

Funds and Reserves: Composition and Market Value 2021

General Account: Bonds

Market Value: \$501.10 million

Par Value: \$498.95 million

Book Value: \$480.45 million

The General Account is composed of bonds issued by the Government of Canada, Canadian provinces and Canadian municipalities, as well as various Canadian corporations all with an investment grade rating or better. Ten years is the longest maturity held in the portfolio, with an overall average maturity of 4.98 years. This is the main investment account for the City's operations.

General Account: Money Market

Market Value: \$0.00

Par Value: \$0.00

Book Value: \$0.00

The General Account Money Market is usually composed of money market securities which mature within one year and generally offer a lower yield than most bonds. These securities are more liquid than bonds as funds are available the same day the security is sold, whereas there is a two business day lag for the sale of bonds. The City has not held any money market securities since 2019 as yields have been below the City's interest earned on the bank account. Yields have improved and money market securities have started offering better investment opportunities for the City.

Cemetery Perpetual Care Fund

Market Value: \$5.91 million

Par Value: \$5.93 million

Book Value: \$4.40 million

The Cemetery Perpetual Care Fund is composed of bonds issued by Canadian provinces, Canadian municipalities and Canadian corporations. The term of these bonds ranges from 1 to 30 years.

Transit Vehicle Replacement Reserve

Market Value: \$305,000

Par Value: \$306,000

Book Value: \$289,000

The Transit Vehicle Replacement Reserve is composed of bonds issued by Canadian provinces. The term of these bonds ranges from one to five years.

Group Insurance Trust Fund

Market Value: \$3.19 million

Par Value: \$3.19 million

Book Value: \$3.19 million

The Group Insurance Trust Fund is composed of money market securities maturing within one year offering good liquidity for the fund.

Public Library Capital Expansion Reserve

Market Value: \$15.53 million

Par Value: \$14.71 million

Book Value: \$15.32 million

The Public Library Capital Expansion Reserve is composed of bonds issued by the Government of Canada, Canadian provinces, Canadian municipalities and Canadian corporations. The term of these bonds ranges from one to five years.

Public Library Equipment Replacement

Market Value: \$2.49 million

Par Value: \$2.78 million

Book Value: \$2.45 million

The Public Library Equipment Replacement Reserve is composed of bonds issued by Canadian provinces, Canadian municipalities and Canadian corporations. The term of these bonds ranges from one to five years.

Sinking Fund

Market Value: \$8.54 million

Par Value: \$12.76 million

Book Value: \$7.16 million

The Sinking Fund is composed of bonds issued by Canadian provinces and Canadian municipalities. The term of these funds are approximately 30 years or less to match the fund's 2043 maturity date. This fund was established to pay off the \$45.0 million loan for the new police headquarters in 2043.

Portfolio Total

Market Value: \$537.07 million

Par Value: \$538.63 million

Book Value: \$513.26 million

Total portfolio value includes all funds under management at the City composed of the money market and bond portfolios.