

**FOR DISCUSSION PURPOSES ONLY**  
**MUNISERP INVESTMENT REGULATION**

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**Definitions**

1 In this Regulation,

- (a) “Act” means the *Municipal Government Act*;
- (b) repealed AR 104/2012 s3;
- (c) “municipality” means a municipality, other than the City of Calgary or the City of Edmonton, that participates in MuniSERP;
- (c.1) “MuniSERP” means the supplemental employee retirement plan for municipal employees operated by the Alberta Municipal Services Corporation;
- (d) “securities” has the meaning given to it in section 250(1) of the Act.

AR 210/2006 s1;104/2012

**Additional investments**

2 In addition to the investments referred to in section 250(2) of the Act and section 2 of the *Investment Regulation* (AR 66/2000), a municipality may invest its money designated to fund MuniSERP in

- (a) securities issued or guaranteed by a credit union or trust corporation established or continued under the laws of Canada or a province other than Alberta,
- (b) securities of any of the following entities, or of a body that is the equivalent of any of the following entities,

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established under the laws of Canada or a province other than Alberta:

- (i) a municipality;
  - (ii) a school division;
  - (iii) a school district;
  - (iv) a hospital district;
  - (v) a regional health authority,
  - (vi) a regional services commission;
- (c) securities, including securities denominated in foreign currencies, issued or guaranteed by
- (i) the government of a jurisdiction outside Canada or an agent of that government,
  - (ii) a corporation with its head office located in a jurisdiction outside Canada or an agent of that corporation, or
  - (iii) a bank incorporated in a jurisdiction outside Canada or an agent of that bank

if the securities are rated by at least one of the rating agencies listed in section 3 with a rating that is equivalent to the ratings set out in section 4,

- (d) common stocks, partially paid shares, convertible debentures, preferred shares, warrants or rights or other equity instruments that are publicly traded on a recognized stock exchange in or outside Canada,
- (e) real estate, in the form of direct property ownership, in Canada, and
- (f) units in pooled funds of all or any of the investments described in section 250(2)(a) to (c) of the Act, section 2(1)(a) to (c) of the *Investment Regulation* (AR 66/2000) and clauses (a) to (e) of this section.

AR 210/2006 s2;104/2012

### **Rating agencies**

**3** The rating agencies referred to in section 2 are the following:

- (a) Dominion Bond Rating Service Limited;

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- (b) Moody's Investors Service, Inc.;
- (c) Standard & Poor's Corporation.

### Ratings

- 4** The ratings referred to in section 2 are the following:
- (a) a minimum of R-1 or BBB- for investments with a maturity date that is less than one year after the date the investment is issued;
  - (b) a minimum of BBB- for investments with a maturity date that is one year or more after the date the investment is issued.

### Limitations on municipality

- 5** In making investments, the municipality must at all times be governed
- (a) by the prudent person rule as understood generally by the investment community in Canada and Alberta, and
  - (b) by the investment policy approved by its council.

### Consequential

- 6** The *Investment Regulation (AR 66/2000)* is amended in section 2(1)(a)
- (a) in subclause (i) by adding "subject to subclause (ii)," before "if the municipality";
  - (b) in subclause (ii) by adding "or the investment is permitted by the *APEX Plus Investment Regulation*" after "*Major Cities Investment Regulation (AR 249/2000)*".

### Expiry

~~7 For the purpose of ensuring that this Regulation is reviewed for ongoing relevancy and necessity, with the option that it may be repassed in its present or an amended form following a review, this Regulation expires on June 30, 2017.~~

Removing the expiry date enables future reviews as they are needed.