



INVESTMENT ADVISORY COMMITTEE MEETING MINUTES

December 10, 2025, 8:30 a.m.

A meeting of the Investment Advisory Committee took place on Wednesday, December 10, 2025, at Town Hall, 354 Main Street, Kentville.

Present: Councillor Cate Savage, Chairperson
Deputy Mayor Debra Crowell
Chris Maynard, Public Member (8:33 a.m.)
Logan Morse, Public Member
Christopher MacRae, Investment Advisor
Chris McNeill, Chief Administrative Officer

1. Call to Order

The Chairperson called the meeting to order at 8:32 a.m.

2. Approval of the Agenda

It was moved by Deputy Mayor Debra Crowell and seconded by Logan Morse that the agenda be approved. Motion Carried Unanimously.

3. Approval of Minutes - November 12, 2025

It was moved by Logan Morse, seconded by Chris Maynard that the minutes be approved. Motion Carried Unanimously.

4. Advisor's Report - December 2025

Christopher MacRae started his report with a market update noting that there is a 99% probability of a .25% rate cut today with the federal announcement later today. He noted that productivity is driving this change.

Kentville's report is focused on raising money for future years. Page 3 of the TD Report notes an increase in dividends in Canadian Tire, Suncor, and others. Those issuing dividends expect to be able to pay those dividends forever.

It was noted that we don't own the market but rely on it for our investments. Currently, 59.4% of our investments are in bonds and 40.6% are in equities because of market performance of each. We started with closer to 30% in equities.

Chairperson Cate Savage asked if we should keep our equities at a maximum of 50% going forward. Christopher MacRae suggested that we may still be 24-28 months away from the market peak. Chairperson Cate Savage feels the markets will keep rallying.

Christopher MacRae said that he expects things to continue, but it's what we don't know is going to change each week that prevents us from being able to be more predictive. For instance, there are risks with Trump and CUSMA which has some aspects up for review in the first quarter of 2026, with the full agreement expiring in 2036.

Current cash in our money market account is \$527,000 which is set for a March payment plus other cash dividends. Bonds are maturing in 2026 for \$1.35 million, then \$970,000 in 2027, \$830,000 in 2028, and \$500,000 in each of 2029, 20230, and 2031. When these mature, it is expected that future bond rates will be lower and therefore the dividends will be lower going forward.

Our maximum equity exposure allowable by policy at this time is 50%.

Chairperson Cate Savage questioned if we would ever increase our equity to 60% in the future? Christopher MacRae noted that our current maximum is 50%.

Christopher MacRae noted that going forward he would like much broader investment portfolio options including real estate, hedge funds, etc. For the next few years, however, we are set and the only changes might be with shorter term GIC's. We currently have \$3 million in managed bonds.

Chris Maynard asked about our cash available now. It was noted that Page 5 of the investment report shows \$101,000 in uninvested cash, and this will increase when we pay out dividends in March. Logan Morse noted the confusion related to the report showing those that are maturing in February.

Christopher MacRae asked if there is a need to update the investment policy? He suggested that if interest rates stay higher, we will want to stay with the current investment path.

Our current portfolio is up 10.7% now, which is pushing above our weight two years in a row now, and we shouldn't expect that high a rate going forward.

We try to capture as much on the upside as we can and limit our exposure on the downsides.

Chairperson Cate Savage asked if TD does any forecast modelling for the future? A general discussion took place around the ability to do this and the desire to keep the \$15 million. In order to move to \$16 million in the next year, we will require a 10% return with our 40% bond position, but a third year that strong is unlikely. Part of the issue will be that some fixed incomes are coming due at higher rates than they will be able to be re-invested for. Discussion took place about a need for withdrawals in the future.

Christopher MacRae offered to review current investments and perpetual fund documents with any new committee members that may be appointed in the new year. Deputy Mayor Debra Crowell also suggested a review of Bill 20.

Chairperson Cate Savage thanked Chris Maynard for his service and advice on the Investment Committee as she noted he does not plan to re-offer for another term. Chris Maynard thanked Chairperson Cate Savage and expressed his enjoyment at being on the committee and the valuable knowledge he gleaned from it.

5. Next Meeting - January 14, 2026, 8:30 a.m.

It was agreed that the next meeting would be held on Wednesday, January 14, 2026, at 8:30 a.m. and will be held in person in the Council Chambers.

6. Adjournment

It was moved by Logan Morse that the meeting adjourn at 9:02 a.m.

Approved:

Chairperson

Date