

OUR 40TH YEAR

mfa

**POOLED INVESTMENT FUNDS
2010**





POOLED INVESTMENT FUNDS

Financial Statements

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Statements of Net Assets

DECEMBER 31, 2010 AND 2009

THOUSANDS OF DOLLARS

	MONEY MARKET		INTERMEDIATE		BOND		TOTAL	
	2010	2009	2010	2009	2010	2009	2010	2009
ASSETS								
Cash	\$ 5	22	23	10	5	43	33	75
Unitholder receivable	583	780	—	948	—	429	583	2,157
Receivable for investments sold	—	—	24,933	—	—	—	24,933	—
Investments (Schedules 1, 2 & 3)	1,092,813	1,357,775	248,005	368,387	457,976	404,622	1,798,794	2,130,784
	1,093,401	1,358,577	272,961	369,345	457,981	405,094	1,824,343	2,133,016
LIABILITIES								
Accrued management fees	166	188	50	61	86	59	302	308
Unitholder payable	—	100	24,592	933	2,934	29,057	27,526	30,090
	166	288	24,642	994	3,020	29,116	27,828	30,398
Net Assets and Unitholders' Equity	\$ 1,093,235	1,358,289	248,319	368,351	454,961	375,978	1,796,515	2,102,618

See Accompanying Notes to Financial Statements

Statements of Operations and Unitholders' Equity

YEARS ENDING DECEMBER 31, 2010 AND 2009

THOUSANDS OF DOLLARS

	MONEY MARKET		INTERMEDIATE		BOND		TOTAL	
	2010	2009	2010	2009	2010	2009	2010	2009
INVESTMENT INCOME								
Interest income	\$ 9,152	19,634	12,400	10,350	15,815	10,701	37,367	40,685
Less management fees	1,895	2,471	622	500	887	511	3,404	3,482
	7,257	17,163	11,778	9,850	14,928	10,190	33,963	37,203
GAIN (LOSS) ON INVESTMENTS								
Net realized gain (loss)	—	57	(7,982)	1,875	2,408	2,354	(5,574)	4,286
Net unrealized gain (loss)	—	—	(652)	(3,887)	(2,902)	4,469	(3,554)	582
Net gain (loss) on investments	—	57	(8,634)	(2,012)	(494)	6,823	(9,128)	4,868
Net Earnings Distributed	\$ 7,257	17,220	3,144	7,838	14,434	17,013	24,835	42,071
UNITHOLDERS' EQUITY								
Units outstanding, beginning of the year	\$ 1,358,289	1,663,314	368,351	182,089	375,978	196,938	2,102,618	2,042,341
Units subscribed	1,847,136	1,952,452	144,689	257,325	146,600	167,096	2,138,425	2,376,873
Distributions reinvested	7,257	17,220	3,144	7,838	14,434	17,013	24,835	42,071
Units redeemed	(2,119,447)	(2,274,697)	(267,865)	(78,901)	(82,051)	(5,069)	(2,469,363)	(2,358,667)
Units Outstanding, End of the Year	\$ 1,093,235	1,358,289	248,319	368,351	454,961	375,978	1,796,515	2,102,618

See Accompanying Notes to Financial Statements

POOLED INVESTMENT FUNDS

Statements of Changes in Net Assets

YEARS ENDING DECEMBER 31, 2010 AND 2009

THOUSANDS OF DOLLARS

	MONEY MARKET		INTERMEDIATE		BOND		TOTAL	
	2010	2009	2010	2009	2010	2009	2010	2009
NET ASSETS, BEGINNING OF THE YEAR	\$ 1,358,289	1,663,314	368,351	182,089	375,978	196,938	2,102,618	2,042,341
Changes during the year due to:								
Operations:								
Net investment income	7,257	17,163	11,778	9,850	14,928	10,190	33,963	37,203
Net gain (loss) on investments	—	57	(8,634)	(2,012)	(494)	6,823	(9,128)	4,868
	7,257	17,220	3,144	7,838	14,434	17,013	24,835	42,071
Unit transactions:								
Subscriptions	1,847,136	1,952,452	144,689	257,325	146,600	167,096	2,138,425	2,376,873
Redemptions	(2,119,447)	(2,274,697)	(267,865)	(78,901)	(82,051)	(5,069)	(2,469,363)	(2,358,667)
	(272,311)	(322,245)	(123,176)	178,424	64,549	162,027	(330,938)	18,206
Distributions to unitholders:								
Investment income	(7,257)	(17,163)	(11,778)	(9,850)	(14,928)	(10,190)	(33,963)	(37,203)
(Gain) loss on investments	—	(57)	8,634	2,012	494	(6,823)	9,128	(4,868)
Distributions reinvested	7,257	17,220	3,144	7,838	14,434	17,013	24,835	42,071
Net Assets, End of the Year	\$ 1,093,235	1,358,289	248,319	368,351	454,961	375,978	1,796,515	2,102,618

See Accompanying Notes to Financial Statements

Notes to Financial Statements

YEARS ENDING DECEMBER 31, 2010 and 2009

1. Significant accounting policies

Basis of presentation

The Pooled Investment Funds are established by and operate under Section 16 of the *Municipal Finance Authority Act*. Three funds are maintained:

- (a) Money Market Fund which commenced operations on May 1, 1989;
- (b) Intermediate Fund which commenced operations on March 25, 1994;
- (c) Bond Fund which commenced operations on May 10, 1989.

These funds are authorized to issue an unlimited number of units, each of which represents an equal undivided interest in the net assets of the respective funds *pro rata* with all other units from time to time issued and outstanding. Units are issued or redeemed at \$10 per unit.

Under Section 149 (1) (c) of the *Income Tax Act* the funds are exempt from income taxes.

MONEY MARKET FUND

- (a) Investments are carried at market value.
- (b) Interest income is recognized as earned.
- (c) Management fees are accrued daily at the rate of 0.15 percent per annum of the net assets of the fund and are paid monthly.
- (d) Net earnings from operations are distributed to unitholders daily as additional units of the fund.

INTERMEDIATE FUND & BOND FUND

- (a) Investments are carried at market value.
- (b) Investment transactions are accounted for on the trade date and gains/losses from such transactions are calculated on an average cost basis.
- (c) Interest income is recognized as earned.
- (d) Management fees are accrued weekly and at month end at the rate of 0.20 percent per annum of the net assets of the fund and are paid monthly.
- (e) Net earnings from operations are distributed to unitholders weekly and at month end as additional units of the fund.
- (f) Accretion of discounts and premiums are amortized on a straight-line basis over the term of the investment.

2. Financial instruments

All unitholder receivables, receivables for investments sold, accrued management fees, and unitholder payables have been classified as loans and receivables or other liabilities and are recorded at amortized cost using the effective-yield basis.

Transaction costs are expensed and included in the Statements of Operations and Unitholders' Equity in the period incurred.

Notes to Financial Statements *continued*

Investments are designated as held for trading and recorded at market value measured at mid-market prices which approximate bid values.

3. Financial instruments risk

a. Risk management

Risk management is achieved through segregation of duties whereby the investment management decisions are undertaken by a professional fund manager (Phillips, Hager & North Investment Management Ltd.), custody of the assets and accounting functions undertaken by a professional custodian (CIBC Mellon Trust Company), and overall governance of the funds monitored by the Investment Advisory Committee comprised of Trustees of the Municipal Finance Authority of BC.

The Investment Advisory Committee establishes the investing guidelines, reviews the fund manager's compliance, and assesses performance in comparison to the DEX 91-Day Treasury Bill Index, the DEX 365-Day Treasury Bill Index, and the DEX Short Term Index.

b. Liquidity risk

Liquidity risk is the risk that a portfolio may not be able to settle or meet its obligation on time or at a reasonable price.

Each portfolio is exposed to daily and weekly cash redemptions of units at the current Net Assets Value per unit at the option of the unitholder. The funds invest the majority of their assets in securities that are traded in an active market and can be readily disposed of. In addition each Fund retains sufficient cash and cash-equivalent positions to maintain liquidity.

As of December 31, 2010 the duration of each of the funds was as follows: 58 days for Money Market Fund, 255 days for the Intermediate Fund, and 2.6 years for the Bond Fund.

c. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

The funds invest primarily in interest-bearing securities and are therefore susceptible to market rate fluctuations. The short duration of the investments lessens the effect of changes in interest rates.

d. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its obligation or commitment.

The fund manager moderates risk through a conservative selection of securities and diversification within the parameters of the investment policy.

The investment portfolio is carried at fair value and represents the maximum credit risk exposure as at December 31, 2010.

e. Currency risk

The funds are not subject to currency risk. The functional currency is the Canadian dollar and all transactions are denominated in Canadian dollars.

(Schedule 1)

Money Market - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Short-term Investments				
Treasury Bills				
Government of Canada	February 3, 2011	\$ 14,600,000	14,587,969	
Government of Canada	March 3, 2011	45,000,000	44,917,650	
Government of Canada	January 26, 2011	20,000,000	19,986,765	
Province of Ontario	February 9, 2011	22,500,000	22,476,209	
Province of Ontario	February 23, 2011	62,570,000	62,475,882	
Province of Ontario	March 2, 2011	17,800,000	17,767,300	
Province of Ontario	March 9, 2011	20,000,000	19,960,389	
Province of Ontario	March 16, 2011	3,300,000	3,292,057	
Province of Ontario	March 23, 2011	8,000,000	7,981,064	
Province of Ontario	May 18, 2011	20,686,000	20,596,465	
Province of British Columbia	April 11, 2011	7,800,000	7,776,600	
Province of British Columbia	May 11, 2011	4,250,000	4,232,604	
		<u>246,506,000</u>	<u>246,050,954</u>	22.52%
Bankers Acceptance				
Canadian Imperial Bank of Commerce	March 28, 2011	28,500,000	28,413,266	
Canadian Imperial Bank of Commerce	April 18, 2011	20,000,000	19,927,169	
Canadian Imperial Bank of Commerce	June 10, 2011	30,000,000	29,827,516	
HSBC Bank Canada	February 1, 2011	50,250,000	50,200,173	
		<u>128,750,000</u>	<u>128,368,124</u>	11.75%
Discount Commercial Paper				
Alberta Capital Finance Authority	April 14, 2011	30,000,000	29,907,300	
Bank of Nova Scotia	January 4, 2011	7,300,000	7,299,293	
Bank of Nova Scotia	January 5, 2011	2,000,000	1,999,742	
Bank of Nova Scotia	January 6, 2011	15,400,000	15,397,498	
Bank of Nova Scotia	January 7, 2011	18,500,000	18,496,356	
Bank of Nova Scotia	January 19, 2011	5,000,000	4,997,095	
Bank of Nova Scotia	February 3, 2011	10,500,000	10,488,814	
Bank of Nova Scotia	February 15, 2011	4,025,000	4,019,153	
Bank of Nova Scotia	March 11, 2011	3,000,000	2,993,318	
Bank of Nova Scotia	March 31, 2011	16,350,000	16,303,815	
Brookfield Asset Mgmt. Inc.	January 28, 2011	9,500,000	9,491,023	
Central 1 Credit Union	January 12, 2011	1,075,000	1,074,626	

POOLED INVESTMENT FUNDS

(Schedule 1)

Money Market - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Central 1 Credit Union	March 16, 2011	25,385,000	25,324,499	
Darwin Rec. Trust Sr.	January 12, 2011	10,000,000	9,996,482	
Darwin Rec. Trust Sr.	February 16, 2011	4,800,000	4,792,934	
Darwin Rec. Trust Sr.	February 22, 2011	15,000,000	14,975,093	
Darwin Rec. Trust Sr.	March 9, 2011	8,650,000	8,631,454	
Diversified Trust	March 22, 2011	36,000,000	35,907,903	
Enbridge Inc.	January 21, 2011	10,000,000	9,993,130	
Enbridge Inc.	January 24, 2011	17,500,000	17,485,730	
Fusion Trust Class 'A'	January 18, 2011	36,500,000	36,479,503	
HSBC Bank Canada	March 4, 2011	4,100,000	4,091,794	
Interpipe Inc.	January 4, 2011	2,000,000	1,999,779	
Interpipe Inc.	January 5, 2011	2,815,000	2,814,615	
Interpipe Inc.	January 19, 2011	15,000,000	14,990,051	
Interpipe Inc.	March 3, 2011	8,500,000	8,481,007	
Interpipe Inc.	March 4, 2011	2,000,000	1,995,458	
Interpipe Inc.	March 22, 2011	2,000,000	1,994,104	
Lower Mattagami Energy Ltd.	March 15, 2011	11,350,000	11,323,947	
Merit Trust	February 9, 2011	5,000,000	4,993,811	
Merit Trust	February 15, 2011	22,000,000	21,968,344	
Merit Trust	March 9, 2011	10,000,000	9,978,560	
Merit Trust	March 29, 2011	17,500,000	17,444,454	
Plaza Trust	January 5, 2011	10,000,000	9,998,711	
Prime Trust Sr.	February 15, 2011	9,900,000	9,885,755	
Prime Trust Sr.	February 16, 2011	5,000,000	4,992,640	
Prime Trust Sr.	March 1, 2011	4,400,000	4,391,699	
Prime Trust Sr.	March 8, 2011	4,400,000	4,390,707	
Prime Trust Sr.	March 9, 2011	15,000,000	14,967,840	
Prime Trust Sr.	March 31, 2011	15,000,000	14,956,903	
Reliant Trust	February 22, 2011	5,800,000	5,790,369	
Ridge Trust Series 'A'	March 21, 2011	31,700,000	31,619,917	
Safe Trust	January 4, 2011	6,000,000	5,999,424	
Safe Trust	March 9, 2011	2,500,000	2,494,640	
Sound Trust	January 4, 2011	28,250,000	28,247,290	
Sound Trust	February 9, 2011	8,000,000	7,990,097	
Sound Trust	March 2, 2011	2,925,000	2,919,384	
Summit Trust Series 'A'	March 22, 2011	24,000,000	23,938,602	

(Schedule 1)

Money Market - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Suncor Energy	January 20, 2011	10,000,000	9,993,507	
Suncor Energy	February 3, 2011	3,000,000	2,996,747	
Suncor Energy	March 23, 2011	7,000,000	6,980,311	
Suncor Energy	April 14, 2011	12,500,000	12,454,736	
TransCanada Pipelines Ltd.	January 6, 2011	5,650,000	5,649,088	
TransCanada Pipelines Ltd.	January 12, 2011	4,600,000	4,598,371	
Vancouver City Savings Credit Union	February 1, 2011	1,000,000	998,975	
Vancouver City Savings Credit Union	March 24, 2011	12,000,000	11,966,095	
Vancouver City Savings Credit Union	April 4, 2011	6,000,000	5,978,753	
Vancouver City Savings Credit Union	April 5, 2011	13,500,000	13,451,637	
Yellow Media Inc.	January 13, 2011	8,665,000	8,661,591	
Yellow Media Inc.	January 18, 2011	8,125,000	8,120,475	
Yellow Media Inc.	January 20, 2011	3,320,000	3,317,927	
Yellow Media Inc.	January 25, 2011	4,500,000	4,496,341	
Yellow Media Inc.	January 31, 2011	7,500,000	7,492,075	
Zeus Rec. Trust Sr.	January 18, 2011	13,000,000	12,993,370	
Zeus Rec. Trust Sr.	February 9, 2011	24,600,000	24,569,549	
Zeus Rec. Trust Sr.	March 28, 2011	13,000,000	12,959,212	
		719,585,000	718,393,423	65.73%
Total Investment Portfolio		\$1,094,841,000	1,092,812,501	100.00%

POOLED INVESTMENT FUNDS

(Schedule 2)

Intermediate - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Short-term Investments				
Treasury Bills				
Government of Canada	January 6, 2011	\$ 1,600,000	1,599,760	
Province of Ontario	February 16, 2011	38,250,000	38,199,892	
Province of Ontario	April 6, 2011	5,850,000	5,833,269	
Province of Ontario	June 29, 2011	9,150,000	9,093,910	
Province of British Columbia	June 17, 2011	9,000,000	8,950,140	
Total Short-term Investments		63,850,000	63,676,971	25.68%
Canadian Bonds				
Corporate Bonds				
407 International Inc.	January 20, 2012	10,900,000	11,437,861	
Bank of Montreal	June 21, 2017	11,775,000	12,286,345	
Bank of Nova Scotia	June 4, 2012	12,100,000	12,301,746	
Canada Housing Trust No.1	March 15, 2011	35,200,000	35,822,320	
Canadian Credit Card Trust	April 24, 2012	11,825,000	12,295,025	
Canadian Imperial Bank of Commerce	November 1, 2011	2,500,000	2,573,541	
Canadian Imperial Bank of Commerce	March 28, 2016	9,475,000	9,646,617	
CU Inc.	June 1, 2011	3,000,000	3,080,899	
Golden Credit Card Trust	April 15, 2011	12,050,000	12,294,918	
Greater Toronto Airport Authority	January 30, 2012	11,450,000	12,279,285	
John Deere Credit Inc.	March 30, 2011	3,500,000	3,558,782	
Master Credit Card Trust	August 21, 2012	11,500,000	12,076,680	
Merrill Lynch & Co Inc.	January 30, 2012	3,000,000	3,099,698	
NAV Canada	February 24, 2011	4,744,000	4,835,392	
Royal Bank of Canada	April 30, 2017	11,825,000	12,281,937	
Toronto Dominion Bank	November 1, 2017	11,550,000	12,166,369	
Wells Fargo Financial Canada Corp.	September 13, 2011	11,925,000	12,290,714	
Total Canadian Bonds		178,319,000	184,328,129	74.32%
Total Investment Portfolio		\$ 242,169,000	248,005,100	100.00%

(Schedule 3) Bond - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Short-term Investments				
Discount Commercial Paper				
Darwin Rec. Trust Sr.	January 10, 2011	1,350,000	1,351,308	
Darwin Rec. Trust Sr.	January 12, 2011	1,825,000	1,827,361	
Darwin Rec. Trust Sr.	January 14, 2011	1,100,000	1,103,356	
Darwin Rec. Trust Sr.	January 24, 2011	7,925,000	7,928,386	
Interpipe Inc.	January 6, 2011	4,000,000	4,007,411	
Interpipe Inc.	January 7, 2011	1,275,000	1,277,276	
Interpipe Inc.	January 13, 2011	2,675,000	2,678,700	
Interpipe Inc.	February 1, 2011	1,000,000	1,000,940	
Merit Trust	January 12, 2011	3,525,000	3,535,981	
Merit Trust	January 17, 2011	850,000	852,404	
Prime Trust Sr.	January 12, 2011	10,000,000	10,031,485	
Prime Trust Sr.	January 25, 2011	1,200,000	1,200,557	
Prime Trust Sr.	February 1, 2011	1,400,000	1,400,151	
Suncor Energy	January 12, 2011	5,250,000	5,267,610	
Suncor Energy	January 18, 2011	5,025,000	5,029,535	
Vancouver City Savings Credit Union	January 6, 2011	5,650,000	5,658,855	
Total Short-term Investments		54,050,000	54,151,316	11.82 %

Canadian Bonds

Federal Bonds

Government of Canada	June 1, 2011	315,000	315,761	
Government of Canada	September 1, 2012	255,000	258,551	
Government of Canada	December 1, 2012	15,430,000	15,413,865	
Government of Canada	September 1, 2013	3,830,000	3,926,787	
		<u>19,830,000</u>	<u>19,914,964</u>	4.35 %

Provincial Bonds

Province of Ontario	March 8, 2014	36,385,000	39,974,936	
Province of Ontario	March 8, 2015	8,805,000	9,594,156	
		<u>45,190,000</u>	<u>49,569,092</u>	10.82 %

Corporate Bonds

407 International Inc.	June 16, 2015	870,000	903,637	
Altalink Investment LP	November 21, 2012	3,095,000	3,226,834	
American Express Canada Credit	April 2, 2013	740,000	799,460	
American Express Canada Credit	October 3, 2014	2,665,000	2,834,544	
Anheuser-Busch InBev Worldwide	January 15, 2016	820,000	829,175	
Bank of America Corp.	September 21, 2015	2,000,000	1,986,803	

(Schedule 3)
Bond - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Bank of America Corp.	June 1, 2016	6,766,000	6,828,330	
Bank of Montreal	April 27, 2015	2,370,000	2,466,374	
Bank of Montreal	June 10, 2015	1,875,000	2,040,481	
Bank of Montreal	March 10, 2016	385,000	384,470	
Bank of Montreal	June 10, 2016	6,405,000	6,428,458	
Bank of Montreal	June 21, 2017	5,735,000	5,989,675	
Bank of Montreal	April 22, 2020	2,000,000	2,143,969	
Bank of Nova Scotia	March 25, 2015	1,700,000	1,738,648	
Bank of Nova Scotia	June 8, 2017	4,020,000	4,128,315	
Bank of Nova Scotia	January 31, 2018	800,000	862,983	
Bank of Nova Scotia	March 27, 2018	585,000	622,828	
Bank of Nova Scotia	October 3, 2018	3,290,000	3,621,295	
Bank of Nova Scotia	April 15, 2019	4,570,000	4,895,853	
Bear Stearns	January 12, 2011	2,425,000	2,477,057	
Bear Stearns	July 20, 2012	3,765,000	3,941,695	
Bell Aliant Regional Communications	September 26, 2011	216,000	223,184	
Bell Aliant Regional Communications	February 26, 2014	500,000	534,456	
Bell Aliant Regional Communications	February 17, 2015	1,550,000	1,738,282	
Bell Canada	June 30, 2014	1,985,000	2,099,46	
Bell Canada	December 2, 2015	1,520,000	1,528,447	
Brookfield Asset Mgmt. Inc.	June 2, 2014	1,025,000	1,194,791	
Caisse Centrale	June 8, 2015	1,790,000	1,841,491	
Caisse Centrale	October 5, 2017	1,710,000	1,687,184	
Canada Housing Trust No.1	June 15, 2015	3,065,000	3,148,015	
Canada Housing Trust No.1	September 15, 2013	32,250,000	33,880,196	
Canada Housing Trust No.1	June 15, 2012	54,115,000	56,710,737	
Canada Housing Trust No.1	March 15, 2015	5,600,000	5,756,537	
Canada Housing Trust No.1	December 15, 2015	1,720,000	1,704,793	
Canadian Imperial Bank of Commerce	July 14, 2017	820,000	848,530	
Canadian Imperial Bank of Commerce	December 22, 2014	300,000	320,725	
Canadian Imperial Bank of Commerce	June 6, 2018	6,915,000	7,345,563	
Canadian Imperial Bank of Commerce	April 30, 2020	8,250,000	8,578,898	
Canadian Imperial Bank of Commerce	November 2, 2020	1,090,000	1,073,513	
Canadian Imperial Bank of Commerce	March 2, 2015	2,015,000	2,042,824	
Canadian Utilities Ltd.	November 22, 2012	825,000	888,268	
Capital Desjardins Inc.	November 23, 2020	3,130,000	3,139,442	
Cards II Trust	May 15, 2013	2,250,000	2,293,488	
Cards II Trust	September 15, 2015	1,870,000	1,882,559	
Caterpillar Financial Services	June 3, 2013	1,300,000	1,388,075	
Central 1 Credit Union	October 9, 2019	600,000	619,505	

(Schedule 3)
Bond - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
CI Financial Corp.	December 17, 2012	1,540,000	1,556,972	
CI Investments Inc.	December 14, 2016	510,000	513,815	
Citigroup Finance Canada Inc.	November 13, 2012	1,170,000	1,212,433	
Citigroup Finance Canada Inc.	May 21, 2013	1,315,000	1,380,232	
Credit Union Central of British Columbia	December 21, 2016	500,000	510,632	
Enbridge Inc.	September 8, 2015	800,000	807,121	
Gaz Metro Inc.	April 15, 2013	500,000	538,033	
Golden Credit Card Trust	May 15, 2015	2,570,000	2,658,380	
Golden Credit Card Trust	April 15, 2011	505,000	515,749	
Golden Credit Card Trust	April 15, 2013	760,000	820,266	
Goldman Sachs Group Inc.	June 1, 2011	710,000	720,499	
Greater Toronto Airport Authority	December 13, 2012	2,980,000	3,223,195	
Greater Toronto Airport Authority	December 6, 2013	1,252,000	1,373,324	
Greater Toronto Airport Authority	February 15, 2016	1,380,000	1,498,736	
HSBC Bank Canada	May 21, 2015	990,000	1,023,586	
HSBC Bank Canada	October 4, 2017	1,820,000	1,803,220	
HSBC Financial Corp. Ltd.	April 13, 2011	685,000	697,940	
HSBC Financial Corp. Ltd.	October 6, 2011	1,500,000	1,539,399	
John Deere Credit Inc.	April 20, 2012	450,000	470,145	
John Deere Credit Inc.	July 29, 2013	655,000	687,860	
Loblaw Companies Ltd.	March 3, 2014	310,000	343,791	
Loblaw Companies Ltd.	May 8, 2014	180,000	191,483	
Manitoba Telecom Services Inc.	May 11, 2012	1,700,000	1,761,693	
Master Credit Card Trust	May 21, 2013	1,500,000	1,608,365	
Merrill Lynch & Co. Inc.	January 30, 2012	3,150,000	3,257,741	
Molson Coors International LP	October 6, 2017	950,000	935,252	
Morgan Stanley	February 23, 2012	7,880,000	8,155,436	
National Bank of Canada	May 26, 2015	1,570,000	1,636,582	
NAV Canada	February 24, 2016	370,000	403,636	
NHA MBS Royal Bank of Canada	September 1, 2015	2,423,338	2,385,858	
NHA MBS Toronto Dominion Bank	January 1, 2015	4,806,744	4,766,453	
NHA MBS Toronto Dominion Bank	June 1, 2015	4,986,114	4,977,342	
NHA MBS Toronto Dominion Bank	September 1, 2015	3,815,884	3,729,676	
Nova Scotia Power Inc.	October 1, 2013	720,000	789,957	
Plenary Health Hamilton LP	March 13, 2015	1,050,000	1,051,498	
SP Capital Inc.	December 9, 2013	5,915,000	6,302,898	
PSP Capital Inc.	December 3, 2015	1,960,000	1,959,739	
RBC Subordinated Notes Trust	April 30, 2017	4,100,000	4,262,434	
Rogers Communications Inc.	May 26, 2016	3,355,000	3,698,029	
Royal Bank of Canada	January 25, 2017	2,000,000	2,048,674	

(Schedule 3)
Bond - Schedule of Investments

DECEMBER 31, 2010

	MATURITY DATE	PAR	MARKET	% OF TOTAL
Royal Bank of Canada	June 6, 2018	8,800,000	9,316,313	
Royal Bank of Canada	November 2, 2020	980,000	965,710	
Scotiabank Subordinated Notes Trust	November 1, 2017	2,890,000	3,066,372	
Sun Life Financial Inc.	June 26, 2018	2,925,000	3,056,620	
Sun Life Financial Inc.	March 31, 2019	250,000	287,318	
Sun Life Financial Inc.	November 23, 2035	510,000	529,717	
Telus Corporation	May 15, 2014	940,000	1,001,858	
Teranet Holdings LP	December 16, 2015	3,440,000	3,457,117	
Tim Hortons Inc.	June 1, 2017	190,000	195,851	
Toronto Dominion Bank	February 13, 2013	2,620,000	2,811,212	
Toronto Dominion Bank	November 1, 2017	8,360,000	8,888,443	
Toronto Dominion Bank	April 2, 2020	3,080,000	3,395,217	
Toronto Dominion Bank	November 2, 2020	3,840,000	3,817,588	
Toronto Hydro Corp.	May 6, 2013	710,000	777,742	
TransAlta Corporation	May 29, 2014	1,360,000	1,486,202	
Westcoast Energy Inc.	January 15, 2016	570,000	571,659	
Yellow Media Inc.	February 2, 2015	1,710,000	1,880,975	
		<u>311,801,080</u>	<u>324,943,835</u>	<u>70.94 %</u>
Total Canadian Bonds		376,821,080	394,427,891	86.13 %

Mortgages

NHA Insured Mortgages

Penmor Loan #1995-4J	May 15, 2011	409,489	414,497	
Penmor Loan #2341-1W	November 1, 2011	490,939	498,736	
Penmor Loan #3213-OW	March 1, 2012	510,800	524,661	
Penmor Loan #4004-OW	April 1, 2012	724,705	737,431	
Penmor Loan #3133-OM	June 1, 2012	882,305	912,545	
Penmor Loan #2355-1K	January 1, 2014	216,924	226,741	
Penmor Loan #3881-OF	January 1, 2014	1,003,650	1,041,135	
Penmor Loan #3429-0W	January 1, 2015	140,243	148,428	
Penmor Loan #4176-0E	January 1, 2015	1,052,237	1,072,235	
Penmor Loan #4171-0F	February 1, 2015	902,800	919,445	
Penmor Loan #4357-0F	June 5, 2015	285,649	294,045	
Penmor Loan #4184-0J	January 1, 2017	1,612,800	1,673,791	
Penmor Loan #4437-0C	June 1, 2017	903,657	932,807	
Total Mortgage Investments		9,136,198	9,396,497	2.05 %
Total Investment Portfolio		\$440,007,278	\$457,975,704	100.00 %

Participants in Pooled Investment Funds

MUNICIPALITIES

100 Mile House	Golden	New Hazelton	Salmon Arm
Abbotsford	Granisle	New Westminster	Sayward
Alert Bay	Greenwood	North Cowichan	Sechelt
Anmore	Hazelton	North Saanich	Sicamous
Armstrong	Highlands	North Vancouver (Dist.)	Sidney
Ashcroft	Hope	Northern Rockies	Silverton
Belcarra	Houston	Oak Bay	Slocan
Bowen Island	Kamloops	Oliver	Smithers
Burnaby	Kaslo	Parksville	Sooke
Burns Lake	Kelowna	Peachland	Spallumcheen
Cache Creek	Kent	Pemberton	Sparwood
Campbell River	Keremeos	Penticton	Squamish
Canal Flats	Kimberley	Pitt Meadows	Stewart
Castlegar	Kitimat	Port Alberni	Summerland
Central Saanich	Ladysmith	Port Alice	Surrey
Chase	Lake Country	Port Clements	Tahsis
Chetwynd	Lake Cowichan	Port Coquitlam	Taylor
Chilliwack	Lantzville	Port Edward	Telkwa
Clinton	Lillooet	Port Hardy	Terrace
Coldstream	Logan Lake	Port McNeill	Tofino
Colwood	Lumby	Port Moody	Trail
Comox	Lytton	Pouce Coupe	Tumbler Ridge
Coquitlam	Mackenzie	Powell River	Ucluelet
Courtenay	Maple Ridge	Prince George	Valemount
Creston	Masset	Prince Rupert	Vernon
Cumberland	McBride	Princeton	Victoria
Dawson Creek	Merritt	Qualicum Beach	View Royal
Duncan	Metchosis	Queen Charlotte	Warfield
Enderby	Midway	Quesnel	West Vancouver
Esquimalt	Mission	Radium Hot Springs	Whistler
Fernie	Montrose	Revelstoke	White Rock
Fort St. James	Nakusp	Richmond	Williams Lake
Fort St. John	Nanaimo	Rosland	Zeballos
Gibsons	Nelson	Saanich	
Gold River	New Denver	Salmo	

REGIONAL DISTRICTS

Bulkley-Nechako	Comox Valley	Mount Waddington	Squamish-Lillooet
Capital	Cowichan Valley	Nanaimo	Strathcona
Cariboo	East Kootenay	North Okanagan	Sunshine Coast
Central Coast	Fraser Valley	Okanagan-Similkameen	Thompson-Nicola
Central Kootenay	Fraser-Fort George	Peace River	
Central Okanagan	Kitimat-Stikine	Powell River	
Columbia Shuswap	Kootenay Boundary	Skeena-Queen Charlotte	

Participants in Pooled Investment Funds *continued*

REGIONAL HOSPITAL DISTRICTS

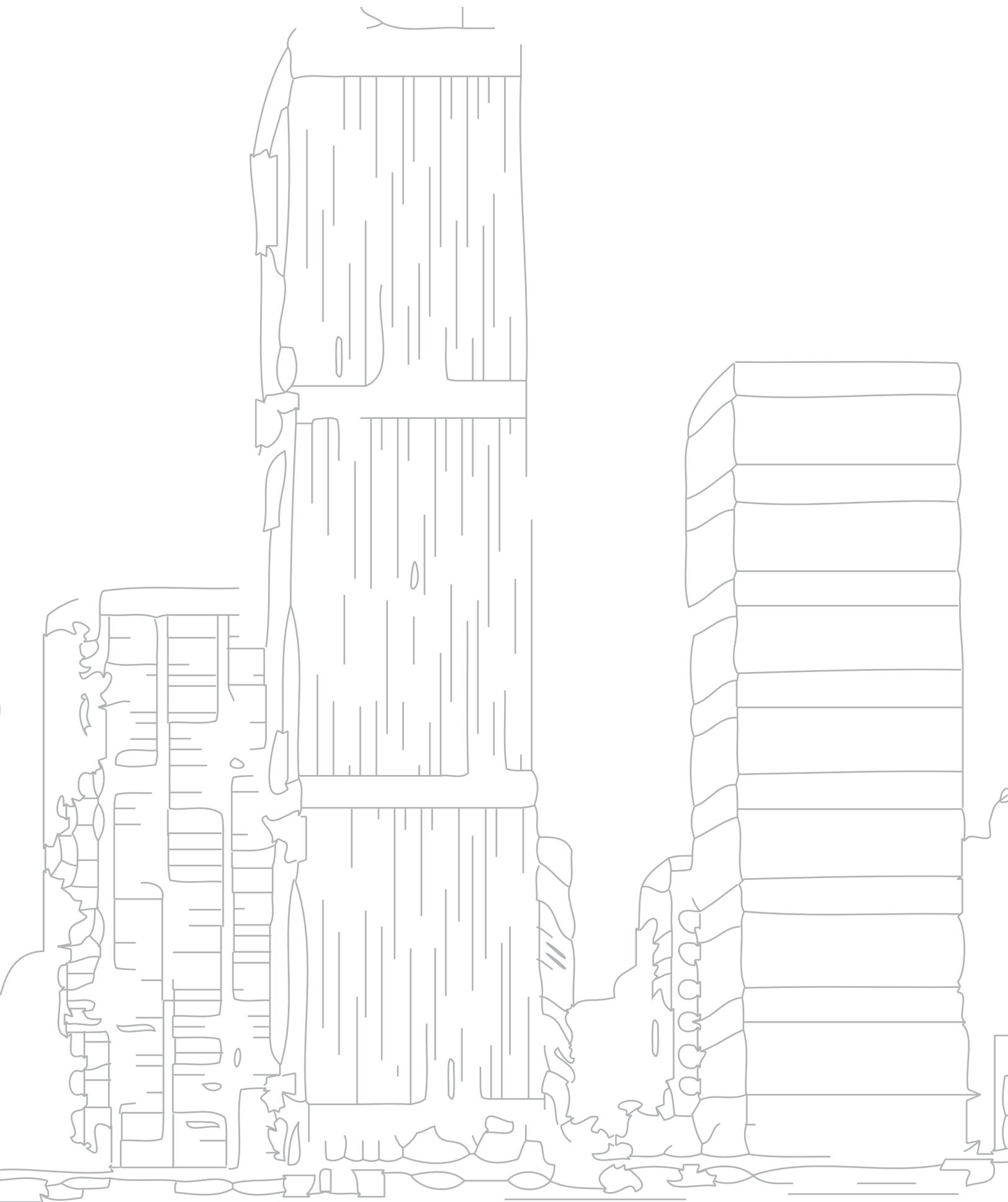
Cariboo	Fraser Valley	Peace River	Thompson
Central Coast	Fraser-Fort George	Sea to Sky	Thompson-Nicola
Central Okanagan	Kootenay East	Squamish-Lillooet	West Kootenay-Boundary
Comox-Strathcona	Nanaimo	Stuart-Nechako	
East Kootenay	Okanagan-Similkameen	Sunshine Coast	

FIRST NATIONS

Adams Lake	Kwaw-kwaw-Apilt	Songhees	First Nations Finance Authority
Bonaparte	Matsqui	St. Mary's	Waabnoong Bemjiwang Association
Chawathil	Millbrook	Stó:lō	
Chemainus	Namgis	T'it'q'et	
Ch-ihl-kway-uhk	Seabird Island	Tsawwassen	
Cowichan	Shxw'ha:y	Tzeachten	
Kamloops	Sliammon	Westbank	

OTHER ORGANIZATIONS

Association of Kootenay Boundary Local Governments	Municipal Finance Authority of BC
Association of Yukon Communities	Nootka Sound Economic Development Corporation
Barriere Improvement District	North Central Local Government Association
Capital Region Emergency Services Telecommunications	North Island-Coast Development Initiative Trust
Capital Region Housing Corporation	North Peace Airport Society
Carmacks, Yukon	Okanagan-Kootenay Sterile Insect Release Board
Children's & Women's Health Centre of BC	Old Massett Village Council
CivicInfo BC	Oliver Parks and Recreation
Clearwater	Port Alberni Harbour Commission
College of the Rockies	Prince George Public Library
Comox Fire Protection Improvement District	Queen Charlotte School District
Fraser Basin Council	Razor Point Improvement District
Fraser Valley Library	Rocky Mountain School District
Grand Forks Irrigation District	Shawnigan Improvement District
Government Finance Officers Association of BC	South Coast British Columbia Transportation Authority
Hedley Improvement District	South East Kelowna Irrigation District
Integrated Cadastral Information Society	Southern Interior Development Initiative Trust
Islands Trust	Southern Interior Local Government Association
Kelowna General Hospital Foundation	Transportation Property & Casualty Company Inc.
Local Government Management Association of BC	Union of BC Municipalities
Lower Mainland Municipal Government Association	University of Northern BC
Lund Waterworks District	Vancouver Island Library
Mission School District	Vancouver Island Local Government Management Association
Mount Parke Estates Improvement District	Victoria Public Library





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