

## 2025 FOURTH QUARTER INVESTMENT REPORT

The investment policy states that investment returns must be reported quarterly to provide updates on the status of the current investment portfolio and the investment environment.

Regular cash demands, as well as the District of West Vancouver's ("District's") conservative investment strategy, require a high degree of liquidity in the investment portfolio which includes both short and long-term investments.

### Summary

The table below shows a summary of the District's investment results from January 1, 2025 to December 31, 2025.

#### INVESTMENT PORTFOLIO (\$ 000's)

	MFA MONEY MARKET FUND	MFA GFUB (Long Term)	COAST CAPITAL SAVINGS	COAST CAPITAL SAVINGS (Long Term)	TD	RBC	RBC (Long Term)	BANK OF NOVA SCOTIA	BANK OF NOVA SCOTIA (Long Term)	BANK OF MONTREAL	2025	2024
											TOTAL	TOTAL
Opening Balance (01/01/2025)	\$ 12	\$ 32	\$ 48,500	\$ 29,000	\$ 40,000	\$ 60,000	\$ -	\$ 66,968	\$ 18,000	\$ 64,986	\$ 327,498	\$ 326,864
Transfers/Adjustments	\$ -	\$ -	\$ (21,261)	\$ 26,924	\$ 480	\$ (25,000)	\$ 25,000	\$ 24,837	\$ (18,554)	\$ 2,067	\$ 14,493	\$ (17,755)
Subtotal	\$ 12	\$ 32	\$ 27,239	\$ 55,924	\$ 40,480	\$ 35,000	\$ 25,000	\$ 91,805	\$ (554)	\$ 67,053	\$ 341,991	\$ 309,109
Interest Income	\$ 0	\$ 1	\$ 1,026	\$ 3,357	\$ 1,512	\$ 1,971	\$ 50	\$ 3,059	\$ 554	\$ 2,218	\$ 13,749	\$ 18,389
Closing Balance (12/31/2025)	\$ 12	\$ 33	\$ 28,265	\$ 59,281	\$ 41,992	\$ 36,971	\$ 25,050	\$ 94,864	\$ 0	\$ 69,271	\$ 355,740	\$ 327,498

### Comparison to Benchmarks

The benchmarks, defined in the District's Cash Management and Investment Guidelines 04-30-371, are set on the basis of Municipal Finance Authority of BC (MFA) funds and MFA pooled high interest saving accounts (PHISA) performance objectives as follows:

#### Short-term (working capital) investments

Short-term investments, those with a term up to one year and the highest degree of liquidity, are used to meet working capital requirements. Short-term investments include Coast Capital Savings Credit Union Guaranteed Investment Certificate (GIC) accounts, Royal Bank of Canada (RBC) GIC accounts, TD Canada GIC account, Bank of Nova Scotia (BNS) high interest treasury account, and Bank of Montreal (BMO) high interest savings accounts, as well as investments in the MFA Money Market Fund.

Performance objective equals MFA average PHISA rates at December 31, 2025, net of all expenses:

- Year-to-Date benchmark is 3.08 %<sup>1</sup>
- Year-to-Date actual (all short-term investments) equals 3.88%<sup>2</sup>

Year-to-Date actual is favourable by 80 basis points as the District's short-term investments are held primarily in BMO high interest saving accounts with annual return

<sup>1</sup> Year-to-Date non-annualized based on 12 month average as per MFA PHISA

<sup>2</sup> Based on average across all short-term investments

rates between 2.75% and 2.80% (BMO rates at December 31, 2025), and BNS high interest treasury account with an annual return rate of 3.05% (BNS rate at December 31, 2025); and the Coast Capital Savings Credit Union GIC accounts, RBC GIC accounts, and TD GIC account with annual return rates between 3.54% and 4.00%.

The table below shows the District’s investment portfolio with rates comparison between the GICs purchased and the high interest savings offered by MFA.

GIC Rates versus MFA PHISA Rates					
Bank placed GIC with	Investment Amount	Date Issued	Maturity Date	GIC Purchased Rate	MFA HISA Rate
TD	41,044,614.30	2025/05/13	2026/05/13	3.54%	3.14%
Coast Capital	10,000,000.00	2025/06/07	2026/06/07	3.95%	3.14%
	10,000,000.00	2025/06/07	2026/06/07	3.95%	3.14%
	5,000,000.00	2025/02/07	2026/02/07	4.00%	3.39%
	2,239,064.24	2025/03/28	2026/03/28	4.00%	3.14%
RBC	20,000,000.00	2025/03/20	2026/03/20	3.75%	3.14%
	15,000,000.00	2025/03/27	2026/03/27	3.76%	3.14%

MFA money market fund performance for 2025 was 2.88%<sup>3</sup>.

The majority of the District's funds are in short-term instruments. The District is actively looking for longer term GICs to mitigate against future interest rate cuts projected for 2026.

**Long-term investments**

Long-term investments have terms exceeding one year beyond the reporting date. These investments are less liquid than short-term investments and are held both to manage the risk of interest rate fluctuations and for funding requirements with a long-term perspective. Long-term investments include the MFA Government Focused Ultra-Short Bond Fund (“MFA GFUB Fund”) and GICs for terms greater than one year, issued by Canadian chartered banks that meet the District’s risk management requirements. At this time, the District is not using the MFA GFUB Fund investment vehicle, due to low returns in the bond market. The fund remains available as an alternative if bond yield performance becomes stronger.

MFA GFUB Fund performance objective equals Financial Times Stock Exchange TMX 365-Day Treasury bill Index plus 30 basis points, net of all expenses:

- Year-to-Date benchmark is 3.24 %<sup>4</sup> plus 30 basis points totalling 3.54%

<sup>3</sup> Year-to-Date non-annualized, as per MFA Pooled Investment Results Report (December 31, 2025)

<sup>4</sup> Year-to-Date non-annualized, as per MFA Pooled Investment Results Report (December 31, 2025)

- Year-to-Date actual (MFA GFUB Fund, Coast Capital Savings Long term GICs, and RBC Long term GICs) equals 4.86%.<sup>5</sup>

Year-to-Date actual is favourable by 132 basis points as longer term investments are mainly held in Coast Capital Savings Credit Union GIC accounts and RBC GIC accounts with an annual return rate between 3.41% and 5.95%.

Long term GICs				
Bank placed GIC with	Investment Amount	Date Issued	Maturity Date	GIC Purchased Rate
Coast Capital	9,000,000.00	2022/11/03	2027/11/03	5.90%
	20,000,000.00	2024/03/02	2026/03/02	5.95%
	22,390,642.41	2025/03/02	2027/03/02	4.15%
	4,533,393.44	2025/10/26	2027/10/26	3.85%
RBC	20,000,000.00	2025/12/08	2027/12/08	3.41%
	5,000,000.00	2025/12/17	2027/12/17	3.41%

<sup>5</sup> Year-to-Date non-annualized, as per the District's Investment Result Report