

P.O. Box 1749 Halifax, Nova Scotla B3J 3A5 Canada

Item No. 2
Halifax Regional Council
April 9, 2013

TO:

Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed

Councillor Bill Karsten, Chair, Audit and Finance Standing Committee

DATE:

March 25, 2013

SUBJECT:

Investment Reports

INFORMATION REPORT

ORIGIN

The March 20, 2013 Audit and Finance Standing Committee meeting.

LEGISLATIVE AUTHORITY

Section 121(1) of the HRM Charter requires that funds be invested pursuant to an Investment Policy adopted by Council and approved by the Minister of Service Nova Scotia and Municipal Relations or invested pursuant to the Trustee Act. Where HRM has chosen to adopt an Investment Policy and the Minister has approved the Policy investment activities are governed by this Policy.

BACKGROUND

The Investment Policy Advisory Committee, at its February 14, 2013 meeting, submitted the following reports to the Audit and Finance Standing Committee:

- Investment Policy Advisory Committee Report Quarters ending September 30, 2012 & December 31, 2012, dated February 14, 2013.
- Investment Activities Quarter Ending September 30, 2012, dated February 18, 2013.
- Investment Activities Quarter Ending December 31, 2012, dated February 19, 2013.

DISCUSSION

As outlined in their terms of reference the Audit and Finance Standing Committee have forwarded these reports to Regional Council as information items.

FINANCIAL IMPLICATIONS

The financial implications are as outlined in the attached reports, dated February 14, 2013, February 18, 2013 and February 19, 2013.

COMMUNITY ENGAGEMENT

Audit and Finance Standing Committee meetings are open to the public and all agendas, reports and minutes are available on the internet.

ATTACHMENTS

- 1. Investment Policy Advisory Committee Report Quarters ending September 30, 2012 & December 31, 2012, dated February 14, 2013.
- 2. Investment Activities Quarter Ending September 30, 2012, dated February 18, 2013.
- 3. Investment Activities Quarter Ending December 31, 2012, dated February 19, 2013.

A copy of this report can be obtained online at http://www.halifax.ca/council/agendasc/cagenda.html then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

Matt Godwin, Legislative Assistant, 490-6521



P.O. Box 1749 Halifax, Nova Scotia B3J 3A5 Canada

Attachment 1

V4.37

Audit and Finance Standing Committee March 20, 2013

TO:

Chair and Members of Audit and Finance Standing Committee

Original Signed

SUBMITTED BY:

Councillor Outhit, Co-Chair Investment Policy Advisory Committee

Original Signed

Derek Tynski, Co-Chair Investment Policy Advisory Committee

DATE:

February 14, 2013

SUBJECT:

Investment Policy Advisory Committee Report - Quarters ending

September 30, 2012 & December 31, 2012

<u>ORIGIN</u>

The Halifax Regional Municipality Investment Policy requires that the Investment Policy Advisory Committee report to Council on compliance by staff with the Investment Objectives of the Investment Policy not less frequently than quarterly.

LEGISLATIVE AUTHORITY

Section 121(1) of the HRM Charter requires that funds be invested pursuant to an Investment Policy adopted by Council and approved by the Minister of Service Nova Scotia and Municipal Relations or invested pursuant to the Trustee Act. Where HRM has chosen to adopt an Investment Policy and the Minister has approved the Policy investment activities are governed by this Policy.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item.

day period while in the December 31, 2012 Quarter there were four days when the bank account balance was in excess of the Policy guidelines. All occurrences were a result of insufficient numbers of staff available with the appropriate signing authority to execute investment transactions because of staff vacations. The Committee reviewed these instances and concurred with staff that they did not constitute a material increase in risk to the portfolio.

FINANCIAL IMPLICATIONS

N/A

COMMUNITY ENGAGEMENT

Investment activities are reported quarterly to the Investment Policy Advisory Committee. The majority of members of this Committee (4 of 6) are volunteers from the general public. The Committee reports to Audit and Finance Committee of Council quarterly on staff's compliance with the Investment Policy. In addition, the Committee conducts an annual review of the Investment Policy and makes recommendations for any changes considered appropriate.

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

N/A

ATTACHMENTS

Sector Weight Schedules @ September 30, 2012 (Schedules A,B,C,D & E) and Sector Weight Schedules @ December 31, 2012 (Schedules A,B,C,D & E)

A copy of this report can be obtained online at http://www.halifax.ca/commcoun/cc.html then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

Derek Tynski, Co-Chair, Investment Policy Advisory Committee, 490-6471

		Cumulative					
	Catagon, Diabia	Amount Invested	%	Culdahaa lima	%	1 Imis A	%
	Category Status	@ Book Value	70	Guideline Limit	70	Limit Available	70
CASH & EQUIVALENTS							
Federal Government & Its Guarantees	Open	6,916,840	3%	254,938,091	100%	244,036,418	96%
Federal Government	Open	6,916,840	3%	,,			
Business Development Bank Canada Mortgage & Housing Corp.	Open Open	0	0% 0%				
Canadian Wheat Board	Open	ŏ	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	147,530,202	58%	254,938,091	100%	107,405,889	42%
Total Alberta (R-1 High)	Open	0	4%	63,734,023	25%	54,891,193	21%
Alberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open Open	0					
Alberta Treasury Branches (R-1 High)	Open	ŏ					
British Columbia (R-1 High)	Open	35,299,312	14%	63,734,023	25%	28,434,711	11%
Maniloba (R-1 Mid) New Brunswick (R-1 Mid)	Open Open	4,234,080 0	2% 0%	63 734,023	25% 25%	59,499,943	23% 25%
Ontano (R-1 Mid)	Open	61,848,104	24%	63,734,023 63,734 023	25%	63,734,023 1,887,919	1%
Quebec (R-1 Mid)	Open	48,150,708	19%	63,734,023	25%	15,583,674	6%
Quebec Financement Quebec		20,421,686					
Hydro Quebec		14,807,250 10,921,790					
Sasketchewen (R-1 High)	Open	0	0%	B3,734,023	25%	63,734,023	25%
Municipal Governments & their Guarantees*	D 4 Mid or Compton			CO 770 A AAA	250		
Calgary (R-1 High)	R-1 Mid or Greater Open	0		63,734,023 25,493,609	25% 10%	63,734,023 25,493,609	25% 10%
Edmonton (R-1 High)	Open			25,493,809	10%	25,493,609	10%
Elemental Institutions & their Commutator (Commutator)		05.457.000		407 400 040			
Financial Institutions & their Guarantees /Corporal	IONS BA's Schedule A	85,457,333	34%	127,468,046	50%	42,010,712	16%
	Canadan Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	58,729,909	23%	127,468,046	50%	68,738,136	27%
Bank of Montreal (R-1 High) Bank of Nova Scotia (R-1 High)	Open Open	15,968,530 0	6% 7%	25,493,609 25,493,609	10%	9,527,079 7,847,510	4% 3%
Bank of Nova Scota Effective Cash	- P	-2,353,901		20,405,000	1070	7,170,1	3 %
Bank of Nova Scotia - Notice Account		20,000,000					
Canadian Imparial Bank of Commerce (R-1 High) Royal Bank (R-1 High)	Open Open	22,831,110 0 }	9% 0%	25,493,609 25,493,609	10%	2,882,499 25,002,819	1% 10%
Royal Bank - Effective Cash	Орен	490,990)	Uni	25,485,008	1076	25,002,519	1076
Toronto Dominion (R-1 High)	Open	1,995,180	1%	25,493,609	10%	23,468,429	9%
Tier 2 - Financial institutions & Corporations	R-1 Mid/High***	26 777 424	10%	62 724 022	251	37 000 500	15%
National Bank of Canada (R-1 Mid)	Open	26,727,424 10,470,191	4%	63,734,023 12,748,805	25% 5%	37,008,599 2,278,814	196
OMERS Realty Corporation (R-1 High)	Open	12,267,293	5%	12,748,805	5%	479,512	0%
CDP Financial Inc (R-1 High)	Open	0	0%	12,748,805	5%	12,748,805	5%
Ontario Infrastructure Projects Corporation (R-1 High) Desjardina Total	Open	0 3,989,940	0% 2%	12,748,805 12,748,805	5% 5%	12,746,805 8,758,885	5% 3%
Desjardins Group (R-1 High)	Open	0,000,0	• ~	12,7 40,000	0.4	0,730,000	3.0
Calsse Centale Desjardins (R-1 High)	Open	3,989,940					
Total Cash and Equivalents		239,904,375	94%				
		200,000,000	5476				
FIXED (Bonds, etc. over one year)							
Federal Government Money Market		3,982,833	2%	50,987,218	20%	47,004.385	18%
Bond Pool		3,982,833					
Description of the control of the co							
Provincial Government & their Guarantees Money Market		11,042,473 10,006,882	4% 4%	50,987,218	20% 20%	39,944,745	16%
Alberto		8,007,239	4%	50,987,218 25,493,609	10%	39,944,745 18,450,779	16% 6%
Alberta		1,989,938		30,130,000			• • • • • • • • • • • • • • • • • • • •
Alberta Capital Finance Authority Alberta Tressury Branches		6,017,301					
British Columbia		0	0%	25,493,609	10%	25,493,609	10%
Manitoba		ŏ	0%	25,493,609	10%	25,493,609	10%
New Brunswick		0	0%	25,493,609	10%	25,493,609	10%
Ontario Quebec		0 1.999.843	0% 1%	25,493,609 25,493,609	10%	25,493,609 23,493,968	10% 9%
Quebec		1,989,643		800,000,00	1076	23,483,800	0.70
Financement Quebec		0					
Saskatewan		0	0%	25,493,809	10%	25,493,609	10%
Bond Pool		1,035,591	4%	50,987,218	20%	39,944,745	16%
Alberta		1,035,591	4%	25,493,809	10%	18,450,779	6%
Alberta Alberta Cepital Finance Authority		1 025 504					
Alberta Treasury Branches		1,035,591					
Botish Columbia		0	0%	25,493,609	10%	25,493,609	10%
Manipba		0	0%	25,493 609	10%	25,493,809	10%
New Brunswick Ontario		0	0% 0%	25,493,609	10%	25,493,809	10%
Quebec		Ö	1%	25,493,609 25,493,609	10%	25,493,609 23,493,968	10% 8%
Quebec		4		,,			
Financement Quebec Saskatewan		•		35 403 600		05 400 000	400
		0	0%	25,493,609	10%	25,493,80 9	10%
Total Fixed		15,025,306	6%	50,987,218	20%	35,961,912	14%
Equites							
Bank of Montreal		6,410					
Total Equites		6,410					
Total Investments		254 020 004					
· oud HIVOULIUM		254,938,091					
Interest Bearing Bank Accounts - O/S Cheque Covera	ge	19,479,775					
Total investments and O/S Cheques Coverage		374 148 688					
		274A15,866					

Operating Funds Sector Weights Sector Weights @ September 30, 2012

Sector	Weights @ September 3	0, 2012					
		Cumulative					
	Category Status	Amount Invested @ Book Value	%	Guldehne Limit	% I	Limit Available	%
	Catagory Status	3 555 75.22					
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	3,577,696	3% 3%	129,265,160 1	00%	125,687,464	97%
Federal Government	Open Open	3,577,696 0	0%	0			
Business Development Bank Canada Mortgage & Housing Corp.	Open	0	0% 0%				
Canadian Wheat Board	Open Open	0	U%				
Export Development Canada Ferm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	76,309,148	59%	129,265,160 1		52,956,012	41%
Total Alberta (R-1 High)	Open	0	0%	32,318,290	25%	29,203,876	23%
Alberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open Open	0					
Alberta Treasury Branches (R-1 High)	Open	0 18,258,366	14%	32,316,290	25%	14,057,924	11%
British Columbia (R-1 High)	Open Open	2,190,054	2%	32,316,290	25%	30,128,236	23%
Manitoba (R-1 Mid) New Brunswick (R-1 Mid)	Open	0	0%	32,316,290 32,316,290	25% 25%	32,316,290 32,316,290	25% 25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open Open	31,989,541	27%	32,316,290	25%	326,749	0%
Ontario (R-1 Mid) Quebec (R-1 Mid)	Open	23,871.197	18%	32,318,290 32,318,290	25% 25%	7,410,799 32,318,290	6% 25%
Saskatchewan (R-1 High)	Open	0	U76	32,310,200	20.0	02,010,200	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		32,316,290	25%	32,316,290 12,926,516	25% 10%
Calgary (R-1 High)	Open			12,926,518 12,926,516	10%	12,926,516	10%
Edmonton (R-1 High)	Open			10,000,010			
	-11	44,202,314	34%	64,632,580	50%	20,430,266	16%
Financial institutions & their Guarantees /Corpora	BV.F 2cuednie v	44,000,00		39. T. C.			
	Canadian Banks R-1 Mid	30,377,708	24%	64,632,580	50%	34,254,872	26%
Tier 1 - Financial Institutions & their Guarantees Bank of Montreal (R-1 High)	Open	8,258,596	6%	12,926,516	10%	4,687,920	4% 3%
Bank of Nova Scotia (R-1 High)	Open	0 -1,217,542	7%	12,925,516	10%	3,799,173	378
Bank of Nova Scotia Effective Cash Bank of Nova Scotia - Notice Account		10,344,865				4 000 705	1%
Canadian Imperial Bank of Commerce (R-1 High)	Open	11,705,B11 0 }	9% 0%	12,926,516 12,926,516	10%	1,220,705 12,672,554	10%
Royal Bank (R-1 High) Royal Bank - Effective Cash	Open	253,962)					9%
Toronto Dominion (R-1 High)	Open	1,031,995	1%	12,926,516	10%	11,894,521	
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	13,824,606	11%	32,318,290	25% 5%	18,491,684 1,047,612	14% 1%
National Bank of Canada (R-1 Mid)	Open	5,415,646 6,345,187	4% 5%	6,463,258 6,463,258	5%		0%
OMERS Realty Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open Open	0	0%	6,453,258	5%		5%
Ontario Infrastructure Projects Corporation (R-1 Hig	h) Open	0 2,063,774	0% 2%	6,463,258 6,463,258	5% 5%		5% 3%
Desjardins Total Desjardins Group (R-1 High)	Open	2,000,774		V ,, 2		,	
Caisse Centale Desjardins (R-1 High)	Open	2,063,774					
Total Investments		124,089,158	96%				
FIXED (Bonds, etc. over one year) Federal Government		0	0%	25,853,032	20%	25,853,032	20%
Money Market		0					
Bond Pool		v	4				
Provincial Government & their Guarantses		5,176,002 5,176,002	4% 4%	25,853,032 25,853,032			16% 16%
Money Market Alberta		3,112,414	2%	12 926,516			8%
Alberta		2 442 444					
Alberts Capital Finance Authority Alberts Transury Branches		3,112 414					
British Columbia		0	0% 0%	12,926,516 12,926,516			10% 10%
Manitobe New Bruswick		ŏ	0%	12,928,516	109	12,926,518	10%
Ontario		0	0%	12,926,516			
Quebec		1,034,304 1,034,304	1%	12,926,516	07		• • •
Quebec Financement Quebec		0	-	10 075 616	3 109	% 12,926,516	10%
Saskatawan		0	0%	12,926,516			
Bond Pool		0		25,853,033 12,926,510			
Alberta Alberta		0		12,320,31		3,014,100	•
Alberta Capital Finance Authority		0					
Alberta Trassury Branches British Columbia		0	0%				
Manitoba		0	0%	12,925,51	6 10		
Naw Bruswick Ontario		0			6 10	% 12,928,518	10%
Quebec		Ċ	1%			% 11,592 212	9%
Quebec Financement Quebec		0					
Saskatewan		ā	0%	12,926,51	B 10'	% 12,926,516	10%
Total Fixed		5,176,002	4%	25,853,03	2 20	% 20,677,030	15%
Total investments		129,265,160)				
Interest Bearing Bank Accounts - O/S Cheque Co	44.980	19,479,775	_				
Total Investments and O/S Cheques Coverage		148,744,934			370		

Capital Funds Sector Weights Sector Weights @ September 30, 2012

Cumulative Amount Invested @ Book Value Category Status Guideline Limst % Limit Available % CASH & EQUIVALENTS Open Open Open Open Open Open Open 0% 0% 0% 0% Federal Government & its Guarantees 0 0 100% 0 0% Federal Government & Its Guaran Federal Government Business Development Bank Canada Montgage & Housing Corp. Canadian Wheat Board Export Development Canada Farm Credit Corp 0 0 0% Provincial Governments & their Guarantees
Total Alberta (R-1 High)
Alberta (R-1 High)
Alberta Capital Finance Authority (R-1 High)
Alberta Treasury Branches (R-1 High)
British Columbia (R-1 High)
Maniloba (R-1 Mid)
New Brunswick (R-1 Mid)
New Brunswick Municipal Finance Corp (R-1 Mid)
Onlatio (R-1 Mid)
Quebec (R-1 Mid)
Seskatchewan (R-1 High) R-1 Mid or Greater 0 100% 0 25% 0% 0% Open Open Open Open Open Open Open 25% 0000000 0% 25% 25% 25% 25% 25% 25% 25% 0% 0% 0% 0% 0% 0% 0% 0% 0 Municipal Governments & their Guarantees* Calgary (R-1 High) Edmonton (R-1 High) R-1 Mid or Greater 8% 0% 0% 0 25% 10% Financial institutions & their Guarantees /Corporations
BA's Schedule A
Canadian Banks R-1
Mid Mid 0 0% 0 50% 0 0% 50% 10% 10% 0% 0% 0% 000 Tier 1 - Financial Institutions & their Guarantees
Bank of Monteal (R-1 High)
Bank of Nova Scotia (R-1 High)
Bank of Nova Scotia - Notica Account
Canadian Imperial Bank of Commerce (R-1 High)
Royal Bank (R-1 High)
Royal Bank - Effective Cash
Toronto Dominion (R-1 High) 0% 0% Open Open 10% 0% 0% 0 0% 0% 0% 0 10% 0 0% Tier 2 - Financial Institutions & Corporations R-1 Mid/High** 0 0 0% 25% 0% 0% 0% 0% 0% 5% 5% 5% 5% 5% 5% National Bank of Canada (R 1 Mid)
OMERS Really Corporation (R-1 High)
CDP Financial Inc (R-1 High) 0% 0% 0% 0% 0% Ontario Infrastructura Projects Corporation (R-1 High) Open Desjardina Total Desjardina Group (R-1 High) Open Calase Centale Desjardina (R-1 High) Open **Total Investments** FIXED (Bonds, etc. over one year) Federal Government 0 20% Money Market Bond Pool 0 20% 20% 10% 0% 0% 0% Provincial Government & their Guarantees 000 0% 0% Money Market Alberta 0% Alberta
Alberta
Alberta Capital Finance Authority
Alberta Treasury Branches
British Columbia 0 10% 10% 10% 0 0% 0% 0% 0% 0% Manitoba New Bruswick Onterio Quebec Quebec Financement Quebec Saskatewan 0% 0 10% 0 0% Bond Pool 20% 10% 00000000000 Alberta
Alberta
Alberta
Alberta
Alberta
Alberta
Alberta
Alberta
Finance Authority
Alberta Trassury Branches 10% 10% 10% 10% 10% **British Columbia** 0% 0% 0% 0% 0% 00000 0% 0% 0% 0% Manitoba New Bruswick Ontario Quebec Quebec Financement Quebec 10% 0% 0 0% Total Fixed ō 0% 0 20% 0 0% Total Investments

0

Reserve Funds Sector Weights Sector Weights @ September 30, 2012

Sector	Meiðura 🕲 gebraurner -	10, 2012					
		Cumulative					
		Amount Invested	4	Guideline Limit	%	Limit Available	%
	Category Status	@ Book Value	•	Guideline Calia	~	Phini Managara	••
CASH & EQUIVALENTS							
CASH & EUDIVALENTO			•••	122,308,861	4004	115,079,788	94%
Federal Government & its Guarantees	Open	3,246,269 3,248,269	3% 3%	122,300,001	100 %	110,073,100	•••
Federal Government Business Development Bank	Open Open	0	0%				
Canada Mortgage & Housing Corp	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open Open	0	0%				
Farm Credit Corp							4916
Provincial Governments & their Guarantees	R-1 Mid or Greater	69,240,108	87% 2%	122,308,881 30,577,215		53,05 0,7 68 25,783,800	43% 21%
Total Alberta (R-1 High)	Open Open	0	270	30,377.213	2374	23,703,000	
Aberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open	Ö					
Aberta Treasury Branches (R-1 High)	Open	0		*****	250	14,010,247	11%
British Columbia (R-1 High)	Open	16,568,968 1,987,174	14% 2%	30,577,215 30,577,215	25% 25%	28,590,041	23%
Menkoba (R-1 Mid) New Brunswick (R-1 Mid)	Open Open	0	0%	30,577,215	25%	30,577,215	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Ореп			30,577,215	25%	30,577,215	25% 1%
Ontario (R-1 Mid)	Open	29,026,130 21,659,834	27% 18%	30,577,215 30,577,215	25% 25%	1,551,088 7,978,892	7%
Quebec (R-1 Mid)	Open Open	21,038,034	1%	30,577,215	25%	30,577,215	25%
Saskatchewan (R-1 High)	Optii	•					
Municipal Governments & their Guarantees*	R-1 Mid or Greater	•		30,577,218	25%	30,577,218 12,230,888	26% 10%
Calgary (R-1 High)	Open			12,230,886 12,230,888	10%	12,230,886	10%
Edmonton (R-1 High)	Open			72,550,550	,,,,,		
		40,107,549	33%	61,154,430	50%	- 21,046,882	17%
Financial institutions & their Guarantees /Corporal	ions BA's Schedule A	40,107,849	3370	61,104,455	40 N	21,040,000	****
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	27,563,611	23%	61,184,430	60% 10%	33,690,819 4,737,341	27% 4%
Bank of Montreal (R-1 High)	Open	7,493,545 0	6% 7%	12,230,888 12,230,888		3,949,071	3%
Bank of Nova Scotla (R-1 High) Bank of Nova Scotla Effective Cash	Open	-1,104,752		12,200,200	,		
Bank of Nova Scotta Notice Account		9,388,587					480
Canadian Imperial Bank of Commerce (R-1 High)	Open	10,821,421	9% 0%	12,230,886 12,230,886	10%	1,809,485 12,000,451	1% 10%
Royal Bank (R-1 High)	Open	0) 230,438)	U%	12,230,000	1070	12,000,401	
Royal Bank - Effective Cash Toronto Dominion (R-1 High)	Open	936,395	1%	12,230,886	10%	11,294,492	9%
		40.749.040		30,577,215	25%	18,033,277	15%
Tier 2 - Financial institutions & Corporations	R-1 Mid/High*** Open	12,643,938 4,913,957	10%	6,115,443			1%
National Bank of Canada (R-1 Mid) OMERS Really Corporation (R-1 High)	Open	5,757,388	5%	6,115,443	5%	358,055	0%
CDP Financial Inc (R-1 High)	Open	0	0%	8,115,443			5% 5%
Onlario Infrastructure Projects Corporation (R-1 High)	Open	0 1,872,592	0% 2%	8,115,443 8,115,443			3%
Desjardins Total	Open	1,072,392	270	0,,,,,,,	•	7,272,000	
Desjardins Group (R-1 High) Calase Centale Desjardins (R-1 High)	Open	1,872,592					
		112,593,923	92%				
Total Cash and Equivalents		112,000,023	92.70				
FIXED (Bonds, etc. over one year)			3%	122,308,861	100%	118,328,028	97%
Federal Government		3,982,833	376	122,300,00	1007	110,020,020	•
Money Market Band Pool		3,982,833					
2010 1 22							45%
Provincial Government & their Guarantees		6,732,104 4,696,513	6% 6%	61,154,430 61,154,430			45%
Money Market Alberts		3,758,024	4%	12,230,886			1%
Alberta		933,934					
Aberta Capital Finance Authority		2,824,090					
Alberta Treasury Branches Braish Columbia		0	0%	12,230,886	5 109	12,230,886	10%
Manitobe		0	0%	12,230,680			10%
New Bruswick		0	0%	12 230,880			10%
Ontario		0 938,489	0% 1%	12,230,886 12,230,886			10% 9%
Quebec Quebec		938,489	. ~				• • •
Financement Quebec		0					***
Saskatawan		0	0%	12,230 88	5 107	12,230,886	10%
Bond Pool		1,035,591	5%	51,154,43	0 501		45%
Alberta		1,035 591	4%	12 230,88	5 109	6 7,437,271	6%
Abada		0 1,035,591					
Alberta Capital Finance Authority Alberta Treasury Branches		1,035,561					
British Columbia		ŏ	0%	12,230,88		6 12,230,886	10%
Mantoba		0	0%	12,230,88			10%
New Bruswick Ontario		0	0% 0%	12,230,88 12,230,88			10%
Quebec		ŏ	1%	12,230,68			9%
Quebec		Ō					
Financement Quebec		0	0%	12,230,88	6 101	h 12,230,886	10%
Saskatewan							
Total Fixed		9,714,937	8%	122,308,86	1 1001	112,593 923	92%
Total Investments		122,308,861					

Trust Funds Sector Weights Sector Weights @ September 30, 2012

Sect	or Weights @ Septemb	or 30, 2012					
		Cumulative					
		Amount Invested					
	Category Status	@ Book Vatue	*	Guideline Limit	*	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarentees	Open	92,875	3%	3,362,071	100%	3,269,196	97%
Federal Government	Open	92,875	3%	0,000,00,		0,200,100	•••
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp. Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open Open	0	0%				
Farm Credit Corp	Open	0	0%				
		•	• • •				
Provincial Governments & their Guarantees	R-1 Mid or Greater	1,980,949	59%	3,362,071		1,381,122	41%
Total Alberta (R-1 High) Alberta (R-1 High)	Open	0	2%	840,518	25%	733,001	22%
Alberta Capital Finance Authority (R-1 High)	Open Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	473,978	15%	840.518	25%	386,539	11%
Manitoba (R-1 Mid)	Open	56,853	2%	840,518	25%	783,665	23%
New Brunswick (R-1 Mid)	Open	0	9%	840,518	25%	840,518	25%
New Brunswick Municipal Finance Corp (R-1 Mid) Ontario (R-1 Mid)	Open Open	***	••••	840,518	25%	840,518	25%
Quebec (R-1 Mid)	Open	630,433 619,684	26% 18%	840,518 840,518	25% 25%	10,085	0%
Saskalchewan (R-1 High)	Open	0,0,000	0%	840,518	25%	193,983 840,518	8% 25%
	•	=	•	545,510		440,510	237
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		840,518	26%	840,518	25%
Calgary (R-1 High)	Open	•		335,207	10%	338,207	10%
Edmonton (R-1 High)	Open			338,207	10%	338,207	10%
				•			
Financial institutions & their Guarantees /Corpora	11						
The section of the se	BA's Schedule A	1,147,471	34%	1,681,036	50%	833,666	16%
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	788,591	23%	1,681,038	50%	892,445	27%
Bank of Montreal (R-1 High)	Open	214,389	8%	336,207	10%	121,818	4%
Bank of Nova Scotia (R-1 High) Bank of Nova Scotia Effective Cash	Open	0	7%	336,207	10%	99,268	3%
Bank of Nova Scotta - Notice Account		-31,607					
Canadian Imperial Bank of Commerce (R-1 High)	Open	268,548 303,877	9%	338,207	10%	32,330	•••
Royal Bank (R-1 High)	Open	0)		338,207	10%	32,330 329,614	1% 10%
Royal Bank - Effective Cash	-	6,593)			,,,,,	,	
Toranto Daminian (R-1 High)	Open	26,790	1%	338,207	10%	309,417	9%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	368,880	11%			*** ***	
National Bank of Canada (R-1 Mid)	Open	140.588	4%	840,618 188,104	25% 5%	481,638 27,516	14%
OMERS Really Corporation (R-1 High)	Open	164,718	5%	168,104	5%	3,386	0%
CDP Financial Inc (R-1 High)	Open	D	0%	168,194	5%	168,104	5%
Ontario Infrastructure Projects Corporation (R-1 High) Desjardins Total	Open	D	0%	168,104	5%	188,104	5%
Desjerdins Group (R-1 High)	Open	53,575 0	2%	168,104	5%	114,529	3%
Caisse Centale Desjardins (R-1 High)	Open	53,575					
• • • • • • • • • • • • • • • • • • • •	-•	22,012					
•							
Total Cash and Equivalents		3,221,295	78%				
		4,441,490	90%				
FIXED (Bonds, etc. over one year)							
Federal Government		0	0%	3,362,071	100%	3,362,071	100%
Manay Market Band Pagi		0					
		0					
Provincial Government & their Guarantees		134,367	4%	3,362,071	100%	3,227,705	95%
Money Market		134,387	100%	3,362,071		3,227,705	96%
Alberta Alberta		107,516	3%	338,207	10%	228,691	7%
Alberta Capital Finance Authority		28,720					
Alberta Treasury Branches		80,797					
British Columbia		0	0%	338,207	10%	338,207	10%
Mankoba		0	0%	338,207	10%	338,207	10%
New Bruswick Ontario		0	0%	336,207	10%	338,207	10%
Quabec		0	0%	338,207	10%	336,207	10%
Quebec		26,850 26,850	1%	338,207	10%	309,357	1%
Financement Quebec		20,030 D					
Seskelewan		Ö	0%	338 207	10%	338,207	10%
Bond Pool							
Alberta		0	4% 3%	3,362,071		3,227,705	96%
Alberta		ŏ	379	338,207	10%	228,691	7%
Alberta Capital Finance Authority		ŏ					
Alberta Tressury Branches British Columbia		0					
Mantoba		0	0%	336,207	10%	336,207	10%
New Bruswick		. 0	0% 0%	336,207	10%	336,207	10%
Onterio		ŏ	0%	336,207 336,207	10%	336,207 338,207	10%
Quebec		0	1%	338,207	10%	309,357	9%
Quebec Financement Quebec		0	•		•	,	
Financemeni Quebec Sesketewen		0				0.00	
		0	0%	338,207	10%	338,207	10%
Total Fixed		134,367					
Envitor							
Equities Bank of Montresi							
Denk of Monutes Total Equities		8,410					
·		8,410					
Total investments		3,362,071					

Sector Weights @ December 31, 2012

545.	a moralism & monominat	• •, •• • •					
		Cumulative					
	Calegory Status	Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
	Campory Status	S poor vains	70	Guideane Limit	70	Cital VARIABLE	70
CASH & EQUIVALENTS							
	_						
Federal Government & its Guarantees	Open	6,916,840	2%	368,250,814	100%	357,349,049	97%
Federal Government Business Development Bank	Open Open	8,916,840 0	2% 0%				
Canada Mortgage & Housing Corp	Open	ŏ	0%				
Canadian Wheat Board	Open	ŏ	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
				*** ***		470 449 500	
Provincial Governments & their Guarantees	R-1 Mid or Greater	196,133,045 O	53% 2%	368,250,814 92,082,703	25%	172,117,769 83,025,350	47% 23%
Total Alberta (R-1 High) Alberta (R-1 High)	Open Open	Ö	279	92,002,703	2370	03,023,330	2376
Alberta Capital Finance Authority (R-1 High)	Open	ŏ					
Alberta Treasury Branches (R-1 High)	Open	Ō					
British Columbia (R-1 High)	Open	60,983,831	17%	92,062,703	25%	31,079,072	8%
Manitoba (R-1 Mid)	Open	4,234,080	1%	92,062,703	25%	87,828,823	24%
New Brunswick (R-1 Mid)	Open	0	0%	92,082,703	25%	92,062,703	25%
Ontario (R-1 Mid) Quebec (R-1 Mid)	Open Open	66,874,508 84,040,826	18% 18%	92,062,703 92,062,703	25% 25%	25,188,195 26,022,163	7% 7%
Quebec	Open	28,381,436	10.7	52,552,755	20.0	20,022,103	• •
Financement Quebec		14,807,250					
Hydro Quebec		20,852,140					
Saskatchewan (R-1 High)	Open	0	0%	92,062 703	25%	92,082,703	25%
		_					
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		92,062,703 38,825,091	25% 10%	92,062,703	25% 10%
Calgary (R-1 High) Edmonton (R-1 High)	Open Open			38,825,081	10%	38,825,081 38,825,081	10%
Combined (K-171gh)	Open			30,023,001	1074	30,023,001	10 10
Financial Institutions & their Guarantees /Corpora	tions	160,172,527	41%	184,125,407	50%	33,952,880	9%
	BA's Schedule A	,					
	Canadan Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	123,101,484	33%	184,125,407	50%	61,023,923	17%
Bank of Montreal (R-1 High)	Open	34,907,660	9%	38,825,081	10%	1,917,421	1%
Bank of Nova Scotia (R-1 High)	Open	0	9%	38,825,081	10%	5,459,234	1%
Bank of Nova Scotia Effective Cash Bank of Nova Scotia - Notice Account		1,385,848 30,000,000					
Canadian Imperial Bank of Commerce (R-1 High)	Open	30,543,748	8%	38,825,081	10%	6,281.335	2%
Royal Bank (R-1 High)	Open	8,968,580 }	2%	38,825,081	10%	29,833,140	8%
Royal Bank - Effective Cash		5,381 }		•			
Toronto Dominion (R-1 High)	Open	19,292,289	5%	38,825,081	10%	17,532,792	5%
Tier 2 - Financial Institutions & Corporations	R-1 MidHigh***	27,071,043	7%	92,062,703	25%	64,991,660	18%
National Bank of Canada (R-1 Mid) OMERS Realty Corporation (R-1 High)	Open Open	10,487,492 13,590,781	3% 4%	18,412,541 18,412,541	5% 5%	7,925,049 4,821,760	2% 1%
CDP Financial Inc (R-1 High)	Open	13,350,151	0%	18,412,541	5%	18,412,541	5%
Ontario Infrastructure Projects Corporation (R-1 High		ŏ	0%	18,412,541	5%	18,412,541	5%
Desjardins Total	,	2,992,770	1%	18,412,541	5%	15,419,771	4%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	2,992,770					
Total Cash and Equipments		353,222,412	96%				
Total Cash and Equivalents		300,222,412	BU 74				
FIXED (Bonds, etc. over one year)							
Federal Government		3,984,925	1%	73,650,163	20%	69,865,238	19%
Money Market							
Bond Pool		3,984,925					
Provincial Government & their Guarantees		11,037,067	3%	73,650,163	20%	62,613,096	17%
Money Market		10,005,469	3%	73,650,163	20%	62,613,096	17%
Alberta		8 005,755	2%	38,825,081	10%	27,787,728	8%
Alberta		1,990,614		***		,	
Alberta Capital Finance Authority	*	6,015,141					
Alberta Treasury Branches		_	B				
British Columbia		0	0%	38,825,081	10%	36,825,081	10%
Maniloba New Brunswick		0	0% 0%	36,825,081 36,825,081	10%	38,825,081 38,825,081	10% 10%
Ontano		ŏ	0%	38.825,081	10%	38,825,081	10%
Quebec		1,999,714	1%	38,825,081	10%	34,825,387	9%
Quebec		1,999,714					- /-
Financement Quebec		0					
Saskatawan		0	0%	38,825,081	10%	38,825,081	10%
B 4 B 4							4554
Bond Pool Alberta		1,031,598	3% 2%	73,650,163	20% 10%	62,613,096	17% 8%
Alberta		1,031,598	279	38,825,081	1076	27,787 728	מדט
Alberta Capital Finance Authority		1,031,598					
Alberta Treasury Branches							
British Columbia		0	0%	36,825,081	10%	38,825,081	10%
Manicha		0	0%	38,825,081	10%	38,825,081	10%
New Brunswick		0	0%	38,825 081	10%	38,825,081	10%
Ontario Quebec		0	0% 1%	38,825,081 38,825,081	10%	38,825,081 34,825,387	10% 9%
Quebec		U	170	30,023,001	1076	/ 100,000 می	0.49
Financement Quebec							
Saskatewan		0	0%	38,825,081	10%	38,825,081	10%
W W						227.19	300.0
Total Fixed		15,021,992	4%	73,650,163	20%	58,628,171	16%
Equites							
Bank of Montreal		8 410					
Total Equites		6,410					
Total Investments		368,250,814					
International Production of the Control of the Cont		4.4					
Interest Bearing Bank Accounts - O/S Cheque Cover	age	11,840,594	•				
Total investments and O/S Chaques Coverage		380,091,407					
		300,001,407					

Operating Funds Sector Weights Sector Weights @ December 31, 2012

Sec10	L AMBIBLITE & PACATURAL A	.,					
	Category Status	Cumulative Amount Invested @ Book Value	,	Guideline Limit	% Li	mit Avsilable 1	•
CASH & EQUIVALENTS			•••	236,760,097 1	ሰበሚ	232,251,545	98%
Federal Government & its Guarantees	Open	4,508,552 4,508,552	2% 2%	230,100,001		502,00 1,010	
Federal Government Business Development Bank	Open Open	4,500.552	0%				
Canada Mortgage & Housing Corp	Open	0	0% 0%				
Canadian Wheat Board	Open Open	U	U74			20	
Export Development Canada Farm Credit Corp	Open	0	0%			108,918,170	46%
Provincial Governments & their Guarantees	R-1 Mid or Greater	127,843,927 0	54% 0%	236,760,097 · 59,190,024	25%	55,269,220	23%
Total Alberta (R-1 High)	Open Open	ŏ	0.6	********	•••		
Alberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Tressury Branches (R-1 High)	Open	0 39,750,501	17%	59,190,024	25%	19,439,523	8%
British Columbia (R-1 High)	Open Open	2,759,869	1%	59,190,024	25%	58,430 156	24%
Manitoba (R-1 Mid) New Brunswick (R-1 Mid)	Open	. 0	0%	59,190,024	25% 25%	59,190,024 59,190,024	25% 25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	43,590,307	20%	59,190,024 59,190,024	25%	15,599,717	7%
Ontario (R-1 Mid)	Open	43,590,307	18%	59,190,024	25%	18,143,316	7%
Quebec (R-1 Mid)	Open Open	0	0%	59,180,024	25%	59,180,024	25%
Saskatchewan (R-1 High)	-						
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		59,190,024	25% 10%	59,180,024 23,676,010	25% 10%
Calgary (R-1 High)	Open			23,876,010 23,676,010	10%	23,676,010	10%
Edmenton (R-1 High)	Open						
Financial Institutions & their Guarantees (Corpor	ations BA's Schedule A	97,885,828	41%	118,380,048	50%	20,494,229	9%
	Canadian Banks R-1			440 300 040	50%	38,139,734	16%
Tier 1 - Financial institutions & their Guarantees	MId	80,240,314	34% 10%	118,380,048 23,676,010	10%	922,412	0%
Bank of Montreal (R-1 High)	Open	22,753,597 0	9%	23,676,010	10%	3,231,045	1%
Bank of Nova Scotla (R-1 High) Bank of Nova Scotla Effective Cash	Open	890,290					
Bank of Nova Scotla - Notice Account		19,654,674		23,676,010	10%	3,766,910	2%
Canadian Imperial Bank of Commerce (R-1 High)	Open	19,909,100 4,553,997)	8% 2%	23,676,010	10%	19,118,505	8%
Royal Bank (R-1 High)	Open	3,507)		20,070,010			
Royal Bank - Effective Cash Toronto Dominion (R-1 High)	Open	12,575,148	5%	23,676,010	10%	11,100,862	5%
	•	49 445 544	7%	59,190,024	25%	41,544,510	18%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High**	17,645,514 6,835,963	3%	11,838,005	5%	5,002,022	2%
National Bank of Canada (R-1 Mid)	Open Open	8,858,777	4%	11,838,005		2,979,228	1%
OMERS Realty Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open	0	0%	11,838,005		11,838,005 11,838,005	5% 5%
Ontano Infrastructure Projects Corporation (R-1 Hig	h) Open	0	0% 1%	11,838,005 11,838,005		9,887,250	4%
Desjardins Total		1,950,755	179	11,030,003	0.0	0,00. 2	
Desjardins Group (R-1 High) Caisse Centale Desjardins (R-1 High)	Open Open	1,950,755					
California Desperant (1997)							
Total Investments		230,238,307	97%				
FIXED (Bonds, etc. over one year) Federal Government		0	0%	47,352,019	20%	47,352,019	20%
Money Market		0					
Bond Pool		0					
Provincial Government & their Guarantees		6,521,790	3%	47,352,019			17%
Money Market		6,521,790	3%	47,352,011			17% 8%
Alberta		3,920,804	2%	23,676,016	10%	19,755,206	• • •
Alberts Alberts Capital Finance Authority		3,920,804					
Alberta Treasury Branches							408
British Columbia		0	0% 0%	23,676,01 23,676,01			10% 10%
Manitoba		0	0%	23,676,01			10%
New Bruswick Onlario		ŏ	0%	23,676,01	0 10%		10%
Quebec		1,303,459	1%	23,676,01	0 109	22,372,551	9%
Quebec		1,303 459					
Financement Quebec Saskatewan		ŏ	0%	23,676,01	0 109	23,676,010	10%
SB3KBIBWAII							17%
Bend Pool		0					
Alberta		0		20,070,0	•	. ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Alberta Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0		23,676,01	0 109	4 23,676,010	10%
British Columbia		0			- ::::		10%
Manitoba New Bruswick		0	0%	23,676,01	0 10	4 23,878,010	10%
Onteno		9					
Quebec		0		23,678,01	10 10	% 22,372,551	
Quebec Financement Quebec		9					
Financement Quebec Saskatewan		č		23,676,0	10 10	23,676,010	10%
Total Fixed		6,521,790	5 3%	47,352,0	19 20	% 40,830,230	17%
Total investments		238,780,007	,				
Interest Bearing Bank Accounts O/S Cheque Co	overage	11,840,594					
Total Investments and O/S Cheques Coverage		248,600,694	5				

Capital Funds Sector Weights Sector Weights @ December 31, 2012

Section	s sveiffure & necember	31, 2012					
		Cumulative					
	Category Status	Amount Invested Book Value	%	Guideline Limit	%	Limit Avadable	%
	Catagory Ciatas	9 5000 10.25					••
CASH & EQUIVALENTS							
Forder 1 Comment of the Comment	•		***		4000	0	
Federal Government & its Guarantees Federal Government	Open Open	0	0% 0%	v	100%	U	0%
Business Development Bank	Open	ŏ	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board Export Davelopment Canada	Open Open	0	0%				
Farm Credit Corp	Open	0	0%				
		_					
Provincial Governments & their Guarantees Total Alberta (R-1 High)	R-1 Mid or Greater Open	0	0% 0%		100%	0	0% 0%
Alberta (R-1 High)	Open	ŏ	• • • • • • • • • • • • • • • • • • • •	•		•	•
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High) British Columbia (R-1 High)	Open Open	0	0%	0	25%	0	0%
Manitoba (R-1 Mid)	Open	ŏ	0%	ŏ	25%	ŏ	0%
New Brunswick (R-1 Mid)	Open	0	0%	0	25%	0	0%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	0	0%	0	25% 25%	0	0% 0%
Ontario (R-1 Mid) Quebec (R-1 Mid)	Open Open	ŏ	0%	Ö	25%	ŏ	0%
Saskatchewan (R-1 High)	Open	•	0%	Ö	25%	Ō	0%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		0	25%	0	0%
Calgary (R-1 High)	Open			0	10%	0	0% 0%
Edmonton (R-1 High)	Open			·	1076	٠	078
		_		_		_	
Financial Institutions & their Guarantees /Corpora	tions BA's Schedule A	0	0%	0	50%	0	0%
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	0	0%	0	50%	0	0%
Bank of Montreal (R-1 High)	Open	0	0%	0	10%	0	0%
Bank of Nova Scotia (R-1 High) Bank of Nova Scotia Effective Cash	Open	0	0%	0	10%	0	0%
Bank of Nove Scotia - Notice Account		ŏ					
Canadian Imperial Bank of Commerce (R-1 High)	Open	0	0%	0	10%	0	0%
Royal Bank (R-1 High) Royal Bank - Effective Cash	Open	0		0	10%	0	0%
Toronto Dominion (R-1 High)	Open	ŏ	, 0%	0	10%	0	0%
	1 201						
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	0	9% 0%	0	25% 5%	0	0%
National Bank of Canada (R-1 Mid) OMERS Realty Corporation (R-1 High)	Open Open	0	0%	Ü	5%	ŭ	0% 0%
CDP Financial Inc (R-1 High)	Open	Ō	0%	o	5%	ŏ	0%
Ontario Infrastructure Projects Corporation (R-1 High) Open	0	0%	0	5%	0	0%
Desjardins Total Desjardins Group (R-1 High)	Open	0	0%	0	5%	0	0%
Caisse Centale Desjardins (R-1 High)	Open	ō					
Total Investments		0	0%				
FIXED (Bonds, etc. over one year)							
Federal Government		0	0%	0	20%	0	0%
Money Market		0					
Bond Paal		0					
Provincial Government & their Guarantees		0	0%	0	20%	0	0%
Money Market		o.	0%	0	20%	0	0%
Alberta Alberta		0	0%	0	10%	0	0%
Alberta Capital Finance Authority		0					
Alberta Treasury Branches				_		_	
British Columbia Manitoba		0	0%	0	10%	0	0%
New Bruswick		Ü	0% 0%	Ö	10%	ő	0% 0%
Ontano		0	0%	Ó	10%	D	0%
Quebec		0	0%	0	10%	0	0%
Quebec Financement Quebec		0					
Saskatowan		ō	0%	0	10%	0	0%
Bood Book			•••			_	***
Bond Pool Alberta		0	0% 0%	0	20%	0	0% 0%
Alberta		ō	• • • • • • • • • • • • • • • • • • • •	•		•	
Alberta Capital Finance Authority		0					
Alberta Tressury Branches British Columbia		0	0%	0	10%	0	0%
Manitoba		ŏ	0%	ŏ	10%	ŏ	0%
New Bruswick		Ō	0%	Ö	10%	ō	0%
Onlano Quebec		0	0%	0	10%	0	0%
Quebec		0	0%	U	1076	0	0%
Financement Quebec		0					
Saskatewan		0	0%	0	10%	0	0%
Total Fixed			0%	0	20%	0	0%
				·	•	•	
Total Investments		0					

Reserve Funds Sector Weights Sector Weights @ December 31, 2012

Suctor	Meighte & December 1	1, 2012					
		Cumulative					
	Category Status	Amount Invested @ Book Value	*	Guideline Limit	%	Limit Available	%
	Catagory Ciarso	G 2. 2 12 1					
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	2,344,377	2%	128,128,104	100%	121,798,802	95%
Federal Government	Open	2,344 377 D	2% 0%				
Business Development Bank Canada Mortgage & Housing Corp	Open Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open	٥	0%				
Farm Credit Corp	Open	-					ARM
Provincial Governments & their Guarantess	R-1 Mid or Greater	66,476,851	62%	128,128,104 32,032,028	25%	61,651,243 28,280,977	48% 22%
Total Alberta (R-1 High)	Open	0	2%	32,032,020	2310	20,200,077	
Alberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open Open	Ď					
Aberta Treasury Branches (R-1 High)	Open	0		32,032,026	25%	11,362,381	9%
British Columbia (R-1 High)	Open	20,669 645 1,435,089	17% 1%	32,032,026	25%	30,596,937	24%
Manitoba (R-1 Mid)	Open Open	0	0%	32,032,026	25%	32,032,026	25%
New Brunswick (R-1 Mkf) New Brunswick Municipal Finance Corp (R-1 Mid)	Open			32,032.026	25% 25%	32,032,026 9,385,742	25% 7%
Ontario (R-1 Mid)	Open	22,666,284 21,705,843	20% 17%	32,032,028 32,032,028	25%	9,848,405	8%
Quebec (R-1 Mid)	Open Open	21,703,043	1%	32,032,026	25%	32,032,026	25%
Saskatchowen (R-1 High)	Орин						
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		32,032,026	28%	32,032,028	25% 10%
Calgary (R-1 High)	Open			12,812,810	10%	12,812,810 12,812,810	10%
Edmonton (R-1 High)	Open			12,016,010		12,012,010	
Financial institutions & their Guarantees /Corpora	itions BA's Schedule A Canadian Banks R-1	50,889,114	40%	64,064,052	60%	13,164,938	10%
	Canadian danks (4+1	41,723,720	33%	84,054,052	60%		17%
Tier 1 - Financial institutions & their Guarantees Bank of Montreal (R-1 High)	Open	11,831,518	9%	12,812,810	10%		1% 2%
Bank of Nova Scotta (R-1 High)	Open	0 462 937	8%	12,812,810	10%	2,101,740	• **
Bank of Nova Scotts Effective Cash		10,168 128					
Bank of Nova Scotia - Notice Account Canadian Imperial Bank of Commerce (R-1 High)	Open	10,352,424	8%	12,812 810			2% 8%
Royal Bank (R-1 High)	Open	2,358,008)	2%	12,812.810	10%	10,442,979	079
Royal Bank - Effective Cash Torente Deminion (R-1 High)	Open	1,824) 8,538,882	5%	12,812,810	10%	6,273,929	5%
m . a . Character transferring & Compositions	R-1 Mid/High***	9,175,394	7%	32,032,028			18%
Tier 2 - Financial Institutions & Corporations National Bank of Canada (R-1 Md)	Open	3,554,605	3%	8,408,405			2% 1%
OMERS Reaty Corporation (R-1 High)	Open	4,606,426	4% 0%	6,406,405 6,406,405			5%
CDP Financial Inc (R-1 High)	Open	0	0% 0%	8,406,405			5%
Ontario Infrastructure Projects Corporation (R-1 High Desjardins Total	i) Open	1,014,382	1%	6,406,405		5,392,043	4%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	1,014,362					
Total Cash and Equivalents		119,720,381	93%				
							7000
FIXED (Bonds, etc. over one year) Federal Government		3,984,925	3%	128,128,104	1001	6 124,143,179	97%
Money Market		0					
Band Poel		3.984,925					
Provincial Government & their Guarantees		4,422,828	3%	64,064,06			47% 47%
Money Market		3,391,230	3% 3%	64,064,05 12,812,81			7%
Alberta Aberta		2,713,451 674,894	**	12.012.01	•		
Alberta Capital Fanance Authority		2,038,757					
Aberta Treasury Branches		D	0%	12,812,81	0 10	% 12.812.810	10%
Braish Columbia		ŏ	0%	12,812,81		% 12,812,810	10%
New Bruswick		o o	0%	12 812,81			10%
Ontano		0 877,778	0% 1%	12,812,81 12,812,81	0 10	% 12.812,810 % 12.135,032	10%
Quebec Quebec		677,778		15.015,21			
Financement Quebec		0				w 42.842.846	10%
Saskalowan		0	0%	12,812,61			47%
Bond Pool		1,031,598 1,031,598	3% 3%	64,064,08 12,812,81			7%
Alberta Alberta		1,031,398	374	72,414,61	, ,,		
Alberta Capital Finance Authority		1,031 598					
Alberta Treasury Branches		0	0%	12,812,81	10 10	12,812,810	10%
British Columbia Manitoba		Ö	0%	12,812.81	10 10	12,812,810	10%
Mentoba New Bruswick		0	0%	12,812,81	10 10	% 12,812 810	
Ontario		0	0% 1%	12,812,81 12,812,81	10 10 10 10)% 12,812,810)% 12,135,032	
Quabec		0					
Quebec Financement Quebec		0					
Seskalewan		0		12.812.8			
Yotal Fixed		8,407.753		128,128,1	04 100	119,720,351	93%
Total investments		128,128,104					

Trust Funds Sector Weights Sector Weights @ December 31, 2012

3650	a starBure & pecumpar	J1, 2012					
	Category Status	Cumulative Amount invested Book Value	*	Guldelme Limis	*	Limit Avallable	*
CASH & EQUIVALENTS							
	_						
Federal Government & its Guarantees Federal Government	Open Open	63,911 63,911	2% 2%	3,362,613	100%	3,298,702	10%
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board Export Development Canada	Open Open	0	0%				
Farm Creda Corp	Open	0	0%				
Provincial Governments & their Guarantees Total Alberta (R-1 High)	R-1 Mid or Greater Open	1,812,267 0	54% 2%	3,382,613 840,653	100% 25%	1,550,356 768,681	46% 23%
Alberta (R-1 High)	Open	Ö	270	040,033	2370	700,001	2370
Alberts Capsal Financo Authority (R-1 High)	Open	0					
Afterta Treasury Branches (R-1 High) British Columbia (R-1 High)	Open	0 563,485	17%	840,853	25%	277.188	8%
Manitoba (R-1 Mid)	Open Open	39,123	1%	840,653	25%	801,531	24%
New Brunswick (R-1 Mid)	Open	0	0%	840,653	25%	840,653	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			840,653	25%	840.653	25%
Onterio (R-1 Mid) Quebec (R-1 Mid)	Open Open	617,916 591,733	21% 18%	840,853 840,853	25% 25%	222,737 230,443	7% 7%
Sasketchewan (R-1 High)	Open	0	0%	840,853	25%	840,853	25%
						,	
Municipal Coursespends & shale Secretary	D 4 Mid 0	-		***		***	
Municipal Governments & their Guarantees* Category (R-1 High)	R-1 Mid or Greater Open	D		\$40,663 336,281	25% 10%	840,663 338,261	25% 10%
Edmonton (R-1 High)	Open			338,281	10%	336,261	10%
	•						
Financial lastications & their discussions in the second		4	4450	4 444 444	***	***	***
Financial Inetitutions & their Guarantees /Corporat	BA's Schedule A	1,387,586	41%	1,681,307	50%	293,722	9%
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	1,137,460	34%	1,881,307	50%	643,866	16%
Bank of Montreal (R-1 High) Bank of Nova Scotia (R-1 High)	Open Open	322,545 0	10% 9%	338,261 336,261	10%	13,717 46,443	0% 1%
Bank of Nova Scotia Effective Cesh	Open	12,620	**	330,261	10%	40,443	176
Bank of Nova Scotia - Notice Account		277,198					
Cenadian Imperial Bank of Commerce (R-1 High) Royal Bank (R-1 High)	Open	282,222	8%	336,261	10%	54,039	2%
Royal Bank - Effective Cash	Open	84,555) 50)	2%	336,261	10%	271,858	8%
Toronto Dominion (R 1 High)	Open	178.260	5%	336,261	10%	158,002	5%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	250,135	7%	840,653	25%	590,519	18%
National Bank of Canada (R-1 Mid)	Open	96,904	3%	168,131	5%	71,227	2%
OMERS Reaty Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open Open	125,578	4% 0%	168,131 168,131	5% 5%	42,553 188,131	1% 5%
Ontario Infrastructure Projects Corporation (R-1 High)		Ď	0%	168,131	5%	188,131	5%
Desjardins Total	_	27,653	1%	188,131	5%	140,478	4%
Desjardins Group (R-1 High) Caisse Centale Desjardins (R-1 High)	Open Open	0 27,853					
Total Cash and Equivalents		3,263,763	97%				
FIXED (Bonds, etc. over one year)		_					
Federal Government Money Market		0	0%	3,382,813	100%	3,362,613	100%
Band Pool		D 0					
Provincial Government & their Guarantees Money Market		92,450	3%	3,362,613		3,270,163	97%
Alberte		92,450 73,973	100% 2%	3,362,613 338,261	100%	3,270,163 262,289	97% 8%
Alberta		18,393		730,201		202,200	•
Alberta Capital Finance Authority		55,580					
Alberta Treasury Branches British Columbia		0	0%	338,261	10%	338,281	10%
Mantoba		0	0% 0%	338,261 338,281	10%	338,261 338,261	10%
New Bruswick		ō	0%	338,251	10%	338,261	10%
Ontario		0	0%	338,281	10%	338,261	10%
Quebec Quebec		18,477 18,477	1%	338,261	10%	317,784	9%
Financement Quebec		0					
Sestatewan		0	0%	336,261	10%	336,251	10%
Bond Pool Alberia			3%	3,382,613		3,270,163	97%
Alberta		0	2%	338,261	10%	262,289	8%
Alberta Capital Finance Authority		ŏ					
Alberts Treasury Branches		ō					
British Columbia Mantoba		0	0%	336,261	10%	336,261	10%
New Bruswick		0	0% 0%	336 261 336 261	10%	338,261 338,261	10%
Ontario		Ō	0%	338,261	10%	336,261	10%
Quebec		0	1%	338 281	10%	317 784	9%
Quebec Financement Quebec		0					
Sastatewan		0	0%	336,261	10%	338,261	10%
Total Fixed		92,450					
Equities							
Bank of Montreal Total Equities		8,410					
raver edinina		6,410					
Total Investments		3,362,613					





P.O. Box 1749 Halifax, Nova Scotia B3J 3A5 Canada

Audit and Finance Standing Committee March 20, 2013

TO:

Councillor Bill Karsten, Chair and Members of the Audit and Finance Standing

Committee

Original Signed

SUBMITTED BY:

Greg Keefe, Director of Finance and Information Technology / CFO

DATE:

February 18, 2013

SUBJECT:

Investment Activities – Quarter Ending September 30, 2012

ORIGIN

Quarterly report of investment performance and adherence to approved Investment Policy.

LEGISLATIVE AUTHORITY

Section 121(1) of the HRM Charter requires that funds be invested pursuant to an Investment Policy adopted by Council and approved by the Minister of Service Nova Scotia and Municipal Relations or invested pursuant to the Trustee Act. Where HRM has chosen to adopt an Investment Policy and the Minister has approved the Policy investment activities are governed by this Policy.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item.

BACKGROUND

The HRM Investment Policy calls for quarterly reporting by the Treasurer to Council and the Investment Policy Advisory Committee (the Committee). The report for the Quarter ending September 30, 2012 has been reviewed by the Committee. A report from the Committee on staff's compliance with the HRM Investment Policy has also been sent to the Audit and Finance Standing Committee meeting of March 20.

It should be noted that the terms of the Members of the Committee expired in the Fall of 2012. Staff did not forward reports to the Committee pending appointment of Members to the Committee. As a result the Quarterly reports are somewhat delayed compared to typical timing.

DISCUSSION

HRM Investment Activities

HRM Money Market investment performance is summarized below in comparison with the Mercer Investment Consulting Survey of Canadian Institutional Pooled Funds for periods ending September 30, 2012:

Money Market Funds	3 Months (to Sept.	9 Months (to Sept.	1 Year (to Sept.
	30, 2012)	30, 2012)	30, 2012)
5 th Percentile	.36%	1.12%	1.46%
1 st Quartile	.32%	.92%	1.23%
Mercer Median	.30%	.88%	1.18%
3 rd Quartile	.26%	.79%	1.04%
95 th Percentile	.22%	.70%	.92%
DEX 91 Day T-Bills	.23%	.72%	.94%
HRM	.30%	.87%	1.15%

HRM relative performance was at Median for the Quarter and somewhat below for the nine month and one year periods. This relative performance was before taking into consideration fees that would have been paid to an external investment management firm. Relative performance would be above Median on an after fee basis for all reported periods. The very high quality of the HRM portfolio has been maintained.

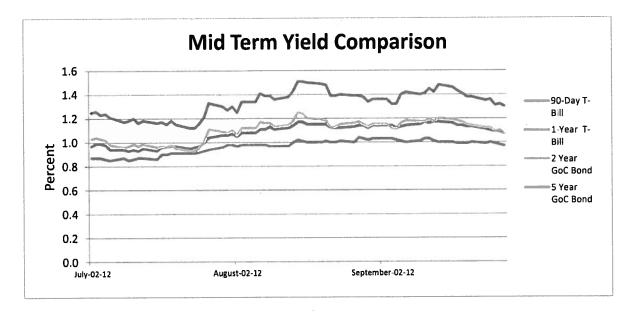
The Quarter saw 36 money market investments made at a cost of \$114,895,576 with an average term to maturity of 97 days. This compares to last year's 2nd Quarter of 28 investments made at a cost of \$108,973,000 with an average term of 98 days. In mid-August some Provincial instruments were relatively attractive near the six month term and some cash was invested in that area. Also \$2,000,000 in Province of Quebec Floating Rate Notes maturing in December 2013 were purchased. However, there was a far greater emphasis on shorter term investments to cover cash requirements and ensure funds were available to be rolled over with 79% of investments

being made in Non-Government instruments in the 3 month and under time frame. The bank account continued to provide an attractive rate of interest relative to other short term Financial Institution instruments and was used extensively. The new Notice Investment account further enhanced these returns from the HRM banker.

Operating Fund Investment Income for the first six months of the fiscal year was \$1,102,000 versus a budget of \$544,000 while the actual rate of return was .6% versus the budgeted rate of .5%. While the better rate of return was a contributing factor the majority of the positive variance was a result of better than anticipated cash flows. Operating Fund Investment Income for the fiscal year is currently projected to be \$2,050,000 versus a budget of \$1,100,000.

HRM Short Term Bond Pool

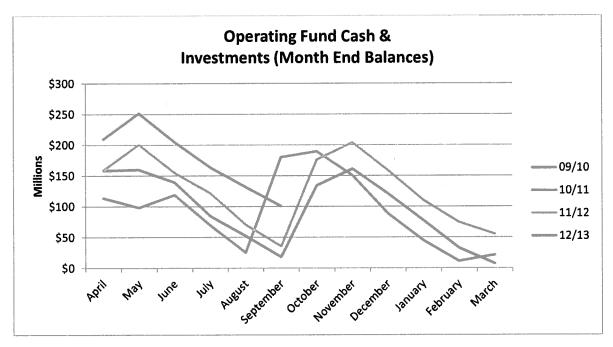
The Short Term Bond Pool holds bonds to a maximum term to maturity of approximately five years. The \$5,000,000 of bonds currently held have yields ranging from 2.21% to 3.07%. These bonds are guaranteed by either the Government of Canada or highly rated Provinces. There were no additions to the Bond Pool during the Quarter. Staff continues to look for opportunities to add to the Bond Pool with the ever changing outlook for future interest rates over a potential five year holding period and the very narrow spread on yields between the shorter and longer dated instruments key considerations.



Cash Flows

As indicated in the graph below Operating Cash and Investment balances continue to outstrip levels of previous years by a healthy margin. One contributing factor was the methodology for calculating the interim property tax billing which applies the previous year's tax rates to the

current year's assessed values. The net result was that the interim tax billing was higher than the final tax billing in the 2012/13 fiscal year because of the decrease in the 2012/13 tax rates. Other factors were the surplus from the previous fiscal year and the receipt of funds from claims for disaster assistance from Hurricane Juan and White Juan. Staff is continuing efforts to refine the attribution of Operating Fund cash flows and balances.



The Sector Weight guidelines for the HRM banker exceeded the Policy limits for two days during the Quarter. These instances were discussed with the Committee and they agreed with staff's assessment that this temporary variance did not constitute a material increase in risk to the portfolio. It should also be noted that the negative figures in the Sector Weight Schedules for Bank of Nova Scotia – Effective Cash does not reflect an actual overdraft of the bank account but rather reflects funds committed to Outstanding Cheque Coverage.

The average level for the bank account for the Quarter was 91% of the Policy guideline.

Outlook & Strategy

The sub-par growth scenario suggested by economists Reinhart and Rogoff in the wake of financial crisis and when government debt to GDP levels rise above 90% seems to be playing out. On the latter point it appears the government debt drag on the economy is more than just a crowding out affect. In addition, the uncertainty around tax and fiscal policy that contributed to getting to the magic number of 90% is also a factor as is a lack of confidence that the political process will produce sound policy to definitively address economic issues. This appears to be particularly problematic in the U.S. the Euro area and Japan. The double edged sword of

experimental monetary policy also contributes to a heightened sense of unease which further clouds investment decisions whether they be in new plant and equipment or financial markets. Staff continues to look for opportunities to lock in rates on Government instruments when they are relatively attractive in terms beyond six months.

Policy Compliance

In keeping with the most amendments to the Policy staff has modified the Policy Compliance section to reflect the new breakdown of Objectives and Strategies.

Objectives:

<u>Preservation of Capital</u> - There was no loss of capital during the Quarter.

<u>Liquidity</u> - No overdraft charges were incurred and sufficient cash was available to meet all requirements. The funded ratio of the Reserves at Quarter end was 100%.

Competitive Return on Investments - The rate of return was somewhat below median for the year ending September 30, 2012 before allowing for fees for external management. After allowing for these fees the rate of return would have exceeded median therefore staff maintain that the Policy benchmark was met.

Strategies:

<u>Diversification of Investment Portfolio</u> - Staff believe that diversification has been adequately maintained under the constraints of the Policy.

<u>Regular Review of Performance</u> - Performance data continues to be reported to the Investment Policy Advisory Committee.

<u>Risk Management Approach</u> – In implementing investment decisions staff seek a balance between the Objectives of the Investment Policy and the risks inherent in markets to look to achieve an optimal rate of return.

FINANCIAL IMPLICATIONS

Staff is anticipating that Operating Fund Investment Income for the fiscal year will be \$2,050,000 versus a budget of \$1,100,000. This substantial positive variance is primarily due to much better than anticipated cash levels for the Operating Fund. Somewhat better than expected interest rates were also a contributing factor.

COMMUNITY ENGAGEMENT

Investment activities are reported quarterly to the Investment Policy Advisory Committee. The majority of members of this Committee (4 of 6) are volunteers from the general public. The Committee reports to Audit and Finance Committee of Council quarterly on staff's compliance with the Investment Policy. In addition, the Committee conducts an annual review of the Investment Policy and makes recommendations for any changes considered appropriate.

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

N/A

ATTACHMENTS

Sector Weight Schedules @ September 30, 2012 (Schedules A,B,C,D & E)

Appendix A - Economic Statistics and Central Bank Actions

Appendix B - List of Eligible Investments

Appendix C - DBRS Rating Scale

A copy of this report can be obtained online at http://www.halifax.ca/commcoun/cc.html then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

Derek Tynski, BA, CMA, Deputy Treasurer, 490-6471

Original Signed

Report Approved by:

Jerry Blackwood, CGA, Manager of Revenue, 490-6470

Sector Weights @ December 31, 2012

Campony Status Camp			Cumulative Amount Invested					
Pederal Convernmental Bia Guarantees		Category Status		%	Guideline Limit	%	Limit Available	%
Principal Conversional Control	CASH & EQUIVALENTS							
Business Development Bank Open					368,250,814	100%	357,349,049	97%
Canadian Mines Canadian Company								
Export Development Canada Open Provincial Covernment & their Guarantees Provincial Covernment & Servincia								
Fram Concide Corp Provincial Consertments & Schul Cisarrathese Political Continue (1-14/pt) Alberta (1-14/pt) Open Open Open Open Open Open Open Open	Canadian Wheat Board		0	0%				
Total Indexes (R-1 High)			0	0%				
Total Johanse (Rr 1 Hgh) Abbras (Rr 1 Hgh) Abbras (Rr 1 Hgh) Abbras (Rr 1 Hgh) Copin Open Open	Provincial Governments & their Guarantees	R-1 Mid or Greater	196,133,045	53%	368,250,814	100%	172,117,769	47%
Aboetia Capstal Finance Authority (F-1 High) Open 0 Open 0			0		92,062,703	25%	83,025,350	
Allesta Treasury Granchines (R-1 High)								
Brissh Columbie (R-1 High)								
New Standwick (R-1 Mey)								
Contain (R.1 Mid)								
Countries Coun			-			25%		7%
Financiament Clusbook 14,807,250 20,821,740 20,82	Quebec (R-1 Mid)	Open		18%	92,062,703	25%	26,022,163	7%
StakeInforman (R-1 High)								
Municipal Governments & their Guarantees* R-1 Mill or Greater Open 38,025,081 10% 38,025,081 1			20,852,140					
Calgany (R-1 High)	Saskatchewan (R-1 High)	Open	0	0%	92,062,703	25%	92,062,703	25%
Caglary (R-1 High)	Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		92,062,703	25%	92,062,703	25%
Financial institutions & their Guarantees (Corporations BA's Schedule A Bank R-1 Cardina Banks R-1 Banks R	Calgary (R-1 High)							
BA's Schedulu A Cardian Banks C	Edmonton (R-1 High)	Open			38,825,081	10%	36,825,081	10%
Candidin Banks R-1 Candidin Banks R-1 Candidin Banks R-1 Candidin Banks R-1 Candidin CR-1 High) Open 34,07,680 694 33,822,081 10% 1,917,421 1% 18 Candidin CR-1 High) Open 3,007,680 694 33,822,081 10% 1,917,421 1% 18 Candidin Impair Bank of Commerce (R-1 High) Open 0,986,580 2% 38,825,081 10% 2,813,140 698 2,9	Financial Institutions & their Guarantees /Corporat		150,172,527	41%	184,125,407	50%	33,952,880	9%
Bark Financial Institutions & Inchir Guarantees Mid 123,101,484 33% 184,128,407 60% 61,023,923 17% 17% 18mk of Nova Scola (R-1 High) Open 3,467,980 9% 36,825,081 10% 5,493,234 17% 18mk of Nova Scola (R-1 High) Open 3,000 30,825,081 10% 5,493,234 17% 18mk of Nova Scola (R-1 High) Open 30,943,746 9% 36,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9% 180,825,081 10% 26,833,140 9								
Bank of Montreal (R-1 High) Open 0, 34,907,880 9% 38,825,081 10% 1,917,211 1% Bank of Nova Sociale Receive Cash 1,000 9% 38,025,081 10% 5,499,234 1% Bank of Nova Sociale Receive Cash 1,000 8% 38,025,081 10% 2,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10% 3,893,140 9% 38,025,081 10%	Tier 1 - Financial Institutions & their Guarantees		123,101,484	33%	184,125,407	50%	61,023,923	17%
Bank of Nova Social - Effective Cach 1,385,346 Bank of Nova Social - Notice Account 30,000,000 30,543,746 8% 36,825,081 10% 6,281,335 2% 10% 17,322,792 3% 10% 18,412,541 3% 4,821,704 1% 18,412,541 3% 4,821,704 1% 18,412,541 3% 4,821,704 1% 18,412,541 3% 4,821,704 1% 18,412,541 3% 18,412,541	Bank of Montreal (R-1 High)							
Bank (Nova Scotia - Notice Account Canadian Impairal Bank of Commerce (R- High)		Open	_	9%	36,825,081	10%	5,459,234	1%
Canadan Imperial Bank of Commerce (R-1 High) Royal Bank (R-1 High) Royal								
Torois Damic Effective Cash 1,000 19,22,289 5% 38,625,081 10% 17,532,792 5% 5% 100 10,000 10	Canadian Imperial Bank of Commerce (R-1 High)							
Transcis Dominion (R-1 High)		Open		2%	36,825,081	10%	29,833,140	8%
National Bank of Canada (R-1 Migh)		Open		5%	38,825,081	10%	17,532,792	5%
National Bank of Canada (R-1 Migh)		P. 4 441-J011-Less	27.274.243	70/	02 002 703	250	C4 004 CC0	400/
OMRER Really Corporation (R-1 High)								
Designation Infrastructure Projects Corporation (R-1 High)	OMERS Realty Corporation (R-1 High)	Open	13,590,781		18,412,541		4,821,760	
Designatine Total 2,992,770 1% 18,412,541 5% 15,419,771 4%			-					
Designating Group (R-1 High)		Орен						
FIXED (Bonds, etc. over one year) Federal Government Money Market Bond Pool Tovincial Government & their Guarantees Money Market Bond Pool Tovincial Government & their Guarantees Money Market Bond Pool Tovincial Government & their Guarantees Money Market Bond Pool Tovincial Government & their Guarantees Money Market Bond Pool Alberta Alberta Alberta Alberta Capital Finance Authority Alberta Treasury Branches British Columbia Manitoba New Brunswick Donario Cuebec Tolance Luebec Financement Quebec Financement Quebec Saskatewan Bond Pool Alberta Treasury Branches British Columbia Bond Pool Alberta Alberta Capital Finance Authority Alberta Treasury Branches British Columbia Manitoba 1,998,714 1,9	Desjardins Group (R-1 High)		0					
FixED (Bonds, etc. over one year) Federal Government 3,984,925 1% 73,650,163 20% 69,665,238 19% Money Market Bond Pool 3,984,925 1% 73,650,163 20% 62,613,986 17% 17% 17,000 17%	Caisse Centale Desjardins (R-1 High)	Open	2,992,770					
Federal Government	Total Cash and Equivalents		353,222,412	96%				
Federal Government	FIXED (Bonds, etc. over one year)							
Provincial Government & their Guarantees	Federal Government		3,984,925	1%	73,650,183	20%	69,665,238	19%
Provincial Government & their Guarantees 11,037,067 3% 73,650,163 20% 62,613,096 17%			3,984,925					
Money Market								
Alberta								
Alberta Capital Finance Authority Alberta Treasury Branches British Columbia Manitoba Manito								
Alberta Treisury Branches British Columbia Manitoba New Brunswick 0 0 0% 36,825,081 10% 38,825,081 10% New Brunswick 0 0 0% 36,825,081 10% 36,825,081 10% Ontario 0 0% 36,825,081 10% 36,825,081 10% Quebec 1,999,714 Privancement Quebec Saskatewan 0 0 0% 36,825,081 10% 34,825,087 9% Quebec 1,999,714 Privancement Quebec Saskatewan 1,031,598 3% 73,660,163 20% 62,613,096 17% Alberta Alberta Alberta Alberta Alberta Alberta Alberta Alberta Capital Finance Authority Alberta Financement Quebec British Columbia 0 0 0% 36,825,081 10% 38,825,081 10% Alberta Alberta Alberta Alberta Alberta Alberta Alberta Capital Finance Authority Alberta Alberta Alberta Alberta Alberta Capital Finance Authority Alberta Alberta Alberta Alberta Alberta Alberta Capital Finance Authority Alberta Alberta Alberta Alberta Alberta Alberta Capital Finance British Columbia 0 0 0% 36,825,081 10% 36,825,081 10% Allerta Alberta Alb								
British Columbia Manitoba Mani			6,015,141					
New Brunswick	British Columbia							
Ontario 0 0% 38,825,081 10% 38,825,081 10% Quebec 1,999,714 1% 36,825,081 10% 34,825,387 9% Financement Quebec 0 0 38,825,081 10% 34,825,081 10% Saskatewan 0 0% 36,825,081 10% 36,825,081 10% Bond Pool 1,031,598 3% 73,650,163 20% 62,613,096 17% Alberta 1,031,598 3% 73,650,163 20% 62,613,096 17% Alberta Capital Finance Authority 1,031,598 3% 73,650,163 20% 62,613,096 17% Alberta Treasury Branches 1,031,598 0 0% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10%								
Quebec 1,999,714 Financement Quebec 1,999,714 Financement Quebec 0 0 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 36,825,081 10% 27,787,728 8% Alberta Capital Finance Authority 1,031,598 Alberta Treasury Branches 1,031,598 Alberta Treasury Branches 1,031,598 36,825,081 10% 36,825,081								
Financement Quebec 0 0 38,825,081 10% 36,825,081 10% 3				1%	36,825,081	10%	34,825,367	9%
Saskatewan 0 0 0% 38,825,081 10% 36,825,081 10%								
Alberta Alberta Capital Finance Authority 1,031,598 2% 36,825,081 10% 27,787,728 8% Alberta Capital Finance Authority 1,031,598 Alberta Treasury Branches British Columbia 0 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Manitoba 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 34,825,387 9% Outebec 0 0 1% 38,825,081 10% 34,825,387 9% Outebec 0 0 0% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 38,825,081 10% Outebec 0 0 0%			-	0%	36,825,081	10%	36,825,081	10%
Alberta Alberta Capital Finance Authority 1,031,598 2% 36,825,081 10% 27,787,728 8% Alberta Capital Finance Authority 1,031,598 Alberta Treasury Branches British Columbia 0 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Manitoba 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 34,825,387 9% Outebec 0 0 1% 38,825,081 10% 34,825,387 9% Outebec 0 0 0% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 38,825,081 10% Outebec 0 0 1% 38,825,081 10% 38,825,081 10% Outebec 0 0 0%	Bond Book		4 024 689	20	72 650 463	208/	62 612 006	479/
Alberta Capital Finance Authority Alberta Treasury Branches British Columbia Manitoba Manitoba New Brunswick Olumbia O 0% 38,825,081 10% 38,825,081 10% New Brunswick Olumbia O 0% 38,825,081 10% 38,825,081 10% Olumbia O 0% 38,825,081 10% 38,825,081 10% Olumbia O 0 0% 38,825,081 10% 38,825,081 10% Olumbia O 0 0% 38,825,081 10% 38,825,081 10% Olumbia								
Alberta Treasury Branches British Columbia Manitoba Manitoba New Brunswick 0 0 0% 38,825,081 10% 38,825,081 10% New Brunswick 0 0 0% 38,825,081 10% 38,825,081 10% Ontario 0 0 0% 38,825,081 10% 38,825,081 10% Ouebec 0 0 1% 38,825,081 10% 38,825,081 10% Quebec Financement Quebec Financement Quebec Saskatewan 0 0 0% 38,825,081 10% 38,825,081 10% Total Fixed 15,021,992 4% 73,650,163 20% 58,628,171 16% Equities Bank of Montreal Total Lequities 15,021,992 4% 73,650,163 20% 58,628,171 16% Total Investments 16,410 Total Investments 18,410 Total Investments 18,40,594 *	Alberta							
British Columbia 0 0% 38,825,081 10% 38,825,081 10% Manitoba 0 0% 38,825,081 10% 38,825,081 10% New Brunswick 0 0% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,825,081 10% Outland 0 0% 38,825,081 10% 38,825,081 10% Outland 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Outland 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% 38,825,081 10% 38,825,081 10% 38,825,081 10% Outland 0 0 0% 38,825,081 10% 38,825,081 10% 38,825,081 10% Outland 0 0 0% Outland 0 0 0 0% Outland 0 0 0% Outland 0 0 0% Outland 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			1,031,598					
New Brunswick 0 0% 38,825,081 10% 38,825,081 10% Ontario 0 0% 38,825,081 10% 38,8			0	0%	36,825,081	10%		10%
Ontario 0 0% 38,825,081 10% 38,825,081 10% Quebec 0 1% 38,825,081 10% 34,825,387 9% Guebec 0 0 1% 38,825,081 10% 34,825,387 9% Financement Quebec 0 0% 36,825,081 10% 38,825,081 10% Total Fixed 15,021,992 4% 73,650,163 20% 68,628,171 16% Equities 8,410			-					
Quebec Quebec Financement Quebec Saskatewan 0 1% 38,825,081 10% 34,825,387 9% Total Fixed 15,021,992 4% 73,650,163 20% 58,628,171 16% Equities Bank of Montreal Total Equities 6,410 4% 73,650,163 20% 58,628,171 16% Total Investments 368,250,814 5 4 5 4 5 4 5 4 5 4								
Financement Quebec Saskatewan 0 0 0% 36,825,081 10% 38,825,081 10% Total Fixed 15,021,992 4% 73,650,163 20% 58,628,171 16% Equities Bank of Montreal 6,410 Total Equities 6,410 Total Investments 368,250,814 Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594 **	Quebec							
Saskatewan 0 0% 36,825,081 10% 36,825,081 10% Total Fixed 15,021,992 4% 73,650,163 20% 58,628,171 16% Equities Bank of Montreal 6,410 4 4 7 4 7 8 8 7 8 8 7 8 8 8 8 8 8 8 9 8 8 8 9 8 8 8 8 8 9 8 8 8 8 9 8 8 8 8 9 8 8 8 8 8 9 8 8 8 9 8 8 8 8 8 8 9 8 8 9 8 8 9 9 8 8 9 9 8 9 9 8 9 9 9 9 9 9 9 9 9 9 9 9 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
Equities Bank of Montreal 6,410 Total Equities 6,410 Total Investments 368,250,814 Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594			0	0%	36,825,081	10%	36,825,081	10%
Bank of Montreal Total Equities Total Investments 368,250,814 Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594 *	Total Fixed		15,021,992	4%	73,650,163	20%	58,628,171	16%
Total Equities 6,410 Total Investments 368,250,814 Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594	Equities							
Total Investments 368,250,814 Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594	Bank of Montreal							
Interest Bearing Bank Accounts - O/S Cheque Coverage 11,840,594 *								
	Total investments		368,250,814					
Total Investments and O/S Cheques Coverage 380,091,407	Interest Bearing Bank Accounts - O/S Cheque Covera	ge	11,840,594	•				
	Total Investments and O/S Cheques Coverage		380,091,407					

Operating Funds Se

	or Weights
ector Weights	@ December 31, 2012

		Cumulative					
		Amount Invested				Limit Assallable	.,
	Category Status	@ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	4,508,562	2%	236,760,097	100%	232,261,546	98%
Federal Government	Open	4,508,552	2%	,,			
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0% 0%				
Canadian Wheat Board Export Development Canada	Open Open	u	070				
Farm Credit Corp	Open	0	0%				
	R-1 Mid or Greater	127,843,927	54%	236,760,097	100%	108,916,170	45%
Provincial Governments & their Guarantees Total Alberta (R-1 High)	Open	0	0%	59,190,024	25%	55,269.220	23%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open Open	0 39,750,501	17%	59,190,024	25%	19,439,523	8%
British Columbia (R-1 High) Manitoba (R-1 Mid)	Open	2,759,869	1%	59,190,024	25%	58,430,156	24%
New Brunswick (R-1 Mid)	Open	0	0%	59,190,024	25%	59,190,024	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open		0004	59,190,024	25%	59,190,024	25% 7%
Ontario (R-1 Mid)	Open Open	43,590,307 41,743,250	20% 18%	59,190,024 59,190,024	25% 25%	15,599,717 16,143,316	7%
Quebec (R-1 Mid) Saskatchewan (R-1 High)	Open	0	0%	59,190,024	25%	59,190,024	25%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		69,190,024	25%	59,190,024	25%
Calgary (R-1 High)	Open			23,676,010	10%	23,676,010	10%
Edmonton (R-1 High)	Open			23,676,010	10%	23,676,010	10%
Financial Institutions & their Guarantees /Corpora		97,885,828	41%	118,380,048	50%	20,494,220	9%
	BA's Schedule A Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	80,240,314	34%	118,380,048	50%	38,139,734	16%
Bank of Montreal (R-1 High)	Open	22,753,597	10%	23,676,010	10%	922,412	0%
Bank of Nova Scotia (R-1 High)	Open	0	9%	23,676,010	10%	3,231,045	1%
Bank of Nova Scotia Effective Cash		890,290 19,554,874					
Bank of Nova Scotia - Notice Account Canadian Imperial Bank of Commerce (R-1 High)	Open	19,909,100	8%	23,676,010	10%	3,766,910	2%
Royal Bank (R-1 High)	Open	4,553,997 }	2%	23,676,010	10%	19,118,505	8%
Royal Bank - Effective Cash		3,507 }	E0/	22 676 040	1094	11 100 862	5%
Toronto Dominion (R-1 High)	Open	12,575,148	5%	23,676,010	10%	11,100,862	378
Tier 2 - Financial Institutions & Corporations	R-1 Mld/High***	17,645,514	7%	59,190,024	25%	41,544,510	18%
National Bank of Canada (R-1 Mid)	Open	6,835,983	3% 4%	11,838,005	5% 5%		2% 1%
OMERS Realty Corporation (R-1 High)	Open Open	8,858,777 0	476 0%	11,838,005 11,838,005	5%		5%
CDP Financial Inc (R-1 High) Ontario Infrastructure Projects Corporation (R-1 High)		ő	0%	11,838,005	5%		5%
Desjardins Total		1,950,755	1%	11,838,005	5%	9,887,250	4%
Desjardina Group (R-1 High)	Open Open	0 1,950,755					
Caisse Centale Desjardins (R-1 High)	Open	1,550,755					
Total Investments		230,238,307	97%				
		230,230,007	3, 74				
FiXED (Bonds, etc. over one year) Federal Government		0	0%	47,352,019	20%	47,352,019	20%
Money Market		ŏ	•	17,000,010		,,-	
Bond Pool		0					
Provincial Government & their Guarantees		6,521,790	3%	47,362,019	20%	40,830,230	17%
Money Market		6,521,790	3%	47,352,019	20%		17%
Alberta		3,920,804	2%	23,676,010	10%	19,755,206	8%
Alberta							
Alberta Capital Finance Authority Alberta Treasury Branches		3,920,804					
British Columbia		0	0%	23,676,010	10%	23,676,010	10%
Manitoba		0	0%	23,676,010			10%
New Bruswick		0	0%	23,676,010			10%
Ontario Quebec		0 1,303,459	0% 1%	23,676,010 23,676,010			10% 9%
Quebec		1,303,459	1 70	23,070,010	1070	22,572,551	
Financement Quebec		0					
Saskatewan		0	0%	23,676,010	10%	23,676,010	10%
Bond Pool		0	3%	47,352,019	20%	40,830,230	17%
Alberta		ŏ	2%	23,676,010			8%
Alberta		0					
Alberta Capital Finance Authority		0					
Alberta Treasury Branches British Columbia		0	0%	23,676,010	10%	23,676,010	10%
Manitoba		ŏ	0%	23,676,010			10%
New Bruswick		0	0%	23,676,010	10%	23,676,010	10%
Ontario		0	0%	23,676,010			10%
Quebec Quebec		0	1%	23,676,010	. 10%	22,372,551	9%
Financement Quebec		0					
Saskatewan		0	0%	23,676,010	10%	23,676,010	10%
Total Fixed		6,621,790	3%	47,362,019	20%	40,830,230	17%
Total Investments		236,760,097					
Interest Bearing Bank Accounts - O/S Cheque Cover	age	11,840,594	•				
Total Investments and O/S Cheques Coverage		248,600,690					

Capital Funds Sector Weights Sector Weights @ December 31, 2012

Cumulative Amount Invested

@ Book Value Guideline Limit Limit Available % Category Status **CASH & EQUIVALENTS** Open Open Open Open Open 0 100% 0 0% Federal Government & its Guarantees Federal Government 0% 0000 Business Development Bank Canada Mortgage & Housing Corp. Canadian Wheat Board 0% 0% 0% **Export Development Canada** Open Farm Credit Corp 0 0% Provincial Governments & their Guarantees
Total Alberta (R-1 High)
Alberta (R-1 High)
Alberta Capital Finance Authority (R-1 High)
Alberta Treasury Branches (R-1 High)
British Columbia (R-1 High)
Manitoba (R-1 Mid)
New Brunswick (R-1 Mid) 0 100% 0 25% 0% 0% 0 0% R-1 Mid or Greater 0 0 0% Open 00000 Open Open 0% 0 0 25% 0 0% 0% 0% 0% 0% 0% 0% 25% 25% 0 Open Open Open Open Open Open New Brunswick (K-1 Mid)
New Brunswick Municipal Finance Corp (R-1 Mid)
Ontario (R-1 Mid)
Quebec (R-1 Mid)
Saskatchewan (R-1 High) 25% 25% 25% 25% 0 0% 0% 0% 0 0% 0 0 Municipal Governments & their Guarantees* Calgary (R-1 High) Edmonton (R-1 High) 25% R-1 Mid or Greater 0 0 0% 0 0 0% 0% Financial Institutions & their Guarantees /Corporations BA's Schedule A 0% 0 50% 0 0% ٥ Canad 0% 0% 0% 50% Tier 1 - Financial Institutions & their Guarantees Mid 0 0% 00000 Tier 1 - Financial Institutions a their out Bank of Montreal (R-1 High) Bank of Nova Scotia (R-1 High) Bank of Nova Scotia - Ffective Cash Bank of Nova Scotia - Notice Account 0% 0% 0 0 Open 10% 0 0 } 0 } Canadian Imperial Bank of Commerce (R-1 High) Royal Bank (R-1 High) Open Open 0% 0% 0 10% 0 0% 0% Royal Bank - Effective Cash Toronto Dominion (R-1 High) Open 0% 0 10% ٥ 0% 0 Tier 2 - Financial Institutions & Corporations R-1 Mid/High 0% 25% 0% National Bank of Canada (R-1 Mid)

Open
OMERS Realty Corporation (R-1 High)

Open
CDP Financial Inc (R-1 High)

Open
Ontario Infrastructure Projects Corporation (R-1 High)

Open 0% 0% 0% 0% 0 5% 0% 0% 0 5% 5% 0 0% 0% 0% ٥ Deslarding Total 0 5% 0% Desjardins Group (R-1 High)
Calsse Centale Desjardins (R-1 High) Open Total Investments 0% FIXED (Bonds, etc. over one year) Federal Government 0 20% 0 0% Money Market 0 Provincial Government & their Guarantees Money Market Alberta 0% 0% 0% 0 0 20% 0 0% 20% 0% 0% 0 Alberta Alberta Capital Finance Authority 0 Alberta Treasury Branches British Columbia 0 10% 0% Manitoba 0 0% 0 10% 0% 0% 0% 0% 0% 0% 10% 10% New Bruswick 0 0 0 0 0 Ontario Quebec o 10% 0 Quebec Financement Quebec 0 0% 0 10% 0 0% 0 0% 0% 0% 0% Bond Pool 20% Alberta Alberta Alberta Capital Finance Authority Alberta Treasury Branches 000 0% 0% 0% **British Columbia** 0% 10% 0 00000 0% 10% Manitoba New Bruswick Ontario 0% 0% 10% 10% Quebec Quebec Financement Quebec 0 0% Saskatewan 0 0% 0 10% Total Fixed 0 0% 20% Total Investments

Reserve Funds Sector Weights Sector Weights @ December 31, 2012

340	or steifure & necessors	31, 2012					
		Cumulative					
	Catanani Status	Amount invested	•				
	Category Status	@ Book Value	%	Guideline Limit	%	Limit Available	%
CAPIL & FOLINIAL PAITS							
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	2,344,377	2%	128,128,104	100%	121,798,802	95%
Federal Government	Open	2,344,377	2%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp. Canadian Wheat Board	Open Open	0	0% 0%				
Export Development Canada	Open	•	078				
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	66,476,861	52%	128,128,104		61,651,243	48%
Total Alberta (R-1 High) Alberta (R-1 High)	Open Open	0	2%	32,032,026	25%	28,286,977	22%
Alberta Capital Finance Authority (R-1 High)	Open	ő					
Alberta Treasury Branches (R-1 High)	Open	Ō					
British Columbia (R-1 High)	Open	20,669,645	17%	32,032,026	25%	11,362,381	9%
Manitoba (R-1 Mid)	Open	1,435,089	1%	32,032,026	25%	30,596,937	24%
New Brunswick (R-1 Mid) New Brunswick Municipal Finance Corp (R-1 Mid)	Open Open	0	0%	32,032,026 32,032,026	25% 25%	32,032,028 32,032,028	25% 25%
Ontario (R-1 Mid)	Open	22,666,284	20%	32,032,026	25%	9,365,742	7%
Quebec (R-1 Mid)	Open	21,705,843	17%	32,032,026	25%	9,648,405	8%
Saskatchewan (R-1 High)	Open	0	1%	32,032,026	25%	32,032,026	25%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		32,032,026	25%	32,032,026	25%
Calgary (R-1 High)	Open			12,812,810	10%	12,812,810	10%
Edmonton (R-1 High)	Open			12,812,810	10%	12,812,810	10%
Financial institutions & their Guarantees /Corpora	tions	50,899,114	40%	64,064,052	50%	13,184,938	10%
	BA's Schedule A	00,000,774	4070	04,004,002	00 /6	13,104,000	1076
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	MId	41,723,720	33%	64,064,052	50%	22,340,332	17%
Bank of Montreal (R-1 High) Bank of Nova Scotia (R-1 High)	Open Open	11,831,518	9%	12,812,810	10%	981,292	1%
Bank of Nova Scotla Effective Cash	Орип	462,937	8%	12,812,810	10%	2,181,746	2%
Bank of Nova Scotia - Notice Account		10,168,128					
Canadian Imperial Bank of Commerce (R-1 High)	Open	10,352,424	8%	12,812,810	10%	2,460,387	2%
Royal Bank (R-1 High)	Open	2,368,008)	2%	12,812,810	10%	10,442,979	8%
Royal Bank - Effective Cash	Орел	1,824)	5%	12 912 910	10%	6 072 000	£04
Toronto Dominion (R-1 High)	Open	6,538,882	376	12,812,810	1076	6,273,929	5%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	9,175,394	7%	32,032,026	25%	22,856,632	18%
National Bank of Canada (R-1 Mid)	Open	3,554,605	3%	6,406,405	5%	2,851,800	2%
OMERS Realty Corporation (R-1 High)	Open	4,606,426	4%	6,406,405	5%	1,799,979	1%
CDP Financial Inc (R-1 High) Optorio Infrastructum Projects Compension (R-1 High)	Open	0	0%	6,406,405	5%	6,406,405	5%
Ontario Infrastructure Projects Corporation (R-1 High) Desjardins Total	Open	0 1,014,362	0% 1%	6,408,405 6,408,405	5% 5%	6,406,405 5,392,043	5% 4%
Desjardins Group (R-1 High)	Open	0		0,400,400	0,0	0,002,040	470
Calsse Centale Desjardins (R-1 High)	Open	1,014,362					
Total Cash and Equivalents		119,720,351	93%				
- 100 · 100		,,	••••				
FIXED (Bonds, etc. over one year)							
Federal Government Money Market		3,984,925	3%	128,128,104	100%	124,143,179	97%
Bond Pool		0 3,984,925					
		5,004,825					
Provincial Government & their Guarantees		4,422,828	3%	64,064,052	50%	59,641,224	47%
Money Market		3,391,230	3%	64,084,052	50%	59,641,224	47%
Alberta Alberta		2,713,451	3%	12,812,810	10%	9,087,781	7%
Alberta Capital Finance Authority		874,694 2,038,757					
Alberta Treasury Branches		2,000,707					
British Columbia		0	0%	12,812,810	10%	12,812,810	10%
Manitoba		0	0%	12,812,810	10%	12,812,810	10%
New Bruswick Ontario		0	0%	12,812,810	10%	12,812,810	10%
Quebec		0 677,778	0% 1%	12,812,810 12,812,810	10% 10%	12,812,810 12,135,032	10% 9%
Quebec		677,778	1 /0	12,012,010	1076	12,133,032	3 /4
Financement Quebec	34	0					
Saskalewan		0	0%	12,812,810	10%	12,812,810	10%
Bond Pool		4 004 000					
Alberta		1,031,598 1,031,598	3% 3%	64,064,052 12,812,810	50% 10%	59,641,224 9,067,761	47% 7%
Alberta		1,031,598	J 70	12,012,010	.070	2,007,701	176
Alberta Capital Finance Authority		1,031,598					
Alberta Treasury Branches		0					
British Columbia		0	0%	12,812,810	10%	12,812,810	10%
Manitoba New Bruswick		D 0	0% 0%	12,812,810 12,812,810	10% 10%	12,812,810	10% 10%
Onlario		0	0%	12,812,810	10%	12,812,810 12,812,810	10%
Quebec		ŏ	1%	12,812,810	10%	12,135,032	9%
Quebec		0					92.77
Financement Quebec		0			40		
Saskatewan		0	0%	12,812,810	10%	12,812,810	10%
Total Fixed		8,407,753	7%	128,128,104	100%	119,720,351	93%
				,,	••		
Total investments		128,128,104					

Trust Funds Sector Weights Sector Weights @ December 31, 2012

500	ot sasiguæ & neceuras.	31, 2012					
		Cumulative					
	Category Status	Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
	2000						
04004 5 5040 44 5470							
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	63,911	2%	3,362,613	100%	3,298,702	98%
Federal Government Business Development Bank	Open Open	63,911 0	2% 0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada Farm Credit Corp	Open Open	0	0%				
					40001		400
Provincial Governments & their Guarantees Total Alberta (R-1 High)	R-1 Mid or Greater Open	1,812,257 0	54% 2%	3,362,613 840,653	25%	1,550,356 766,681	46% 23%
Alberta (R-1 High)	Open	ō		0.40,000		, 55,55	
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High) British Columbia (R-1 High)	Open Open	0 563,485	17%	840,653	25%	277,168	8%
Manitoba (R-1 Mid)	Open	39,123	1%	840,653	25%	801,531	24%
New Brunswick (R-1 Mid)	Open	0	0%	840,853	25% 25%	840,653 840,653	25% 25%
New Brunswick Municipal Finance Corp (R-1 Mid) Ontario (R-1 Mid)	Open Open	617,916	21%	840,853 840,853	25%	222,737	7%
Quebec (R-1 Mid)	Open	591,733	18%	840,653	25%	230,443	7%
Saskatchewan (R-1 High)	Open	0	0%	840,853	25%	840,653	25%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		840,653	25%	840,653	25%
Calgary (R-1 High)	Open	A1		336,261	10%	336,261	10%
Edmonton (R-1 High)	Open			336,261	10%	336,261	10%
Financial Institutions & their Guarantees /Corpora		1,387,585	41%	1,681,307	50%	293,722	9%
	BA's Schedule A Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	1,137,450	34%	1,681,307	50%	543,856	16%
Bank of Montreal (R-1 High)	Open	322,545	10% 9%	336,261	10%	13,717	0%
Bank of Nova Scotia (R-1 High) Bank of Nova Scotia Effective Cash	Open	0 12,620	976	336,261	10%	46,443	1%
Bank of Nova Scotia - Notice Account		277,198					
Canadian Imperial Bank of Commerce (R-1 High)	Open	282,222	8%	336,261	10%	54,039	2%
Royal Bank (R-1 High) Royal Bank - Effective Cash	Open	64,555) 50 }	2%	338,261	10%	271,656	8%
Toronto Dominion (R-1 High)	Open	178,260	5%	336,261	10%	158,002	5%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	250,135	7%	840,653	25%	590,519	18%
National Bank of Canada (R-1 Mid)	Open	96,904	3%	168,131	5%	71,227	2%
OMERS Realty Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open Open	125,578 0	4% 0%	168,131 168,131	5% 5%	42,553 168,131	1% 5%
Ontario Infrastructure Projects Corporation (R-1 High		ŏ	0%	168,131	5%	168,131	5%
Desjardins Total		27,653	1%	168,131	5%	140,478	4%
Desjardins Group (R-1 High) Caisse Centale Desjardins (R-1 High)	Open Open	0 27,853					
Cado Danielo Dogleteno (A 1 1 ng.v)	opul.	27,000					
			3				
Total Cash and Equivalents		3,263,753	97%				
FIXED (Bonds, etc. over one year)							
Federal Government		o o	0%	3,362,613	100%	3,362,613	100%
Money Market Bond Pool		0					
Provincial Government & their Guarantees Money Market		92,450	3% 100%	3,362,613		3,270,163	97% 97%
Alberta		92,450 73,973	2%	3,362,613 336,261	10%	3,270,163 262,289	8%
Alberta		18,393		333,231		,	• • •
Alberta Capital Finance Authority Alberta Treasury Branches		55,580					
British Columbia		0	0%	336,261	10%	336,261	10%
Manitoba		0	0%	336,261	10%	336,261	10%
New Bruswick Ontario		0	0% 0%	336,261 336,261	10%	336,261 336,261	10% 10%
Quebec		18,477	1%	336,261	10%	317,784	9%
Quebec		18,477					
Financement Quebec Saskatewan		0	0%	336,261	10%	336,261	10%
Castalanali		·	0.6	330,201	1070	550,251	1076
Bond Pool		0	3%	3,362,613		3,270,163	97%
Alberta		0	2%	336,261	10%	262,289	8%
Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0			4001	222.224	4004
British Columbia Manitoba		0	0% 0%	336,261 336,261	10% 10%	338,261 338,261	10% 10%
New Bruswick		0	0%	336,261	10%	336,261	10%
Ontario		0	0%	336,261	10%	336,261	10%
Québec Quebec		0	1%	338,281	10%	317,784	9%
Financement Quebec		0					
Saskatewan		0	0%	336,261	10%	336,261	10%
Total Fixed		92,450					
Equities							
Bank of Montreal		6,410					
Total Equities		6,410					
Total Investments		3,362,613					

Appendix A

Economic Statistics

	Canada	US
Unemployment Rate	Jul 7.3%, Aug 7.3%, Sep 7.2%	Jul 8.3%, Aug 8.1%, Sep 7.8%
Jobs Created / (Lost) ('000's)	Jul -30, Aug 34, Sep 52	Jul 153, Aug 165, Sep 138
CPI (year over year)	Jul 1.3%, Aug 1.2%, Sep 1.2%	Jul 1.4%, Aug 1.7%, Sep 2.0%
CPI-X (Core) (year over year)	Jul 1.7%, Aug 1.6%, Sep 1.3%	Jul 2.1%, Aug 1.9%, Sep 2.0%
GDP	Q3 0.6%	Q3 Final 3.1%

Central Bank Activities

- July 17 Bank of Canada Maintains overnight rate at 1.0%
- August 10 U.S. Federal Open Market Committee maintains Target Range of 0% to .25%
- September 5 Bank of Canada Maintains overnight rate at 1.0%
- September 21 U.S. Federal Open Market Committee maintains Target Range of 0% to .25%

- 8 -

List of Eligible Investments

The Government of Canada & Its Guarantees:

Federal Government

Business Development Bank

Canada Mortgage & Housing Corporation

Canadian Wheat Board

Export Development Canada

Farm Credit Corporation

Provincial Governments & Their Guarantees:

The Province of Alberta & Its Guarantees

The Province of British Columbia & Its Guarantees

The Province of Manitoba & Its Guarantees

The Province of New Brunswick & Its Guarantees

The Province of Ontario & Its Guarantees

The Province of Ouebec & Its Guarantees

The Province of Saskatchewan & Its Guarantees

Municipal Governments & Their Guarantees:

The Municipality of Calgary & Its Guarantees

The Municipality of Edmonton & Its Guarantees

Financial Institutions & Their Guarantees (Tier 1):

The Bank of Montreal & Its Guarantees

The Bank of Nova Scotia & Its Guarantees

Canadian Imperial Bank of Commerce & Its Guarantees

Royal Bank of Canada & Its Guarantees

Toronto Dominion Bank & Its Guarantees

Financial Institutions & Corporations (Tier 2):

Desjardins Group

Caisse Centrale Desjardins

CDP Financial Inc

National Bank of Canada

Ontario Infrastructure and Lands Corporation

OMERS Finance Trust

Dominion Bond Rating Service (DBRS) Rating Scale

R-1 (high)

Short-term debt rated R-1 (high) is of the highest credit quality, and indicates an entity possessing unquestioned ability to repay current liabilities as they fall due. Entities rated in this category normally maintain strong liquidity positions, conservative debt levels, and profitability that is both stable and above average. Companies achieving an R-1 (high) rating are normally leaders in structurally sound industry segments with proven track records, sustainable positive future results, and no substantial qualifying negative factors. Given the extremely tough definition DBRS has established for an R-1 (high), few entities are strong enough to achieve this rating.

R-1 (middle)

Short-term debt rated R-1 (middle) is of superior credit quality and, in most cases, ratings in this category differ from R-1 (high) credits by only a small degree. Given the extremely tough definition DBRS has established for the R-1 (high) category, entities rated R-1 (middle) are also considered strong credits, and typically exemplify above average strength in key areas of consideration for the timely repayment of short-term liabilities.

R-1 (low)

Short-term debt rated R-1 (low) is of satisfactory credit quality. The overall strength and outlook for key liquidity, debt, and profitability ratios is not normally as favourable as with higher rating categories, but these considerations are still respectable. Any qualifying negative factors that exist are considered manageable, and the entity is normally of sufficient size to have some influence in its industry.

ATTACHMENT 3



P.O. Box 1749 Halifax, Nova Scotia B3J 3A5 Canada

Audit and Finance Standing Committee March 20, 2013

TO:

Councillor Bill Karsten, Chair and Members of the Audit and Finance Standing

Committee

Original Signed

SUBMITTED BY:

Greg Keefe, Director of Finance and Information Technology / CFO

DATE:

February 19, 2013

SUBJECT:

Investment Activities - Quarter Ending December 31, 2012

ORIGIN

Quarterly report of investment performance and adherence to approved Investment Policy.

LEGISLATIVE AUTHORITY

Section 121(1) of the HRM Charter requires that funds be invested pursuant to an Investment Policy adopted by Council and approved by the Minister of Service Nova Scotia and Municipal Relations or invested pursuant to the Trustee Act. Where HRM has chosen to adopt an Investment Policy and the Minister has approved the Policy investment activities are governed by this Policy.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item.

BACKGROUND

The HRM Investment Policy calls for quarterly reporting by the Treasurer to Council and the Investment Policy Advisory Committee (the Committee). The report for the Quarter ending December 31, 2012 has been reviewed by the Committee. A report from the Committee on staff's compliance with the HRM Investment Policy has also been sent to the Audit and Finance Standing Committee meeting of March 20.

It should be noted that the terms of the Members of the Committee expired in the Fall of 2012. Staff did not forward reports to the Committee pending appointment of Members to the Committee. As a result the Quarterly reports are somewhat delayed compared to typical timing.

DISCUSSION

HRM Investment Activities

HRM Money Market investment performance is summarized below in comparison with the Mercer Investment Consulting Survey of Canadian Institutional Pooled Funds for periods ending December 31, 2012:

Money Market Funds	3 Months (to Dec. 31, 2012)	1 Year (to Dec. 31, 2012)
5 th Percentile	.35%	1.33%
1 st Quartile	.31%	1.24%
Mercer Median	.29%	1.18%
3 rd Quartile	.27%	1.05%
95 th Percentile	.25%	.95%
DEX 91 Day T-Bills	.29%	1.01%
HRM	.30%	1.17%

HRM relative performance was slightly above median for the Quarter and slightly below median for the year before allowing for fees that would have been paid to an external management firm. The very high quality of the HRM portfolio was maintained.

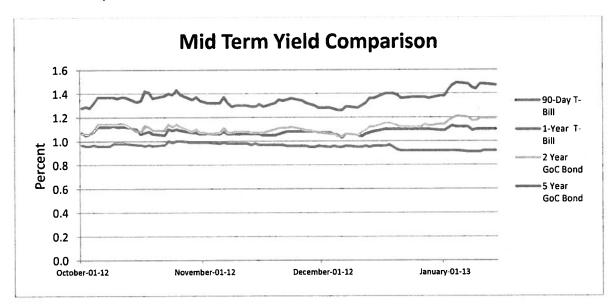
The Quarter saw 72 money market investments made at a cost of \$288,706,000 with an average term to maturity of 86 days. This compares to last year's 3rd Quarter of 80 investments made at a cost of \$298,011,115 with an average term of 117 days. There was an emphasis on shorter term investments to cover cash requirements and to provide funds to rollover with 80% of investments being made in Non-Government instruments in the 3 month and under time frame. The bank account continued to provide an attractive rate of interest relative to other short term Financial Institution instruments and was used extensively. The Notice Investment account continued to further enhance these returns from the HRM banker.

Operating Fund Investment Income for the first nine months of the fiscal year was \$1,706,000 versus a budget of \$894,000 with the actual rate of return being .91 % versus the budgeted rate of

.75%. While the better rate of return was a contributing factor the majority of the positive variance was a result of cash flows. Operating Fund Investment Income for the fiscal year is currently projected to be \$2,050,000 versus a budget of \$1,100,000.

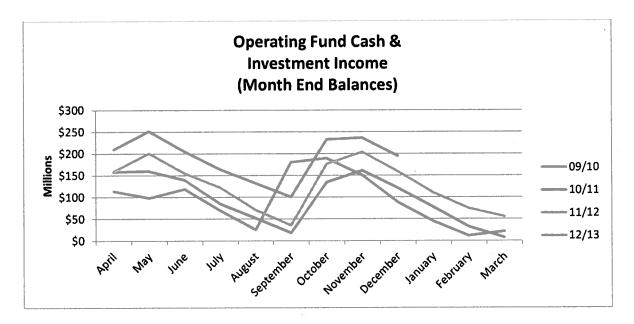
HRM Short Term Bond Pool

The Short Term Bond Pool holds bonds to a maximum term to maturity of approximately five years. The \$5,000,000 of bonds currently held have yields ranging from 2.21% to 3.07%. These bonds are guaranteed by either the Government of Canada or highly rated Provinces. There were no additions to the Bond Pool during the Quarter. Staff continues to look for opportunities to add to the Bond Pool with the ever changing outlook for future interest rates over a potential five year holding period and the very narrow spread on yields between the shorter and longer dated instruments key considerations.



Cash Flows

The impact of the interim tax billing discussed in the previous Quarter's report ceased to be a consideration after the final tax billing due at the end of October but other positive factors continued. While staff is continuing to analyse these trends both 'stock' and flow considerations are at play. In other words the cash funding of certain Operating Fund Balance Sheet items as well as a projected Operating Fund surplus this year are factors as well as the level of bridge financing being provided to the Capital Fund. Staff will continue to review and report on cash flow trends.



During the Quarter there were two days in October and two days in December when the Sector Weight guideline for the HRM banker exceeded the Policy limits. Staff discussed these occurrences with the Committee and they agreed that these temporary variances did not create a material increase in risk to the portfolio.

The average level for the bank account for the Quarter was 95.9% of the Policy guideline.

Notable Events

In November Bank of Canada Governor Mark Carney was selected as the next Governor of the Bank of England in a move that surprised many. This may be considered as both an acknowledgement of the job Mr. Carney's done and a rebuke to the British banking establishment as a result of the LIBOR scandal. The departure of Mr. Carney is not anticipated to result in any major changes to Canadian Monetary Policy as most important decisions are made by the Governing Council which should ensure some continuity of thought.

In December the U.S. Board of Governors of the Federal Reserve System announced a new approach to their dual mandate of maximum employment and stable inflation by effectively adopting a 6.5% target for the unemployment rate and raising their comfort zone for inflation to 2.5%. To pursue these targets they not only will continue purchasing agency mortgage backed securities at a pace of \$40 billion per month but will also buy longer Treasuries at a rate of \$45 billion a month while continuing to rollover maturities and commit to keeping the federal funds rate at 0 to ¼ percent at least until the unemployment target is met, assuming well anchored inflation expectations. In January 2013 the Federal Reserve's balance sheet was at a record \$3 trillion, more than triple the level of \$984 billion in September 2008. Should the open-ended commitment to add an additional \$85 billion a month of securities continue to the end of 2103 this would add an addition \$1 trillion to the balance sheet bringing it close to ¼ of nominal GDP.

Even with these measures by their own projections the unemployment target will not be met until 2015.

Also in December Standard and Poor's downgraded six Canadian financial institutions by one notch including Scotiabank, National Bank and Caisse central Desjardins. Moody's followed suit in January with one notch downgrades to TD Bank, Scotiabank, Bank of Montreal, CIBC, National and the Caisse. The motivation for the downgrades by both firms was largely because of concerns over the banks' exposure to elevated consumer debt levels, housing prices and increased competition between the banks. Fitch recently affirmed their ratings and DBRS last reviewed the big 6 Canadian banks in September and October of 2012 confirming their ratings. On balance the negative rating actions taken by Standard and Poor's and Moody's on the Canadian banks, while certainly worthy of note, do not cause staff to question continued investment in these banks as, even at the reduced levels, the ratings remain quite high. To the extent that Equity markets still reflect rational thought they would seem to share this view as many Canadian banks are near all time highs. Staff also discussed the rating actions with the Committee and no concerns were raised.

Subsequent to End of Reporting Quarter

At the January 23 meeting, the Bank of Canada softened an already weak tightening bias by saying any removal of monetary stimulus was less imminent than previously anticipated.

The headline number for the first estimate of U.S. GDP for the 4th Quarter of 2012 printed a small negative. The details, however, were less alarming with the largest quarterly drop in defense spending since 1972 and a much slower inventory build primary negative factors. A return to recession is currently not expected.

In early January the Basel Committee issued their guidance on Liquidity Coverage Ratio requirements which not only delayed implementation but also significantly watered down the definition of high-quality liquid assets from Government Bonds and Central Bank deposits to now include BBB- rated corporate bonds, equities and some securitizations. While certainly there would be some corporate debt that would be preferable to some sovereigns, BBB seems like quite a stretch. The net result is that Governments will probably continue to be the lenders of first and last resort in any crisis.

Staff attended a Society of Canadian Treasurer's Roundtable in Halifax which was the last in a series held across the country. There was considerable discussion not only on the Basel Committee rules but also the zeal of Canadian regulators to keep Canada at the forefront of all international capital and liquidity guidelines and whether this was harming the competitiveness of the Canadian banks.

Outlook & Strategy

Signs of life in the U.S. housing market have certainly been a welcome development along with at least tepid employment growth. In Europe the tools seem to be in place to prevent an unruly calamity but whether the political will can be maintained through the various upcoming elections may be another matter. The U.S. also faces a number of political hurdles in the next several months which could upset markets and confidence.

The lack of inflation, particularly in the U.S. given all of the extraordinary Monetary Policy measures taken, is troubling. Should inflation measures move to negative prints it is unclear as to how long it would take a self-fulfilling deflationary mindset to take hold. While Canada at least has room to cut rates and try some quantitative easing, in the U.S. having done so much already they seem to be facing the law of diminishing returns of further policy action. Of course a pickup in the velocity of money could well see the opposite effect with a jump in inflation measures. However given the various forces at play a muddling through of tepid employment and economic growth with fairly stable inflation is probably most likely for the immediate future. We will continue the strategy of locking in rates when they are relatively attractive out to the one year term and beyond while covering cash needs and ensuring funds are available to rollover to longer terms when the longer rates are less attractive.

Policy Compliance

In keeping with the recent amendments to the Policy staff has modified the Policy Compliance section. Feedback from the Committee on the adequacy of these changes would be appreciated.

Objectives:

<u>Preservation of Capital</u> - There was no loss of capital during the Quarter.

<u>Liquidity</u> - No overdraft charges were incurred and sufficient cash was available to meet all requirements. The funded ratio of the Reserves at Quarter end was 100%.

<u>Competitive Return on Investments</u> - The rate of return was slightly below median for the year ending December 31, 2012 before allowing for fees for external management. After allowing for these fees the rate of return would have exceeded median therefore staff maintain that the Policy benchmark was met.

Strategies:

<u>Diversification of Investment Portfolio</u> - Staff believe that diversification has been adequately maintained under the constraints of the Policy.

<u>Regular Review of Performance</u> - Performance data continues to be reported to the Investment Policy Advisory Committee.

Risk Management Approach - In implementing investment decisions staff seek a balance

between the Objectives of the Investment Policy and the risks inherent in markets to look to achieve an optimal rate of return.

FINANCIAL IMPLICATIONS

Staff is anticipating that Operating Fund Investment Income for the fiscal year will be \$2,050,000 versus a budget of \$1,100,000. This substantial positive variance is primarily due to much better than anticipated cash levels for the Operating Fund. Somewhat better than expected interest rates were also a contributing factor.

COMMUNITY ENGAGEMENT

Investment activities are reported quarterly to the Investment Policy Advisory Committee. The majority of members of this Committee (4 of 6) are volunteers from the general public. The Committee reports to Audit and Finance Committee of Council quarterly on staff's compliance with the Investment Policy. In addition, the Committee conducts an annual review of the Investment Policy and makes recommendations for any changes considered appropriate.

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

N/A

ATTACHMENTS

Sector Weight Schedules @ December 31, 2012 (Schedules A,B,C,D & E)

Appendix A - Economic Statistics and Central Bank Actions

Appendix B - List of Eligible Investments

Appendix C - DBRS Rating Scale

A copy of this report can be obtained online at http://www.halifax.ca/commcoun/cc.html then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

Derek Tynski, BA, CMA, Deputy Treasurer, 490-6471

Original signed

Report Approved by:

Jerry Blackwood, CGA, Manager of Revenue, 490-6470

Sector Weights @ December 31, 2012

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	6,916,840	2%	368,250,814	100%	357,349,049	97%
Federal Government	Open	6,916,840	2% 0%				
Business Development Bank	Open Open	0	0%				
Canada Mortgage & Housing Corp. Canadian Wheat Board	Open	ő	0%				
Export Development Canada	Open	_					
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	196,133,045	53%	368,250,814	100%	172,117,769	47%
Total Alberta (R-1 High)	Open	0	2%	92,062,703	25%	83,025,350	23%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open Open	0					
Alberta Treasury Branches (R-1 High) British Columbia (R-1 High)	Open	60,983,631	17%	92,062,703	25%	31,079,072	8%
Manitoba (R-1 Mid)	Open	4,234,080	1%	92,062,703	25%	87,828,623	24%
New Brunswick (R 1 Mid)	Open	0	0% 18%	92,062,703 92,062,703	25% 25%	92,062,703 25,188,195	25% 7%
Ontario (R-1 Mid)	Open Open	66,874,508 64,040,826	18%	92,062,703	25%	26,022,163	7%
Quebec (R-1 Mid) Quebec	Орен	28,381,436					
Financement Quebec		14,807,250					
Hydro Quebec	0	20,852,140 0	0%	92,082,703	25%	92,062,703	25%
Saskatchewan (R 1 High)	Open	· ·	0.0	52,002,100	2010	02,002,000	
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		92,062,703	25%	92,062,703	25%
Calgary (R-1 Hign)	Open			36,825,081	10%	36,825,081	10% 10%
Edmonton (R-1 High)	Open			36,825,081	10%	36,825,081	1076
Financial Institutions & their Guarantees /Corporat	ions	150,172,527	41%	184,125,407	50%	33,952,880	9%
	BA's Schedule A					5	
	Canadian Banks R-1	402 404 404	33%	184,125,407	50%	61,023,923	17%
Tier 1 - Financial Institutions & their Guarantees Bank of Montreal (R-1 High)	Mid Open	123,101,484 34,907,660	9%	36,825,081	10%	1,917,421	1%
Bank of Nova Scota (R-1 High)	Open	0	9%	36,825,081	10%	5,459,234	1%
Bank of Nova Scotia Effective Cash		1,365,848					
Bank of Nova Scotia - Notice Account	•	30,000,000 30,543,746	8%	36,825,081	10%	6,281,335	2%
Canadian Impenal Bank of Commerce (R-1 High) Royal Bank (R-1 High)	Open Open	6,986,560 }	2%	36,825,081	10%		8%
Royal Bank - Effective Cash	Орен	5,381 }					
Toronto Dominion (R-1 High)	Open	19,292,289	5%	36,825,081	10%	17,532,792	5%
To a street with the second second	R-1 Mid/High***	27,071,043	7%	92,062,703	25%	64,991,660	18%
Tier 2 - Financial Institutions & Corporations National Bank of Canada (R-1 Mid)	Open	10,487,492	3%	18,412,541	5%		2%
OMERS Realty Corporation (R-1 High)	Open	13,590,781	4%	18,412,541	5%		1%
CDP Financial Inc (R-1 High)	Open	0	0%	18,412,541	5% 5%		5% 5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0 2,992,770	0% 1%	18,412,541 18,412,541	5%		4%
Desjardins Total Desjardins Group (R-1 High)	Open	2,332,170	170	10,112,017	• • •	7-177-177	
Caisse Centale Desjardins (R-1 High)	Open	2,992,770					
		277 000 442	96%				
Total Cash and Equivalents		353,222,412	9070				
FIXED (Bonds, etc. over one year)				7/			
Federal Government		3,984,925	1%	73,650,163	20%	69,685,238	19%
Money Market Bond Pool		3,984,925					
Bolid Pool		0,00 ,,000					
Provincial Government & their Guarantees		11,037,067	3%	73,650,163			17% 17%
Money Market		10,005,469 8,005,755	3% 2%	73,650,163 38,825,081			8%
Alberta Alberta		1,990,614	2.0	00,525,55			
Alberta Capital Finance Authority		6,015,141					
Alberta Treasury Branches		0	0%	36,825,081	10%	36,825,081	10%
British Columbia		0	0%	36,825,081			10%
Manitoba New Brunswick		ō	0%	36,825,081		36,825,081	10%
Ontario		0	0%	36,825,081			10% 9%
Quebec		1,999,714 1,999,714	1%	36,825,081	10%	34,825,367	970
Quebec Financement Quebec		0					
Saskatewan		0	0%	36,825,081	10%	36,825,081	10%
		4 024 508	3%	72 650 462	20%	62,613,096	17%
Bond Pool		1,031,598 1.031,598	3% 2%	73,650,163 36,825,081			8%
Alberta Alberta		1,001,000		55,522,55			
Alberta Capital Finance Authority		1,031,598					
Albena Treasury Branches		0	0%	36,825,081	109	6 38,825,081	10%
British Columbia Manifoba		0	0%	36,825,081			10%
New Brunswick		0	0%	36,825,081			10%
Ontario		0	0%	36,825,081			10% 9%
Quebec		0	1%	36,825,081	109	6 34,825,367	0 70
Quebec Financement Quebec							
Saskatewan		0	0%	36,825,081	109	6 36,825,081	10%
Total Fixed		15,021,992	4%	73,650,163	209	6 58,628,171	16%
Equities							
Bank of Montreal		6,410					
Total Equites		6,410					
Total Investments		368,250,814					
			_				
Interest Bearing Exink Accounts - O/S Cheque Cover	age	11,840,594	•				
Total Investments and O/S Cheques Coverage		380,091,407					-

Operating Funds Sector Weights Sector Weights @ December 31, 2012

		Cumulative					
	Category Status	Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
	Category Clates	G Doom value					
CASH & EQUIVALENTS							
Ondit a Egotyniii. 110							
Federal Government & its Guarantees	Open	4,508,552	2%	236,760,097	100%	232,251,545	98%
Federal Government	Open	4,508,552 0	2% 0%				
Business Development Bank Canada Mortgage & Housing Corp	Open Open	0	0%				
Canadian Wheat Board	Open	ŏ	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	127,843,927	54%	236,760,097	100%	108,916,170	46%
Total Alberta (R-1 High)	Open	0	0%	59,190,024	25%	55,269,220	23%
Alberta (R-1 High)	Open	ŏ		*-(,,			
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0	17%	59,190,024	25%	19,439,523	8%
British Columbia (R-1 High)	Open Open	39,750,501 2,759,869	1%	59,190,024	25%	56,430,156	24%
Manitoba (R-1 Mid) New Brunswick (R-1 Mid)	Open	2,755,565	0%	59,190,024	25%	59,190,024	25%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			59,190,024	25%	59,190,024	25%
Ontario (R-1 Mid)	Open	43,590,307	20%	59,190,024	25%	15,599,717	7%
Quebec (R-1 Mid)	Open	41,743,250	18%	59,190,024	25%	16,143,316	7% 25%
Saskatchewan (R-1 High)	Open	0	0%	59,190,024	25%	59,190,024	23%
				LL			
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		59,190,024	25% 10%	59,190,024 23,676,010	25% 10%
Calgary (R.1 Hign)	Open Open			23,676,010 23,676,010	10%	23,676,010	10%
Edmonton (R-1 righ)	Open			23,010,010	10 /0	25,575,515	10.0
Financial Institutions & their Guarantees /Corpora	tions	97,885,828	41%	118,380,048	50%	20,494,220	9%
	BA's Schedule A				1		
Tier 1 - Financial Institutions & their Guarantees	Canadian Banks R-1 Mid	80,240,314	34%	118,380,048	50%	38,139,734	16%
Bank of Montreal (R-1 High)	Open	22,753,597	10%	23,676,010	10%	922,412	0%
Bank of Nova Scotia (R-1 High)	Open	0	9%	23,676,010	10%	3,231,045	1%
Bank of Nova Scotia Effective Cash		890,290					
Bank of Nova Scotia - Notice Account	_	19,554,674		00.070.040	4004	2 700 040	2%
Canadian Imperial Bank of Commerce (R-1 High)	Open	19,909,100 4,553,997)	8% 2%	23,676,010 23,676,010	10% 10%	3,766,910 19,118,505	2% 8%
Royal Bank (R-1 ingh) Royal Bank - Effective Cash	Open	3,507)	2.70	23,070,010	1070	15,110,000	0.0
Toronto Dominion (R-1 High)	Open	12,575,148	5%	23,676,010	10%	11,100,862	5%
, , , , , , , , , , , , , , , , , , ,							
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	17,645,514	7%	59,190,024	25%	41,544,510	18% 2%
National Bank of Canada (R-1 Mid)	Open	6,835,983 8,858,777	3% 4%	11,838,005 11,838,005	5% 5%	5,002,022 2,979,228	1%
OMERS Realty Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open Open	0,050,777	0%	11,838,005	5%	11,838,005	5%
Ontario Infrastructure Projects Corporation (R-1 High)	•	0	0%	11,838,005	5%	11,838,005	5%
Desjardins Total	•	1,950,755	1%	11,838,005	5%	9,887,250	4%
Desjardins Group (R-1 High)	Open	0					
Caisse Centule Desjardins (R-1 High)	Open	1,950,755					
Total Investments		230,238,307	97%				
EIVED /Pands ats over one wast							
FIXED (Bonds, etc. over one year) Federal Government		0	0%	47,352,019	20%	47,352,019	20%
Money Market		0					
Bond Pool		0					
On the table of		6 524 700	3%	47,352,019	20%	40,830,230	17%
Provincial Government & their Guarantees Money Market		6,521,790 6,521,790	3%	47,352,019	20%		17%
Alberta		3,920,804	2%	23,676,010			8%
Alberta							
Alberta Capital Finance Authority		3,920,804					
Alberta Treasury Branches		0	0%	23,676,010	10%	23,676,010	10%
British Columbia Manitoba		0	0%	23,676,010			10%
New Bruswick		Ö	0%	23,676,010		23,676,010	10%
Ontario		0	0%	23,676,010			10%
Quebec		1,303,459	1%	23,676,010	10%	22,372,551	9%
Quebec Financement Quebec		1,303,459 0					
Saskatewan		ő	0%	23,676,010	10%	23,676,010	10%
						1000	
Bond Pool		0	3%	47,352,019			17%
Alberta Alberta		0	2%	23,676,010	10%	19,755,206	8%
Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0					
British Columbia		0	0%	23,676,010			10%
Manitoba		0	0% 0%	23,676,010			10% 10%
New Bruswick Ontario		0	0% 0%	23,676,010 23,676,010			10%
Quebec		0	1%	23,676,010			9%
Quebec		0		25		- 35	
Financement Quebec		0				00.070.000	407
Saskatewan		0	0%	23,676,010	10%	23,676,010	10%
Total Fixed		6,521,790	3%	47,352,019	20%	40,830,230	17%
I Over 1 IACO		0,521,150		,,	20 //		
Total Investments		236,760,097					
0.00 Character 1		44.040.504					
Interest Bearing Bank Accounts - O/S Cheque Cover	age	11,840,594					
Total Investments and O/S Cheques Coverage		248,600,690					
•							

Capital Funds Sector Weights Sector Weights @ December 31, 2012

50010	L Meidista (S) December 2	1, 2012						
	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%	
CASH & EQUIVALENTS								
Federal Government & its Guarantees	Open	0	0%	0	100%	0	0%	
Federal Government	Open	0	0%					
Business Development Bank	Open	0	0% 0%					
Canada Morgage & Housing Corp. Canadian Wheat Board	Open Open	ő	0%					
Export Development Canada	Open							
Farm Credit Corp	Open	0	0%					
Provincial Governments & their Guarantees	R-1 Mid or Greater	0	0%	0	100%	0	0%	
Total Alberta (R-1 High)	Open	0	0%	0	25%	0	0%	
Alberta (R-1 High)	Open	0						
Alberta Capital Finance Authority (R-1 High) Alberta Treasury Branches (R-1 High)	Open Open	ő						
British Columbia (R. 1 High)	Open	0	0%	0	25%	0	0%	
Manitoba (R 1 Mid)	Open	0	0% 0%	0	25% 25%	0	0% 0%	
New Brunswick (R-1 Mid) New Brunswick Municipal Finance Corp (R-1 Mid)	Open Open	ŭ	0,0	ō	25%	0	0%	
Ontario (R-1 Mid)	Open	0	0%	0	25%	0	0% 0%	
Quebec (R-1 Mid)	Open	0	0% 0%	0	25% 25%	0	0%	
Saskatchewan (R-1 High)	Open		0,0	·		·		
288				0	25%	. 0	0%	
Municipal Governments & their Guarantees*	R-1 Mid or Greater Open	0		ő	10%		0%	
Calgary (R-1 High) Edmonton (R-1 High)	Open			0	10%		0%	
4			00/	0	50%	. 0	0%	
Financial Institutions & their Guarantees /Corpora	itions BA's Schedule A	0	0%	· ·	30 %		U /4	
	Canadian Banks R-1							
Tier 1 - Financial Institutions & their Guarantees	Mid	0	0%	0	50% 10%		0% 0%	
Bank of Montreal (R-1 High)	Open Open	0	0% 0%	0	10%		0%	
Bank of Nova Scotia (R-1 High) Bank of Nova Scotia Effective Cash	Орел	ŏ	0.0	-				
Bank of Nova Scotia - Notice Account		0			10%	. 0	0%	
Canadian Imperial Bank of Commerce (R-1 High)	Open Open	0	0%) 0%	0	10%		0%	
Royal Bank (R-1 High) Royal Bank - Effective Cash	Орен	0))					
Toronto Dominion (R-1 High)	Open	0	0%	0	10%	, 0	0%	
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	0	0%	0	25%		0%	
National Bank of Canada (R-1 Mid)	Open	0	0% 0%	0			0% 0%	
OMERS Ready Corporation (R-1 High) CDP Financial Inc (R-1 High)	Open Open	Ö	0%	ő				
Ontario Infrastructure Projects Corporation (R-1 High		0	0%	0				
Desjardins Total	Open	0	0%	0	5%	. 0	0%	
Desjaroins Group (R-1 High) Caisse Centale Desjardins (R-1 High)	Open	ŏ						
Total Investments		0	0%					
FIXED (Bonds, etc. over one year)								
Federal Government		0	0%	0	20%	. 0	0%	
Money Market Bond Pool		0						
BONG 1-001		·						
Provincial Government & their Guarantees		0	0%	0	20%	_	0%	
Money Market Alberta		0	0% 0%	Ö			0%	
Alberta								
Albertal Capital Finance Authority		0						
Alberta Treasury Branches British Columbia		0	0%	0				
Manitopa		0	0%	0				
New Bruswick		0	0% 0%	0				
Ontario Quebec		ő	0%	Ö				
Quebec		0						
Financement Quobec		0	0%	c	109	6 C	0%	
Saskatewan								
Bond Pool Alberta		0	0% 0%	0				
Alberta		0			-			
Alberta Capital Finance Authority		0						
Alberta Treasury Branches British Columbia		0	0%	c	109	6 (0%	
Manitoba		0	0%	0	109			
New Bruswick		0	0% 0%	(
Ontario Quebec		0	0% 0%	Č				
Quenes		Ō						
Financement Quebec		0	0%	(109	6 1	0%	
Saskatowan								
Total Fixed		0	0%	(209	%	0%	
Total Investments		0						

Total Investments

Reserve Funds Sector Weights Sector Weights @ December 31, 2012

5666		.,,					
		Cumulative Amount Invested					
	Category Status	@ Book Value	%	Guideline Limit	%	Limit Available	%
ALOUA COUNTY TAITS							
CASH & EQUIVALENTS						101 700 000	0.594
Federal Government & its Guarantees	Open	2,344,377 2,344,377	2% 2%	128,128,104	100%	121,798,802	95%
Federal Government Business Development Bank	Open Open	2,344,377	0%				
Canada Mongage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open Open	0	0%				
Farm Credit Corp	Орел						
Provincial Governments & their Guarantees	R-1 Mid or Greater	66,475,861	52%	128,128,104		61,651,243 28,286,977	48% 22%
Total Alberta (R-1 High)	Open Open	0	2%	32,032,026	25%	26,260,977	22.10
Alberta (R-1 High) Alberta Capital Finance Authority (R-1 High)	Open	ō					
Alberta Treasury Branches (R-1 High)	Open	0					9%
British Columbia (R 1 High)	Open	20,669,645	17% 1%	32,032,026 32,032,026	25% 25%	11,362,381 30,596,937	24%
Manitoba (R-1 Mid)	Open Open	1,435,089 0	0%	32,032,026	25%	32,032,026	25%
New Brunswick (R-1 Mid) New Brunswick Municipal Finance Corp (R-1 Mid)	Open	·	• • •	32,032,028	25%	32,032,026	25%
Ontario (R-1 Mid)	Open	22,666,284	20%	32,032,026	25%	9,365,742	7%
Quebec (R-1 Mid)	Open	21,705,843	17%	32,032,026	25%	9,648,405 32,032,026	8% 25%
Saskatchewim (R-1 rligh)	Open	0	1%	32 032,026	25%	32,032,026	2376
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		32,032,026	25%	32,032,026	25%
Calgary (R 1 High)	Open			12,812,810	10%	12,812,810	10%
Edmonton (R 1 ngn)	Open			12,812,810	10%	12,812,810	10%
		2217979					10%
Financial Institutions & their Guarantees /Corporal	tions BA's Schedule A	50,899,114	40%	64,064,052	50%	13,164,938	10%
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	41,723,720	33%	64,064,052		22,340,332	17%
Bank of Montreal (P-1 High)	Open	11,831,518	9%	12,812,810	10%	981,292	1% 2%
Bank of Nova Scotia (R-1 High)	Open	0 462,937	8%	12,812,810	10%	2,181,746	2%
Bank of Neva Scotia Effective Cash Bank of Neva Scotia - Notice Account		10,168,128					
Canadian Imperial Bank of Commerce (R-1 High)	Open	10,352,424	8%	12,812,810	10%	2,460,387	2%
Royal Bank (R-1 High)	Open	2,388,008)	2%	12,812,810	10%	10,442,979	8%
Royal Bank - I ffective Cash	0	1,824) 6,538,882	5%	12,812,810	10%	6,273,929	5%
Toronto Dortenion (R-1 High)	Open	0,330,002					
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	9,175,394	7%	32,032,026		22,856,632 2,851,800	18% 2%
National Bank of Canada (R-1 Mid)	Open	3,554,605 4,606,426	3% 4%	6,406,405 6,406,405		1,799,979	1%
OMERS Ready Corporation (R-1 High) CDP Financial inc (R-1 High)	Open Open	4,000,420	0%	6,406,405		6,406,405	5%
Ontario Intrastructure Projects Corporation (R-1 High)		Ď	0%	6,406,405	5%	6,406,405	5%
Desjardins Total		1,014,362	1%	6,406,405	5%	5,392,043	4%
Desjardins Group (R-1 High)	Open Open	0 1,014,362					
Caisse Centale Desjardins (R-1 High)	Орен	1,014,302					
Total Cash and Equivalents		119,720,351	93%				
FIXED (Bonds, etc. over one year)							
Federal Government		3,984,925	3%	128,128,104	100%	124,143,179	97%
Money Market Bond Pool		3,984,925					
		4,422,528	3%	64,064,052	50%	59,641,224	47%
Provincial Government & their Guarantees Money Market		3,391,230	3%	64,064,052			47%
Alberta		2,713,451	3%	12,812,810			7%
Alberta		674,694					
Albertal Capital Finance Authority		2,038.757					
Alberta Trensury Branches British Columbia		0	0%	12,812,810	10%	12,812,810	10%
Manitopa		0	0%	12,812,810	10%		10%
New Britishick		0	0%	12,812,810			10%
Ontario		0 677,778	0% 1%	12,812,810 12,812,810			10% 9%
Quebec Quebec		677,778	1 70	12,012,010	, 10%	12,100,002	
Financement Cambec		0					
Saskatewan		0	0%	12,812,810	10%	12,812,810	10%
Bond Pool		1,031,598	3%	64,064,052			47%
Alberta		1,031,598	3%	12,812,810	10%	9,067,761	7%
Albertal Albertal Capital Finance Authority		0 1,031,598					•
Alberta Treasury Branches		0					
British Columbia		0	0%	12,812,810			10%
Mandoba		0	0%	12,812,810			10% 10%
New Braswick		0	0% 0%	12,812,810 12,812,810			10%
Ontario Quebec		0	1%	12,812,810			9%
Queber		0					
Financement Quebec		0	0%	12 812 81	10%	12,812,810	10%
Saskitewan		0		12,812,810			
Total Fixed		8,407,753	7%	128,128,104	100%	119,720,351	93%
Total Investments		128,128,104					

Trust Funds Sector Weights Sector Weights @ December 31, 2012

b	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	63,911	2%	3,362,613	100%	3,298,702	98%
Federal Government	Open	63,911	2%				
Business Development Bank Canada Mortgage & Flousing Corp.	Open Open	0	0% 0%				
Canadian Wheat Board	Open	Ō	0%				
Export Development Canada Farm Credit Corp	Open Open	0	0%				
Fami Credit Corp	•						400
Provincial Governments & their Guarantees Total Alberta (R 1 Figh)	R-1 Mid or Greater Open	1,812,257 0	54% 2%	3,362,613 840,853	25%	1,550,356 766,681	46% 23%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open Open	0					
Alberta Treasury Branches (R-1 High) British Columbia (R-1 High)	Open	563,485	17%	840,653	25%	277,168	8%
Manitobii (R-1 Mxl)	Open Open	39,123 D	1% 0%	840,853 840,853	25% 25%	801,531 840,653	24% 25%
New Brunswick (R-1 Mid) New Brunswick Municipal Finance Corp (R-1 Mid)	Open	-		840,653	25%	840,653	25%
Ontario (R-1 Mid)	Open	617,916 591,733	21% 18%	840,653 840,653	25% 25%	222,737 230,443	7% 7%
Quebec (R-1 Mid) Saskatchewan (R-1 High)	Open Open	0	0%	840,653	25%	840,653	25%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		840,653	25%	840,653	25%
Calgary (R-1 High)	Open			336,261 336,261	10% 10%	338,261 336,261	10% 10%
Edmonton (R-1 Lugh)	Open			330,201	1070	550,251	10.0
Financial Institutions & their Guarantees /Corpora	BA's Schedule A	1,387,585	41%	1,681,307	50%	293,722	9%
Tier 1 - Financial Institutions & their Guarantees	Canadian Banks R-1 Mid	1,137,450	34%	1,681,307	50%	543,856	16%
Bank of Montreal (R-1 High)	Open	322,545	10%	336,261	10%	13,717	0% 1%
Bank of Nova Scotia (R-1 High) Bank of Nova Scotia Effective Cash	Open	0 12.620	9%	336,261	10%	46,443	176
Bank of Nova Scotia - Notice Account		277,198					***
Canadian Imperial Bank of Commerce (R-1 High)	Open Open	282,222 64,555 }	8% 2%	338,261 336,261	10% 10%	54,039 271,658	2% 8%
Royal Bank (R-1 High) Royal Bans - Effective Cash	Орен	50)					
Toronto Dominior- (R 1 High)	Open	178,260	5%	336,261	10%	158,002	5%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	250,135	7%	840,653	25%	590,519	18%
National Bank of Canada (R-1 Mid)	Open Open	96,904 125,578	3% 4%	168,131 168,131	5% 5%	71,227 42,553	2% 1%
OMERS Realty Corporation (R-1 High) ODP Financial Inc (R-1 High)	Open	0	0%	168,131	5%	168,131	5%
Ontano intrastructure Projects Corporation (R-1 High) Open	0 27,653	0% 1%	168,131 168,131	5% 5%	168,131 140,478	5% 4%
Desjardins Fotal Desjardins Group (R-1 High)	Open	27,055	1 70	100,131	370	140,470	4,0
Caisse Centale Desjardins (R-1 High)	Open	27,653					
		3,263,753	97%				
Total Cash and Equivalents		3,263,763	9170				
FIXED (Bonds, etc., over one year) Federal Government		0	0%	3,362,613	100%	3,362,613	100%
Money Market		0					
Bond Paul		0					
Provincial Government & their Guarantees		92,450 92,450	3% 100%	3,362,613 3,362,613		3,270,163 3,270,163	97% 97%
Money Market Alberta		73,973	2%	336,261		262,289	8%
Alberta		18.393 55,580					
Alberta Capital Finance Authority Alberta Reasury Branches		33,300					
British Columbia		0	0% 0%	338,261 336,261	10% 10%		10% 10%
Mantoba New Bruswick		o	0%	336,261		336,261	10%
Ontairo		0	0%	336,261 336,261			10% 9%
Quebec Quebec		18,477 18,477	1%	330,201	1076	317,704	- "
Financement Quebec		0	0%	336,261	10%	338,261	10%
Saskatewan							
Bond Pool Alberta		0	3% 2%	3,362,613 336,261			97% 8%
Alberta		0					
Alberta Capital Finance Authority		0					
Alberta Treasury Branches British Columbia		0	0%	336,261			10%
Manifoba		0	0% 0%	336,261 336,261			10% 10%
New Bruswick Onlario		0	0%	336,261	10%	336,261	10%
Quebec		0	1%	336,261	10%	317.784	9%
Quebec Financement Quebec		D					
Saskatewan		0	0%	336,261	10%	336,261	10%
Total Fixed		92,450					
Equities Bank of Montreal		6,410					
Total Equities		6,410					
Total Investments		3,362,613					

Appendix A

Economic Statistics

	Canada	US
Unemployment Rate	Oct 7.4%, Nov 7.2%, Dec 7.1%	Oct 7.9%, Nov 7.7%, Dec 7.9%
Jobs Created / (Lost) ('000's)	Oct 0, Nov 59, Dec 40	Oct 160, Nov 247, Dec 196
CPI (year over year)	Oct 1.2%, Nov .8%, Dec .8%	Oct 2.2%, Nov 1.8%, Dec 1.7%
CPI-X (Core) (year over year)	Oct 1.3%, Nov 1.2%, Dec 1.1%	Oct 2.0%, Nov 1.9%, Dec 1.9%
GDP	NA	Q4 A1%

Central Bank Activities

October 23 Bank of Canada Maintains overnight rate at 1.0%

November 3 U.S. Federal Open Market Committee maintains Target Range of 0% to .25%

December 4 Bank of Canada Maintains overnight rate at 1.0%

• December 14 U.S. Federal Open Market Committee maintains Target Range of 0% to .25%

Appendix B

List of Eligible Investments

-9-

The Government of Canada & Its Guarantees:

Federal Government

Business Development Bank

Canada Mortgage & Housing Corporation

Canadian Wheat Board

Export Development Canada

Farm Credit Corporation

Provincial Governments & Their Guarantees:

The Province of Alberta & Its Guarantees

The Province of British Columbia & Its Guarantees

The Province of Manitoba & Its Guarantees

The Province of New Brunswick & Its Guarantees

The Province of Ontario & Its Guarantees

The Province of Quebec & Its Guarantees

The Province of Saskatchewan & Its Guarantees

Municipal Governments & Their Guarantees:

The Municipality of Calgary & Its Guarantees

The Municipality of Edmonton & Its Guarantees

Financial Institutions & Their Guarantees (Tier 1):

The Bank of Montreal & Its Guarantees

The Bank of Nova Scotia & Its Guarantees

Canadian Imperial Bank of Commerce & Its Guarantees

Royal Bank of Canada & Its Guarantees

Toronto Dominion Bank & Its Guarantees

Financial Institutions & Corporations (Tier 2):

Desjardins Group

Caisse Centrale Desigrdins

CDP Financial Inc

National Bank of Canada

Ontario Infrastructure and Lands Corporation

OMERS Finance Trust

Appendix C

Dominion Bond Rating Service (DBRS) Rating Scale

R-1 (high)

Short-term debt rated R-1 (high) is of the highest credit quality, and indicates an entity possessing unquestioned ability to repay current liabilities as they fall due. Entities rated in this category normally maintain strong liquidity positions, conservative debt levels, and profitability that is both stable and above average. Companies achieving an R-1 (high) rating are normally leaders in structurally sound industry segments with proven track records, sustainable positive future results, and no substantial qualifying negative factors. Given the extremely tough definition DBRS has established for an R-1 (high), few entities are strong enough to achieve this rating.

R-1 (middle)

Short-term debt rated R-1 (middle) is of superior credit quality and, in most cases, ratings in this category differ from R-1 (high) credits by only a small degree. Given the extremely tough definition DBRS has established for the R-1 (high) category, entities rated R-1 (middle) are also considered strong credits, and typically exemplify above average strength in key areas of consideration for the timely repayment of short-term liabilities.

R-1 (low)

Short-term debt rated R-1 (low) is of satisfactory credit quality. The overall strength and outlook for key liquidity, debt, and profitability ratios is not normally as favourable as with higher rating categories, but these considerations are still respectable. Any qualifying negative factors that exist are considered manageable, and the entity is normally of sufficient size to have some influence in its industry.