Combined Financial Statements of

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

(As of August 1, 2015, the Plans are the responsibility of The Civic and Police Employees' Group Life Insurance Plans Corporation, a wholly owned City of Winnipeg municipal corporation)

December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Civic and Police Employees' Group Life Insurance Plans Corporation

Opinion

We have audited the combined financial statements of the City of Winnipeg Civic Employees' Group Life Insurance Plan and Police Employees' Group Life Insurance Plan (the "Entity"), which comprise the combined statement of financial position as at December 31, 2022, and the combined statement of changes in net assets, the combined statement of changes in benefit obligations and combined statement of changes in surplus, for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its changes in net assets available for benefits, and its changes in pension obligation for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"*Auditor's Responsibilities for the Audit of the Financial Statements*"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Entity‘s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

KPMG LLP

Chartered Professional Accountants

Winnipeg, Canada

June 12, 2023

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMBINED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
ASSETS		
Investments, at fair value		
Bonds and debentures	**$ 64,809**	$ 65,740
Canadian equities	**57,467**	76,851
Foreign equities	**50,252**	54,457
Real Estate	**12,024**	10,020
Infrastructure	**10,855**	-
Cash and short-term deposits	**770**	5,939
	196,177	213,007
Accounts receivable - dividends	**424**	581
Accounts receivable	**19**	19
Due from The Winnipeg Civic Employees' Pension Plan	**16**	6
Total Assets	**196,636**	213,613
LIABILITIES		
Accounts payable	**653**	556
Total Liabilities	**653**	556
NET ASSETS *(Note 4)*	**195,983**	213,057
BENEFIT OBLIGATIONS		
Civic Employees' Group Life Insurance Plan (Note 5)	**76,428**	81,806
Police Employees' Group Life Insurance Plan (Note 6)	**21,073**	22,383
	97,501	104,189
SURPLUS	**$ 98,482**	$ 108,868
SURPLUS COMPRISED OF:		
Civic Employees' Group Life Insurance Plan (Note 5)	**$ 79,248**	$ 87,309
Police Employees' Group Life Insurance Plan (Note 6)	**19,234**	21,559
	$ 98,482	$ 108,868

See accompanying notes to the combined financial statements

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMBINED STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
INCREASE IN ASSETS		
Contributions		
Employees - basic	**$ 835**	$ 823
Employees - optional	**286**	297
	1,121	1,120
City of Winnipeg and participating employers	**834**	821
Pensioners	**158**	156
	2,113	2,097
Investment income (Note 8)	**4,778**	3,675
Current period change in fair value of investments	**-**	15,569
Total increase in assets	**6,891**	21,341
DECREASE IN ASSETS		
Current period change in fair value of investments	**15,062**	-
Benefit payments	**4,593**	5,890
Claims administration and taxes	**260**	250
Administration	**256**	296
Investment management fees	**150**	31
Actuarial (recoveries) fees	**9**	(19)
Total decrease in assets	**20,330**	6,448
NET (DECREASE) INCREASE IN NET ASSETS FOR THE YEAR	**(13,439)**	14,893
NET ASSETS, BEGINNING OF YEAR	**169,115**	154,222
NET ASSETS, END OF YEAR (NOTE 4)	**$ 155,676**	$ 169,115

See accompanying notes to the combined financial statements

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMBINED STATEMENT OF CHANGES IN BENEFIT OBLIGATIONS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
INCREASE IN BENEFIT OBLIGATIONS		
Interest accrued on benefits	**$ 4,056**	$ 3,938
Benefits accrued	**2,364**	2,331
Total increase in benefit obligations	**6,420**	6,269
DECREASE IN BENEFIT OBLIGATIONS		
Benefits paid	**3,729**	4,145
Experience gains and losses and other factors	**1,689**	-
Changes in actuarial assumptions	**6,380**	-
Total decrease in benefit obligations	**11,798**	4,145
NET (DECREASE) INCREASE IN BENEFIT OBLIGATIONS FOR THE YEAR	**(5,378)**	2,124
BENEFIT OBLIGATIONS, BEGINNING OF YEAR	**81,806**	79,682
BENEFIT OBLIGATIONS, END OF YEAR	**$ 76,428**	$ 81,806

COMBINED STATEMENT OF CHANGES IN SURPLUS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
Net (decrease) increase in net assets for the year	**$ (13,439)**	$ 14,893
Net decrease (increase) in benefit obligations for the year	**5,378**	(2,124)
NET (DECREASE) INCREASE IN SURPLUS FOR THE YEAR	**(8,061)**	12,769
SURPLUS, BEGINNING OF YEAR	**87,309**	74,540
SURPLUS, END OF YEAR	**$ 79,248**	$ 87,309

See accompanying notes to the combined financial statements

THE CITY OF WINNIPEG
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
INCREASE IN ASSETS		
Contributions		
Employees - basic	**$ 284**	$ 276
Employees - optional	**113**	107
	397	383
City of Winnipeg	**283**	275
Pensioners	**59**	58
	739	716
Investment income (Note 8)	**1,235**	952
Current period change in fair value of investments	**-**	4,035
Total increase in assets	**1,974**	5,703
DECREASE IN ASSETS		
Current period change in fair value of investments	**3,914**	-
Benefit payments	**1,530**	1,561
Administration	**67**	77
Claims administration and taxes	**52**	49
Investment management fees	**42**	8
Actuarial fees	**4**	38
Total decrease in assets	**5,609**	1,733
NET (DECREASE) INCREASE IN SURPLUS FOR THE YEAR	**(3,635)**	3,970
NET ASSETS, BEGINNING OF YEAR	**43,942**	39,972
NET ASSETS, END OF YEAR (NOTE 4)	**$ 40,307**	$ 43,942

See accompanying notes to the combined financial statements

THE CITY OF WINNIPEG
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMBINED STATEMENT OF CHANGES IN BENEFIT OBLIGATIONS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
INCREASE IN BENEFIT OBLIGATIONS		
Interest accrued on benefits	**$ 1,119**	$ 1,065
Benefits accrued	**616**	600
Total increase in benefit obligations	**1,735**	1,665
DECREASE IN BENEFIT OBLIGATIONS		
Benefits paid	**637**	571
Experience gains and losses and other factors	**351**	-
Changes in actuarial assumptions	**2,057**	-
Total decrease in benefit obligations	**3,045**	571
NET(DECREASE) INCREASE IN BENEFIT OBLIGATIONS FOR THE YEAR	**(1,310)**	1,094
BENEFIT OBLIGATIONS, BEGINNING OF YEAR	**22,383**	21,289
BENEFIT OBLIGATIONS, END OF YEAR	**$ 21,073**	$ 22,383

COMBINED STATEMENT OF CHANGES IN SURPLUS

For the year ended December 31, 2022, with comparative information for 2021
(in $ thousands)

	2022	2021
Net (decrease) increase in net assets for the year	**$ (3,635)**	$ 3,970
Net decrease (increase) in benefit obligations for the year	**1,310**	(1,094)
NET (DECREASE) INCREASE IN SURPLUS FOR THE YEAR	**(2,325)**	2,876
SURPLUS, BEGINNING OF YEAR	**21,559**	18,683
SURPLUS, END OF YEAR	**$ 19,234**	$ 21,559

See accompanying notes to the combined financial statements

1. Description of Plans

The City of Winnipeg sponsors two group life insurance plans: i) the *Civic Employees' Group Life Insurance Plan* for employees of the City of Winnipeg; other than police officers, and certain other employers which participate in the *Plan,* and ii) the *Police Employees' Group Life Insurance Plan* for police officers of the City of Winnipeg (separately, the "*Plan*; together, the "*Plans*").

The *Plans* are constituted pursuant to City of Winnipeg By-Law 80/2015, which took effect on August 1, 2015. The predecessor plans – the *Civic Employees' Group Life Insurance Plan* and *Police Employees' Group Life Insurance Plan,* which operated pursuant to By-Laws 5644/91 and 5643/91, respectively, were continued under By-Law 80/2015, but with amendment and restatement related to their governance and financial structure.

a) Civic Employees' Group Life Insurance Plan

All employees are eligible to join the *Plan* commencing on their date of employment. All new members of *The Winnipeg Civic Employees' Pension Plan* must become members of the *Plan*. *Plan* members are covered for basic life insurance of one or two times annual earnings. Optional coverage can be purchased under the *Plan* to increase coverage up to four times annual earnings. A portion of the basic life insurance coverage can be continued after retirement at the employee's option. *Plan* members and the City share equally in the cost of the basic life insurance coverage until retirement. Coverage on the life of a disabled member continues at the same earnings multiple prior to disability. A waiver of contributions is provided for insurance coverage in effect at the time of disability.

b) Police Employees' Group Life Insurance Plan

All police officers are required to become members of the *Plan* commencing on their date of employment. *Plan* members are covered for basic life insurance coverage of two times annual earnings. Optional coverage can be purchased under the *Plan* to increase coverage up to four times annual earnings. A portion of the basic life insurance coverage can be continued after retirement at the employee's option. The employees and the City share equally in the cost of basic life insurance until retirement. Coverage on the life of disabled members continues at the same earnings multiple prior to disability. A waiver of contributions is provided for insurance coverage in effect at the time of disability.

2. Summary of Significant Accounting Policies

a) Basis of presentation

These combined financial statements are prepared on a going concern basis and in accordance with Canadian accounting standards for pension plans, which also apply to these benefit plans. In selecting accounting policies not otherwise addressed by Canadian accounting standards for pension plans, Canadian accounting standards for private enterprises ("ASPE") have been applied. The combined financial statements present the aggregate financial position of the *Plans* as separate financial reporting entities, independent of the sponsor and *Plan* members. They are prepared to assist *Plan* members and others in reviewing the activities of the *Plans* for the fiscal period.

The combined financial statements include the accounts of *The Civic and Police Employees' Group Insurance Plans Corporation* (the "*Corporation*"), which as part of its mandate maintains, invests, manages and administers the New Civic Insurance Fund and the New Police Insurance Fund. The combined financial statements also include the accounts of the Old Civic Insurance Fund and the Old Police Insurance Fund, which are administered and held in trust by the *Corporation* in its capacity as trustee (the "*Trustee*") within the Plans' financial structure.

The combined financial statements also include contributions and related insurance premiums which are directly applied at source by the *Corporation,* acting in a trust capacity. Inter-fund transactions and balances are eliminated for *Plan* reporting purposes.

Under the insurance contract, the *Plans* bear the full claims experience, together with related claims administration expenses. Insurance premiums in amounts equal to insurance claims and related claims administration expenses are reclassified for *Plan* reporting purposes as benefits and claims administration expenses, respectively. Any excess premiums arising in the year are ultimately refunded and are recognized as an amount due from the Canada Life Assurance Company. Similarly, any premium shortfalls must ultimately be settled and are recognized as amounts due to the Canada Life Assurance Company.

The benefit obligations presented in the combined financial statements of the *Plan* relate to the obligations of the City of Winnipeg under By-law 80/2015.

These combined financial statements include the operating results for the year ended December 31, 2022, with comparatives for the year ended December 31, 2021.

A supplementary schedule is attached to these financial statements, which provides financial information about the New Insurance Funds and Old Insurance Funds which comprise the *Plans*.

2. Summary of Significant Accounting Policies (continued)

b) Investments and investment income

Investments are stated at fair value. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. The fixed income investments are valued either using published market prices or by applying valuation techniques that utilize observable market inputs. The equity investments are valued using published market prices. For infrastructure investments, where quoted market prices are not available, various methods of valuation are used by the external manager to determine fair value including the use of: discounted cash flows, earnings multiples, prevailing market rates for instruments with similar characteristics or other pricing models as appropriate. Short-term deposits are recorded at cost, which together with accrued interest income, approximates fair value. Investment transactions are recognized on a trade date basis. Investment income is recorded on the accrual basis.

c) Financial instruments other than investments

Financial instruments other than investments include accrued contributions receivable, premiums payable and accounts payable. Financial assets other than investments and financial liabilities are recognized in the *Plans'* Combined Statement of Financial Position when the Plans become a party to the contractual provisions of the instrument. All financial assets and financial liabilities are initially measured at fair value.

The *Plans'* contributions receivables are measured at amortized cost, where the amortized cost equals the amount at which the receivable is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The *Plans'* financial liabilities are measured subsequently at amortized cost.

d) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at the year end. Income and expenses, and the purchase and sale of investments, are translated into Canadian dollars at the exchange rates prevailing on the transaction dates.

e) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for pension plans, which also apply to these benefit plans, requires management to make estimates and assumptions that affect the reported amounts of

2. Summary of Significant Accounting Policies (continued)

e) Use of estimates (continued)

certain assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets, obligations, and surplus during the year. Actual results could differ from those estimates.

3. Financial Structure

The *Plans'* financial structure is in accordance with the requirements of City of Winnipeg By-law 80/2015.

As of August 1, 2015, the *Plans* are the responsibility of the *Corporation*, incorporated pursuant to *The Corporations Act* (Manitoba) as a corporation with share capital. All of the issued and outstanding shares in the capital of the *Corporation* are owned by the City of Winnipeg.

The *Corporation* was established to maintain, manage and administer the *Plans* (including their related funds) sponsored by the City of Winnipeg, in both its own capacity and in its capacity as *Trustee*. The *Corporation's* mandate is in accordance with the requirements of City of Winnipeg By-Law 80/2015, which took effect on August 1, 2015.

On August 1, 2015, pursuant to restructure, the net assets of the predecessor *Plans* were conveyed to the *Trustee* on behalf of the Old Civic Insurance Fund and Old Police Insurance Fund, respectively. The conveyed assets were subsequently sold to the *Corporation* at fair market value. In exchange for the investments sold, the *Trustee* received non-interest-bearing promissory notes, which are held and accounted for within the Old Civic Insurance Fund and Old Police Insurance Fund. The conveyed assets acquired by the *Corporation*, as referenced above, are held and accounted for within the New Civic Insurance Fund and New Police Insurance Fund, respectively.

Each of the New Civic Insurance Fund and New Police Insurance Fund is held within the *Corporation.* Each of the Old Civic Insurance Fund and Old Police Insurance Fund is held in trust by the *Corporation* in its capacity as the *Trustee.* In addition, the *Corporation,* acting in an informal trust capacity, collects the portion of the *Plans*' contributions to be remitted on a first applied basis to the *Plans'* insurance company, and accordingly, may at any point hold in trust contributions equal to unremitted premiums.

The assets of the Old Civic Insurance Fund and the Old Police Insurance Fund are available to fund a portion of the premiums for retirees under the *Plans*. These assets will diminish as they are used to fund insurance premiums for retired members in accordance with the respective *Plans*.

3. Financial Structure (continued)

Effective August 1, 2015, all contributions to the *Plans* which are not first applied to insurance premiums are credited to the New Civic Insurance Fund and New Police Insurance Fund, as applicable. All investment earnings on and after August 1, 2015 which relate to the assets of the New Civic Insurance Fund and New Police Insurance Fund are credited to the New Civic Insurance Fund and New Police Insurance Fund, respectively.

All *Plan* administration and corporate operating costs on and after August 1, 2015 related to the *Plans* are charged to the New Civic Insurance Fund and New Police Insurance Fund, respectively.

The assets of the New Civic Insurance Fund and New Police Insurance Fund are available to fund a portion of the premiums for retirees under the respective *Plans.*

The By-Law permits the *Corporation* to transfer ownership of funds from the New Civic Insurance Fund to the Old Civic Insurance Fund and from the New Police Insurance Fund to the Old Police Insurance Fund, if it is determined by the Directors of the *Corporation* to be in the overall best interests of the *Plan* members.

The *Corporation* has arranged for the Program Administration staff of *The Winnipeg Civic Employees' Benefits Program* to perform the day-to-day administration, excluding investments. The *Plans'* investments are managed by the City of Winnipeg, with RBC Investor and Treasury Services acting as the *Plans'* custodian. The Canada Life Assurance Company is responsible for claims adjudication and processing of payments.

4. Net Assets

The *Plans'* net assets represent reserves that are available to finance the portion of the post-retirement insurance expected to be provided in the future to the members of the *Plans* that are not financed by retiree contributions. The reserves are also available to finance the related future insurer charges and *Plans'* administration costs.

The *Plan's* net assets are allocated as follows:

	2022 Fair Value	2021 Fair Value
Net Assets – Civic Employees' Group Life Insurance Plan	**$ 155,676**	$ 169,115
Net Assets – Police Employees' Group Life Insurance Plan	**40,307**	43,942
	$ 195,983	$ 213,057

5. Obligation for Post-Retirement Basic Life Insurance Benefits – Civic Employees' Group Life Insurance Plan

An actuarial valuation of the *Plan* was performed as of December 31, 2022 by Eckler Ltd. This valuation was used to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed in the Combined Statement of Financial Position as at December 31, 2022. For the comparative 2021 figures, the results of the December 31, 2019 actuarial valuation were extrapolated to December 31, 2021, to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed in the Combined Statement of Financial Position as at December 31, 2021.

The assumptions used were approved by the *Corporation*. The economic assumptions used in determining the actuarial value of accrued post-retirement basic life insurance benefits were developed by reference to expected long term economic and investment market conditions. Significant long-term actuarial assumptions used in preparing the financial statements included a discount rate of 5.50% (2021 – 5.00%) per year and general increases in pay of 3.25% (2021 – 3.25%) per year. The change in the discount rate from 5.00% to 5.50% decreased the obligations for post-retirement basic life insurance benefits by $6,905.

The demographic assumptions, including rates of termination of employment, disability, retirement and mortality were chosen after detailed analysis of past experience. The actuarial present value of accrued benefits was determined using the projected benefit method pro-rated on services.

The triennial actuarial valuation as at December 31, 2022 disclosed an actuarial surplus of $68,253 (2019 – $49,146) and a contingency reserve in the amount of $11,464 (2019 – $11,537).

In determining the surplus or deficiency for actuarial valuation purposes, and to be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets was determined from fair values. The actuarial value placed on the assets smooths out fluctuations in fair values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years.

The effect of using a smoothed value of assets of the *Plan* in determining the estimated actuarial surplus or deficiency is as follows:

		2022		2021
Surplus for financial statement reporting purposes	**$**	**79,248**	$	87,309
Fair value changes not reflected in actuarial value of assets		**459**		(17,374)
Surplus for actuarial valuation purposes, as estimated	**$**	**79,707**	$	69,935

6. Obligation for Post-Retirement Basic Life Insurance Benefits – Police Employees' Group Life Insurance Plan

An actuarial valuation of the *Plan* was performed as of December 31, 2022 by Eckler Ltd. This valuation was used to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed in the Combined Statement of Financial Position as at December 31, 2022. For the comparative 2021 figures, the results of the December 31, 2019 actuarial valuation were extrapolated to December 31, 2021, to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed in the Combined Statement of Financial Position as at December 31, 2021.

The assumptions used were approved by the *Corporation*. The economic assumptions used in determining the actuarial value of accrued post-retirement basic life insurance benefits were developed by reference to expected long term economic and investment market conditions. Significant long-term actuarial assumptions used in preparing the financial statements included a discount rate of 5.50% (2021 – 5.00%) per year and general increases in pay of 3.25% (2021 – 3.25%) per year. The change in the discount rate from 5.00% to 5.50% decreased the obligations for post-retirement basic life insurance benefits by $2,175.

The demographic assumptions, including rates of termination of employment, disability, retirement and mortality were chosen after detailed analysis of past experience. The actuarial present value of accrued benefits was determined using the projected benefit method pro-rated on services.

The triennial actuarial valuation as at December 31, 2022 disclosed an actuarial surplus of $16,043 (2019 – $11,429) and a contingency reserve in the amount of $3,161 (2019 – $3,033).

In determining the surplus or deficiency for actuarial valuation purposes, and to be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets was determined from fair values. The actuarial value placed on the assets smooths out fluctuations in fair values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years.

The effect of using a smoothed value of assets of the *Plan* in determining the estimated actuarial surplus or deficiency is as follows:

		2022		2021
Surplus for financial statement reporting purposes	**$**	**19,234**	$	21,559
Fair value changes not reflected in actuarial value of assets		**(38)**		(4,735)
Surplus for actuarial valuation purposes, as estimated	**$**	**19,196**	$	16,824

7. Management of Financial Risk

In the normal course of business, the Plans' investment activities expose it to a variety of financial risks. The Plans seek to minimize potential adverse effects of these risks on the Plans' performance by hiring professional, experienced portfolio managers, by regular monitoring of the Plans' position and market events and by diversifying the investment portfolio within the constraints of the investment policy and objectives. Significant risks that are relevant to the Plans are discussed below.

a) Credit risk

Credit risk arises from the potential for an investee to fail or to default on its contractual obligations to the *Plans*, and is concentrated in the *Plans'* investment in bonds and debentures and short-term deposits. At December 31, 2022, the *Plans'* credit risk exposure related to bonds and debentures and short-term deposits totaled $65,579 (2021 - $71,679).

The *Plans'* concentration of credit risk as at December 31, 2021, related to bonds and debentures, is categorized amongst the following types of issuers:

Type of Issuer	**2022 Fair Value**	2021 Fair Value
Provincial and Provincial guaranteed	**$ 19,508**	$ 20,097
Government of Canada and Government of Canada guaranteed	**11,082**	19,012
Canadian cities and municipalities	**-**	585
Corporations and other institutions	**34,219**	26,046
	$ 64,809	$ 65,740

The Plans limit credit risk by investing in bonds and debentures of investees that are considered to be high quality credits and by utilizing an internal Investment Policy Guideline monitoring process.

7. Management of Financial Risk (continued)

a) Credit risk (continued)

As at December 31, bonds and debentures analyzed by credit rating are as follows:

	2022		2021	
Credit Rating	**Percent of Total Bonds**	**Percent of Net Assets**	Percent of Total Bonds	Percent of Net Assets
AAA	**19.7%**	**6.5%**	29.4%	9.1%
AA	**28.5**	**9.4**	37.3	11.5
A	**18.5**	**6.1**	33.2	10.2
BBB	**17.1**	**5.7**	-	-
OTHER	**16.2**	**5.4**	0.1	0.1
	100.0%	**33.1%**	100.0%	30.9%

b) Liquidity risk

Liquidity risk is the risk that the *Plans* will encounter difficulty in meeting obligations associated with financial liabilities. The *Plans* ensure they retain sufficient cash and short-term investment positions to meet their cash flow commitments, including the ability to fund benefit payments and to fund investment commitments. The *Plans* invest solely in securities that are traded in active markets and can be readily disposed.

c) Interest rate risk

Interest rate risk is the risk that the fair value of the *Plans'* interest-bearing investments will fluctuate due to changes in market interest rates. The *Plans'* exposure to interest rate risk is concentrated in its investment in bonds and debentures and short-term investments.

The *Plans'* actuarial liabilities are also exposed to fluctuations in long term interest rates as well as expectations of salary escalation. The *Plans'* primary exposure is to a decline in the long-term rate of return which may result in higher contribution rates required to meet the *Plans'* obligations.

The *Plans* have approximately 33% (2021 – 31%) of their assets invested in fixed income securities as at December 31, 2022. The returns on fixed income securities are particularly sensitive to changes in nominal interest rates.

7. Management of Financial Risk (continued)

c) Interest rate risk (continued)

The term to maturity and related fair values of investments in bonds and debentures held by the *Plans* at December 31, 2022 are as follows:

Term to Maturity	2022 Fair Value	2021 Fair Value
Less than one year	**$ 4,407**	$ 100
One to five years	**20,220**	31,515
Greater than five years	**40,182**	34,125
	$ 64,809	$ 65,740

As at December 31, 2022, had prevailing interest rates raised or lowered by 0.5% (2021 0.5%) assuming a parallel shift in the yield curve, with all other variables held constant, the fair value of investments in bonds and debentures would have decreased or increased, respectively, by approximately $2,297 (2021 - $2,495), approximately 1.2% of total net assets (2021 – 1.2%). The *Plans'* sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be material.

d) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency exposure arises from the *Plans'* holdings of foreign equity investments and short-term deposits. The *Plans'* investment managers may, from time to time, hedge some of this exposure using forward contracts. The table below indicates the *Plans'* net foreign currency exposure after giving effect to the net related economic hedge as at December 31, 2022.

The table also illustrates the potential impact to the *Plans'* net assets, all other variables held constant, as a result of a 10% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

7. Management of Financial Risk (continued)

d) Foreign currency risk (continued)

	2022				2021	
	Gross Exposure	**Net Foreign Currency Hedge**	**Net Exposure**	**Impact on Net Assets**	Net Exposure	Impact on Net Assets
United States	**$ 25,885**	**$ -**	**$ 25,885**	**$ 2,589**	$ 39,351	$ 3,935
Euro Countries	**6,171**	**-**	**6,171**	**617**	8,166	817
Japan	**5,748**	**-**	**5,748**	**575**	7,323	732
United Kingdom	**3,746**	**-**	**3,746**	**375**	4,777	478
Switzerland	**2,304**	**-**	**2,304**	**230**	3,053	305
Australia	**2,034**	**-**	**2,034**	**203**	2,320	232
Sweden	**901**	**-**	**901**	**90**	1,417	142
Hong Kong	**710**	**-**	**710**	**71**	824	82
"Other"	**3,130**	**-**	**3,130**	**313**	3,820	382
	$ 50,629	**$ -**	**$ 50,629**	**$ 5,063**	$ 71,051	$ 7,105

e) Other price risk

Other price risk is the risk that the value of investments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to an individual asset or its issuer, or factors affecting all securities traded in the market. All securities present a risk of loss of capital. The *Plans'* policy is to invest in a diversified portfolio of investments. As well, the Plans investment manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment policy and strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For these *Plans*, the most significant exposure to other price risk is from its investment in equity securities. As at December 31, 2022, had the prices on the respective stock exchanges for these securities increased or decreased by 15%, with all other variables held constant, net assets would have increased or decreased by approximately $16,158 (2021 – $21,199), approximately 8.2% of total net assets (2021 – 9.9%). In practice, the actual results may differ and the difference could be material.

The *Plans* also have exposure to valuation risk through its holdings of infrastructure investments, for which quoted market prices are not available.

7. Management of Financial Risk (continued)

e) Other price risk (continued)

As at December 31, 2022, the estimated fair value of infrastructure investments is $10,855 (2021 – $Nil), approximately 5.5% of total net assets (2021 – 0.0%), and the related change in fair value of investments recognized for the year ended December 31, 2022 is $874 (2021- $Nil).

f) Fair value hierarchy

Financial instruments recorded at fair value on the Combined Statement of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and, Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs). The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following tables present the investment assets recorded at fair value in the Combined Statement of Financial Position as at December 31, 2022 and December 31, 2021, classified using the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2022 Total Investment Assets at Fair Value
Bonds and debentures	$ 64,809	$ -	$ -	$ 64,809
Canadian equities	57,467	-	-	57,467
Foreign equities	50,252	-	-	50,252
Real Estate	12,024	-	-	12,024
Infrastructure	-	-	10,855	10,855
Cash and short term deposits	770	-	-	770
	$ 185,322	$ -	$ 10,855	$ 196,177

7. Management of Financial Risk (continued)

f) Fair value hierarchy (continued)

	Level 1	Level 2	Level 3	2021 Total Investment Assets at Fair Value
Bonds and debentures	$ 65,740	$ -	$ -	$ 65,740
Canadian equities	76,851	-	-	76,851
Foreign equities	54,457	-	-	54,457
Real Estate	10,020	-	-	10,020
Infrastructure	-	-	-	-
Cash and short term deposits	5,939	-	-	5,939
	$ 213,007	$ -	$ -	$ 213,007

During the year, there has been no significant transfer of amounts between Level 1 and Level 2.The following table reconciles the fair value of financial instruments classified in Level 3 from the beginning balance to the ending balance:

	2022	2021
Infrastructure		
Fair value, beginning of year	**$ -**	$ -
Gains recognized in increase in net assets	**874**	-
Purchases	**10,000**	-
Sales	**(19)**	-
	$ 10,855	$ -

8. Investment Income

		2022		2021
Canadian equities	**$**	**2,550**	$	1,618
Bonds and debentures		**1,958**		1,560
Foreign equities		**1,061**		1,549
Real Estate -CDN		**248**		69
Infrastructure		**19**		0
Cash, short-term deposits and other		**177**		(169)
	$	**6,013**	$	4,627
Allocated to:				
Civic Employees' Group Life Insurance Plan	**$**	**4,778**	$	3,675
Police Employees' Group Life Insurance Plan		**1,235**		952
	$	**6,013**	$	4,627

9. Investment Transaction Costs

During the period, the *Plans* incurred investment transaction costs in the form of brokerage commissions, in the amount of $17 (2021 – $2). Investment transaction costs are included in the current period change in market value of investments.

10. *Income Tax Status*

On February 28, 2013, the Canada Revenue Agency ("CRA") verbally informed the City of Winnipeg that, in its view, the assets held in the Plans constituted assets that were being held in trust funds and should be reported for income tax purposes as such. CRA further informed that it was prepared to accept the trusts commencing their income tax reporting on a prospective basis starting with the 2013 year, such that years prior to 2013 would not need to be reported. On November 26, 2013, CRA informed the City of Winnipeg in writing that it has extended this administrative relief to December 31, 2013 and on April 27, 2015, CRA again extended relief to December 31, 2015.

Effective August 1, 2015, the *Plans'* assets which earn investment income are held in the New Civic Insurance Fund and New Police Insurance Fund within the *Corporation.* The *Corporation* is wholly owned by the City of Winnipeg. The *Corporation* is considered to be non-taxable as part of municipal government.

Also, effective August 1, 2015, the *Plans'* non-interest bearing assets are held within the Old Civic Insurance Fund and Old Police Insurance Fund, for each of which the *Corporation* is the trustee. The Old Civic Insurance Fund and Old Police Insurance Fund were continued from

10. *Income Tax Status (continued)*

the predecessor *Plans*. As noted above, CRA has previously informed the City of Winnipeg that it was prepared to accept these trusts commencing their income tax reporting on a prospective basis starting in 2016, such that years prior to 2016 would not need to be reported. As currently structured, these trusts will not have any taxable income to report.

11. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 1

SCHEDULE OF STATEMENT OF FINANCIAL POSITION BY PLANS AND FUNDS
As at December 31
(in $ thousands)

		2022 Allocated as:					
		Civic Employees' Plan			Police Employees' Plan		
	Civic and Police Employees' Group Life Insurance Plans	Old Civic Insurance Fund	New Civic Insurance Fund	Total	Old Police Insurance Fund	New Police Insurance Fund	Total
ASSETS							
Investments, at fair value							
Canadian equities	$ 64,809						
Bonds and debentures	57,467						
Foreign equities	50,252						
Real Estate	12,024						
Infrastructure	10,855						
Cash and short-term deposits	1,216						
	196,623	$ -	$ 155,604	$ 155,604	$ -	$ 41,019	$ 41,019
Funds on deposit - Canada Life Assurance Company	(446)	-	234	234	-	(680)	(680)
	196,177	-	155,838	155,838	-	40,339	40,339
Accounts receivable - dividends	424	-	337	337		87	87
Accounts receivable	19	135	(116)	19	28	(28)	-
Due from The Winnipeg Civic Employees' Pension Plan	16	-	13	13	-	3	3
Total Assets	196,636	135	156,072	156,207	28	40,401	40,429
LIABILITIES							
Accounts payable	388	-	315	315	-	73	73
Premium Payable	265	135	81	216	28	21	49
Total Liabilities	653	135	396	531	28	94	122
LOAN BETWEEN INSURANCE FUNDS	-	155,676	(155,676)	-	40,307	(40,307)	-
NET ASSETS	$ 195,983	$ 155,676	$ -	155,676	$ 40,307	$ -	40,307
BENEFIT OBLIGATIONS				76,428			21,073
SURPLUS				$ 79,248			$ 19,234

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 1

SCHEDULE OF STATEMENT OF FINANCIAL POSITION BY PLANS AND FUNDS
As at December 31
(in $ thousands)

		2021 Allocated as:					
		Civic Employees' Plan			Police Employees' Plan		
	Civic and Police Employees' Group Life Insurance Plans	Old Civic Insurance Fund	New Civic Insurance Fund	Total	Old Police Insurance Fund	New Police Insurance Fund	Total
ASSETS							
Investments, at fair value							
Bonds and debentures	$ 65,740						
Canadian equities	76,851						
Foreign equities	54,457						
Real Estate	10,020						
Infrastructure	-						
Cash and short-term deposits	7,096						
	214,164	$ -	$ 169,901	$ 169,901	$ -	$ 44,263	$ 44,263
Funds on deposit - Canada Life Assurance Company	(1,157)	-	(817)	(817)	-	(340)	(340)
	213,007	-	169,084	169,084	-	43,923	43,923
Accounts receivable - dividends	581	-	462	462	-	119	119
Accounts receivable	19	130	(112)	18	26	(25)	1
Due from The Winnipeg Civic Employees' Pension Plan	6	-	5	5	-	1	1
Total Assets	213,613	130	169,439	169,569	26	44,018	44,044
LIABILITIES							
Accounts payable	305	-	250	250	-	55	55
Premium Payable	251	130	74	204	26	21	47
Total Liabilities	556	130	324	454	26	76	102
LOAN BETWEEN INSURANCE FUNDS	-	169,115	(169,115)	-	43,942	(43,942)	-
NET ASSETS	$ 213,057	$ 169,115	$ -	169,115	$ 43,942	$ -	43,942
BENEFIT OBLIGATIONS				81,806			22,383
SURPLUS				$ 87,309			$ 21,559

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 2

SCHEDULE OF STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS BY PLANS AND FUNDS
For the year ended December 31
(in $ thousands)

		2022 Allocated as:					
		Civic Employees' Plan			Police Employees' Plan		
	Civic and Police Employees' Group Life Insurance Plans	Old Civic Insurance Fund	New Civic Insurance Fund	Total	Old Police Insurance Fund	New Police Insurance Fund	Total
INCREASE IN ASSETS							
Contributions							
Employees - basic	$ 1,119	$ -	$ 835	$ 835	$ -	$ 284	$ 284
Employees - optional	399	-	286	286	-	113	113
	1,518	-	1,121	1,121	-	397	397
The City of Winnipeg and participating employers	1,117	-	834	834	-	283	283
Pensioners	217	-	158	158	-	59	59
	2,852	-	2,113	2,113	-	739	739
Investment income	6,013	-	4,778	4,778	-	1,235	1,235
Current period change in fair value of investments	-	-	-	-	-	-	-
Total increase in assets	8,865	-	6,891	6,891	-	1,974	1,974
DECREASE IN ASSETS							
Current period change in fair value of investments	18,976	-	15,062	15,062	-	3,914	3,914
Benefit payments	6,123	3,460	1,133	4,593	710	820	1,530
Administration	323	-	256	256	-	67	67
Claims administration and taxes	312	-	260	260	-	52	52
Investment management fees	192	-	150	150	-	42	42
Actuarial fees	13	-	9	9	-	4	4
Total decrease in assets	25,939	3,460	16,870	20,330	710	4,899	5,609
NET (DECREASE) INCREASE IN NET ASSETS FOR THE YEAR	(17,074)	(3,460)	(9,979)	(13,439)	(710)	(2,925)	(3,635)
NET ASSETS, BEGINNING OF YEAR	213,057	169,115	-	169,115	43,942	-	43,942
TRANSFER OF ASSETS BETWEEN INSURANCE FUNDS AT END OF YEAR	-	(9,979)	9,979	-	(2,925)	2,925	-
NET ASSETS, END OF YEAR	$ 195,983	$ 155,676	$ -	$ 155,676	$ 40,307	$ -	$ 40,307

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 2

SCHEDULE OF STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS BY PLANS AND FUNDS
For the year ended December 31
(in $ thousands)

		2021 Allocated as:					
		Civic Employees' Plan			Police Employees' Plan		
	Civic and Police Employees' Group Life Insurance Plans	Old Civic Insurance Fund	New Civic Insurance Fund	Total	Old Police Insurance Fund	New Police Insurance Fund	Total
INCREASE IN ASSETS							
Contributions							
Employees - basic	$ 1,099	$ -	$ 823	$ 823	$ -	$ 276	$ 276
Employees - optional	404	-	297	297	-	107	107
	1,503	-	1,120	1,120	-	383	383
The City of Winnipeg and participating employers	1,096	-	821	821	-	275	275
Pensioners	214	-	156	156	-	58	58
	2,813	-	2,097	2,097	-	716	716
Current period change in fair value of investments	19,604	-	15,569	15,569	-	4,035	4,035
Investment income	4,627	-	3,675	3,675	-	952	952
Total increase in assets	27,044	-	21,341	21,341	-	5,703	5,703
DECREASE IN ASSETS							
Benefit payments	7,451	3,335	2,555	5,890	676	885	1,561
Administration	373	-	296	296	-	77	77
Claims administration and taxes	299	-	250	250	-	49	49
Investment management fees	39	-	31	31	-	8	8
Actuarial fees	19	-	(19)	(19)	-	38	38
Total decrease in assets	8,181	3,335	3,113	6,448	676	1,057	1,733
NET INCREASE (DECREASE) IN NET ASSETS FOR THE YEAR	18,863	(3,335)	18,228	14,893	(676)	4,646	3,970
NET ASSETS, BEGINNING OF YEAR	194,194	154,222	-	154,222	39,972	-	39,972
TRANSFER OF ASSETS BETWEEN INSURANCE FUNDS AT END OF YEAR	-	18,228	(18,228)	-	4,646	(4,646)	-
NET ASSETS, END OF YEAR	$ 213,057	$ 169,115	$ -	$ 169,115	$ 43,942	$ -	$ 43,942

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 3

SCHEDULE OF STATEMENT OF CHANGES IN BENEFIT OBLIGATIONS BY PLANS
For the year ended December 31
(in $ thousands)

		2022 Allocated as:	
	Civic and Police Employees' Group Life Insurance Plans	Civic Employees' Plan	Police Employees' Plan
INCREASE IN BENEFIT OBLIGATIONS			
Interest on benefit obligations	$ 5,175	$ 4,056	$ 1,119
Benefits accrued	2,980	2,364	616
Total increase in benefit obligations	8,155	6,420	1,735
DECREASE IN BENEFIT OBLIGATIONS			
Benefits paid	4,366	3,729	637
Experience gains and losses and other factors	2,040	1,689	351
Changes in actuarial assumptions	8,437	6,380	2,057
Total decrease in benefit obligations	14,843	11,798	3,045
NET DECREASE IN BENEFIT OBLIGATIONS	(6,688)	(5,378)	(1,310)
ACCRUED BENEFIT OBLIGATIONS, BEGINNING OF YEAR	104,189	81,806	22,383
ACCRUED BENEFIT OBLIGATIONS, END OF YEAR	$ 97,501	$ 76,428	$ 21,073

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 3

SCHEDULE OF STATEMENT OF CHANGES IN BENEFIT OBLIGATIONS BY PLANS
For the year ended December 31
(in $ thousands)

		2021 Allocated as:	
	Civic and Police Employees' Group Life Insurance Plans	Civic Employees' Plan	Police Employees' Plan
INCREASE IN BENEFIT OBLIGATIONS			
Interest on benefit obligations	$ 5,003	$ 3,938	$ 1,065
Benefits accrued	2,931	2,331	600
Total increase in benefit obligations	7,934	6,269	1,665
DECREASE IN BENEFIT OBLIGATIONS			
Benefits paid	4,716	4,145	571
Total decrease in benefit obligations	4,716	4,145	571
NET INCREASE IN BENEFIT OBLIGATIONS	3,218	2,124	1,094
BENEFIT OBLIGATIONS, BEGINNING OF YEAR	100,971	79,682	21,289
BENEFIT OBLIGATIONS, END OF YEAR	$ 104,189	$ 81,806	$ 22,383

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN and
POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN
SCHEDULE 4
COMBINED SCHEDULE OF ADMINISTRATIVE EXPENSES
(in $ thousands)

	2022 Budget	**2022 Actual**	2021 Budget	2021 Actual
PROFESSIONAL SERVICES				
Incurred Directly				
Actuarial	**$ 16**	**$ 13**	$ 23	$ 19
Audit	**$ 19**	**22**	18	24
Investment Performance Measurement Fees	**$ 10**	**9**	10	9
Investment Management Fees	**$ 239**	**192**	8	39
Legal	**$ 5**	**-**	5	-
Subtotal - Professional Services Incurred Directly	**$ 289**	**236**	64	91
Cost Shared with Other Plans				
Consulting	**$ 21**	**-**	23	-
Subtotal - Professional Services	**$ 310**	**236**	87	91
OFFICE AND ADMINISTRATION - Cost Shared with Other Plans				
Rent	**$ 29**	**28**	31	27
Equipment Maintenance - Information Technology	**$ 6**	**6**	6	6
Postage	**$ 4**	**2**	4	4
Stationary & Printing	**$ 3**	**2**	3	2
Conferences, Seminars & Training - Staff	**$ 3**	**1**	3	1
Records Management	**$ 3**	**1**	3	-
Other	**$ 2**	**2**	2	2
Telephone	**$ 1**	**1**	1	1
Bank Charges	**$ 1**	**1**	1	1
Subtotal - Office and Administration	**$ 52**	**44**	54	44
SALARIES AND BENEFITS - Cost Shared with Other Plans	**$ 326**	**244**	337	293
FURNITURE AND COMPUTER HARDWARE & SOFTWARE - Cost Shared with Other Plans	**$ 8**	**4**	8	3
TOTAL BUDGETED & ACTUAL ADMINSTRATIVE EXPENSES	**$ 695**	**$ 528**	$ 486	$ 431