



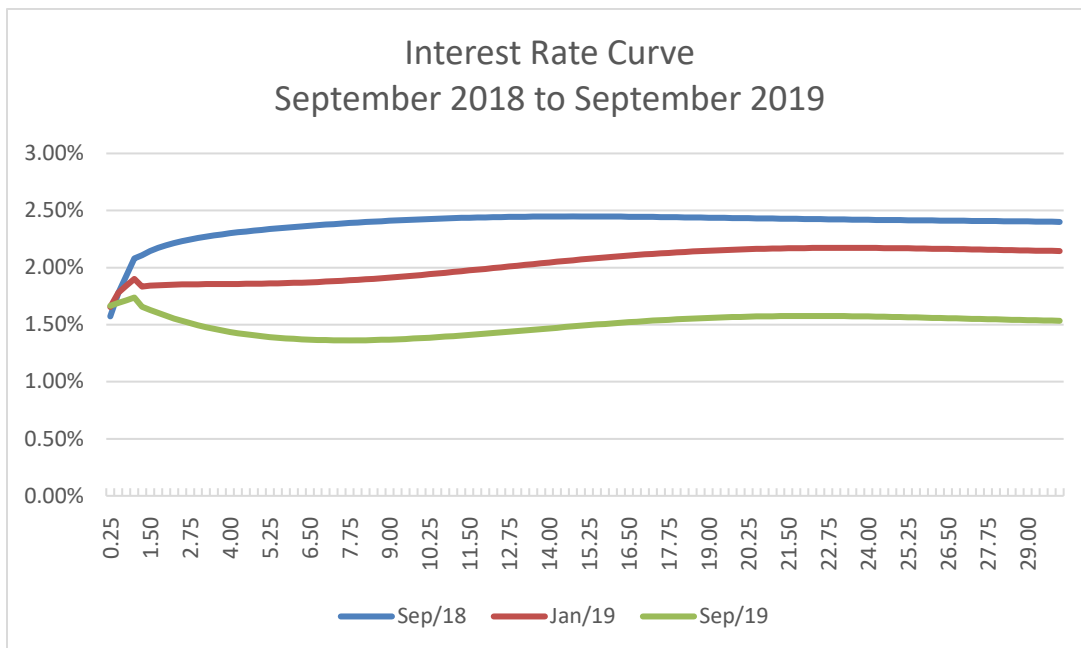
## 3<sup>rd</sup> Quarter 2019 Investment Report

Attached is the 3<sup>rd</sup> 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 1<sup>st</sup> held investments.

Holdings increased from \$59,532,341 to \$79,591,019. For comparison, the balance at the end of third quarter 2018 was \$92,868,067. During the third quarter, the county's overall balance of cash and investments increased by \$20.059 million as a result of the inflow of 2019 property taxes. The balance is lower than 2018 due to capital expenditures related to the 2019 capital budget. September also saw a substantial amount of GICs mature (almost \$20 million).

Long term interest rates have continued to decline. The available 2 to 5-year bond yields are in the 1.57 to 1.4% range (inverted curve). In fact, long term Government of Canada Bond rates (30-year bond) are the less than the 90-day rate as evidenced below:





The County continues to earn a higher return on its cash balances. To this end, the County moved a substantial amount of its holdings to a new municipal high interest savings account with ATB. This account is a traditional savings account with a higher than average rate of return. The current rate is 2.4%. This account has the advantage of allowing the municipality to earn a relatively high rate of return while maintaining the flexibility of being able to move the cash if a better investment option becomes available. The account's rate of return is variable, so staff are spending more time monitoring interest rates.

Other highlights include:

- The portfolio remains invested with the County's four investment partners.
- The number of individual GIC's has been reduced. The average term for the majority of investments is still 1 year or less. Of the \$54 million held in short term (less than 1 year) investments, over \$20 million is held in savings accounts or 90 term deposits.
- The following investments will mature in 4<sup>th</sup> Quarter of 2019:
  - \$3.0 million in GIC investments (90 days or less)
  - \$3.73 million in GIC investments (One-year or less investments)
  - \$0 in bond investments.

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT**  
September 30, 2019

Asset Mix	Current Quarter		Previous Quarter		Change	
<b>By Type</b>						
Cash	\$ 24,680,371	31.01%	\$ 9,800	0.02%	\$ 24,670,571	251740.52%
GICs & Term Deposits	42,419,355	53.30%	46,346,349	77.85%	(3,926,994)	-8.47%
Bonds and Fixed Income	12,491,293	15.69%	13,176,192	22.13%	(684,899)	-5.20%
<b>Total</b>	<b>\$ 79,591,019</b>	<b>100%</b>	<b>\$ 59,532,341</b>	<b>100%</b>	<b>\$ 20,058,678</b>	<b>33.69%</b>
<b>By Term</b>						
Investments by Term						
Less than 1 Year	\$ 54,712,120	68.74%	\$ 34,757,059	58.38%	\$ 19,955,061	57.41%
1 to 5 Year	22,948,766	28.83%	22,845,149	38.37%	103,617	0.45%
Greater than 5 Year	1,930,133	2.43%	1,930,133	3.24%	(0)	0.00%
<b>Total</b>	<b>\$ 79,591,019</b>	<b>100%</b>	<b>\$ 59,532,341</b>	<b>100%</b>	<b>\$ 20,058,678</b>	<b>33.69%</b>
<b>By Financial Advisor</b>						
Servus	\$ 35,719,100	44.88%	\$ 18,636,009	31.30%	\$ 17,083,091	91.67%
ATB	31,380,561	39.43%	27,710,340	46.55%	3,670,221	13.24%
RBC	7,085,065	8.90%	7,507,797	12.61%	(422,732)	-5.63%
Retire 1st	5,406,293	6.79%	5,678,195	9.54%	(271,902)	-4.79%
<b>Total</b>	<b>\$ 79,591,019</b>	<b>100%</b>	<b>\$ 59,532,341</b>	<b>100%</b>	<b>\$ 20,058,678</b>	<b>33.69%</b>

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

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
<b>SERVUS CREDIT UNION</b>					Credit Union Deposit Guarantee
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	
GIC #223	18,001,158.90	2.35%	13-Sep-19	11-May-19	
<b>SERVUS LONG TERM INVESTMENTS</b>					Credit Union Deposit Guarantee
GIC #145	836,916.09	1.80%	19-Apr-17	18-Apr-20	
GIC #162	2,066,684.81	2.65%	30-Oct-17	29-Oct-22	
GIC #199	1,055,918.81	2.92%	10-Sep-18	09-Sep-21	
GIC #202	2,472,944.64	3.07%	21-Sep-18	21-Sep-22	
GIC #206	2,102,157.51	2.73%	01-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	
<b>TOTAL SERVUS CREDIT</b>	<b>\$33,451,416.35</b>				

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

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
<b>ATB FINANCIAL</b>					
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
Notice Demand Account	3,002,515.07	2.55%	19-Sep-19	30-Jun-20	Province of Alberta
Cash Account	24,680,305.54	2.40%		31-Oct-19	Province of Alberta
<b>TOTAL ATB FINANCIAL</b>	<b>\$31,380,560.79</b>				

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

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE
<b>RBC DOMINION SECURITIES</b>					
Province of Quebec	250,068.21	3.26%	342,888.00	02-Jun-14	01-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	03-Jun-15	03-Jun-20
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	01-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 September 30 2019**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE
<b>RBC DOMINION SECURITIES</b>					
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	05-Jun-17	02-Jun-30
Province of Ontario	220,177.47	2.38%	281,737.00	09-Jun-17	02-Dec-27
Nova Scotia Power	443,557.97	2.40%	500,986.00	08-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	08-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	0.00				
<b>TOTAL RBC DOMINION</b>	<b>\$7,085,065.20</b>				

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

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE	Bond Rating	
<b>RETIRE 1ST</b>							
Province of Ontario	400,027.51	3.10%	526,352.00	07-Dec-11	02-Dec-20	R1(mid)	AA(low)
Province of Ontario	227,814.19	2.89%	293,955.00	03-Jan-12	02-Dec-20	R1(mid)	AA(low)
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	03-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	65.68						
<b>TOTAL RETIRE 1ST</b>	<b>\$5,406,293.01</b>						
<b>SECURITY DEPOSIT TRUST</b>	<b>\$2,267,683.41</b>					One year investments held in trust for development security.	
<b>TOTAL INVESTMENTS</b>	<b>\$79,591,018.76</b>						