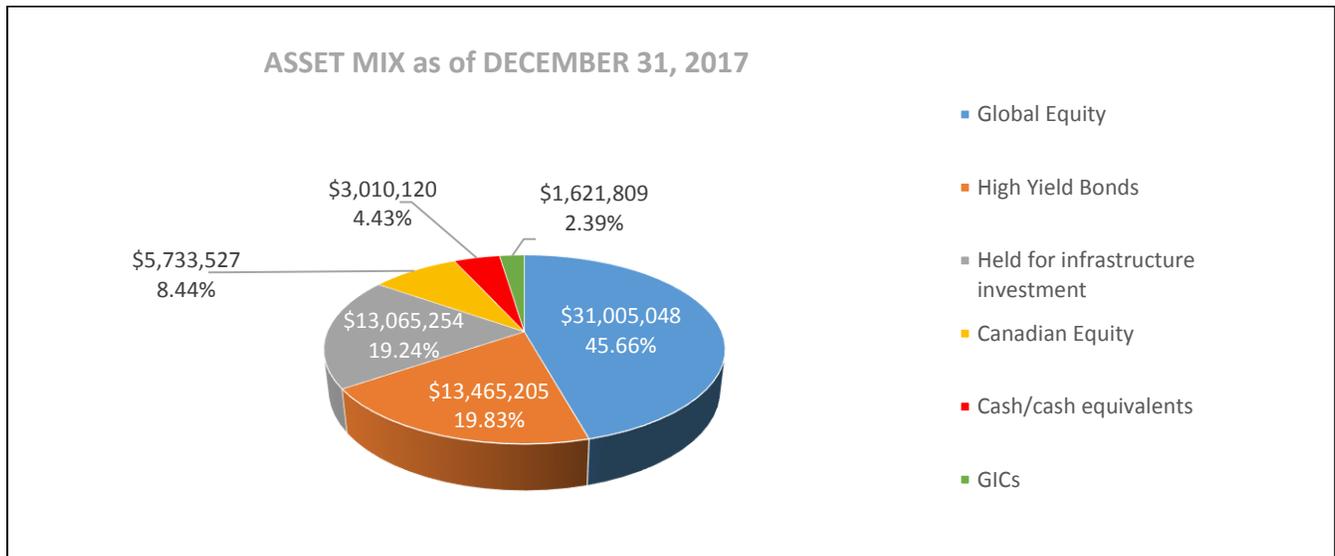
Our Policies

The Investment Policy's intent is to *formulate guidelines for the prudent investment of the Foundation's investment portfolio* and speaks to an investment horizon of greater than ten years with a primary

objective for the pooled funds to achieve, over rolling four-year periods and after the deduction of investment fees, a rate of return of Canadian Price Index + 4.5%.

The Granting Policy is designed to meet Canada Revenue Agency disbursement requirements of 3.5% and to ensure the growth of funds in addition to allowing fundholders to impact the community positively. Spending rates are calculated in a way that strives for inflation protection and uses a formula that smooths rates to allow for an annual disbursement between 3.5 and 4.5 percent.

Asset Mix



Performance

In mid 2017, after a full review of performance and a RFP process, new investment managers were engaged. The performance results below only partially capture their achieved rates of return. Annual returns vary with the investment climate and in 2017 the annual return rate was 8.18%

