

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original signed  
Councillor Bill Karsten, Chair, Audit and Finance Standing Committee

**DATE:** September 19, 2013

**SUBJECT:** Investment Policy Advisory Committee Report – Quarter Ending March 31, 2013

### **INFORMATION REPORT**

#### **ORIGIN**

A motion of the Audit and Finance Committee at a meeting held on September 18, 2013.

#### **LEGISLATIVE AUTHORITY**

The Terms of Reference of the Audit and Finance Standing Committee Section 3.2 – Finance and Risk Management.

#### **BACKGROUND**

The Audit and Finance Standing Committee received the May 30, 2013 staff report at the September 18, 2013 meeting. For further background see the attached report.

#### **DISCUSSION**

The Audit and Finance Committee recommended that the May 30, 2013 report be forwarded to Council for Information.

#### **FINANCIAL IMPLICATIONS**

There are no financial implications attached to this report.

#### **COMMUNITY ENGAGEMENT**

Audit and Finance Standing Committee meetings are open to public and all agendas, reports and minutes are available on the web in advance of meetings.

**ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications associated with this report.

**ALTERNATIVES**

The Committee did not provide any other alternatives.

**ATTACHMENTS**

Investment Policy Advisory Committee Report – Quarter Ending March 31, 2013

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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: Sherryll Murphy, Deputy Municipal Clerk, 490-4211

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

**Audit and Finance Standing Committee**  
**August 21, 2013**

**TO:** Chair and Members of Audit and Finance Standing Committee

**SUBMITTED BY:** Original Signed  
Councillor Outhit, Co-Chair Investment Policy Advisory Committee

Original Signed  
Derek Tynski, Co-Chair Investment Policy Advisory Committee

**DATE:** May 30, 2013

**SUBJECT:** Investment Policy Advisory Committee Report – Quarters ending  
March 31, 2013

**ORIGIN**

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.

## **BACKGROUND**

The Halifax Regional Municipality Investment Policy (the Policy) was adopted by Council April 23, 2002 and was approved by the Minister of Service Nova Scotia and Municipal Relations (the Minister) on May 14, 2002. Amendments to the Policy, as recommended by the Investment Policy Advisory Committee (the Committee) were approved by Council and the Minister in 2005, 2007, 2008, 2010 and early 2012. A review of the Policy by the Committee in late 2012 did not result in any recommended changes.

The mandate of the Committee is to recommend an investment policy to Council as well as provide ongoing monitoring of investment activities. Following adoption and approval of the Policy, the activities of the Committee have shifted to the monitoring role as well as annual reviews of the Policy.

## **DISCUSSION**

The Investment Policy Advisory Committee is pleased to provide this report under the provisions of the Policy. The primary focus of this report will be to report on compliance with the objectives of the Policy.

The three objectives and three strategies of the Policy, stated in order of priority of importance, are as follows:

**Objective:**

1. Preservation of Capital
2. Liquidity
3. Competitive Return on Investments

**Strategies:**

4. Diversification of Investment Portfolio
5. Regular Review of Performance
6. Risk Management Approach

Copies of the Sector Weight schedules recommended under the Policy are attached.

The Committee has reviewed the information provided by staff in the Treasurer's report to the Committee for the Quarter ending March 31, 2013 and accepts the report and the findings contained in the report that the investment activities reported are in compliance with the Policy with the exceptions as noted below.

During the Quarter there were six individual days when the HRM bank accounts temporarily exceeded the Policy guidelines. Four of these days were by amounts of less than \$260,000 or less than 1/10<sup>th</sup> of 1% of the portfolio while the two other days were by amounts of \$5,000,000 and

\$3,000,000 or approximately 1.4% and .8% of the portfolio respectively. The Committee reviewed each of these instances and concurred with staff that they did not constitute a material increase in risk to the portfolio. The Committee recognizes that temporary variances may occur in the HRM bank accounts Sector Weight as these accounts receive all deposits and clear all payments for HRM and participating Associations, Boards, and Commissions as well as provide an attractive rate of interest. It is recognized that staff may use some discretion in the management of these cash flows that may result in temporary variances. However, all such instances must be reported to the Committee.

### **FINANCIAL IMPLICATIONS**

N/A

### **COMMUNITY ENGAGEMENT**

Investment activities are reported quarterly to the Investment Policy Advisory Committee. The majority of members of this Committee (5 of 7) 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 @ March 31, 2013 (Schedules A,B,C,D & E)

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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

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## Sector Weights @ March 31, 2013

## SCHEDULE A

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
<b>CASH &amp; EQUIVALENTS</b>							
<b>Federal Government &amp; its Guarantees</b>	Open	5,928,880	3%	234,711,931	100%	224,795,226	96%
Federal Government	Open	5,928,880	3%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open	0	0%				
Farm Credit Corp	Open	0	0%				
<b>Provincial Governments &amp; their Guarantees</b>	R-1 Mid or Greater	122,612,860	52%	234,711,931	100%	112,099,071	48%
Total Alberta (R-1 High)	Open	0	4%	58,677,983	25%	49,642,138	21%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	59,081,231	25%	58,677,983	25%	-403,248	0%
Manitoba (R-1 Mid)	Open	0	0%	58,677,983	25%	58,677,983	25%
New Brunswick (R-1 Mid)	Open	2,401,511	1%	58,677,983	25%	56,276,472	24%
Ontario (R-1 Mid)	Open	25,410,648	11%	58,677,983	25%	33,267,335	14%
Quebec (R-1 Mid)	Open	35,719,470	22%	58,677,983	25%	7,950,548	3%
Quebec		10,932,050					
Financement Quebec		4,934,250					
Hydro Quebec		19,853,170					
Saskatchewan (R-1 High)	Open	0	0%	58,677,983	25%	58,677,983	25%
<b>Municipal Governments &amp; their Guarantees*</b>	R-1 Mid or Greater	0		58,677,983	25%	58,677,983	25%
Calgary (R-1 High)	Open	0		23,471,193	10%	23,471,193	10%
Edmonton (R-1 High)	Open	0		23,471,193	10%	23,471,193	10%
<b>Financial Institutions &amp; their Guarantees /Corporations</b>		78,132,146	33%	117,355,966	50%	39,223,819	17%
<b>BA's Schedule A</b>							
<b>Canadian Banks R-1</b>							
<b>Tier 1 - Financial Institutions &amp; their Guarantees</b>	Mid	52,456,579	22%	117,355,966	50%	64,899,386	28%
Bank of Montreal (R-1 High)	Open	23,939,565	10%	23,471,193	10%	-468,372	0%
Bank of Nova Scotia (R-1 High)	Open	0	7%	23,471,193	10%	6,892,432	3%
Bank of Nova Scotia - Effective Cash		1,578,761					
Bank of Nova Scotia - Notice Account		15,000,000					
Canadian Imperial Bank of Commerce (R-1 High)	Open	4,944,458	2%	23,471,193	10%	18,526,735	8%
Royal Bank (R-1 High)	Open	4,986,230	2%	23,471,193	10%	18,484,963	8%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	2,007,565	1%	23,471,193	10%	21,463,628	9%
<b>Tier 2 - Financial Institutions &amp; Corporations</b>	R-1 Mid/High***	25,675,567	11%	58,677,983	25%	33,002,416	14%
National Bank of Canada (R-1 Mid)	Open	10,418,218	4%	11,735,597	5%	1,317,379	1%
OMERS Realty Corporation (R-1 High)	Open	11,267,869	5%	11,735,597	5%	467,728	0%
CDP Financial Inc (R-1 High)	Open	0	0%	11,735,597	5%	11,735,597	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	11,735,597	5%	11,735,597	5%
Desjardins Total		3,989,480	2%	11,735,597	5%	7,746,117	3%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	3,989,480					
<b>Total Cash and Equivalents</b>		<b>206,673,886</b>	<b>88%</b>				
<b>FIXED (Bonds, etc. over one year)</b>							
Federal Government		3,987,825	2%	46,942,386	20%	42,954,561	18%
Money Market							
Bond Pool		3,987,825					
<b>Provincial Government &amp; their Guarantees</b>		24,043,810	10%	46,942,386	20%	22,898,576	10%
<b>Money Market</b>		23,012,212	10%	46,942,386	20%	22,898,576	10%
Alberta		8,004,247	4%	23,471,193	10%	14,435,348	6%
Alberta		1,991,290					
Alberta Capital Finance Authority		6,012,957					
Alberta Treasury Branches		0					
British Columbia		0	0%	23,471,193	10%	23,471,193	10%
Manitoba		0	0%	23,471,193	10%	23,471,193	10%
New Brunswick		0	0%	23,471,193	10%	23,471,193	10%
Ontario		0	0%	23,471,193	10%	23,471,193	10%
Quebec		15,007,965	6%	23,471,193	10%	8,463,228	4%
Quebec		4,002,103					
Financement Quebec		11,005,862					
Saskatchewan		0	0%	23,471,193	10%	23,471,193	10%
<b>Bond Pool</b>		1,031,598	10%	46,942,386	20%	22,898,576	10%
Alberta		1,031,598	4%	23,471,193	10%	14,435,348	6%
Alberta							
Alberta Capital Finance Authority		1,031,598					
Alberta Treasury Branches		0					
British Columbia		0	0%	23,471,193	10%	23,471,193	10%
Manitoba		0	0%	23,471,193	10%	23,471,193	10%
New Brunswick		0	0%	23,471,193	10%	23,471,193	10%
Ontario		0	0%	23,471,193	10%	23,471,193	10%
Quebec		0	6%	23,471,193	10%	8,463,228	4%
Quebec							
Financement Quebec							
Saskatchewan		0	0%	23,471,193	10%	23,471,193	10%
<b>Total Fixed</b>		<b>28,031,635</b>	<b>12%</b>	<b>46,942,386</b>	<b>20%</b>	<b>18,910,751</b>	<b>8%</b>
<b>Equities</b>							
Bank of Montreal		6,410					
Total Equities		6,410					
<b>Total Investments</b>		<b>234,711,931</b>					
Interest Bearing Bank Accounts - O/S Cheque Coverage		10,840,039					
<b>Total Investments and O/S Cheques Coverage</b>		<b>245,551,970</b>					

**Operating Funds  
Sector Weights  
Sector Weights @ March 31, 2013**

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
<b>CASH &amp; EQUIVALENTS</b>							
<b>Federal Government &amp; its Guarantees</b>	<b>Open</b>	<b>2,110,359</b>	<b>3%</b>	<b>81,755,751</b>	<b>100%</b>	<b>79,645,392</b>	<b>97%</b>
Federal Government	Open	2,110,359	3%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open	0	0%				
Farm Credit Corp	Open	0	0%				
<b>Provincial Governments &amp; their Guarantees</b>	<b>R-1 Mid or Greater</b>	<b>43,643,505</b>	<b>53%</b>	<b>81,755,751</b>	<b>100%</b>	<b>38,112,246</b>	<b>47%</b>
Total Alberta (R-1 High)	Open	0	0%	20,438,938	25%	18,298,652	22%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	21,029,703	26%	20,438,938	25%	-590,765	-1%
Manitoba (R-1 Mid)	Open	0	0%	20,438,938	25%	20,438,938	25%
New Brunswick (R-1 Mid)	Open	854,807	1%	20,438,938	25%	19,584,131	24%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	0		20,438,938	25%	20,438,938	25%
Ontario (R-1 Mid)	Open	9,044,808	14%	20,438,938	25%	11,394,130	14%
Quebec (R-1 Mid)	Open	12,714,187	16%	20,438,938	25%	2,382,732	3%
Saskatchewan (R-1 High)	Open	0	0%	20,438,938	25%	20,438,938	25%
<b>Municipal Governments &amp; their Guarantees*</b>	<b>R-1 Mid or Greater</b>	<b>0</b>		<b>20,438,938</b>	<b>25%</b>	<b>20,438,938</b>	<b>25%</b>
Calgary (R-1 High)	Open	0		8,175,575	10%	8,175,575	10%
Edmonton (R-1 High)	Open	0		8,175,575	10%	8,175,575	10%
<b>Financial Institutions &amp; their Guarantees /Corporations</b>	<b>BA's Schedule A Canadian Banks R-1</b>	<b>27,810,792</b>	<b>34%</b>	<b>40,877,875</b>	<b>50%</b>	<b>13,067,084</b>	<b>16%</b>
<b>Tier 1 - Financial Institutions &amp; their Guarantees</b>	<b>Mid</b>	<b>18,671,687</b>	<b>23%</b>	<b>40,877,875</b>	<b>50%</b>	<b>22,206,188</b>	<b>27%</b>
Bank of Montreal (R-1 High)	Open	8,521,182	10%	8,175,575	10%	-345,607	0%
Bank of Nova Scotia (R-1 High)	Open	0	7%	8,175,575	10%	2,274,438	3%
Bank of Nova Scotia - Effective Cash		561,953					
Bank of Nova Scotia - Notice Account		5,339,184					
Canadian Imperial Bank of Commerce (R-1 High)	Open	1,759,958	2%	8,175,575	10%	6,415,617	8%
Royal Bank (R-1 High)	Open	1,774,827	2%	8,175,575	10%	6,400,749	8%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	714,584	1%	8,175,575	10%	7,460,991	9%
<b>Tier 2 - Financial Institutions &amp; Corporations</b>	<b>R-1 Mid/High***</b>	<b>9,139,105</b>	<b>11%</b>	<b>20,438,938</b>	<b>25%</b>	<b>11,299,833</b>	<b>14%</b>
National Bank of Canada (R-1 Mid)	Open	3,708,319	5%	4,087,788	5%	379,469	0%
OMERS Realty Corporation (R-1 High)	Open	4,010,748	5%	4,087,788	5%	77,039	0%
CDP Financial Inc (R-1 High)	Open	0	0%	4,087,788	5%	4,087,788	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	4,087,788	5%	4,087,788	5%
Desjardins Total		1,420,038	2%	4,087,788	5%	2,667,750	3%
Desjardins Group (R-1 High)	Open	0					
Caisse Centrale Desjardins (R-1 High)	Open	1,420,038					
<b>Total Investments</b>		<b>73,564,656</b>	<b>90%</b>				
<b>FIXED (Bonds, etc. over one year)</b>							
Federal Government		0	0%	16,351,150	20%	16,351,150	20%
Money Market		0					
Bond Pool		0					
<b>Provincial Government &amp; their Guarantees</b>		<b>8,191,095</b>	<b>10%</b>	<b>16,351,150</b>	<b>20%</b>	<b>8,160,055</b>	<b>10%</b>
<b>Money Market</b>		<b>8,191,095</b>	<b>10%</b>	<b>16,351,150</b>	<b>20%</b>	<b>8,160,055</b>	<b>10%</b>
Alberta		2,140,285	3%	8,175,575	10%	6,035,290	7%
Alberta		0					
Alberta Capital Finance Authority		2,140,285					
Alberta Treasury Branches		0					
British Columbia		0	0%	8,175,575	10%	8,175,575	10%
Manitoba		0	0%	8,175,575	10%	8,175,575	10%
New Brunswick		0	0%	8,175,575	10%	8,175,575	10%
Ontario		0	0%	8,175,575	10%	8,175,575	10%
Quebec		5,342,019	7%	8,175,575	10%	2,833,556	3%
Quebec		1,424,531					
Financement Quebec		3,917,488					
Saskatchewan		0	0%	8,175,575	10%	8,175,575	10%
<b>Bond Pool</b>		<b>0</b>	<b>10%</b>	<b>16,351,150</b>	<b>20%</b>	<b>8,160,055</b>	<b>10%</b>
Alberta		0	3%	8,175,575	10%	6,035,290	7%
Alberta		0					
Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0					
British Columbia		0	0%	8,175,575	10%	8,175,575	10%
Manitoba		0	0%	8,175,575	10%	8,175,575	10%
New Brunswick		0	0%	8,175,575	10%	8,175,575	10%
Ontario		0	0%	8,175,575	10%	8,175,575	10%
Quebec		0	7%	8,175,575	10%	2,833,556	3%
Quebec		0					
Financement Quebec		0					
Saskatchewan		0	0%	8,175,575	10%	8,175,575	10%
<b>Total Fixed</b>		<b>8,191,095</b>	<b>10%</b>	<b>16,351,150</b>	<b>20%</b>	<b>8,160,055</b>	<b>10%</b>
<b>Total Investments</b>		<b>81,755,751</b>					
Interest Bearing Bank Accounts - O/S Cheque Coverage		10,840,039					
<b>Total Investments and O/S Cheques Coverage</b>		<b>92,595,790</b>					

## SCHEDULE C

**Capital Funds  
Sector Weights  
Sector Weights @ March 31, 2013**

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
<b>CASH &amp; EQUIVALENTS</b>							
<b>Federal Government &amp; its Guarantees</b>	Open	0	0%	0	100%	0	0%
Federal Government	Open	0	0%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open	0	0%				
Farm Credit Corp	Open	0	0%				
<b>Provincial Governments &amp; their Guarantees</b>	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)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	0	0%	0	25%	0	0%
Manitoba (R-1 Mid)	Open	0	0%	0	25%	0	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%	0	0%
Ontario (R-1 Mid)	Open	0	0%	0	25%	0	0%
Quebec (R-1 Mid)	Open	0	0%	0	25%	0	0%
Saskatchewan (R-1 High)	Open	0	0%	0	25%	0	0%
<b>Municipal Governments &amp; their Guarantees*</b>	R-1 Mid or Greater	0		0	25%	0	0%
Calgary (R-1 High)	Open	0		0	10%	0	0%
Edmonton (R-1 High)	Open	0		0	10%	0	0%
<b>Financial Institutions &amp; their Guarantees /Corporations</b>	BA's Schedule A Canadian Banks R-1	0	0%	0	50%	0	0%
<b>Tier 1 - Financial Institutions &amp; their Guarantees</b>	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)	Open	0	0%	0	10%	0	0%
Bank of Nova Scotia - Effective Cash		0					
Bank of Nova Scotia - Notice Account		0					
Canadian Imperial Bank of Commerce (R-1 High)	Open	0	0%	0	10%	0	0%
Royal Bank (R-1 High)	Open	0	0%	0	10%	0	0%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	0	0%	0	10%	0	0%
<b>Tier 2 - Financial Institutions &amp; Corporations</b>	R-1 Mid/High**	0	0%	0	25%	0	0%
National Bank of Canada (R-1 Mid)	Open	0	0%	0	5%	0	0%
OMERS Realty Corporation (R-1 High)	Open	0	0%	0	5%	0	0%
CDP Financial Inc (R-1 High)	Open	0	0%	0	5%	0	0%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	0	5%	0	0%
Desjardins Total		0	0%	0	5%	0	0%
Desjardins Group (R-1 High)	Open	0					
Caisse Centale Desjardins (R-1 High)	Open	0					
<b>Total Investments</b>		0	0%				
<b>FIXED (Bonds, etc. over one year)</b>							
Federal Government		0	0%	0	20%	0	0%
Money Market		0					
Bond Pool		0					
<b>Provincial Government &amp; their Guarantees</b>		0	0%	0	20%	0	0%
Money Market		0	0%	0	20%	0	0%
Alberta		0	0%	0	10%	0	0%
Alberta							
Alberta Capital Finance Authority		0					
Alberta Treasury Branches							
British Columbia		0	0%	0	10%	0	0%
Manitoba		0	0%	0	10%	0	0%
New Brunswick		0	0%	0	10%	0	0%
Ontario		0	0%	0	10%	0	0%
Quebec		0	0%	0	10%	0	0%
Quebec		0					
Financement Quebec		0					
Saskatchewan		0	0%	0	10%	0	0%
<b>Bond Pool</b>		0	0%	0	20%	0	0%
Alberta		0	0%	0	10%	0	0%
Alberta		0					
Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0					
British Columbia		0	0%	0	10%	0	0%
Manitoba		0	0%	0	10%	0	0%
New Brunswick		0	0%	0	10%	0	0%
Ontario		0	0%	0	10%	0	0%
Quebec		0	0%	0	10%	0	0%
Quebec		0					
Financement Quebec		0					
Saskatchewan		0	0%	0	10%	0	0%
<b>Total Fixed</b>		0	0%	0	20%	0	0%
<b>Total Investments</b>		0					



## SCHEDULE D

**Reserve Funds  
Sector Weights  
Sector Weights @ March 31, 2013**

	Category Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
CASH & EQUIVALENTS							
Federal Government & its Guarantees	Open	3,731,864	2%	149,592,636	100%	141,872,947	95%
Federal Government	Open	3,731,864	2%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open						
Farm Credit Corp	Open	0	0%				
Provincial Governments & their Guarantees	R-1 Mid or Greater	77,177,222	52%	149,592,636	100%	72,415,413	48%
Total Alberta (R-1 High)	Open	0	3%	37,398,159	25%	31,328,382	21%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	37,187,986	26%	37,398,159	25%	210,173	0%
Manitoba (R-1 Mid)	Open	0	0%	37,398,159	25%	37,398,159	25%
New Brunswick (R-1 Mid)	Open	1,511,603	1%	37,398,159	25%	35,886,556	24%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open			37,398,159	25%	37,398,159	25%
Ontario (R-1 Mid)	Open	15,994,433	14%	37,398,159	25%	21,403,725	14%
Quebec (R-1 Mid)	Open	22,483,200	15%	37,398,159	25%	5,468,372	4%
Saskatchewan (R-1 High)	Open	0	6%	37,398,159	25%	37,398,159	25%
Municipal Governments & their Guarantees*	R-1 Mid or Greater	0		37,398,159	25%	37,398,159	25%
Calgary (R-1 High)	Open			14,959,264	10%	14,959,264	10%
Edmonton (R-1 High)	Open			14,959,264	10%	14,959,264	10%
Financial Institutions & their Guarantees /Corporations	BA's Schedule A	49,179,360	33%	74,796,318	50%	25,616,958	17%
	Canadian Banks R-1						
Tier 1 - Financial Institutions & their Guarantees	Mid	33,018,177	22%	74,796,318	50%	41,778,141	28%
Bank of Montreal (R-1 High)	Open	15,068,478	10%	14,959,264	10%	-109,214	0%
Bank of Nova Scotia (R-1 High)	Open	0	7%	14,959,264	10%	4,523,957	3%
Bank of Nova Scotia - Effective Cash		993,733					
Bank of Nova Scotia - Notice Account		9,441,574					
Canadian Imperial Bank of Commerce (R-1 High)	Open	3,112,231	2%	14,959,264	10%	11,847,033	8%
Royal Bank (R-1 High)	Open	3,138,524	2%	14,959,264	10%	11,820,740	8%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	1,263,638	1%	14,959,264	10%	13,695,625	9%
Tier 2 - Financial Institutions & Corporations	R-1 Mid/High***	16,161,184	11%	37,398,159	25%	21,236,975	14%
National Bank of Canada (R-1 Mid)	Open	6,557,625	4%	7,479,632	5%	922,007	1%
OMERS Realty Corporation (R-1 High)	Open	7,092,428	5%	7,479,632	5%	387,204	0%
CDP Financial Inc (R-1 High)	Open	0	0%	7,479,632	5%	7,479,632	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	7,479,632	5%	7,479,632	5%
Desjardins Total		2,511,131	2%	7,479,632	5%	4,968,501	3%
Desjardins Group (R-1 High)	Open	0					
Caisse Centrale Desjardins (R-1 High)	Open	2,511,131					
Total Cash and Equivalents		130,088,446	87%				
FIXED (Bonds, etc. over one year)							
Federal Government		3,987,825	3%	149,592,636	100%	145,604,811	97%
Money Market		0					
Bond Pool		3,987,825					
Provincial Government & their Guarantees		15,516,364	10%	74,796,318	50%	59,279,954	40%
Money Market		14,484,766	10%	74,796,318	50%	59,279,954	40%
Alberta		5,038,179	4%	14,959,264	10%	8,889,486	6%
Alberta		1,253,394					
Alberta Capital Finance Authority		3,784,785					
Alberta Treasury Branches							
British Columbia		0	0%	14,959,264	10%	14,959,264	10%
Manitoba		0	0%	14,959,264	10%	14,959,264	10%
New Bruswick		0	0%	14,959,264	10%	14,959,264	10%
Ontano		0	0%	14,959,264	10%	14,959,264	10%
Quebec		9,446,587	6%	14,959,264	10%	5,512,677	4%
Quebec		2,519,077					
Financement Quebec		6,927,510					
Saskatewan		0	0%	14,959,264	10%	14,959,264	10%
Bond Pool		1,031,598	10%	74,796,318	50%	59,279,954	40%
Alberta		1,031,598	4%	14,959,264	10%	8,889,486	6%
Alberta		0					
Alberta Capital Finance Authority		1,031,598					
Alberta Treasury Branches		0					
British Columbia		0	0%	14,959,264	10%	14,959,264	10%
Manitoba		0	0%	14,959,264	10%	14,959,264	10%
New Bruswick		0	0%	14,959,264	10%	14,959,264	10%
Ontano		0	0%	14,959,264	10%	14,959,264	10%
Quebec		0	6%	14,959,264	10%	5,512,677	4%
Quebec		0					
Financement Quebec		0					
Saskatewan		0	0%	14,959,264	10%	14,959,264	10%
Total Fixed		19,504,189	13%	149,592,636	100%	130,088,446	87%
Total Investments		149,592,636					

## SCHEDULE E

Trust Funds  
Sector Weights  
Sector Weights @ March 31, 2013

Category	Status	Cumulative Amount Invested @ Book Value	%	Guideline Limit	%	Limit Available	%
<b>CASH &amp; EQUIVALENTS</b>							
<b>Federal Government &amp; its Guarantees</b>	Open	86,658	3%	3,363,545	100%	3,276,887	97%
Federal Government	Open	86,658	3%				
Business Development Bank	Open	0	0%				
Canada Mortgage & Housing Corp.	Open	0	0%				
Canadian Wheat Board	Open	0	0%				
Export Development Canada	Open	0	0%				
Farm Credit Corp	Open	0	0%				
<b>Provincial Governments &amp; their Guarantees</b>	R-1 Mid or Greater	1,792,132	53%	3,363,545	100%	1,571,412	47%
Total Alberta (R-1 High)	Open	0	3%	840,886	25%	723,895	22%
Alberta (R-1 High)	Open	0					
Alberta Capital Finance Authority (R-1 High)	Open	0					
Alberta Treasury Branches (R-1 High)	Open	0					
British Columbia (R-1 High)	Open	863,542	27%	840,886	25%	22,656	-1%
Manitoba (R-1 Mid)	Open	0	0%	840,886	25%	840,886	25%
New Brunswick (R-1 Mid)	Open	35,101	1%	840,886	25%	805,785	24%
New Brunswick Municipal Finance Corp (R-1 Mid)	Open	0		840,886	25%	840,886	25%
Ontario (R-1 Mid)	Open	371,407	15%	840,886	25%	469,479	14%
Quebec (R-1 Mid)	Open	522,082	16%	840,886	25%	99,445	3%
Saskatchewan (R-1 High)	Open	0	0%	840,886	25%	840,886	25%
<b>Municipal Governments &amp; their Guarantees*</b>	R-1 Mid or Greater	0		840,886	25%	840,886	25%
Calgary (R-1 High)	Open	0		336,354	10%	336,354	10%
Edmonton (R-1 High)	Open	0		336,354	10%	336,354	10%
<b>Financial Institutions &amp; their Guarantees /Corporations</b>		1,141,994	34%	1,681,772	50%	539,778	16%
	BA's Schedule A Canadian Banks R-1						
<b>Tier 1 - Financial Institutions &amp; their Guarantees</b>	Mid	766,715	23%	1,681,772	50%	915,057	27%
Bank of Montreal (R-1 High)	Open	349,905	10%	336,354	10%	13,551	0%
Bank of Nova Scotia (R-1 High)	Open	0	7%	336,354	10%	94,036	3%
Bank of Nova Scotia - Effective Cash		23,075					
Bank of Nova Scotia - Notice Account		219,243					
Canadian Imperial Bank of Commerce (R-1 High)	Open	72,269	2%	336,354	10%	264,085	8%
Royal Bank (R-1 High)	Open	72,880	2%	336,354	10%	263,475	8%
Royal Bank - Effective Cash		0					
Toronto Dominion (R-1 High)	Open	29,343	1%	336,354	10%	307,012	9%
<b>Tier 2 - Financial Institutions &amp; Corporations</b>	R-1 Mid/High***	375,279	11%	840,886	25%	465,607	14%
National Bank of Canada (R-1 Mid)	Open	152,275	5%	168,177	5%	15,903	0%
OMERS Realty Corporation (R-1 High)	Open	164,693	5%	168,177	5%	3,484	0%
CDP Financial Inc (R-1 High)	Open	0	0%	168,177	5%	168,177	5%
Ontario Infrastructure Projects Corporation (R-1 High)	Open	0	0%	168,177	5%	168,177	5%
Desjardins Total		58,311	2%	168,177	5%	109,866	3%
Desjardins Group (R-1 High)	Open	0					
Caisse Centrale Desjardins (R-1 High)	Open	58,311					
<b>Total Cash and Equivalents</b>		<u>3,020,784</u>	<u>90%</u>				
<b>FIXED (Bonds, etc. over one year)</b>							
Federal Government		0	0%	3,363,545	100%	3,363,545	100%
Money Market		0					
Bond Pool		0					
<b>Provincial Government &amp; their Guarantees</b>		336,351	10%	3,363,545	100%	3,027,194	90%
<b>Money Market</b>		336,351	100%	3,363,545	100%	3,027,194	90%
Alberta		116,992	3%	336,354	10%	219,363	7%
Alberta		29,105					
Alberta Capital Finance Authority		87,886					
Alberta Treasury Branches		0					
British Columbia		0	0%	336,354	10%	336,354	10%
Manitoba		0	0%	336,354	10%	336,354	10%
New Brunswick		0	0%	336,354	10%	336,354	10%
Ontario		0	0%	336,354	10%	336,354	10%
Quebec		219,359	7%	336,354	10%	116,995	3%
Quebec		58,495					
Financement Quebec		160,864					
Saskatchewan		0	0%	336,354	10%	336,354	10%
<b>Bond Pool</b>		0	10%	3,363,545	100%	3,027,194	90%
Alberta		0	3%	336,354	10%	219,363	7%
Alberta		0					
Alberta Capital Finance Authority		0					
Alberta Treasury Branches		0					
British Columbia		0	0%	336,354	10%	336,354	10%
Manitoba		0	0%	336,354	10%	336,354	10%
New Brunswick		0	0%	336,354	10%	336,354	10%
Ontario		0	0%	336,354	10%	336,354	10%
Quebec		0	7%	336,354	10%	116,995	3%
Quebec		0					
Financement Quebec		0					
Saskatchewan		0	0%	336,354	10%	336,354	10%
<b>Total Fixed</b>		<u>336,351</u>					
<b>Equities</b>							
Bank of Montreal		6,410					
<b>Total Equities</b>		<u>6,410</u>					
<b>Total Investments</b>		<u>3,363,545</u>					