

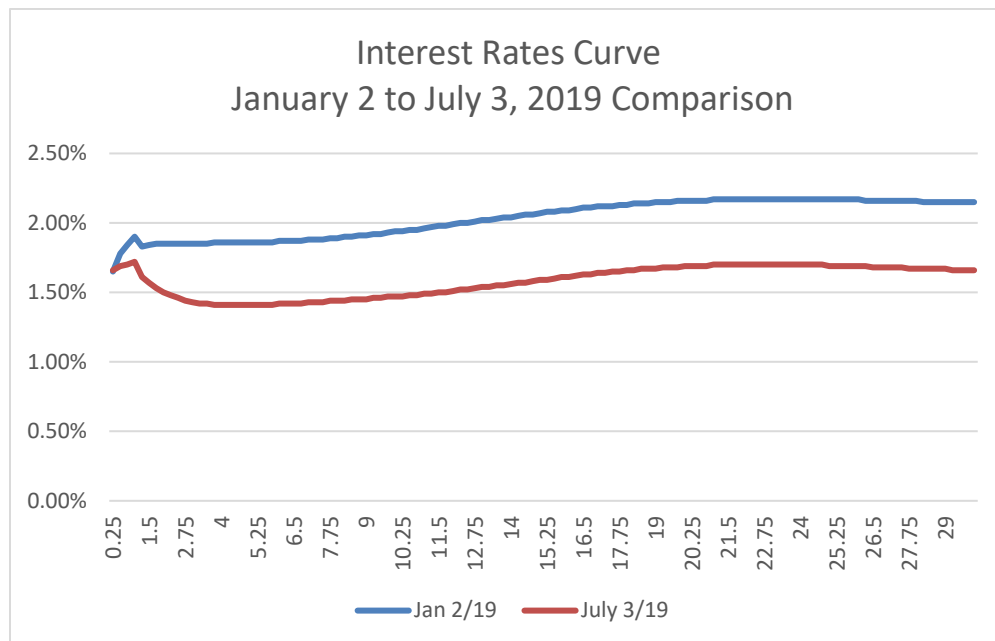
2nd Quarter 2019 Investment Report

Attached is the 2nd Quarter 2019 Investment Report for Lacombe County. The report is summarized on page 1 with details for each portfolio set out as follows:

- Page 2- Servus held investments.
- Page 3 – ATB held investments.
- Pages 4 to 5 – RBC Dominion Securities held investments.
- Page 6 – Retire 1st held investments.

Holdings decreased from \$64,711,033 to \$59,532,341. For comparison, the balance at the end of second quarter 2018 was \$59,756,348. During the second quarter, the county's overall balance of cash and investments decreased by \$5.363 million as a result of capital expenditures. As noted above, the ending investment balance is in line with last year's investment balance. Although property taxes continue to come in, the bulk of the outstanding balance is not expected until August (3rd quarter).

Long term interest rates have continued to decline. The available 2 to 5-year bond yields are in the 2 to 2.2% range. In fact, long term Government of Canada Bond rates (30-year bond) are the same as the less than one-year rate as evidenced below:



The County continues to earn a higher return on its cash balance in its main bank account. This return remains steady at 2.1%. The additional benefit of holding cash in the bank account is that there is no restriction on movement of this cash as opposed to the non-redeemable GICs held in the County's investment portfolio.

Other highlights include:

- The redemption of short term GICs means a majority of the County's investments are now with ATB Financial. The County is still holding approximately \$5.187 million in cash with Servus in the County's main bank account (this balance is not shown in this report).
- The average term for the majority of investments is still 1 year or less even with the redemption of GICs and term deposit investments in the previous quarter. A significant amount of 1-year GICs will mature in September of 2019.
- The following investments will mature in 3rd Quarter of 2019:
 - \$0 in GIC investments (90 days or less)
 - \$25,012,599 in GIC investments (One-year or less investments)
 - \$4,22,722 in bond investments.

LACOMBE COUNTY
INVESTMENT REPORT AS AT
June 30, 2019

Asset Mix	Current Quarter		Previous Quarter		Change	
By Type						
Cash	\$ 9,800	0.02%	\$ 65	0.00%	\$ 9,735	14977.20%
GICs & Term Deposits	46,346,349	77.85%	50,617,321	78.22%	(4,270,972)	-8.44%
Bonds and Fixed Income	13,176,192	22.13%	14,093,647	21.78%	(917,455)	-6.51%
Total	\$ 59,532,341	100%	\$ 64,711,033	100%	\$ (5,178,692)	-8.00%
By Term						
Investments by Term						
Less than 1 Year	\$ 34,757,059	58.38%	\$ 37,388,009	57.78%	\$ (2,630,950)	-7.04%
1 to 5 Year	22,845,149	38.37%	24,685,456	38.15%	(1,840,307)	-7.46%
Greater than 5 Year	1,930,133	3.24%	2,637,568	4.08%	(707,435)	-26.82%
Total	\$ 59,532,341	100%	\$ 64,711,033	100%	\$ (5,178,692)	-8.00%
By Financial Advisor						
Servus	\$ 18,636,009	31.30%	\$ 22,906,981	35.40%	\$ (4,270,972)	-18.64%
ATB	27,710,340	46.55%	27,710,340	42.82%	0	0.00%
RBC	7,507,797	12.61%	8,425,243	13.02%	(917,446)	-10.89%
Retire 1st	5,678,195	9.54%	5,668,469	8.76%	9,726	0.17%
Total	\$ 59,532,341	100%	\$ 64,711,033	100%	\$ (5,178,692)	-8.00%

LACOMBE COUNTY
INVESTMENT REPORT AS AT June 30 2019

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
SERVUS CREDIT UNION					Credit Union Deposit Guarantee
GIC #198	1,000,000.00	2.62%	5-Sep-18	4-Sep-19	
GIC #203	6,822.50	2.33%	1-Oct-18	1-Oct-19	
GIC #204	30,849.07	2.35%	17-Oct-18	17-Oct-19	
SERVUS LONG TERM INVESTMENTS					Credit Union Deposit Guarantee
GIC #145	836,916.09	1.80%	19-Apr-17	18-Apr-20	
GIC #162	2,066,684.80	2.65%	30-Oct-17	29-Oct-22	
GIC #199	1,025,960.76	2.92%	10-Sep-18	9-Sep-21	
GIC #202	2,399,286.54	3.07%	21-Sep-18	21-Sep-22	
GIC #206	2,102,157.51	2.73%	1-Nov-18	31-Oct-20	
GIC #210	2,000,000.00	3.05%	27-Nov-18	27-Nov-21	
GIC #211	2,012,145.67	3.10%	27-Nov-18	27-Nov-22	
GIC #216	2,865,818.35	2.80%	12-Feb-19	11-Feb-23	
TOTAL SERVUS CREDIT	\$16,346,641.29				

LACOMBE COUNTY
INVESTMENT REPORT AS AT June 30 2019

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
ATB FINANCIAL					
GIC #34465292400	2,066,137.74	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465488900	2,066,137.74	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465555900	3,099,206.61	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465497800	3,099,206.61	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465746200	2,066,137.74	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465660100	2,033,400.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34465677600	2,033,400.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34467662900	2,000,000.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34467867200	2,000,000.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34467889300	1,000,000.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34468059600	1,500,000.00	2.61%	5-Sep-18	5-Sep-19	Province of Alberta
GIC #34549424900	1,048,973.39	2.61%	15-Sep-18	18-Sep-19	Province of Alberta
GIC #34734721900	2,645,323.72	2.87%	14-Oct-18	14-Oct-19	Province of Alberta
GIC #34753066800	1,052,416.46	2.87%	20-Oct-18	20-Oct-19	Province of Alberta
TOTAL ATB FINANCIAL	\$27,710,340.01				

**LACOMBE COUNTY
INVESTMENT REPORT AS AT June 30 2019**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE
RBC DOMINION SECURITIES					
Province of Quebec	250,068.21	3.26%	342,888.00	2-Jun-14	1-Apr-24
Bank of Nova Scotia	1,125,623.00	2.28%	1,259,930.40	19-May-15	19-May-20
Royal Bank	600,000.00	2.00%	662,448.48	3-Jun-15	3-Jun-20
Montreal Trust - RBC	422,722.00	1.85%	454,882.24	20-Jul-15	20-Jul-19
Canadian Western Bank	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21
HSBC Bank	89,780.00	2.25%	100,345.10	16-Feb-16	16-Feb-21
Homequity Bank	89,600.00	2.20%	99,899.31	16-Feb-16	16-Feb-21
Natcan Trust	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21
National Bank of Canada	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21
Bank of Nova Scotia	170,995.00	2.10%	189,719.57	21-Apr-16	21-Apr-21
Bank of Nova Scotia	813,411.00	2.00%	898,071.47	19-May-16	19-May-21
Equitable Bank	90,000.00	2.20%	100,345.29	19-May-16	19-May-21
ICICI Bank of Canada	90,000.00	2.31%	100,886.47	19-May-16	19-May-21
Manulife Trust	90,000.00	2.15%	100,100.07	19-May-16	19-May-21
Manulife Trust	90,000.00	2.15%	100,100.07	19-May-16	19-May-21
Province of Quebec	199,662.42	3.47%	314,330.00	21-Dec-16	1-Apr-30
B2B Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22
Laurentian Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22

**LACOMBE COUNTY
INVESTMENT REPORT AS AT June 30 2019**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE
RBC DOMINION SECURITIES					
Canadian Tire Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22
Versa Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22
Province of Ontario	262,778.48	2.66%	369,746.00	5-Jun-17	2-Jun-30
Province of Ontario	220,177.47	2.38%	281,737.00	9-Jun-17	2-Dec-27
Nova Scotia Power	443,557.97	2.40%	500,986.00	8-Jan-18	26-Feb-23
Quebec Hydro	560,662.31	2.55%	639,643.00	25-May-18	15-Aug-23
Province of Ontario	378,137.34	2.51%	430,672.00	12-Jun-18	8-Sep-23
Canadian Western Bank	85,000.00	3.27%	99,845.55	11-Jun-18	12-Jun-23
Home Trust Company	85,000.00	3.18%	99,410.99	11-Jun-18	12-Jun-23
Laurentian Bank	85,000.00	3.20%	99,507.42	11-Jun-18	12-Jun-23
Peoples Trust	85,000.00	3.10%	99,025.98	11-Jun-18	12-Jun-23
SBI Canada Bank	85,000.00	2.95%	98,307.30	11-Jun-18	12-Jun-23
Royal Bank	474,812.00	3.10%	536,483.47	20-Dec-18	20-Dec-22
Cash Account	9.77				
TOTAL RBC DOMINION	\$7,507,796.97				

LACOMBE COUNTY
INVESTMENT REPORT AS AT June 30 2019

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE	Bond Rating	
RETIRE 1ST							
Province of Ontario	400,027.51	3.10%	526,352.00	7-Dec-11	2-Dec-20	R1(mid)	AA(low)
Province of Ontario	227,814.19	2.89%	293,955.00	3-Jan-12	2-Dec-20	R1(mid)	AA(low)
CIBC Capital	262,177.50	9.98%	195,000.00	29-Aug-12	30-Jun-19	R1(high)	AA
Bank of Nova Scotia	256,602.50	3.40%	385,000.00	14-May-13	20-Jun-25	R1(mid)	A(high)
Province of New Brunswick	173,586.60	2.68%	217,800.00	14-May-13	3-Dec-21	R1(mid)	A(high)
Canadian Imperial Bank	568,515.00	3.29%	753,000.00	22-May-14	7-Jan-23	R1(high)	AA
Ontario Hydro	643,788.51	2.25%	798,537.00	10-Apr-15	26-Nov-24	R-1(mid)	AA(low)
Bank of Nova Scotia	395,590.80	3.11%	460,000.00	29-Apr-16	30-Mar-21	R1(high)	AA
Province of Manitoba	333,949.29	2.88%	439,621.00	17-Jan-17	5-Sep-26	R1(mid)	AA(low)
Province of Newfoundland	300,196.20	2.26%	340,000.00	19-Jan-17	5-Aug-22	R1(Low)	A(low)
Bank of Nova Scotia	268,040.50	2.55%	301,000.00	23-Aug-17	30-Mar-22	R1(mid)	A(high)
Province of Alberta	475,615.00	2.93%	602,000.00	4-Oct-17	1-Dec-25	R1(high)	AA
Province of Ontario	460,694.52	2.46%	513,000.00	28-Jun-18	2-Dec-22	R1(mid)	AA(low)
Royal Bank	193,132.00	3.04%	212,000.00	16-Aug-18	29-Sep-21	R1(high)	AA
Royal Bank	251,307.96	2.80%	270,151.00	12-Feb-19	29-Sep-21	R1(high)	AA
Ontario Hydro	457,366.75	2.54%	521,989.00	12-Feb-19	24-May-24	R-1(mid)	AA(low)
Cash Account	9,790.41						
TOTAL RETIRE 1ST	\$5,678,195.24						
SECURITY DEPOSIT TRUST	\$2,289,367.26					One year investments held in trust for development security.	
TOTAL INVESTMENTS	\$59,532,340.77						