



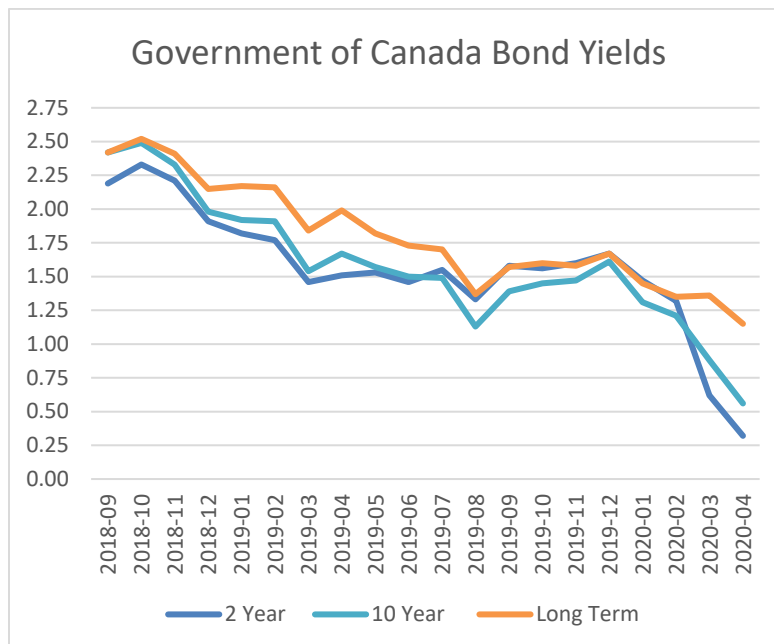
## 1<sup>st</sup> Quarter 2020 Investment Report

Attached is the 1<sup>st</sup> Quarter 2020 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 declined by 8% in the first quarter of 2020 from \$79,927,803 to \$73,065,229. The first quarter saw the rapid impact of the pandemic on global markets and interest rates in Canada. As result, Administration began moving funds away from the 90-day variable market investments to cash. Over \$6.8 million was moved from ATB and their Notice Demand Account product. This product saw its interest rate decline from over 2% to 1.05% during this period. In comparison, the County's bank savings account was earning 0.9% with no restrictions on movement.

After a quarter where interest rates had finally begun to move upward, the global pandemic and the corresponding Bank of Canada response and economic slow down resulted in a steep decline in rates, particularly in March and April of 2020. This general decline can be seen in both short term and long-term rates:





These rates are expected to remain at current levels to at least the end of the year. The potential for a nation-wide recession looms which could keep interest rates low far into 2021. Administration has updated the 2020 budget to reflect this new reality by lowering projected interest income by \$244,000 or 32%.

Other highlights include:

- The portfolio remains invested with the County's four investment partners.
- The County is holding off on investments in new GICS as 90 to 180 days rates are comparable with the County's bank account savings rates.
- The average term for most investments is still 1 year or less. Of the \$51 million held in short term (less than 1 year) investments, over \$24 million is held in savings accounts or 90 term deposits.
- The following investments will mature in 2<sup>nd</sup> Quarter of 2020:
  - Two bonds at RBC with a combined face value of \$1.725 million will mature in May.

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT**  
**March 31, 2020**

Asset Mix	Current Quarter		Previous Quarter		Change	
<b>By Type</b>						
Cash	\$ 4,076,445	5.58%	\$ 5,051,700	6.32%	\$ (975,255)	-19.31%
GICs & Term Deposits	56,497,491	77.32%	62,384,810	78.05%	(5,887,319)	-9.44%
Bonds and Fixed Income	12,491,293	17.10%	12,491,293	15.63%	(0)	0.00%
<b>Total</b>	<b>\$ 73,065,229</b>	<b>100%</b>	<b>\$ 79,927,803</b>	<b>100%</b>	<b>\$ (6,862,574)</b>	<b>-8.59%</b>
<b>By Term</b>						
Investments by Term						
Less than 1 Year	\$ 51,501,714	70.49%	\$ 57,600,760	72.07%	\$ (6,099,046)	-10.59%
1 to 5 Year	20,277,171	27.75%	21,040,699	26.32%	(763,528)	-3.63%
Greater than 5 Year	1,286,344	1.76%	1,286,344	1.61%	0	0.00%
<b>Total</b>	<b>\$ 73,065,229</b>	<b>100%</b>	<b>\$ 79,927,803</b>	<b>100%</b>	<b>\$ (6,862,574)</b>	<b>-8.59%</b>
<b>By Financial Advisor</b>						
Servus	\$ 35,711,392	48.88%	\$ 35,754,110	44.73%	\$ (42,718)	-0.12%
ATB	24,862,479	34.03%	31,682,335	39.64%	(6,819,856)	-21.53%
RBC	7,085,065	9.70%	7,085,065	8.86%	0	0.00%
Retire 1st	5,406,293	7.40%	5,406,293	6.76%	0	0.00%
<b>Total</b>	<b>\$ 73,065,229</b>	<b>100%</b>	<b>\$ 79,927,803</b>	<b>100%</b>	<b>\$ (6,862,574)</b>	<b>-8.59%</b>

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT March 31, 2020**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
<b>SERVUS CREDIT UNION</b>					
GIC #225	6,822.50	2.33%	1-Oct-19	1-Oct-20	Credit Union Deposit Guarantee
GIC #226	30,849.07	2.35%	17-Oct-19	17-Oct-20	
GIC #223	18,001,158.90	0.85%	13-Sep-19	11-May-20	
<b>SERVUS LONG TERM INVESTMENTS</b>					
GIC #145	836,916.09	1.80%	19-Apr-17	18-Apr-20	Credit Union Deposit Guarantee
GIC #162	2,121,451.94	2.65%	30-Oct-17	29-Oct-22	
GIC #199	1,055,918.82	2.92%	10-Sep-18	09-Sep-21	
GIC #202	2,472,944.64	3.07%	21-Sep-18	21-Sep-22	
GIC #206	2,159,546.41	2.73%	01-Nov-18	31-Oct-20	
GIC #210	2,061,000.00	3.05%	27-Nov-18	27-Nov-21	
GIC #211	2,074,522.18	3.10%	27-Nov-18	27-Nov-22	
GIC #216	2,946,061.27	2.80%	12-Feb-19	11-Feb-23	
<b>TOTAL SERVUS CREDIT</b>	<b>\$33,767,191.82</b>				

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT March 31, 2020**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee
<b>ATB FINANCIAL</b>					
Notice Demand Account	20,786,099.20	1.05%	19-Sep-19	30-Jun-20	Province of Alberta
Cash Account	4,076,379.71	0.90%		31-Oct-19	Province of Alberta
<b>TOTAL ATB FINANCIAL</b>	<b>\$24,862,478.91</b>				

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT March 31, 2020**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee	
<b>RBC DOMINION SECURITIES</b>							
Province of Quebec	250,068.21	3.26%	342,888.00	02-Jun-14	01-Apr-24	R1(mid)	A(high)
Bank of Nova Scotia	1,125,623.00	2.28%	1,259,930.40	19-May-15	19-May-20	R1(high)	AA
Royal Bank	600,000.00	2.00%	662,448.48	03-Jun-15	03-Jun-20	R1(high)	AA
Canadian Western Bank	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21	Canada Deposit Insurance	
HSBC Bank	89,780.00	2.25%	100,345.10	16-Feb-16	16-Feb-21	Canada Deposit Insurance	
Homequity Bank	89,600.00	2.20%	99,899.31	16-Feb-16	16-Feb-21	Canada Deposit Insurance	
Natcan Trust	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21	Canada Deposit Insurance	
National Bank of Canada	89,600.00	2.16%	99,703.97	16-Feb-16	16-Feb-21	Canada Deposit Insurance	
Bank of Nova Scotia	170,995.00	2.10%	189,719.57	21-Apr-16	21-Apr-21	R1(high)	AA
Bank of Nova Scotia	813,411.00	2.00%	898,071.47	19-May-16	19-May-21	R1(high)	AA
Equitable Bank	90,000.00	2.20%	100,345.29	19-May-16	19-May-21	Canada Deposit Insurance	
ICICI Bank of Canada	90,000.00	2.31%	100,886.47	19-May-16	19-May-21	Canada Deposit Insurance	
Manulife Trust	90,000.00	2.15%	100,100.07	19-May-16	19-May-21	Canada Deposit Insurance	
Manulife Trust	90,000.00	2.15%	100,100.07	19-May-16	19-May-21	Canada Deposit Insurance	
Province of Quebec	199,662.42	3.47%	314,330.00	21-Dec-16	01-Apr-30	R1(mid)	A(high)
B2B Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22	Canada Deposit Insurance	
Laurentian Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22	Canada Deposit Insurance	
Canadian Tire Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22	Canada Deposit Insurance	
Versa Bank	88,000.00	2.15%	97,875.62	31-May-17	31-May-22	Canada Deposit Insurance	
Province of Ontario	262,778.48	2.66%	369,746.00	05-Jun-17	02-Jun-30	R1(mid)	AA(low)
Province of Ontario	220,177.47	2.38%	281,737.00	09-Jun-17	02-Dec-27	R1(mid)	AA(low)
Nova Scotia Power	443,557.97	2.40%	500,986.00	08-Jan-18	26-Feb-23	R1(mid)	A(high)
Quebec Hydro	560,662.31	2.55%	639,643.00	25-May-18	15-Aug-23	R1 (mid)	A(high)

**LACOMBE COUNTY**  
**INVESTMENT REPORT AS AT March 31, 2020**

PLACE OF ISSUE	AMOUNT	INTEREST RATE	MATURITY AMOUNT	INVESTMENT DATE	MATURITY DATE	Bond Rating/Guarantee	
<b>RBC DOMINION SECURITIES</b>							
Province of Ontario	378,137.34	2.51%	430,672.00	12-Jun-18	08-Sep-23	R1(mid)	AA(low)
Canadian Western Bank	85,000.00	3.27%	99,845.55	11-Jun-18	12-Jun-23	Canada Deposit Insurance	
Home Trust Company	85,000.00	3.18%	99,410.99	11-Jun-18	12-Jun-23	Canada Deposit Insurance	
Laurentian Bank	85,000.00	3.20%	99,507.42	11-Jun-18	12-Jun-23	Canada Deposit Insurance	
Peoples Trust	85,000.00	3.10%	99,025.98	11-Jun-18	12-Jun-23	Canada Deposit Insurance	
SBI Canada Bank	85,000.00	2.95%	98,307.30	11-Jun-18	12-Jun-23	Canada Deposit Insurance	
Royal Bank	474,812.00	3.10%	536,483.47	20-Dec-18	20-Dec-22	R1(high)	AA
Cash Account	0.00						
<b>TOTAL RBC DOMINION</b>	<b>\$7,085,065.20</b>						

**LACOMBE COUNTY  
INVESTMENT REPORT AS AT March 31, 2020**

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>\$1,944,200.31</b>			One year investments held in trust for development security.			
<b>TOTAL INVESTMENTS</b>	<b>\$73,065,229.25</b>						