

Item No.9.3.1

**Audit and Finance Standing Committee
June 18, 2014**

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 22 2014

SUBJECT: **Investment Policy Advisory Committee Report – Quarter ending
March 31, 2014**

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, early 2012 and early 2014. 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, 2014 and accepts the report and the findings contained in the report that the investment activities reported are in compliance with the Policy with the one exception as noted below.

During the Quarter funds held by the primary HRM banker exceeded the Policy guidelines on three occasions for one business day due to weather related absences by staff or office closures.

The Committee agrees with staff's assertion that these minor temporary variances did not create 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 @ March 31, 2014 (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

Total Portfolio
Sector Weights @ March 31, 2014

SCHEDULE A

| Category | Status | Cumulative Amount Invested @ Book Value | % | Guideline Limit | % | Limit Available | % |
|---|--------------------|---|------------|-------------------|------------|-------------------|-----------|
| CASH & EQUIVALENTS | | | | | | | |
| Federal Government & its Guarantees | Open | 0 | 0% | 302,946,269 | 100% | 298,957,554 | 99% |
| 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% | | | | |
| Provincial Governments & their Guarantees | R-1 Mid or Greater | 135,961,553 | 45% | 302,946,269 | 100% | 166,984,716 | 55% |
| Total Alberta (R-1 High) | Open | 0 | 0% | 75,736,567 | 25% | 59,842,831 | 20% |
| 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 | 63,302,273 | 21% | 75,736,567 | 25% | 10,241,838 | 3% |
| Manitoba (R-1 Mid) | Open | 0 | 0% | 75,736,567 | 25% | 75,736,567 | 25% |
| New Brunswick (R-1 Mid) | Open | 2,841,790 | 1% | 75,736,567 | 25% | 72,894,777 | 24% |
| Nova Scotia (R-1 Mid) | Open | 0 | 0% | 75,736,567 | 25% | 75,736,567 | 25% |
| Ontario (R-1 Mid) | Open | 55,732,523 | 18% | 75,736,567 | 25% | 20,004,044 | 7% |
| Quebec (R-1 Mid) | Open | 14,084,967 | 5% | 75,736,567 | 25% | 61,651,600 | 20% |
| Quebec | | 5,590,703 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Hydro Quebec | | 8,464,264 | | | | | |
| Saskatchewan (R-1 High) | Open | 0 | 0% | 75,736,567 | 25% | 75,736,567 | 25% |
| Municipal Governments & their Guarantees* | R-1 Mid or Greater | 0 | 0% | 75,736,567 | 25% | 75,736,567 | 25% |
| Calgary (R-1 High) | Open | 0 | 0% | 30,294,627 | 10% | 30,294,627 | 10% |
| Financial Institutions & their Guarantees /Corporations | BA's Schedule A | 144,903,399 | 48% | 151,473,134 | 50% | 6,569,736 | 2% |
| Canadian Banks R-1 | | | | | | | |
| Tier 1 - Financial Institutions & their Guarantees | Mid | 141,709,045 | 47% | 151,473,134 | 50% | 9,764,090 | 3% |
| Bank of Montreal (R-1 High) | Open | 30,045,114 | 10% | 30,294,627 | 10% | 249,513 | 0% |
| BMO - Instruments | | 0 | | | | | |
| BMO - Account | | 30,045,114 | | | | | |
| Bank of Nova Scotia (R-1 High) | Open | 19,819,814 | 7% | 30,294,627 | 10% | 10,474,813 | 3% |
| Bank of Nova Scotia - Effective Cash | | -180,186 | | | | | |
| Bank of Nova Scotia - Notice Account | | 20,000,000 | | | | | |
| Canadian Imperial Bank of Commerce (R-1 High) | Open | 30,609,212 | 10% | 30,294,627 | 10% | -314,585 | 0% |
| CIBC - Instruments | | 0 | | | | | |
| CIBC - Account | | 30,609,212 | | | | | |
| Royal Bank (R-1 High) | Open | 30,538,265 | 10% | 30,294,627 | 10% | -243,638 | 0% |
| RBC - Instruments | | 0 | | | | | |
| RBC - Account | | 30,538,265 | | | | | |
| Toronto Dominion (R-1 High) | Open | 30,696,640 | 10% | 30,294,627 | 10% | -402,013 | 0% |
| TD - Instruments | | 5,996,640 | | | | | |
| TD - Account | | 24,700,000 | | | | | |
| Tier 2 - Financial Institutions & Corporations | R-1 Mid/High** | 3,194,354 | 1% | 75,736,567 | 25% | 72,542,213 | 24% |
| National Bank of Canada (R-1 Mid) | Open | 1,848,885 | 1% | 15,147,313 | 5% | 13,500,448 | 4% |
| OMERS Realty Corporation (R-1 High) | Open | 1,547,489 | 1% | 15,147,313 | 5% | 13,599,824 | 4% |
| CDP Financial Inc (R-1 High) | Open | 0 | 0% | 15,147,313 | 5% | 15,147,313 | 5% |
| Desjardins Total | | 0 | 0% | 15,147,313 | 5% | 15,147,313 | 5% |
| Desjardins Group (R-1 High) | Open | 0 | | | | | |
| Caisse Centale Desjardins (R-1 High) | Open | 0 | | | | | |
| Total Cash and Equivalents | | 280,864,932 | 93% | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Money Market | | 0 | 0% | 27,125,596 | 20% | 27,125,596 | 20% |
| Reserves - Bond Pool | | 3,988,715 | 1% | 163,944,195 | 100% | 159,955,480 | 98% |
| Canada Mortgage & Housing Corp. | | 3,988,715 | 1% | 163,944,195 | 100% | 159,955,480 | 98% |
| Provincial Government & their Guarantees | | 18,086,192 | 6% | 27,125,596 | 20% | 9,039,404 | 7% |
| Money Market | | 5,998,265 | 6% | 27,125,596 | 20% | 6,424,684 | 5% |
| Alberta | | 5,998,265 | 5% | 13,562,798 | 10% | -2,330,938 | -2% |
| Alberta | | 1,993,973 | | | | | |
| Alberta Capital Finance Authority | | 4,004,292 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | | 0 | 1% | 13,562,798 | 10% | 11,370,342 | 8% |
| Manitoba | | 0 | 0% | 13,562,798 | 10% | 13,562,798 | 10% |
| New Brunswick | | 0 | 0% | 13,562,798 | 10% | 13,562,798 | 10% |
| Nova Scotia | | 0 | | | | | |
| Ontario | | 0 | 0% | 13,562,798 | 10% | 13,562,798 | 10% |
| Quebec | | 0 | 0% | 13,562,798 | 10% | 13,562,798 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 13,562,798 | 10% | 13,562,798 | 10% |
| Bond Pool | | 12,087,927 | 6% | 32,788,839 | 20% | 14,702,647 | 9% |
| Alberta | | 9,895,471 | 5% | 16,394,420 | 10% | 500,684 | 0% |
| Alberta | | 7,798,303 | | | | | |
| Alberta Capital Finance Authority | | 2,097,168 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | | 2,192,456 | 1% | 16,394,420 | 10% | 14,201,964 | 9% |
| Manitoba | | 0 | 0% | 16,394,420 | 10% | 16,394,420 | 10% |
| New Brunswick | | 0 | 0% | 16,394,420 | 10% | 16,394,420 | 10% |
| Nova Scotia | | 0 | | | | | |
| Ontario | | 0 | 0% | 16,394,420 | 10% | 16,394,420 | 10% |
| Quebec | | 0 | 0% | 16,394,420 | 10% | 16,394,420 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 16,394,420 | 10% | 16,394,420 | 10% |
| Total Fixed | | 22,074,907 | 7% | 32,788,839 | 20% | 10,713,932 | 7% |
| Equities | | | | | | | |
| Bank of Montreal | | 8,410 | | | | | |
| Total Equities | | 8,410 | | | | | |
| Total Investments | | 302,946,269 | | | | | |

Operating Funds
Sector Weights @ March 31, 2014

SCHEDULE B

| Category | Status | Cumulative Amount Invested @ Book Value | % | Guideline Limit | % | Limit Available | % |
|--|---------------------------|---|------------|--------------------|-------------|-------------------|------------|
| CASH & EQUIVALENTS | | | | | | | |
| Federal Government & its Guarantees | Open | 0 | 0% | 111,481,150 | 100% | 111,481,150 | 100% |
| 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% | | | | |
| Provincial Governments & their Guarantees | R-1 Mid or Greater | 52,837,583 | 47% | 111,481,150 | 100% | 58,843,598 | 53% |
| Total Alberta (R-1 High) | Open | 0 | 0% | 27,870,288 | 25% | 25,539,234 | 23% |
| Alberta (R-1 High) | Open | 0 | | | | | |
| Alberta Capital Finance Authority (R-1 High) | Open | 0 | 0% | | | | |
| Alberta Treasury Branches (R-1 High) | Open | 0 | 0% | | | | |
| British Columbia (R-1 High) | Open | 24,800,610 | 22% | 27,870,288 | 25% | 3,269,677 | 3% |
| Manitoba (R-1 Mid) | Open | 0 | 0% | 27,870,288 | 25% | 27,870,288 | 25% |
| New Brunswick (R-1 Mid) | Open | 1,104,380 | 1% | 27,870,288 | 25% | 26,765,907 | 24% |
| New Brunswick Municipal Finance Corp (R-1 Mid) | Open | 0 | 0% | 27,870,288 | 25% | 27,870,288 | 25% |
| Ontario (R-1 Mid) | Open | 21,658,844 | 19% | 27,870,288 | 25% | 6,211,443 | 6% |
| Quebec (R-1 Mid) | Open | 5,473,718 | 5% | 27,870,288 | 25% | 22,396,570 | 20% |
| Saskatchewan (R-1 High) | Open | 0 | 0% | 27,870,288 | 25% | 27,870,288 | 25% |
| Municipal Governments & their Guarantees* | R-1 Mid or Greater | 0 | | 27,870,288 | 25% | 27,870,288 | 25% |
| Calgary (R-1 High) | Open | | | 11,148,115 | 10% | 11,148,115 | 10% |
| Financial Institutions & their Guarantees /Corporations | | 58,312,544 | 51% | 55,740,575 | 50% | -571,989 | -1% |
| BA's Schedule A Canadian Banks R-1 | | | | | | | |
| Tier 1 - Financial Institutions & their Guarantees | Mild | 55,071,150 | 49% | 55,740,575 | 50% | 669,425 | 1% |
| Bank of Montreal (R-1 High) | Open | 11,878,171 | 10% | 11,148,115 | 10% | -528,056 | 0% |
| BMO - Instruments | | 0 | | | | | |
| BMO - Account | | 11,878,171 | | | | | |
| Bank of Nova Scotia (R-1 High) | Open | 7,702,401 | 7% | 11,148,115 | 10% | 3,445,714 | 3% |
| Bank of Nova Scotia - Effective Cash | | -70,024 | | | | | |
| Bank of Nova Scotia - Notice Account | | 7,772,426 | | | | | |
| Canadian Imperial Bank of Commerce (R-1 High) | Open | 11,895,391 | 11% | 11,148,115 | 10% | -747,276 | -1% |
| CIBC - Instruments | | 0 | | | | | |
| CIBC - Account | | 11,895,391 | | | | | |
| Royal Bank (R-1 High) | Open | 11,887,820 | 11% | 11,148,115 | 10% | -719,705 | -1% |
| RBC - Instruments | | 0 | | | | | |
| RBC - Account | | 11,887,820 | | | | | |
| Toronto Dominion (R-1 High) | Open | 11,929,387 | 11% | 11,148,115 | 10% | -781,252 | -1% |
| TD - Instruments | | 2,330,422 | | | | | |
| TD - Account | | 9,598,966 | | | | | |
| Tier 2 - Financial Institutions & Corporations | R-1 Mid/High*** | 1,241,394 | 1% | 27,870,288 | 25% | 26,628,894 | 24% |
| National Bank of Canada (R-1 Mid) | Open | 640,007 | 1% | 5,574,058 | 5% | 4,934,051 | 4% |
| OMERS Realty Corporation (R-1 High) | Open | 601,387 | 1% | 5,574,058 | 5% | 4,972,670 | 4% |
| CDP Financial Inc (R-1 High) | Open | 0 | 0% | 5,574,058 | 5% | 5,574,058 | 5% |
| Desjardins Total | Open | 0 | 0% | 5,574,058 | 5% | 5,574,058 | 5% |
| Desjardins Group (R-1 High) | Open | 0 | | | | | |
| Caisses Centales Desjardins (R-1 High) | Open | 0 | | | | | |
| Total Investments | | 109,150,097 | 98% | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Money Market | | 0 | 0% | 22,298,230 | 20% | 22,298,230 | 20% |
| Reserve - Bond Pool | | 0 | 0% | 22,298,230 | 100% | 22,298,230 | 20% |
| Canada Mortgage & Housing Corp. | | 0 | | | | | |
| Provincial Government & their Guarantees | | 2,331,053 | 2% | 22,298,230 | 20% | 19,965,177 | 18% |
| Money Market | | 2,331,053 | 2% | 22,298,230 | 20% | 19,965,177 | 18% |
| Alberta | | 2,331,053 | 2% | 11,148,115 | 10% | 8,817,062 | 8% |
| Alberta | | 774,900 | | | | | |
| Alberta Capital Finance Authority | | 1,556,153 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Manitoba | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| New Brunswick | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Ontario | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Quebec | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Quebec | 0 | | | | | | |
| Financement Quebec | 0 | | | | | | |
| Saskatchewan | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Bond Pool | | 0 | 2% | 22,298,230 | 20% | 19,965,177 | 18% |
| Alberta | 0 | 2% | 11,148,115 | 10% | 10,373,215 | 9% | |
| Alberta | 0 | | | | | | |
| Alberta Capital Finance Authority | 0 | | | | | | |
| Alberta Treasury Branches | 0 | | | | | | |
| British Columbia | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Manitoba | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| New Brunswick | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Ontario | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Quebec | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Quebec | 0 | | | | | | |
| Financement Quebec | 0 | | | | | | |
| Saskatchewan | 0 | 0% | 11,148,115 | 10% | 11,148,115 | 10% | |
| Total Fixed | | 2,331,053 | 2% | 22,298,230 | 20% | 19,965,177 | 18% |
| Total Investments | | 111,481,150 | | | | | |
| Interest Bearing Bank Accounts - O/S Cheque Coverage | | 17,717,239 | | | | | |
| Total Investments and O/S Cheques Coverage | | 129,198,389 | | | | | |

Capital Funds
Sector Weights @ March 31, 2014

SCHEDULE C

| Category | Status | Cumulative Amount Invested @ Book Value | % | Guideline Limit | % | Limit Available | % |
|--|--------------------|---|-----------|-----------------|------------|-----------------|-----------|
| CASH & EQUIVALENTS | | | | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Federal Government | Open | 0 | 0% | 0 | 100% | 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% | | | | |
| Provincial Governments & their Guarantees | | | | | | | |
| Total Alberta (R-1 High) | R-1 Mid or Greater | 0 | 0% | 0 | 100% | 0 | 0% |
| Alberta (R-1 High) | Open | 0 | 0% | 0 | 25% | 0 | 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% |
| Municipal Governments & their Guarantees* | | | | | | | |
| Calgary (R-1 High) | R-1 Mid or Greater | 0 | | 0 | 25% | 0 | 0% |
| | Open | | | 0 | 10% | 0 | 0% |
| Financial Institutions & their Guarantees /Corporations | | | | | | | |
| | | 0 | 0% | 0 | 50% | 0 | 0% |
| Tier 1 - Financial Institutions & their Guarantees | | | | | | | |
| BA's Schedule A | | | | | | | |
| Canadian Banks R-1 Mid | | | | | | | |
| Bank of Montreal (R-1 High) | Open | 0 | 0% | 0 | 50% | 0 | 0% |
| BMO - Instruments | | 0 | 0% | 0 | 10% | 0 | 0% |
| BMO - Account | | 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% |
| CIBC - Instruments | | 0 | | | | | |
| CIBC - Account | | 0 | | | | | |
| Royal Bank (R-1 High) | Open | 0 | 0% | 0 | 10% | 0 | 0% |
| RBC - Instruments | | 0 | | | | | |
| RBC - Account | | 0 | | | | | |
| Toronto Dominion (R-1 High) | Open | 0 | 0% | 0 | 10% | 0 | 0% |
| TD - Instruments | | 0 | | | | | |
| TD - Account | | 0 | | | | | |
| Tier 2 - Financial Institutions & Corporations | | | | | | | |
| National Bank of Canada (R-1 Mid) | R-1 Mid/High*** | 0 | 0% | 0 | 25% | 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% |
| Desjardins Total | | 0 | 0% | 0 | 5% | 0 | 0% |
| Desjardins Group (R-1 High) | Open | 0 | | | | | |
| Caisse Centrale Desjardins (R-1 High) | Open | 0 | | | | | |
| Total Investments | | | | | | | |
| | | <u>0</u> | <u>0%</u> | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Money Market | | 0 | 0 | | 20% | 0 | 20% |
| Reserves - Bond Pool | | 0 | 0% | 0 | 100% | 0 | 0% |
| Canada Mortgage & Housing Corp. | | 0 | | | 100% | | |
| Provincial Government & their Guarantees | | | | | | | |
| 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% |
| Bond Pool | | | | | | | |
| Alberta | | 0 | 0% | 0 | 20% | 0 | 0% |
| Alberta | | 0 | 0% | 0 | 10% | 0 | 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% |
| Total Fixed | | | | | | | |
| | | <u>0</u> | <u>0%</u> | <u>0</u> | <u>20%</u> | <u>0</u> | <u>0%</u> |
| Total Investments | | | | | | | |
| | | 0 | | | | | |

Reserve Funds
Sector Weights @ March 31, 2014

SCHEDULE D

| Category | Status | Cumulative Amount Invested @ Book Value | % | Guideline Limit | % | Limit Available | % |
|--|--------------------|---|------------|--------------------|-------------|--------------------|------------|
| CASH & EQUIVALENTS | | | | | | | |
| Federal Government & its Guarantees | Open | 0 | 0% | 188,091,027 | 100% | 184,102,312 | 98% |
| 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% | | | | |
| Provincial Governments & their Guarantees | R-1 Mid or Greater | 81,527,858 | 43% | 188,091,027 | 100% | 106,563,171 | 57% |
| Total Alberta (R-1 High) | Open | 0 | 0% | 47,022,757 | 25% | 33,530,492 | 18% |
| 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 | 37,958,514 | 20% | 47,022,757 | 25% | 6,871,786 | 4% |
| Manitoba (R-1 Mid) | Open | 0 | 0% | 47,022,757 | 25% | 47,022,757 | 25% |
| New Brunswick (R-1 Mid) | Open | 1,704,048 | 1% | 47,022,757 | 25% | 45,318,709 | 24% |
| New Brunswick Municipal Finance Corp (R-1 Mid) | Open | 0 | | 47,022,757 | 25% | 47,022,757 | 25% |
| Ontario (R-1 Mid) | Open | 33,419,397 | 18% | 47,022,757 | 25% | 13,603,360 | 7% |
| Quebec (R-1 Mid) | Open | 8,445,896 | 4% | 47,022,757 | 25% | 38,576,861 | 21% |
| Saskatchewan (R-1 High) | Open | 0 | 0% | 47,022,757 | 25% | 47,022,757 | 25% |
| Municipal Governments & their Guarantees* | R-1 Mid or Greater | 0 | | 47,022,757 | 25% | 47,022,757 | 25% |
| Calgary (R-1 High) | Open | 0 | | 18,809,103 | 10% | 18,809,103 | 10% |
| Financial Institutions & their Guarantees /Corporations | | 86,889,738 | 46% | 94,045,514 | 50% | 7,155,778 | 4% |
| BA's Schedule A Canadian Banks R-1 | | | | | | | |
| Tier 1 - Financial Institutions & their Guarantees | Mid | 84,974,276 | 45% | 94,045,514 | 50% | 9,071,237 | 5% |
| Bank of Montreal (R-1 High) | Open | 18,016,223 | 10% | 18,809,103 | 10% | 792,879 | 0% |
| BMO - Instruments | | 0 | | | | | |
| BMO - Account | | 18,016,223 | | | | | |
| Bank of Nova Scotia (R-1 High) | Open | 11,884,734 | 6% | 18,809,103 | 10% | 6,924,368 | 4% |
| Bank of Nova Scotia - Effective Cash | | -108,047 | | | | | |
| Bank of Nova Scotia - Notice Account | | 11,992,781 | | | | | |
| Canadian Imperial Bank of Commerce (R-1 High) | Open | 18,354,479 | 10% | 18,809,103 | 10% | 454,624 | 0% |
| CIBC - Instruments | | 0 | | | | | |
| CIBC - Account | | 18,354,479 | | | | | |
| Royal Bank (R-1 High) | Open | 18,311,936 | 10% | 18,809,103 | 10% | 497,167 | 0% |
| RBC - Instruments | | 0 | | | | | |
| RBC - Account | | 18,311,936 | | | | | |
| Toronto Dominion (R-1 High) | Open | 18,408,904 | 10% | 18,809,103 | 10% | 402,199 | 0% |
| TD - Instruments | | 3,595,819 | | | | | |
| TD - Account | | 14,811,084 | | | | | |
| Tier 2 - Financial Institutions & Corporations | R-1 Mid/High*** | 1,915,459 | 1% | 47,022,757 | 25% | 45,107,297 | 24% |
| National Bank of Canada (R-1 Mid) | Open | 987,525 | 1% | 9,404,551 | 5% | 8,417,027 | 4% |
| OMERS Realty Corporation (R-1 High) | Open | 927,935 | 0% | 9,404,551 | 5% | 8,476,617 | 5% |
| CDP Financial Inc (R-1 High) | Open | 0 | 0% | 9,404,551 | 5% | 9,404,551 | 5% |
| Desjardins Total | Open | 0 | 0% | 9,404,551 | 5% | 9,404,551 | 5% |
| Desjardins Group (R-1 High) | Open | 0 | | | | | |
| Caisse Centale Desjardins (R-1 High) | Open | 0 | | | | | |
| Total Cash and Equivalents | | 168,417,591 | 90% | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Money Market | | 0 | 0% | 0 | 20% | 0 | 0% |
| Reserves - Bond Pool | | 3,988,715 | 2% | 188,091,027 | 100% | 184,102,312 | 98% |
| Canada Mortgage & Housing Corp. | | 3,988,715 | | | | | |
| Provincial Government & their Guarantees | | 15,684,721 | 8% | 94,045,514 | 50% | 78,360,793 | 42% |
| Money Market | | 3,596,794 | 8% | 94,045,514 | 50% | 78,360,793 | 42% |
| Alberta | | 3,596,794 | 7% | 18,809,103 | 10% | 5,316,838 | 3% |
| Alberta | | 1,195,664 | | | | | |
| Alberta Capital Finance Authority | | 2,401,130 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | | 0 | 1% | 18,809,103 | 10% | 16,616,647 | 9% |
| Manitoba | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| New Brunswick | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Ontario | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Quebec | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Bond Pool | | 12,087,927 | 8% | 94,045,514 | 50% | 78,360,793 | 42% |
| Alberta | | 9,895,471 | 7% | 18,809,103 | 10% | 5,316,838 | 3% |
| Alberta | | 7,798,303 | | | | | |
| Alberta Capital Finance Authority | | 2,097,168 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | | 2,192,456 | 1% | 18,809,103 | 10% | 16,616,647 | 9% |
| Manitoba | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| New Brunswick | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Ontario | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Quebec | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 18,809,103 | 10% | 18,809,103 | 10% |
| Total Fixed | | 19,873,436 | 10% | 188,091,027 | 100% | 168,417,591 | 90% |
| Total Investments | | 168,091,027 | | | | | |

Trust Funds
Sector Weights @ March 31, 2014

SCHEDULE E

| Category | Status | Cumulative Amount Invested Book Value | % | Guideline Limit | % | Limit Available | % |
|--|--------------------|---|------------|-----------------|------|-----------------|------|
| CASH & EQUIVALENTS | | | | | | | |
| Federal Government & its Guarantees | Open | 0 | 0% | 3,374,092 | 100% | 3,374,092 | 100% |
| Federal Government | Open | 0 | 0% | | | | |
| Business Development Bank | Open | 0 | 0% | | | | |
| Canada Mortgage & Housing Corp. | Open | 0 | 0% | | | | |
| Canadian Wheel Board | Open | 0 | 0% | | | | |
| Export Development Canada | Open | 0 | 0% | | | | |
| Farm Credit Corp | Open | 0 | 0% | | | | |
| Provincial Governments & their Guarantees | R-1 Mid or Greater | 1,596,145 | 47% | 3,374,092 | 100% | 1,777,947 | 53% |
| Total Alberta (R-1 High) | Open | 0 | 0% | 843,523 | 25% | 773,105 | 23% |
| Alberta (R-1 High) | Open | 0 | | | | | |
| Alberta Capital Finance Authority (R-1 High) | Open | 0 | | | | | |
| Alberta Treasury Branches (R-1 High) | Open | 0 | 0% | | | | |
| British Columbia (R-1 High) | Open | 743,148 | 22% | 843,523 | 25% | 100,375 | 3% |
| Manitoba (R-1 Mid) | Open | 0 | 0% | 843,523 | 25% | 843,523 | 25% |
| New Brunswick (R-1 Mid) | Open | 33,362 | 1% | 843,523 | 25% | 810,161 | 24% |
| New Brunswick Municipal Finance Corp (R-1 Mid) | Open | 0 | 0% | 843,523 | 25% | 843,523 | 25% |
| Ontario (R-1 Mid) | Open | 654,262 | 19% | 843,523 | 25% | 189,241 | 6% |
| Quebec (R-1 Mid) | Open | 185,353 | 5% | 843,523 | 25% | 678,170 | 20% |
| Saskatchewan (R-1 High) | Open | 0 | 0% | 843,523 | 25% | 843,523 | 25% |
| Municipal Governments & their Guarantees* | R-1 Mid or Greater | 0 | | 843,523 | 25% | 843,523 | 25% |
| Calgary (R-1 High) | Open | | | 337,409 | 10% | 337,409 | 10% |
| Financial Institutions & their Guarantees /Corporations | | 1,701,119 | 50% | 1,687,046 | 50% | -14,073 | 0% |
| | BA's Schedule A | | | | | | |
| | Canadian Banks R-1 | | | | | | |
| Tier 1 - Financial Institutions & their Guarantees | Mid | 1,663,619 | 49% | 1,687,046 | 50% | 23,427 | 1% |
| Bank of Montreal (R-1 High) | Open | 352,720 | 10% | 337,409 | 10% | -15,311 | 0% |
| BMO - Instruments | | 0 | | | | | |
| BMO - Account | | 352,720 | | | | | |
| Bank of Nova Scotia (R-1 High) | Open | 232,678 | 7% | 337,409 | 10% | 104,731 | 3% |
| Bank of Nova Scotia - Effective Cash | | -2,115 | | | | | |
| Bank of Nova Scotia - Notice Account | | 234,794 | | | | | |
| Canadian Imperial Bank of Commerce (R-1 High) | Open | 359,342 | 11% | 337,409 | 10% | -21,933 | -1% |
| CIBC - Instruments | | 0 | | | | | |
| CIBC - Account | | 359,342 | | | | | |
| Royal Bank (R-1 High) | Open | 358,509 | 11% | 337,409 | 10% | -21,100 | -1% |
| RBC - Instruments | | 0 | | | | | |
| RBC - Account | | 358,509 | | | | | |
| Toronto Dominion (R-1 High) | Open | 360,369 | 11% | 337,409 | 10% | -22,960 | -1% |
| TD - Instruments | | 70,399 | | | | | |
| TD - Account | | 289,970 | | | | | |
| Tier 2 - Financial Institutions & Corporations | R-1 Mid/High*** | 37,501 | 1% | 843,523 | 25% | 806,022 | 24% |
| National Bank of Canada (R-1 Mid) | Open | 19,334 | 1% | 168,705 | 5% | 149,371 | 4% |
| OMERS Realty Corporation (R-1 High) | Open | 18,167 | 1% | 168,705 | 5% | 150,538 | 4% |
| CDP Financial Inc (R-1 High) | Open | 0 | 0% | 168,705 | 5% | 168,705 | 5% |
| Desjardins Total | | 0 | 0% | 168,705 | 5% | 168,705 | 5% |
| Desjardins Group (R-1 High) | Open | 0 | | | | | |
| Caisses Centales Desjardins (R-1 High) | Open | 0 | | | | | |
| Total Cash and Equivalents | | 3,297,264 | 98% | | | | |
| Federal Government & its Guarantees | | | | | | | |
| Money Market | | 0 | 0% | 0 | 20% | 0 | 0% |
| Reserves - Bond Pool | | 0 | 0% | 3,374,092 | 100% | 3,374,092 | 100% |
| Canada Mortgage & Housing Corp. | | 0 | | | | | |
| Provincial Government & their Guarantees | | | | | | | |
| Money Market | | 70,418 | 2% | 3,374,092 | 100% | 3,303,674 | 98% |
| Alberta | | 70,418 | 2% | 3,374,092 | 100% | 3,303,674 | 98% |
| Alberta | | 23,409 | | 337,409 | 10% | 266,991 | 8% |
| Alberta Capital Finance Authority | | 47,009 | | | | | |
| Alberta Treasury Branches | | | | | | | |
| British Columbia | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Manitoba | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| New Brunswick | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Ontario | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Quebec | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Bond Pool | | | | | | | |
| Alberta | | 0 | 2% | 3,374,092 | 100% | 3,303,674 | 98% |
| Alberta | | 0 | 2% | 337,409 | 10% | 266,991 | 8% |
| Alberta | | 0 | | | | | |
| Alberta Capital Finance Authority | | 0 | | | | | |
| Alberta Treasury Branches | | 0 | | | | | |
| British Columbia | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Manitoba | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| New Brunswick | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Ontario | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Quebec | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Quebec | | 0 | | | | | |
| Financement Quebec | | 0 | | | | | |
| Saskatchewan | | 0 | 0% | 337,409 | 10% | 337,409 | 10% |
| Total Fixed | | 70,418 | | | | | |
| Equities | | | | | | | |
| Bank of Montreal | | 6,410 | | | | | |
| Total Equities | | 6,410 | | | | | |
| Total Investments | | 3,374,092 | | | | | |

