

Appendix G - Investment Report

Investment Report

Investment income in the second trimester was \$59,916.

At the time of writing this report, FIN – 01 stipulates no more than 50% of the City’s investments should be concentrated in any one Schedule I Bank. As previously communicated the City’s investments were historically in one Schedule I Bank. Financial Services added one Credit Union and is in the processes of adding one additional bank to bring the City in compliance with its policy.

Investment Performance

The City experienced a favorable budget to actual variance in Trimester 1 despite the low interest rate envionrment. As the City's remaining GIC's are maturing Council can expect investment income to moderate in the following trimesters.

	Trimester 1	Trimester 2	Trimester 3 Forecast	Total	Annualized Return
Actual	69,737	59,916	62,300	191,953	2.54%
Budget	35,000	35,000	35,000	105,000	
Variance	34,737	24,916	27,300	86,953	

Investment Term Holdings

Funds	Book Value	Weight
Investments < 1 Year	4,500,000	20.8%
Cash	17,162,568	79.2%
Total Portfolio	21,662,568	100.0%

Financial Services highlights that the investment to cash ratio is temporarily skewed to cash as a result of declining interest rates and the interest rate floor that our bank account has provided.

Investments

Institution	Type of Investment^	Purchased Amount	Interest Rate	Maturity Date	Percentage of Holdings
Meridian	Credit Union - GIC	500,000	0.95%	2022-06-25	11.1%
Meridian	Credit Union - GIC	500,000	1.10%	2022-12-25	11.1%
Meridian	Credit Union - GIC	500,000	1.24%	2023-06-25	11.1%
Scotiabank	Bank - GIC	3,000,000	0.75%	2021-06-23	66.7%
Total excluding cash		4,500,000			100.0%
Primarily CIBC	Chequing Account	16,575,412	0.450%/ 0.600%		
Total including Cash *		21,075,412			

^The City does not own any of its own long-term or short-term debentures.

\* All figures are in Canadian dollars.

Transactions

Transactions in the second quarter (May 1 to August 31) are as follows:

Transaction Date	Type	Type of Investment	Purchase Balance	Interest Rate
2021-06-17	Maturity	GIC	108,903	2.05%
2021-06-23	Maturity	GIC	1,184,965	2.05%
2021-06-23	Maturity	GIC	5,189,522	2.05%
2021-06-23	Purchase	GIC	3,000,000	0.75%
2021-06-25	Purchase	GIC	500,000	0.95%
2021-06-25	Purchase	GIC	500,000	1.10%
2021-06-25	Purchase	GIC	500,000	0.75%