2005 ANNUAL REPORT

The
WINNIPEG CIVIC EMPLOYEES'
BENEFITS PROGRAM

TABLE OF CONTENTS

PROGRAM PROFILE

The Winnipeg Civic Employees' Benefits Program superceded the former Employee Benefits Program of the City of Winnipeg, effective January 1, 2003. The Program is comprised of:

- The Winnipeg Civic Employees' Pension Plan;
- The Winnipeg Civic Employees' Long Term Disability Plan; and
- The Winnipeg Civic Employees' Early Retirement Benefits Arrangement.

Governance Structure

The Winnipeg Civic Employees' Benefits Program is governed by two Boards – The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund) in respect of the Winnipeg Civic Employees' Pension Plan and the Winnipeg Civic Employees' Early Retirement Benefits Arrangement, and The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund) for the Winnipeg Civic Employees' Long Term Disability Plan.

The Program operates under a jointly-trusteed governance structure pursuant to the terms and conditions of the Pension Trust Agreement and the Disability Plan Trust Agreement, entered into by the City of Winnipeg and civic unions. The 14-member Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund) is appointed equally by the City of Winnipeg and the civic unions. The individuals who comprise The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund) include the same individuals as those of The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund) with the exception of one of the seven Employer Trustees and the Member Trustee who represents the pensioners and deferred members.

This jointly-trusteed governance structure embodies both joint governance and surplus- and risk-sharing between Participating Employers and Program Members.

The Board of Trustees

The Board of Trustees is responsible for the overall operation of the Program which includes ensuring that the Program is administered in accordance with the Trust Agreement, Program Text, and applicable legislation, adopting and reviewing the investment policy, monitoring investment performance, and adopting and reviewing funding policy for the Program. The Board is also responsible for ensuring adequate financial records are maintained and for reporting annually on the results of operations of the Program to Participating Employers, Unions, and Program Members. To discharge its responsibility, the Board performs in an oversight capacity with respect to all significant aspects of the management of the Program's operations.

The Board has established various committees to provide a process to assist in its decisions.

Investment Committee

The Investment Committee is responsible for determining the asset mix of the Program (within the parameters of the Program's Statement of Investment Policies and Procedures), for recommending the selection or termination of various investment managers, and for monitoring the performance of these investment managers.

The Committee is comprised of three members appointed by Employer Trustees and three members appointed by Member Trustees.

Audit Committee

The Audit Committee oversees the Program's financial reporting and accounting policies and systems and makes recommendations to the Board in this regard.

Benefits Committee

The Benefits Committee adjudicates long-term disability claims with the assistance of the Board's Medical Consultant and Case Management Team.

Governance Committee

The Governance Committee is charged with making recommendations to the Board on governance policies, guidelines and procedures; assessing the effectiveness of the Board's governance policies; and with responsibility for the orientation of new Trustees.

Administration

The day-to-day administration of the Program is carried out under the direction of the Executive Director. The areas of responsibility include investments, pension and group insurance benefits, disability benefits, finance and administration, and information systems.

Participating Employers

- City of Winnipeg
- Riverview Health Centre
- Manitoba Hydro (former Winnipeg Hydro employees)
- Winnipeg Convention Centre
- St. Boniface Museum
- Transcona Historical Museum
- Highlander Sportsplex

THE WINNIPEG CIVIC EMPLOYEES'
BENEFITS PROGRAM

Financial Position

As at December 31, 2005	Market Value	Actuarial Value
	(000's)	(000's)
Net Assets Available For Benefits		
Main Account – General Component	$ 3,040,876	$ 2,912,976
Main Account – Future Contribution Reserve	239,482	239,482
Plan Members' Account – Enhancement Cost Reserve	57,860	57,860
Plan Members' Account – Unallocated Portion	-	-
City Account	125,191	125,191
	$ 3,463,409	$ 3,335,509
Program Obligations – as extrapolated	$ 2,882,152	$ 2,882,152
Funded Ratio – on extrapolated obligations	115.7%	115.4%

Program Highlights

Program Highlights	2005	2004
	(000's)	(000's)
Investments at Market Value	$ 3,463,409	$ 3,195,589
Net Investment Income – Total Program (including changes in market value)	$ 369,639	$ 291,826
Investment Rate of Return	11.9%	10.0%
Employee Contributions	$ 27,228	$ 25,193
Employer Contributions and Transfers From City Account*	$ 26,850	$ 24,800
Benefits Paid:		
Pension Plan	$ 113,705	$ 105,988
Long Term Disability Plan	$ 8,233	$ 7,163
Lump Sum Refunds	$ 18,583	$ 13,063
Membership:		
Contributing Members	8,283	8,231
Inactive Members	888	849
Pensioners	5,967	5,837
	15,138	14,917

*Employee required contributions to the Program are matched by a combination of:

i) Employer contributions to the Pension Plan in the amount of $5.164 million (2004 - $5.177 million)

ii) Employer contributions to the Long Term Disability Plan in the amount of $9.193 million (2004 - $7.904 million)

iii) Employer contributions to the Early Retirement Benefits Arrangement in the amount of $.012 million (2004 - $.007 million)

iv) Transfer from the City Account in the amount of $12.481 million (2004 - $11.712 million)

Employee contributions also include such items as additional voluntary contributions and past service contributions for which there are no required Employer contributions.

STATEMENT OF ACTUARIAL POSITION

	December 31, 2004 (000's)
1. Actuarial Value of Assets	
Main Account	$ 3,002,055
Plan Members' Account	60,770
City Account	123,821
	3,186,646
2. Actuarial Liabilities	
Pension Plan	2,699,103
Long Term Disability Plan	55,645
Early Retirement Benefits Arrangement	2,632
	2,757,380
3. Excess of actuarial value of Program assets over actuarial liabilities	429,266
4. Amounts Previously Allocated	
Future Contribution Reserve	240,728
Plan Members' Account	60,770
City Account	123,821
	425,319
5. Actuarial Surplus (3.- 4.)	3,947
6. Funded Ratio (1. / 2.)	
Including Plan Members' and City Accounts	115.6%
Excluding Plan Members' and City Accounts	108.9%

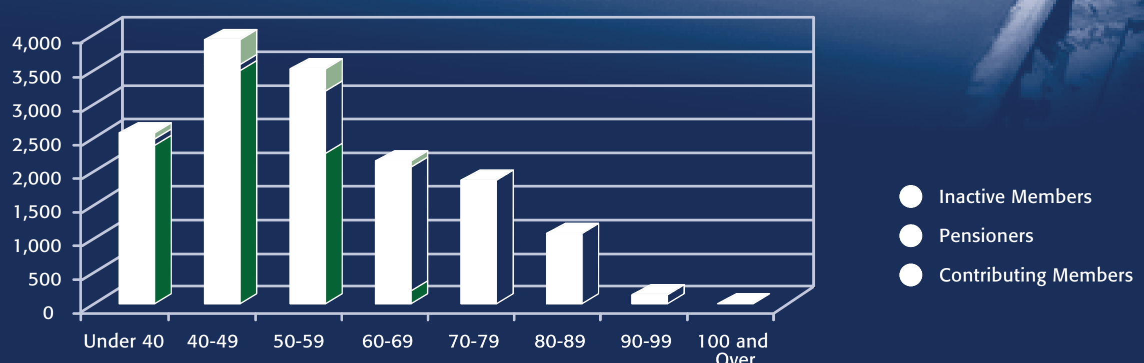
COST OF BENEFITS FOR SERVICE IN 2005

	Employee Contributions	Employer Contributions*	Allocation from Reserves	Total Cost
As % of Contributory Earnings				
1999 Benefits Level	6.71%	6.71%	8.00%	21.42%
Benefit Enhancements	-	-	2.38%	2.38%
	6.71%	6.71%	10.38%	23.80%

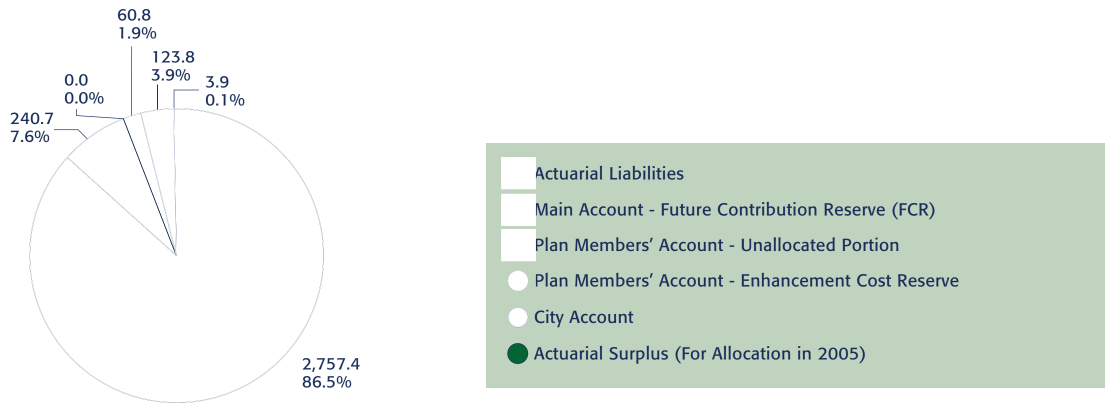
* Includes amounts transferred from City Account

THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

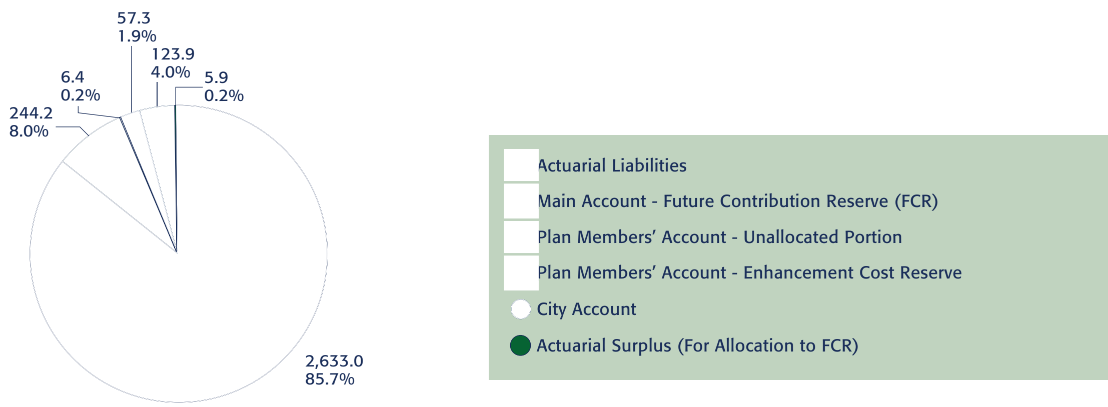
Membership Profile as at December 31, 2005
(By Age Bands)



Actuarial Liabilities And Reserves Per Actuarial Valuation as at December 31, 2004
(in $ millions)



Actuarial Liabilities And Reserves Per Actuarial Valuation as at December 31, 2003
(in $ millions)



MESSAGE FROM
THE CHAIR AND EXECUTIVE DIRECTOR

This past year marked the 30th anniversary of the Employee Benefits Program, the Program having been created in December 1975. Many changes have occurred over this period, the most recent fundamental change having taken effect on January 1, 2003 with the beginning of the new restructured Winnipeg Civic Employees' Benefits Program under joint trusteeship.

Over this 30-year period, the Program's assets increased from approximately $150 million to $3.5 billion and the number of Program Members increased from approximately 8,700 to 15,138, the most significant increase being in the pensioner group from less than 1,300 to 5,967. Also noteworthy is that the pension contribution rate has remained unchanged at 6.5% on earnings up to the Canada Pension Plan limit and 7.5% on earnings not applicable to the Canada Pension Plan.

Two of the first employees of the Employee Benefits Program, Ken Friesen and Susan Doerksen, continue to work for the Program, but, by the time this report is published, both Ken and Susan will have transitioned from contributing Program Members to pensioners. We wish them both well in their retirement and their future endeavours.

Governance Matters

As a Board of Trustees and Program Administration, our responsibility is to serve the Winnipeg Civic Employees' Benefits Program, and ultimately, Program Members.

During the year in review, the Board continued its work in developing governance policies to guide its activities, including formal terms of reference for each of the Board's Committees. Much of this work is in response to the change in the Program's governance structure to joint trusteeship, but as well, in recognition of the increasing complexity of pension plan governance. We are pleased that progress has been made in this regard. This work continues.

During the year, the Board also advanced its ongoing work to address the key issues arising from the asset-liability study completed in 2004. A Policy on Investment Risk was developed and serves as a communication medium to the Investment Committee for use in developing policy asset mix recommendations. Further refinements to the Board's Statement of Investment Policies and Procedures will likely be forthcoming upon conclusion of the ongoing comprehensive review of this policy document.

Investment-Related Activities

From an investment perspective, the rate of return of the Winnipeg Civic Employees' Pension Plan for 2005 of 11.9% significantly exceeded the nominal actuarial assumption of 6.25%. It is recognized, however, that the 5% per year real rate of return objective will prove to be challenging in light of today's investment markets and low interest rates. A number of changes on the investment front were made during the year with the expectation that these changes will position our portfolio well going forward.

The investment management agreement with one of the Program's Canadian equity managers, UBS Global Asset Management, was terminated during 2005. Approximately $166 million of assets managed by UBS were reallocated to existing Canadian equity managers, Burgundy Asset Management Ltd., Foyston, Gordon & Payne, Inc. and Guardian Capital, L.P. The assets allocated between these managers served to balance "growth" and "value" styles within this group of managers.

The allocation to Non-North American equities increased during 2005, with an additional $72.8 million allocation to Franklin Templeton Investments Corp. Approximately 65% of this new allocation was directed to increase our position in the Templeton Global Smaller Companies Fund.

The Program continued to fund its private equity investment through the Richardson Financial Group, funding approximately $9.1 million during 2005 (with the aggregate commitment representing approximately 0.5% of the Fund).

In closing, we would like to welcome to the Board, Keith Scott who was appointed by the Amalgamated Transit Union as a Member Trustee, and Bill Larkin, Director of Public Works for the City of Winnipeg, who was appointed by the City as an Employer Trustee.

From the Board and the Administration, let us express our sincere appreciation to each and every Trustee and Investment Committee Member for their strong commitment and dedication to fulfilling the objectives and responsibilities of the Board, and to Program staff who work diligently to meet the needs and expectations of you, our Program Members. Our commitment going forward is to continue to work diligently and in the best interest of all Program Members.

We invite you to read our 2005 Annual Report. In addition to the Winnipeg Civic Employees' Pension Plan and the Winnipeg Civic Employees' Long Term Disability Plan, this report includes the City of Winnipeg Employees' Group Life Insurance Plan, the "Civic" component of which is administered by the Board of Trustees. We hope you will find this report to be helpful and informative. Your feedback is welcome.

Sincerely,

BMacBride

Barry MacBride
Chair

Sincerely,

Glenda Willis

Glenda Willis
Executive Director

THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

History

Employees of the City of Winnipeg have enjoyed a long and proud history of participation in employee pension and benefit plans in one form or another, with the current Program's origins dating back to 1921. Following the unification of the former municipalities into the current City of Winnipeg in 1972, the Employee Benefits Program was created. Then, in 1989, all of the prior pension plans that had existed separately for the former municipalities and the Metropolitan Corporation of Greater Winnipeg were amalgamated into the Employee Benefits Program.

The most recent major fundamental change took effect on January 1, 2003 upon commencement of the restructured Winnipeg Civic Employees' Benefits Program under joint trusteeship.

This fundamental change took a number of years to accomplish, with the underpinnings of change dating back to December 1999 when City Council and the unions representing City of Winnipeg employees, with the exception of police officers (who have a separate pension plan), approved the restructuring of the former Employee Benefits Program. The restructuring required provincial legislative amendment to The City of Winnipeg Act in 2001, Manitoba Court of Queen's Bench approval, and approval of regulatory authorities, which approvals were received in 2002.

Program Members received significant benefit improvements in 2000 pursuant to an Interim Arrangement, and these benefit improvements have been extended, under joint trusteeship, to apply to service after December 31, 2002.

This new era of joint trusteeship encompasses both joint governance and surplus- and risk-sharing between Participating Employers and Program Members, pursuant to the Pension Trust Agreement and the Disability Plan Trust Agreement entered into by the City and the civic unions.

Joint Governance

With joint governance, both the City of Winnipeg and the Program Members, through their representatives, have an equal voice in decision-making. The joint Board of Trustees became responsible for the management of the Program on January 1, 2003 in accordance with the Pension Trust Agreement and Disability Plan Trust Agreement. The City of Winnipeg and the Program Members have equal representation on the joint Board.

Surplus- and Risk-Sharing

The Pension Trust Agreement provides for a sharing, by Participating Employers and Program Members, of both future actuarial surpluses and funding deficiencies. While the Program holds reserves which are available to buffer against future funding deficiencies, an increase in contributions and/or a reduction in benefits (particularly those that have been increased since 1999) could be required if the assets of the Program are not sufficient to meet the Program's liabilities on an ongoing basis.

The Participating Employers' share of any actuarial surpluses will be available to finance reductions of employer contributions. The Program Members' share of actuarial surpluses will be available to finance improvements above the 1999 level of benefits or to reduce Members' contributions.

MANAGING ASSETS PRUDENTLY

Funded Status at December 31, 2004

The most recent actuarial valuation of The Winnipeg Civic Employees' Benefits Program as at December 31, 2004, disclosed that the Program was fully funded and had an excess of actuarial value of assets over actuarial liabilities of $429,266,000 – a funded ratio of 115.6% on the basis of actuarial values. If the market value of assets had been used instead of the actuarial value, the excess would have been $438,209,000 – a funded ratio of 115.9% on a market value basis. These results continue to portray a picture of absolute and relative health for the Program with respect to benefits accrued for all service up to December 31, 2004.

Under the Pension Trust Agreement, the entire excess on an actuarial basis is allocated to special-purpose Reserves and Accounts that are primarily intended to finance the portion of future service costs which are expected to exceed future employee and employer contributions:

- the Future Contribution Reserve exists to finance the future service cost of the 1999 level benefits that exceed matching employee and employer contributions;
- the Enhancement Cost Reserve exists to finance the future service cost of benefit improvements over and above the 1999 level for which there are no new additional contributions;
- the City Account is available to the City and other Participating Employers to finance any reduction in employer Program contributions below those that match employee contributions; and
- the Plan Members' Account – Unallocated Portion is available for benefit improvements.

These Reserves and Accounts, especially the Future Contribution Reserve and the Enhancement Cost Reserve, will play an integral role in financing the cost of future service benefits under the Program. Under the Pension Trust Agreement, contributions are limited to 8% of pensionable earnings from each of the employees and employers, even though the cost of providing the benefits (approximately 23.8% of pay) exceeds the maximum combined contributions at 16% of pay. The sustainability of present benefit levels will, therefore, largely depend on the ability of these Reserves to finance this shortfall into the future. The Reserves will have to be continuously "topped up" if they are to be maintained at their target levels.

The actuarial valuation as at December 31, 2004 disclosed that the Program generated a surplus of $3,947,000 on 2004 operations. In accordance with the terms of the Pension Trust Agreement, surplus in the amount of $3,893,000 was allocated to top up the Future Contribution Reserve, with the remaining surplus allocated equally in the amount of $27,000 to each of the Plan Members' Account – Unallocated Portion and the City Account. The actuarial valuation also disclosed that the Future Contribution Reserve, after allocation of the 2004 actuarial surplus, is funded at 100% of its target level of $244,621,000 and the Enhancement Cost Reserve is funded at 77.4% of its target level of $78,545,000.

Although the Reserves are available to offset funding deficiencies should they emerge (following the order of remedies specified in the Pension Trust Agreement), the Reserves are not intended to be used as a buffer to permanently finance investment shortfalls or other experience losses. To the extent that they end up being used for such purposes, their ability to finance the cost of future service benefits will be constrained, and could result in reductions in benefit levels and increases in future employee and employer contribution levels.

Key Actuarial Assumptions

One of the key assumptions that underlies the determination of actuarial liabilities, thereby affecting the actuarial surplus, is the valuation interest rate. The valuation interest rate assumed was 6.25% per year, and was developed with reference to expected long-term economic and investment conditions. The valuation interest rate assumed was carefully and prudently developed, giving recognition to the long-term asset mix expected to be utilized by the Program, and after assuming an equity premium that is modest by historical standards.

Other key economic assumptions include future inflation at 2.25% per year (resulting in an assumed real rate of investment return of 4% per year) and future general increases in pay of 3.75% per year.

Although the assumptions are considered appropriate both for funding and accounting purposes, there is nonetheless measurement uncertainty associated with these estimates versus actual future investment returns and salary escalation that will impact on the future financial position of the Program, possibly in a material way.

Extrapolated Funded Status – at December 31, 2005

At the time the year-end financial statements were being prepared, the results of the actuarial valuation of the Program as at December 31, 2005, were not available. Accordingly, the assumptions used in the most recent actuarial valuation as at December 31, 2004 were used to extrapolate the obligations of the Program at year-end. The extrapolation is prepared for financial reporting purposes only, with any apparent emerging surplus or deficiency subject to confirmation or revision in the subsequent actuarial valuation report.

Actions that are required under the Pension Trust Agreement, relative to the funded status of the Program, are undertaken only with reference to the reported results of the formal actuarial valuation. Readers of the Program's financial statements should, therefore, be careful to treat such extrapolated results as "preliminary."

The notes to the financial statements disclose that the actuarial value of assets of the Main Account – General Component are greater than the extrapolated obligations of the Program by approximately $30,824,000 as at December 31, 2005. As the extrapolated values of the assets and obligations project only a modest amount of apparent surplus, the experience gains or losses that ultimately emerge for 2005 will have a significant bearing on the final level of surplus (or funding deficiency) that is determined for the Main Account – General Component in the next actuarial valuation as at December 31, 2005. It is not expected that the results of this forthcoming valuation will result in changes to the contribution rates or benefit levels under the Program.

After taking into account all special-purpose Reserves and Accounts, the extrapolated funded status of the Program remains at 115.4% on an actuarial basis and 115.7% on a market value basis. These funded positions compare to, and are in line with, those from the most recent actuarial valuation one year earlier of 115.6% and 115.9%, respectively.

The application of a five-year asset smoothing method has had the effect of deferring a portion of the market gains in 2004 and 2005 to future years, as actual rates of return have exceeded the 6.25% assumed rates of return for these years.

As at December 31, 2005, the assets as measured on an actuarial basis are now less than their related market value by $127,900,000 – an improvement in position of $118,957,000 from the previous year. Accordingly, should the Program earn exactly the assumed 6.25% on the actuarial asset base over the next four years, the $127,900,000 smoothing difference would be expected to emerge as surplus over this four-year period, potentially enhancing the financial position of the Program.

If the Program is able to achieve investment returns sufficient to meet its investment assumptions moving forward, there should be no negative impact on benefit levels or funding in the near term. However, should future returns fall short of the assumed rates of return, this situation could result in reductions to benefit levels and increases in employee and employer contribution rates.

Long-Term Investment Goals and Performance

Over the last ten years, the Program achieved an average rate of return of 9.5% per year, ranking third quartile among larger pension plans in Canada. The long-term goal of the Program is to achieve a rate of return that exceeds inflation by 5.0% per year. With the ten-year annualized inflation rate being 2.1%, the Program exceeded this goal by a sizeable margin of 2.4% per year over the last ten years. It should be noted, however, that this ten-year measurement period includes returns for 1996 and 1997 – years in which absolute returns were very high by historical standards.

Although a long-term investment return which exceeds inflation by 4% per year, together with matching contributions from the employees and employers, is expected to adequately finance the benefits derived from past service for the existing Program Members, ongoing future actuarial surplus generation will be required to top up the Future Contribution Reserve and Enhancement Cost Reserve and to finance the shortfall of matching contributions versus the benefit cost for new employees as they replace current employees retiring from the workforce. Actuarial surplus generation will also be needed to enable Participating Employers to continue contributing below matching levels over the longer term.

Accordingly, notwithstanding the assumed 4% per year real return used for the actuarial valuation at December 31, 2004, it is desirable to strive for a real rate of return of at least 5% per year over the long-term, and this 5% objective is reflected in the Program's Statement of Investment Policies and Procedures.

Although the Program has for many years been able to achieve long-term real returns in excess of 5%, it is the achievement of sufficient excess returns in the future which will have the most significant bearing on the ultimate sustainability of current benefits (including Cost-of-Living Adjustments) and contribution levels.

The Board recognizes that the 5% per year real rate of return objective will prove to be a challenging objective in light of today's investment markets and low interest rates. The Board, and its Investment Committee, will continue to prudently manage the Program's assets towards this objective.

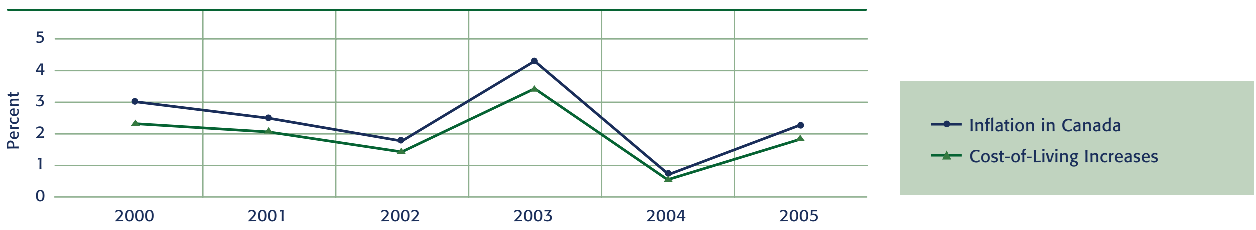
Early Retirement Benefits Arrangement

As the Program allows for retirement at or after age 55 without a minimum service requirement, there are some situations where Program benefits exceed the maximum early retirement benefits permitted for registered pension plans under the Income Tax Act. Accordingly, The Winnipeg Civic Employees' Benefits Program includes an Early Retirement Benefits Arrangement to pay any early retirement pension benefits that cannot be paid by the Winnipeg Civic Employees' Pension Plan, as a registered pension plan. No contributions are made to fund these benefits in advance of their payment, so as not to incur a tax liability, but rather a portion of the employer contributions to the Program are used to pay these benefits as they fall due.

Although the Early Retirement Benefits Arrangement has been in existence for quite some time, 1999 was the first year that benefits were paid under the Arrangement. The amount paid out in 2005 was $12,268 (2004 – $6,893). Payments under the Winnipeg Civic Employees' Early Retirement Benefits Arrangement will continue to be reported in future years, but financial statements will not be published until the amounts are somewhat significant.

WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

COST-OF-LIVING INCREASES



WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

FIVE YEAR FINANCIAL SUMMARY

	2005	2004	2003	2002	2001
	(000's)	(000's)	(000's)	(000's)	(000's)
Investments at Market					
Bonds and Debentures	$ 1,201,900	$ 1,192,727	$ 1,199,931	$ 1,188,617	$ 1,105,407
Real Return Bonds	19,461	17,990	16,058	14,861	13,462
Canadian Equities	1,308,906	1,121,628	1,076,871	931,137	1,061,805
Foreign Equities	833,667	710,919	616,982	556,037	686,018
Cash and Short-term Deposits	98,980	158,081	92,192	35,825	129,583
Private Equities	14,359	2,531	102	191	219
Other Liabilities	(13,864)	(8,287)	(7,995)	(7,088)	(8,299)
	$ 3,463,409	$ 3,195,589	$ 2,994,141	$ 2,719,580	$ 2,988,195
Assets Available for					
Main Account					
– General Component	3,040,876	2,770,270	2,562,386	2,612,668	2,858,486
– Future Contribution Reserve	239,482	240,728	244,212	-	-
Plan Members' Account					
– Unallocated Portion	-	-	6,413	15,132	16,117
– Enhancement Cost Reserve	57,860	60,770	57,275	-	-
City Account	125,191	123,821	123,855	91,780	113,592
	$ 3,463,409	$ 3,195,589	$ 2,994,141	$ 2,719,580	$ 2,988,195
Main Account – General Component*					
Contributions					
Employees	$ 27,228	$ 25,193	$ 24,092	$ 23,163	$ 22,478
City of Winnipeg and Participating Employers	5,164	5,177	2,509	-	-
Reciprocal Transfers	388	735	503	534	790
Transfer from					
Future Contribution Reserve	32,012	32,548	31,824	-	-
Enhancement Cost Reserve	9,523	8,786	6,677	-	-
City Account	12,481	11,712	13,528	15,336	14,690
Net Investment Income (Loss)	322,356	251,138	308,032	(172,521)	(56,726)
	409,152	335,289	387,165	(133,488)	(18,768)
Pension Payments	113,705	105,988	101,151	96,460	92,287
Lump Sum Benefits	18,583	13,063	11,547	12,702	11,929
Administration	2,311	2,432	2,523	3,168	2,894
Transfer to					
Future Contribution Reserve	3,893	5,922	244,984	-	-
City Account	27	-	30,010	-	-
Plan Members' Account					
– Unallocated Portion	27	-	47,232	-	-
	138,546	127,405	437,447	112,330	107,110
Increase (Decrease) in Net Assets	$ 270,606	$ 207,884	$ (50,282)	$ (245,818)	$ (125,878)

* The figures prior to 2003 presented in this summary related to the Main Account – General Component reflect the combination of the former Regular Pension Benefits Account and the Supplementary Pension Benefits Account.

Main Account – Future Contribution Reserve

	2005 (000's)	2004 (000's)	2003 (000's)	2002 (000's)	2001 (000's)
Transfer of Surplus from Main Account – General Component	$ 3,893	$ 5,922	$ 244,984	$ -	$ -
Net Investment Income	26,873	23,142	31,052	-	-
	30,766	29,064	276,036	-	-
Transfer to Main Account – General Component	32,012	32,548	31,824	-	-
Increase (Decrease) in Assets Available for Pension Benefits	$ (1,246)	$ (3,484)	$ 244,212	$ -	$ -

Plan Members' Account – Unallocated Portion

	2005	2004	2003	2002	2001
Transfer of Surplus from Main Account – General Component	$ 27	$ -	$ 47,232	$ -	$ -
Net Investment Income (Loss)	3	634	934	(985)	(316)
	30	634	48,166	(985)	(316)
Transfer to Enhancement Cost Reserve	30	7,047	56,885	-	-
Increase (Decrease) in Net Assets	$ -	$ (6,413)	$ (8,719)	$ (985)	$ (316)

Plan Members' Account – Enhancement Cost Reserve

	2005	2004	2003	2002	2001
Transfer of Surplus from Plan Members' Account – Unallocated Portion	$ 30	$ 7,047	$ 56,885	$ -	$ -
Net Investment Income	6,583	5,234	7,067	-	-
	6,613	12,281	63,952	-	-
Transfer to Main Account – General Component	9,523	8,786	6,677	-	-
Increase (Decrease) in Net Assets	$ (2,910)	$ 3,495	$ 57,275	$ -	$ -

City Account

	2005	2004	2003	2002	2001
Transfer of Surplus from Main Account – General Component	$ 27	$ -	$ 30,010	$ -	$ -
Net Investment Income (Loss)	13,824	11,678	15,593	(6,476)	(2,372)
	13,851	11,678	45,603	(6,476)	(2,372)
Transfer to Main Account – General Component	12,481	11,712	13,528	15,336	14,690
Increase (Decrease) in Net Assets	$ 1,370	$ (34)	$ 32,075	$ (21,812)	$ (17,062)
Annual Rates of Return	11.9%	10.0%	13.8%	-5.9%	-1.7%

BUILDING STRONG RELATIONSHIPS

Program staff strive to provide quality service to Program Members. Our services to Members, either prior to or after retirement, include the following:

- participating in orientation sessions for new employees;
- calculating termination or retirement pension benefits;
- calculating retirement pension estimates;
- meeting individually with Members who are retiring (or considering retirement) or the surviving beneficiaries of Program Members;
- responding to Members' personal and general enquiries;
- producing a bi-weekly pension payroll;
- producing individual annual statements of benefits;
- participating in pre-retirement seminars.

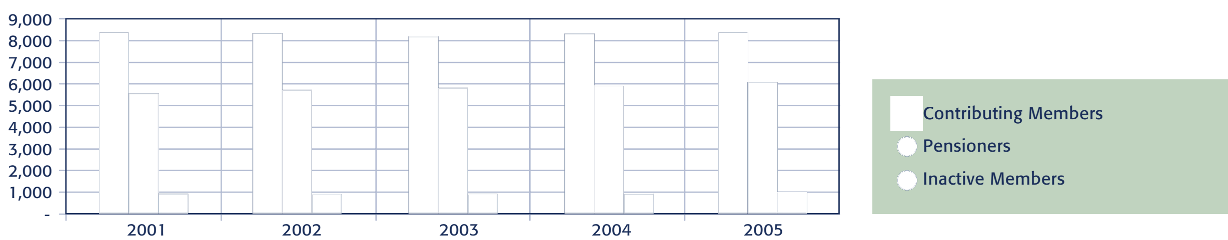
Total Program membership increased 1.5% to 15,138 at December 31, 2005. The number of Contributing Members increased by .6% to 8,283 in 2005, being the second year of reversal of a long-term trend of decreases from the high of 9,617 contributing members in 1990. The number of pensioners continues to grow, increasing 2.2% to 5,967 during 2005.

THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

Summary of Membership

	2005	2004	2003	2002	2001
Contributing Members	8,283	8,231	8,106	8,252	8,282
Inactive Members	888	849	839	836	849
Pensioners	5,967	5,837	5,716	5,606	5,482
Total Membership	15,138	14,917	14,661	14,694	14,613
Activity During the Year					
Retirements	275	260	231	256	217
Deaths in Service	13	18	16	19	11
Pensioner Deaths	209	194	206	191	203
New Disabilities	84	75	78	64	103
New Members	665	653	374	547	556
Terminations	333	285	315	359	444

Membership



REPORT FROM THE DIRECTOR OF INVESTMENTS

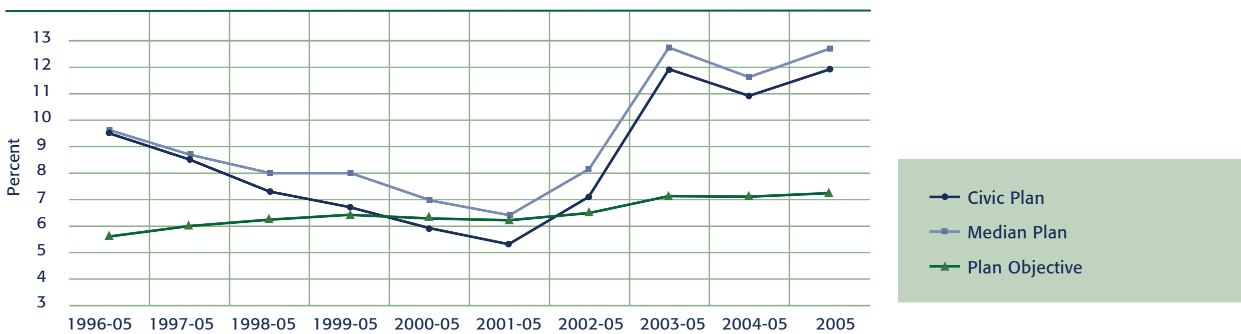
The Board of Trustees of The Winnipeg Civic Employees' Benefits Program delegates to its Investment Committee the responsibility for determining the Program's asset mix, within the parameters of the Program's Statement of Investment Policies and Procedures, for recommending the selection or termination of various investment managers, and for monitoring the performance of these investment managers. The Program utilizes external investment managers to manage the equity portfolios. The short-term investments and the bond portfolio, including real return bonds, are managed internally by Kirk Merlevede, Manager of Fixed Income Investments.

In 2005, the investment portfolio returned 11.9%. Stock markets globally rose in 2005 as consumer confidence and capital investment continued to improve. The years 1995 through 2000 experienced abnormally high real returns, followed by negative returns for 2001 and 2002. The Program's four-year and ten-year annualized rates of return of 7.1% and 9.5%, respectively, place the Program at the 85th percentile and 64th percentile ranking, respectively, of Canadian pension fund returns as measured by Benchmark, an independent measurement service.

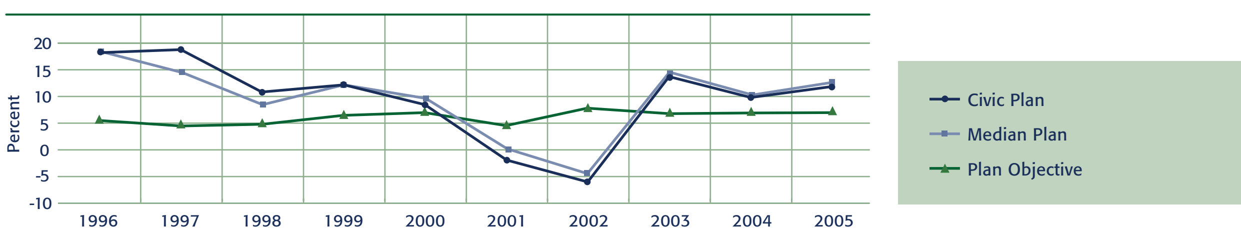
The marginally below median ten-year record (median return of 9.6%) can be attributed to the underperformance of our Canadian equity managers and the underperformance of our passive investment in the S&P 500 Index relative to the performance of active managers over the last six years. Our bond performance over this period ranks well into the 1st quartile. More recent performance, however, has been adversely affected by having the Program's Canadian equity portfolios underweighted in the energy and materials sectors which have experienced exceptional returns for the last three years. Generally, our investment managers have a more conservative position in these cyclical sectors which now dominate the Canadian market.

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

Annualized Rates of Return



Annual Rates of Return



Asset Mix

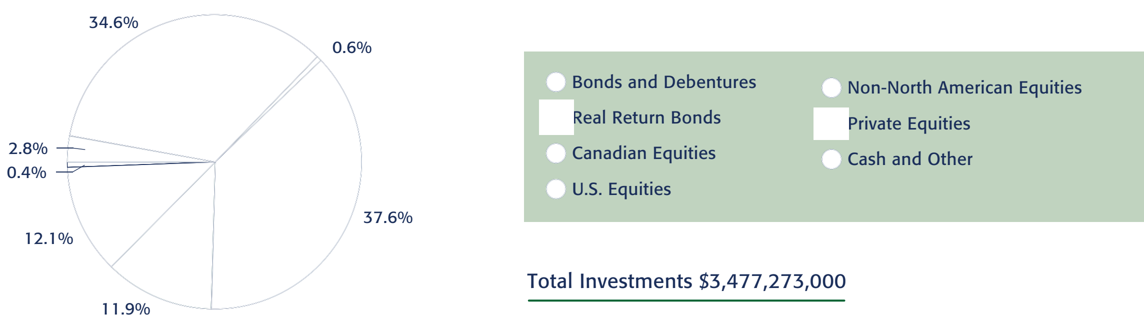
As a result of appreciation in the equity markets, there was an increase in allocation to equity investments – from 57.3% of the portfolio at the beginning of the year to 62.0% at year-end. Throughout the year, income generated by the bond portfolio was directed toward benefit payments. Benefit payments and administrative expenses exceeded contributions and interest income by $102 million in 2005. Funds were raised by liquidating $39 million from the Program's Canadian Equity position. An allocation of $72.8 million was directed to the Plan's Non-North American equity position, thus increasing this asset allocation by approximately 2.5% to 12.1% of the portfolio.

Asset Mix

	2005	2004	2003	2002	2001
Bonds and Debentures	35.2%	37.8%	40.5%	44.1%	37.4%
Canadian Equities	37.6%	35.0%	35.9%	34.2%	35.4%
Foreign Equities	24.0%	22.2%	20.5%	20.4%	22.9%
Cash and Other	2.8%	4.9%	3.1%	1.3%	4.3%
Private Equities	0.4%	0.1%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

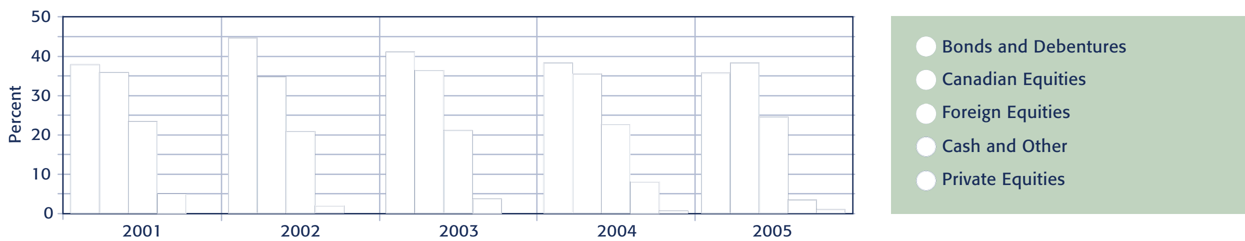
Asset Mix as at December 31, 2005



Total Investments $3,477,273,000

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

Asset Mix as at December 31, 2005



Equity Investments

The Program's Canadian Equity Managers underperformed the S&P/TSX Composite Index and the median pension fund in 2005 with a rate of return of 21.2%. The S&P/TSX Composite Index had a return of 24.1% in 2005 compared to a return of 14.5% in 2004.

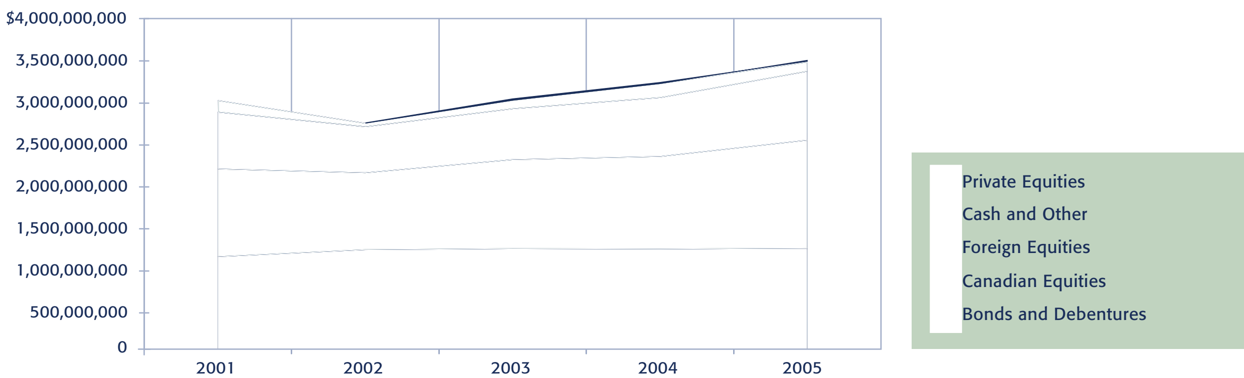
The Program's Foreign Equity Managers, collectively, achieved a rate of return of 6.6% in Canadian dollar terms in 2005. This return was below the median due to below-median performance in U.S. equities. The U.S. Equity Managers collectively achieved a return of 2.8%, in Canadian dollars, in 2005, which was above the return of the S&P 500 of 1.6%. Over the last ten years, the U.S. stock market has underperformed the Canadian stock market in Canadian dollars. The Program's Non-North American Equity managers collectively returned 11.0% in 2005. The Europe, Australia, Far East Index rose 10.0% which was reflective of improving foreign markets, especially Japan.

Fixed Income Investments

The Program's bond portfolio achieved a rate of return of 7.0% in 2005. For the four- and ten-year periods ended December 31, 2005, the bond portfolio returned 7.8% and 8.7% annually, respectively, ranking in the top 6% of all bond fund returns in Canada for the ten-year period.

Our strategy of maintaining a marginally long duration, high quality bond portfolio positively influenced our absolute and relative performance over the ten years.

Investments



Asset Mix Strategy for 2006

The Investment Committee anticipates marginally decreasing the public equity weighting in the portfolio to approximately 60% of the total portfolio. The Non-North American Equity portion will increase by approximately 1%, thus improving the diversification of our fund and lessening risk. Correspondingly, profits will be taken in the Canadian equity position, reducing the weight to 35%. By year-end 2006, it is anticipated that the portfolio will be weighted 60% public equities, 37% fixed income, 2% short term investments and 1% private equity.

Total Returns

	One Year	Four Years	Ten Years
Total Fund	11.9%	7.1%	9.5%
Bonds and Debentures	7.1%	7.9%	9.0%
Canadian Equities	21.2%	11.9%	12.3%
Foreign Equities	6.6%	-1.0%	6.7%
Benchmarks			
Scotia Capital Markets Universe Bond Index	6.5%	7.3%	7.7%
S&P / TSX Composite Index	24.1%	12.1%	11.0%
S&P 500	1.6%	-3.9%	7.4%
Europe, Australia, Far East Stock Market Index	10.0%	3.9%	4.2%
Consumer Price Index	2.2%	2.5%	2.1%

Rick Abbott
Director of Investments

THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

ACTUARIAL OPINION

Western Compensation & Benefits Consultants has performed an actuarial valuation of The Winnipeg Civic Employees' Benefits Program as at December 31, 2004 relying on data and other information provided to us by the Board of Trustees of the Program. The results of the valuation are contained in our report dated July 15, 2005.

The principal results are as follows:

Actuarial Position

The Program is fully funded in respect of benefits earned for service up to December 31, 2004 and has an excess of actuarial value of assets over actuarial liabilities of $429,266,000 as at that date.

The Program has an actuarial surplus of $3,947,000 for 2004, after taking into account $425,319,000 of the above excess that was previously allocated to the Future Contribution Reserve, the Plan Members' Account and the City Account. In accordance with the Pension Trust Agreement, this actuarial surplus should be allocated as follows:

Transfer to Future Contribution Reserve	$3,893,000
Transfer to Plan Members' Account	27,000
Transfer to City Account	27,000
	$3,947,000

Cost of Benefits for Service in 2005

The normal actuarial cost of benefits expected to be earned under the Program for service in 2005 is 23.80% of contributory earnings.

This cost is expected to be financed by employee contributions averaging 6.71% of contributory earnings, employer contributions and transfers from the City Account of 6.71% of contributory earnings, transfers from the Future Contribution Reserve of 8.00% of contributory earnings and transfers from the Enhancement Cost Reserve within the Plan Members' Account of 2.38% of contributory earnings.

In our opinion, the actuarial valuation and our report thereon presents fairly the actuarial position of The Winnipeg Civic Employees' Benefits Program as at December 31, 2004 on the basis of the actuarial assumptions and valuation methods adopted. Our report has been prepared, and our opinion given, in accordance with accepted actuarial practice.

Donald M. Smith

Donald M. Smith
Fellow of the Canadian Institute of Actuaries

Natalie F. Thompson
Fellow of the Canadian Institute of Actuaries

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
AUDITORS' REPORT

To the Chairperson and Members
The Board of Trustees of The Winnipeg Civic
Employees' Benefits Program (Pension Fund)

We have audited the statement of net assets available for benefits of The Winnipeg Civic Employees' Pension Plan as at December 31, 2005 and the statements of changes in net assets available for benefits of the main account – general component, main account – future contribution reserve, plan members' account – unallocated portion, plan members' account – enhancement cost reserve and City account for the year then ended. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets available for benefits of The Winnipeg Civic Employees' Pension Plan as at December 31, 2005 and the changes in its net assets available for benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Winnipeg, Manitoba
March 24, 2006

Statement of Net Assets Available For Benefits

As at December 31	2005 (000's)	2004 (000's)
Assets		
Investments, at market		
Bonds and debentures	$ 1,217,537	$ 1,206,476
Canadian equities	1,308,906	1,121,628
Foreign equities	833,667	710,919
Cash and short term-deposits	98,980	158,081
Private equities	14,359	2,531
	3,473,449	3,199,635
Accrued interest	3,824	4,241
Accounts receivable	958	100
Due from other plans	7	-
Total Assets	3,478,238	3,203,976
Liabilities		
Accounts payable	14,829	8,253
Due to other plans	-	134
Total Liabilities	14,829	8,387
Net Assets Available For Benefits	$ 3,463,409	$ 3,195,589
Net Assets Available For Benefits Comprised of:		
Main Account – General Component	$ 3,040,876	$ 2,770,270
Main Account – Future Contribution Reserve	239,482	240,728
Plan Members' Account – Unallocated Portion	-	-
Plan Members' Account – Enhancement Cost Reserve	57,860	60,770
City Account	125,191	123,821
	$ 3,463,409	$ 3,195,589

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

MAIN ACCOUNT – GENERAL COMPONENT

Statement of Changes in Net Assets Available For Benefits

For the years ended December 31	2005	2004
	(000's)	(000's)
Increase in Assets		
Contributions		
Employees	$ 27,228	$ 25,193
City of Winnipeg and participating employers	5,164	5,177
Reciprocal transfers from other plans	388	735
	32,780	31,105
Transfers from other accounts and reserves (Note 1)		
City Account	12,481	11,712
Future Contribution Reserve	32,012	32,548
Enhancement Cost Reserve	9,523	8,786
	86,796	84,151
Investment income (Note 5)	106,257	99,984
Current period change in market value of investments	221,575	155,544
Total increase in assets	414,628	339,679
Decrease in Assets		
Pension payments	113,705	105,988
Lump sum benefits	18,583	13,063
Administrative expenses (Note 6)	2,311	2,432
Investment management and custodial fees	5,476	4,390
Transfer of surplus to Future Contribution Reserve (Note 3)	3,893	5,922
Transfer of surplus to City Account	27	-
Transfer of surplus to Plan Members' Account	27	-
Total decrease in assets	144,022	131,795
Increase in net assets	270,606	207,884
Net assets available for benefits at beginning of year	2,770,270	2,562,386
Net assets available for benefits at end of year	$ 3,040,876	$ 2,770,270

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

MAIN ACCOUNT – FUTURE CONTRIBUTION RESERVE

Statement of Changes in Net Assets Available For Benefits

For the years ended December 31	2005 (000's)	2004 (000's)
Increase in Assets		
Transfer of surplus from Main Account – General Component (Note 3)	$ 3,893	$ 5,922
Investment income (Note 5)	8,858	9,214
Current period change in market value of investments	18,471	14,333
Total increase in assets	31,222	29,469
Decrease in Assets		
Investment management and custodial fees	456	405
Transfer to Main Account – General Component (Note 1)	32,012	32,548
Total decrease in assets	32,468	32,953
(Decrease) in net assets	(1,246)	(3,484)
Net assets available for benefits at beginning of year	240,728	244,212
Net assets available for benefits at end of year	$ 239,482	$ 240,728

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

PLAN MEMBERS' ACCOUNT – UNALLOCATED PORTION

Statement of Changes in Net Assets Available For Benefits

For the years ended December 31	2005 (000's)	2004 (000's)
Increase in Assets		
Transfer of surplus from Main Account – General Component	$ 27	$ -
Investment income (Note 5)	1	252
Current period change in market value of investments	2	393
Total increase in assets	30	645
Decrease in Assets		
Investment management and custodial fees	-	11
Transfers to Plan Members' Account – Enhancement Cost Reserve	30	7,047
Total decrease in assets	30	7,058
(Decrease) in net assets	-	(6,413)
Net assets available for benefits at beginning of year	-	6,413
Net assets available for benefits at end of year	$ -	$ -

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
PLAN MEMBERS' ACCOUNT – ENHANCEMENT COST RESERVE

Statement of Changes in Net Assets Available For Benefits

For the years ended December 31	2005	2004
	(000's)	(000's)
Increase in Assets		
Transfers from Plan Members' Account – Unallocated Portion (Note 1)	$ 30	$ 7,047
Investment income (Note 5)	2,170	2,084
Current period change in market value of investments	4,525	3,241
Total increase in assets	6,725	12,372
Decrease in Assets		
Investment management and custodial fees	112	91
Transfer to Main Account – General Component (Note 1)	9,523	8,786
Total decrease in assets	9,635	8,877
(Decrease) increase in net assets	(2,910)	3,495
Net assets available for benefits at beginning of year	60,770	57,275
Net assets available for benefits at end of year	$ 57,860	$ 60,770

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
CITY ACCOUNT

Statement of Changes in Net Assets Available For Benefits

For the years ended December 31	2005	2004
	(000's)	(000's)
Increase in Assets		
Transfer of surplus from Main Account – General Component	$ 27	$ -
Investment income (Note 5)	4,557	4,649
Current period change in market value of investments	9,502	7,233
Total increase in assets	14,086	11,882
Decrease in Assets		
Investment management and custodial fees	235	204
Transfer to Main Account – General Component (Note 1)	12,481	11,712
Total decrease in assets	12,716	11,916
Increase (decrease) in net assets	1,370	(34)
Net assets available for benefits at beginning of year	123,821	123,855
Net assets available for benefits at end of year	$ 125,191	$ 123,821

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

1. Description of Plan

a) General

The Winnipeg Civic Employees' Pension Plan is a defined benefit pension plan which provides pension benefits for all City of Winnipeg employees, with the exception of police officers, and employees of certain other employers which participate in the Plan. The Plan is part of The Winnipeg Civic Employees' Benefits Program which also includes The Winnipeg Civic Employees' Long Term Disability Plan and The Winnipeg Civic Employees' Early Retirement Benefits Arrangement.

All employees of participating employers who work full time throughout the year are required to become members of the Plan at the commencement of their employment. Seasonal and part-time employees are required to become members when they have earned 25% of the maximum pensionable earnings under the Canada Pension Plan in each of two consecutive years.

b) Financial Structure

The Winnipeg Civic Employees' Pension Plan is comprised of three accounts, namely the Main Account (which has two components being the General Component and the Future Contribution Reserve), the Plan Members' Account (which has two components being the Unallocated Portion and the Enhancement Cost Reserve) and the City Account. The account structure is in accordance with the requirements of a Pension Trust Agreement entered into by the City and ten Signatory Unions on October 7, 2002 and became effective January 1, 2003 when The Winnipeg Civic Employees' Benefits Program superceded the former Employee Benefits Program of the City of Winnipeg.

I) Main Account – General Component

All benefits of the Pension Plan are paid from the Main Account – General Component.

Members contribute 6 1/2% of their Canada Pension Plan earnings plus 7 1/2% of any pensionable earnings in excess of Canada Pension Plan earnings to the Program.

All Program member contributions and employer contributions, other than those directed to The Winnipeg Civic Employees' Long Term Disability Plan or The Winnipeg Civic Employees' Early Retirement Benefits Arrangement, are credited to the Main Account.

The City and participating employers are required to match the members' contributions to the Program, but may contribute at less than matching levels for any year provided that an amount equal to the difference is transferred from the City Account to the Main Account.

The Plan has been designated as a "multi-unit pension plan" under the Pension Benefits Act of Manitoba. As a "multi-unit pension plan", the financial obligations of the participating employers are limited to those specified in the Pension Trust Agreement.

An actuarial valuation of the future benefit obligations of the Main Account is carried out each year. Actuarial surpluses and funding deficiencies are dealt with in accordance with the terms of the Pension Trust Agreement.

II) Main Account – Future Contribution Reserve

The Future Contribution Reserve is credited with a portion of actuarial surpluses.

The Future Contribution Reserve finances, through transfers to the Main Account – General Component, the portion of the current service cost of the Program's 1999 benefits level that exceeds the Program members' and employers' matching contributions. The reserve is also intended to finance the future service cost related to this shortfall of matching contributions for the existing members.

III) Plan Members' Account – Unallocated Portion

The Plan Members' Account – Unallocated Portion is credited with the share of all actuarial surpluses that are allocated to the Program members. The account will finance the past service cost of any benefit enhancements above the Program's 1999 benefits level, as well as any reduction in the Program members' contribution rates below current rates.

IV) Plan Members' Account – Enhancement Cost Reserve

The Enhancement Cost Reserve is credited with amounts transferred from the Plan Members' Account – Unallocated Portion.

The Enhancement Cost Reserve finances, through transfers to the Main Account – General Component, the current service cost of all benefit enhancements above the Program's 1999 benefits level. The reserve is also intended to finance the future service cost of the enhancements for the existing Program members.

V) City Account

The City Account is credited with the share of all actuarial surpluses that are allocated to the participating employers. The City Account finances, through transfers to the Main Account – General Component, any reduction in the participating employers' contributions from the amounts needed to match the Program members' required contributions.

c) Retirement Pensions

The Plan allows for retirement at or after age 55 or following completion of 30 years of service, or when the sum of a member's age plus service equals 80. The pension formula prior to age 65 is equal to 2% of the best 5-year average earnings for each year of credited service. The pension formula after age 65 is equal to 1.5% of the 5-year average Canada Pension Plan earnings plus 2% of the best 5-year average non-Canada Pension Plan earnings for each year of credited service. Pensions are subject to the maximum benefit limits prescribed for registered pension plans under the Income Tax Act.

Retirement and survivor pensions, including deferred pensions, are increased annually to provide cost-of-living adjustments at the stated level in the Program text, which level is currently 80% of the percentage change in the Consumer Price Index for Canada.

d) Disability Benefits

The Plan provides long term disability benefits for employees who were totally or partially disabled prior to December 31, 1991. All long term disability benefits for employees who became totally or partially disabled subsequent to December 31, 1991 are provided by The Winnipeg Civic Employees' Long Term Disability Plan. If an employee is totally disabled, the disability benefits payable from the Plan, together with the disability benefits from the Canada Pension Plan, will equal at least 66 2/3% of the current earnings rate for the position occupied by the employee prior to becoming disabled.

e) Survivor's Benefits

The Plan provides survivor pensions or lump sum benefits on death prior to retirement. On death after retirement, eligible surviving spouses normally receive 66 2/3% of the member's pension.

f) Termination Benefits

Upon application and subject to vesting and locking-in provisions, deferred pensions or equivalent lump sum benefits are payable when a member terminates employment.

g) Variation in Benefits

The Pension Trust Agreement provides that Plan benefits may be increased using funds available in the Plan Members' Account – Unallocated Portion or may be reduced in the event of a funding deficiency.

h) Administration

The Plan was continued as a jointly trusteed plan effective January 1, 2003, and is administered by The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund). The Board of Trustees is comprised of seven employer appointed Trustees and seven member appointed Trustees, of whom one member Trustee is a retired member.

The Plan is registered under the Pension Benefits Act of Manitoba and the Income Tax Act.

2. Summary of Significant Accounting Policies

a) Basis of Presentation

These financial statements are prepared in accordance with Canadian generally accepted accounting principles on a going concern basis and present the aggregate financial position of the Plan as a separate financial reporting entity, independent of the participating employers and Program members. They are prepared to assist Program members and others in reviewing the activities of the Plan for the fiscal period.

b) Investments

Investments are stated at market value. Equity investments are valued using published closing market prices, except for private equities for which the market value has been determined by the private equity funds. Fixed income investments are valued using published mid-market quotations.

Investment transactions are recognized on a trade date basis. Investment income is recorded on the accrual basis.

The Plan's investment income, current period change in market value of investments and investment management and custodial fees are allocated between the Accounts and Reserves based on the average balance of each Account and Reserve during the year.

c) 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.

d) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the year. Actual results could differ from those estimates.

3. Obligations for Pension Benefits

An actuarial valuation of The Winnipeg Civic Employees' Benefits Program was made as of December 31, 2004 by Western Compensation & Benefits Consultants. The assumptions used by the actuary were approved by the Board of Trustees for purposes of preparing this note to the financial statements. The economic assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long term economic and investment market conditions. Significant long-term actuarial assumptions used in the valuation included a valuation interest rate of 6.25% per year, inflation of 2.25% per year and general increases in pay of 3.75% per year. 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 actuarial valuation as at December 31, 2004 disclosed an actuarial surplus of $3,947,000 which was allocated in 2005 in accordance with the Pension Trust Agreement.

The results of the December 31, 2004 actuarial valuation were extrapolated to December 31, 2005 to determine the actuarial present value of accrued benefits disclosed below. The actuarial present value of the Program's accrued benefits as at December 31, 2005, and the principal components of changes in actuarial present values during the year, were as follows:

	2005	2004
	(000's)	(000's)
Actuarial present value of accrued benefits, beginning of year	$ 2,760,832	$ 2,667,613
Experience gains and losses and other factors	(3,197)	(17,408)
Changes in actuarial assumptions	(255)	(17,196)
Interest accrued on benefits	170,895	163,450
Benefits accrued	97,681	93,767
Benefits paid	(140,533)	(126,221)
Administrative expenses paid	(3,271)	(3,173)
Actuarial present value of accrued benefits, end of year	$ 2,882,152	$ 2,760,832

The actuarial present value of accrued benefits disclosed above includes the obligations of The Winnipeg Civic Employees' Long Term Disability Plan and The Winnipeg Civic Employees' Early Retirement Benefits Arrangement in the amounts of $59,292,000 and $3,034,000 respectively. These obligations are included because the Pension Trust Agreement requires that all Program obligations be taken into account in determining the periodic actuarial surplus or funding deficiency.

The assets available to finance the Program's accrued benefits are those allocated to the Main Account – General Component. To be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets of the Main Account – General Component was determined from market values. The actuarial value placed on the assets smoothes out fluctuations in market values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years. The value of the assets of the Main Account – General Component on an actuarial basis were:

	2005	2004
	(000's)	(000's)
Market value of net assets available for benefits	$ 3,040,876	$ 2,770,270
Market value changes not reflected in actuarial value of assets	(127,900)	(8,943)
Actuarial value of net assets available for benefits	$ 2,912,976	$ 2,761,327

A full actuarial valuation of the Program is being carried out as of December 31, 2005. Any actuarial surplus or funding deficiency disclosed in that valuation will be dealt with in accordance with the Pension Trust Agreement. It is not expected that this will result in changes to the contribution rates or benefit levels under the Program.

4. Interest Rate, Credit, Foreign Currency and Market Risk

a) Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Plan's asset values, future investment income and actuarial liabilities. This risk arises from differences in the timing and amount of cash flows related to the Plan's assets and liabilities. The value of the Plan's assets is affected by short-term changes in nominal interest rates and equity markets.

The Plan's actuarial liabilities are exposed to the long-term expectation of rates of return on investments as well as expectations of inflation and salary escalation. The Plan's primary exposure is to a decline in the long-term real rate of return which may result in higher contribution rates or lower benefit levels.

The Plan has approximately 38% of its assets invested in fixed income securities as at December 31, 2005. The returns on fixed income securities are particularly sensitive to changes in nominal interest rates.

The term to maturity and related market values of investments in bonds and debentures held by the Plan at December 31, 2005 are as follows:

Term to Maturity	Market Value (000's)
Less than one year	$ 85,674
Two to five years	415,818
Greater than five years	716,045
	$ 1,217,537

b) Credit Risk

Credit risk arises from the potential for an investee to fail or to default on its contractual obligations to the Plan. At December 31, 2005, the Plan's credit risk exposure related to bonds and debentures, accrued interest and short-term deposits totaled $1,320,341,000. The Plan's concentration of credit risk as at December 31, 2005, related to bonds and debentures, is categorized amongst the following types of issuers:

Type of Issuer	2005 Market Value (000's)	2004 Market Value (000's)
Government of Canada and Government of Canada guaranteed	$ 710,704	$ 766,334
Provincial and Provincial guaranteed	353,502	291,135
Canadian cities, municipalities, and other institutions	368	22,255
Corporations	152,963	126,752
	$ 1,217,537	$ 1,206,476

The Plan's investments include short-term deposits with the City of Winnipeg which have a market value of $98,980,000 at December 31, 2005.

The Plan limits 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.

c) Foreign Currency Risk

Foreign currency exposure arises from the Plan's holdings of foreign equity investments. The Plan's investment managers may, from time to time, hedge some of this exposure using forward contracts. There were no open forward contracts outstanding at December 31, 2005 (2004 – $ nil).

As at December 31, 2005, the Plan's net foreign currency exposure was as follows:

	2005 Net Exposure (000's)	2004 Net Exposure (000's)
United States	$ 420,587	$ 402,654
Euro	114,591	96,522
Japan	88,539	53,714
United Kingdom	79,624	67,606
Switzerland	27,290	19,683
Korea	20,678	7,646
Other	82,357	63,094
	$ 833,667	$ 710,919

d) Market Risk

Market risk is the risk that the value of investments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to an individual asset or its issuer, or factors affecting all securities traded in the market. The Plan's policy is to invest in a diversified portfolio of investments.

5. Investment Income

	2005 (000's)	2004 (000's)
Bonds and debentures	$ 80,147	$ 81,943
Canadian equities	22,874	18,777
Foreign equities	15,670	12,974
Cash and short term-deposits	3,152	2,489
	$ 121,843	$ 116,183
Allocated to:		
Main Account – General Component	$ 106,257	$ 99,984
Main Account – Future Contribution Reserve	8,858	9,214
Plan Members' Account – Unallocated Portion	1	252
Plan Members' Account – Enhancement Cost Reserve	2,170	2,084
City Account	4,557	4,649
	$ 121,843	$ 116,183

6. Administrative Expenses

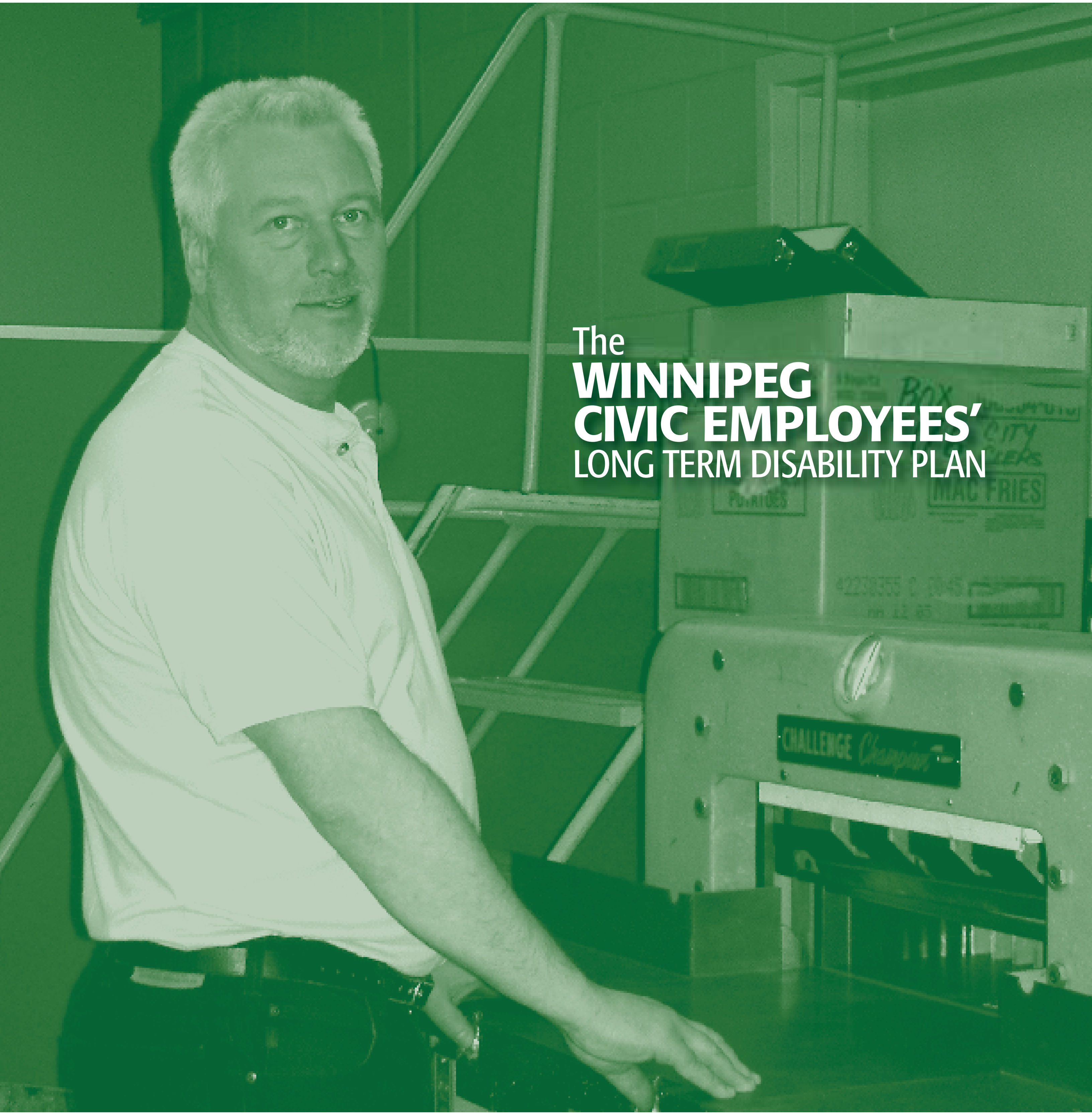
	2005 (000's)	2004 (000's)
Salaries and benefits	$ 1,989	$ 1,910
Actuarial fees	445	445
Other professional services	760	846
Office and administration	592	530
Capital expenditures	47	43
Less: recoveries from other plans	(1,522)	(1,342)
	$ 2,311	$ 2,432

Certain of the above administrative expenses, including salaries and benefits, represent the reimbursement by the Plan to the City of Winnipeg for the cost of supplying such services.

7. Comparative Figures

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

2005



The WINNIPEG CIVIC EMPLOYEES' LONG TERM DISABILITY PLAN

THE WINNIPEG CIVIC EMPLOYEES'
LONG TERM DISABILITY PLAN

The Winnipeg Civic Employees' Long Term Disability Plan provides long term disability benefits for all City of Winnipeg employees (with the exception of police officers) and for employees of other Participating Employers.

All contributing members of The Winnipeg Civic Employees' Benefits Program are automatically members of the Long Term Disability Plan. Employee contributions to the Plan are not required. A portion of the Participating Employers' contributions to the Program are used to pay the benefits and expenses of the Long Term Disability Plan as they fall due.

If an employee is totally disabled, the benefits payable from the Long Term Disability Plan, together with benefits from the Canada Pension Plan, will equal at least 66 2/3% of an employee's average salary at the date of disability.

Case Management

The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund) promotes a systematic process that provides a consistent and equitable multi-disciplinary approach – referred to as Case Management – when dealing with disabled Plan Members. Integral to this process is the belief that the disabled employee must maintain control of his or her situation and, in so doing, become an active participant in all facets of the Case Management process.

Unique to the Program, is the on-site guidance of a physician, vocational rehabilitation consultant and disability benefits manager (the Case Management Team). These professionals regularly liaise with the disabled employee's community treating practitioners and workplace, to facilitate rehabilitation and a work reintegration process.

The Case Management Team, along with the employee, the employing department, and, in most cases, the employee's union representative, ensures that a safe and goal-oriented rehabilitation plan is developed to meet the individual's unique needs. This process promotes open communication by all parties and allows for ongoing reassessment throughout the workplace reintegration trial.

External resources such as occupational therapists, physiotherapists and psychologists are utilized as required, in a timely and cost-effective manner. The roles of these external service providers are directly linked to a predetermined workplace reintegration plan.

Orthopaedic and psychological related illnesses continue to be the basis for the majority of claims being processed by the Plan. The complexities of the psychological illnesses in particular, provide ongoing challenges to the Plan, as well as significant financial impact to accommodate costs.

The Board acknowledges the efforts of those participating employers who are taking a proactive approach to working with their employees early on in their illness to minimize the effects on the employee, the workplace and the Long Term Disability Plan.

Long Term Disability Plan Review

As part of its ongoing due diligence relative to the Long Term Disability Plan, the Board has undertaken a comprehensive review of the Plan. The broad objectives of this review are to identify the strengths and weaknesses of the Plan and to benchmark it relative to disability plans of a similar nature in Canada. This review will incorporate an assessment of the broad categories of i) benefit provisions, ii) disability experience and cost, and iii) the Case Management approach. A report of the consultant, Watson Wyatt Worldwide, is expected to be available by mid-2006.

THE WINNIPEG CIVIC EMPLOYEES' LONG TERM DISABILITY PLAN

Activity Summary

For The Years Ended December 31	2005	2004	2003	2002	2001
Employees Receiving Disability Benefits	470	441	435	435	440
Employees Returning to Pre-Disability Duties	23	25	28	28	28
Employees Working in Alternate Duties	104	95	93	104	101
Employees Working in Other Placements	25	29	27	26	34
Cost Savings of Employees Returning to Alternate Work*	$ 1,113,899	$ 1,049,740	$ 1,196,056	$ 1,121,073	$ 858,812
Disability Benefits Paid	$ 8,233,000	$ 7,163,000	$ 6,980,000	$ 6,717,000	$ 6,812,000

*Amounts do not reflect savings of employees returning to pre-disability duties.

THE WINNIPEG CIVIC EMPLOYEES' LONG TERM DISABILITY PLAN
AUDITORS' REPORT

To the Chairperson and Members
The Board of Trustees of The Winnipeg Civic
Employees' Benefits Program (Disability Fund)

We have audited the statement of contributions and expenses of The Winnipeg Civic Employees' Long Term Disability Plan for the year ended December 31, 2005. The financial statement is the responsibility of the board's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, the financial statement presents fairly, in all material respects, the contributions and expenses of The Winnipeg Civic Employees' Long Term Disability Plan for the year ended December 31, 2005 in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

Winnipeg, Manitoba
March 24, 2006

THE WINNIPEG CIVIC EMPLOYEES' LONG TERM DISABILITY PLAN

STATEMENT OF CONTRIBUTIONS AND EXPENSES

For the years ended December 31		2005		2004
		(000's)		(000's)
Contributions				
City of Winnipeg and participating employers	$	9,193	$	7,904
Total Contributions		9,193		7,904
Expenses				
Administration		960		741
Disability payments		8,233		7,163
Total Expenses		9,193		7,904
	$	-	$	-

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS As at December 31, 2005

1. Description of Plan

a) General

The Winnipeg Civic Employees' Long Term Disability Plan is part of The Winnipeg Civic Employees' Benefits Program and provides long term disability benefits for all City of Winnipeg employees and employees of certain other employers who are contributing members of The Winnipeg Civic Employees' Pension Plan.

b) Contributions

The City of Winnipeg and participating employers contribute amounts equal to the benefits and expenses of the Plan. Employee contributions are not required or permitted. Accordingly, the Plan does not hold any net assets available for benefits.

c) Eligibility

A member who is totally disabled or partially disabled after December 31, 1991 may apply for disability benefits. If the application is approved by the Board of Trustees, it shall be effective on the date on which the member has been totally or partially disabled and under the personal care of a medical doctor for at least the last 26 weeks.

d) Disability Benefits

The Plan provides long term disability benefits, following a six month waiting period, for employees who are totally or partially disabled. If an employee is totally disabled, the disability benefits payable from the Plan, together with the disability benefits from the Canada Pension Plan, will equal at least 66 2/3% of the current earnings rate for the position regularly occupied by the employee prior to becoming disabled.

If a member has more than two years of credited service in The Winnipeg Civic Employees' Pension Plan, then disability benefits are payable as long as the member is totally or partially disabled and under the personal care of a medical doctor to age 65. If a member has less than two years of credited service, then benefits are payable for a maximum of two years.

e) Administration

The Plan was continued as a jointly trusteed plan effective January 1, 2003, and is administered by The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund). The Board of Trustees is comprised of six employer appointed Trustees and six member appointed Trustees.

2. Obligations for Long Term Disability Benefits

An actuarial valuation of The Winnipeg Civic Employees' Benefits Program was made as of December 31, 2004 by Western Compensation & Benefits Consultants. The assumptions used by the actuary were approved by the Board of Trustees for purposes of preparing this note to the financial statements. The valuation disclosed obligations related to The Winnipeg Civic Employees' Long Term Disability Plan in the amount of $55,645,000. Upon extrapolation to December 31, 2005, this obligation is estimated at $59,292,000.

To determine the overall Program actuarial surplus or funding deficiency, the above obligations are included in the obligations disclosed by The Winnipeg Civic Employees' Pension Plan, as the pension plan holds all assets available for benefits.

In the event the Program is ever terminated, any shortfall of assets versus obligations for the Plan, as measured by the Program's Actuary, must be transferred from The Winnipeg Civic Employees' Pension Plan to the City of Winnipeg, who thereupon is required to immediately contribute such amount to the Plan.

2005

The CITY OF WINNIPEG EMPLOYEES' GROUP LIFE INSURANCE PLAN

THE CITY OF WINNIPEG
EMPLOYEES' GROUP LIFE INSURANCE PLAN

The City of Winnipeg Employees' Group Life Insurance Plan is comprised of two Plans, the Civic Employees' Group Life Insurance Plan for employees of the City of Winnipeg other than police officers ("Civic employees") and the Police Employees' Group Life Insurance Plan for police employees ("Police employees").

Civic employees join the Group Life Insurance Plan at the same time they are enrolled in The Winnipeg Civic Employees' Benefits Program. Plan members are covered for basic life insurance coverage of one or two times annual earnings. Optional coverage can be purchased under the Plan to increase coverage to up to four times annual earnings. Plan members and the City share equally in the cost of basic life insurance for active members. Upon retirement, a portion of the basic life insurance can be continued at the employee's option. 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.

All Police employees are required to become members of the Police Plan commencing on their employment date. Police employees 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. Plan members and the City share equally in the cost of basic life insurance for active members. Coverage on the life of disabled members will continue at the same earnings multiple prior to disability. A waiver of contributions is provided for insurance coverage in effect at the time of disability.

Contributions to the Plans finance the cost of pre-retirement basic and additional life insurance coverage in the year the coverage is provided and set aside funds which, together with investment income and the contributions made by pensioners, will finance the cost of post-retirement insurance coverage. Pensioners contribute at the same rate as employees, although these contributions cover only a fraction of the cost of this insurance. The balance of the cost of the post-retirement insurance is financed by a portion of the contributions made to the Plans while the member is an employee. This portion of the contributions which is set aside to fund post-retirement insurance coverage is invested from the time the contributions are made until after the member's retirement.

Total Plan membership for the Civic Employees has increased 3.6% over the past four years. The number of active members has increased marginally over this period, going from 8,142 at the end of 2001 to 8,155 at the end of 2005. The number of pensioners has grown 10.4% over this period, increasing from 3,893 at the end of 2001 to 4,297 at the end of 2005.

Total Plan membership for Police Employees has grown by 13.4% over the past four years. The number of active members has increased 6.7% over this period, going from 1,186 at the end of 2001 to 1,266 at the end of 2005. The number of police pensioners has grown substantially, going from 498 at the end of 2001 to 644 at the end of 2005, a 29.3% increase over the period.

The Civic Employees' Group Life Insurance Plan's actuarial valuation as at December 31, 2004 disclosed an actuarial surplus of $27,355,000 and a contingency reserve in the amount of $5,304,000. The surplus is being utilized to finance reductions to contribution rates of 54% for basic life insurance. On the advice of the Plan's Actuary, a revised table of contribution rates payable by the members for optional additional insurance will be adopted effective 2006, in which contribution rates will be reduced by an average of 33%. These revised rates continue to incorporate a 25% reduction on account of the actuarial surplus.

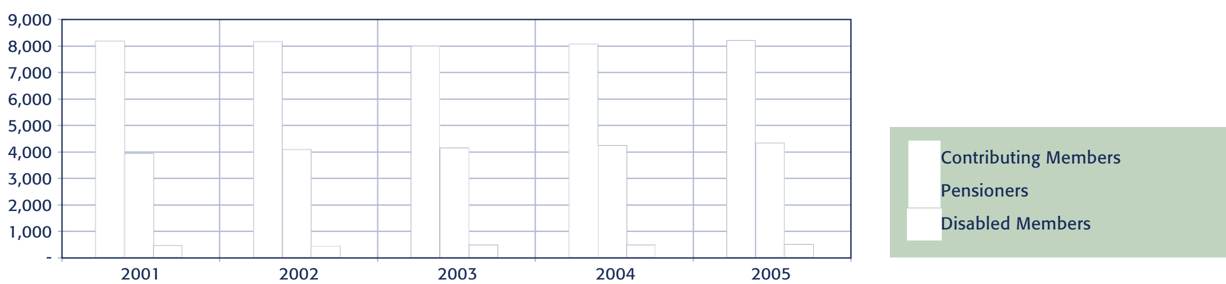
The Police Employees' Group Life Insurance Plan's actuarial valuation as at December 31, 2004 disclosed an actuarial surplus of $5,419,000 and a contingency reserve in the amount of $1,085,000. The surplus is being utilized to finance reductions to contribution rates of 51% for basic life insurance. On the advice of the Plan's Actuary, a revised table of contribution rates payable by the members for optional additional insurance will be adopted effective 2006, in which contribution rates will be reduced by an average of 33%. These revised rates continue to incorporate a 25% reduction on account of the actuarial surplus.

THE CITY OF WINNIPEG – CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

SUMMARY OF PLAN MEMBERSHIP

	2005	2004	2003	2002	2001
Members					
Active Members	8,155	8,023	7,919	8,086	8,142
Disabled Members	461	435	435	431	433
Pensioners	4,297	4,187	4,104	4,044	3,893
Total	12,913	12,645	12,458	12,561	12,468
Deaths					
Active	13	18	16	18	11
Pensioners	130	145	144	128	148
Life Insurance In Force	(000's)	(000's)	(000's)	(000's)	(000's)
Basic	$ 781,590	$ 738,691	$ 702,260	$ 680,240	$ 652,387
Optional	199,341	183,655	179,594	175,340	166,290
Pensioners	110,212	104,292	99,291	96,586	92,418

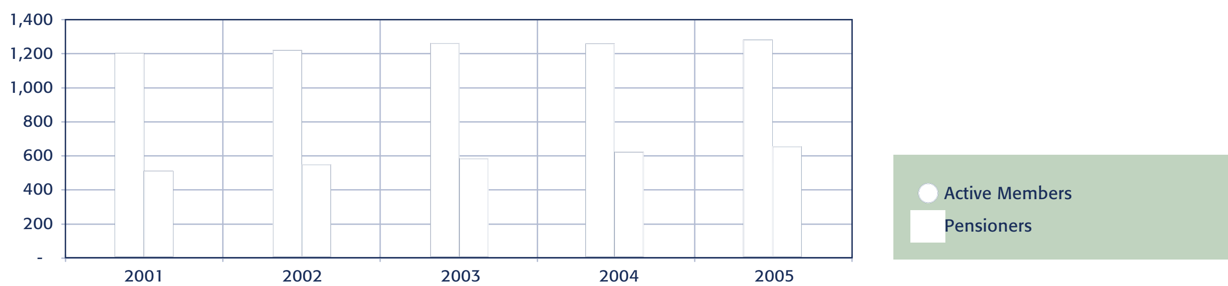
Membership Profile



SUMMARY OF PLAN MEMBERSHIP

	2005	2004	2003	2002	2001
Members					
Active Members	1,266	1,246	1,247	1,208	1,186
Pensioners	644	607	572	539	498
Total	1,910	1,853	1,819	1,747	1,684
Deaths					
Active	1	1	-	1	1
Pensioners	7	6	3	2	4
Life Insurance In Force	(000's)	(000's)	(000's)	(000's)	(000's)
Basic	$ 174,971	$ 169,738	$ 157,181	$ 152,694	$ 141,820
Optional	41,659	40,630	37,061	35,022	31,372
Pensioners	36,407	33,270	30,530	28,461	25,707

Membership Profile



THE CITY OF WINNIPEG – EMPLOYEES' GROUP LIFE INSURANCE PLAN

FIVE YEAR FINANCIAL SUMMARY

	2005	2004	2003	2002	2001
	(000's)	(000's)	(000's)	(000's)	(000's)
Investments at Market:					
Bonds and Debentures	$ 40,244	$ 37,652	$ 34,238	$ 32,160	$ 31,410
Real Return Bonds	822	760	679	628	569
Canadian Equities	45,067	43,525	37,668	29,820	33,691
Foreign Equities	25,937	21,512	19,610	17,655	21,505
Short-term Deposits	4,338	2,017	4,175	5,544	5,874
Other Liabilities	(362)	(383)	(411)	(486)	(132)
	$ 116,046	$ 105,083	$ 95,959	$ 85,321	$ 92,917
Net Assets:					
Civic Employees	96,281	87,381	80,039	71,558	78,303
Police Employees	19,765	17,702	15,920	13,763	14,614
	$ 116,046	$ 105,083	$ 95,959	$ 85,321	$ 92,917

Increase in Civic Employees' Net Assets

	2005	2004	2003	2002	2001
Contributions					
City of Winnipeg*	$ 947	$ 874	$ 838	$ 801	$ 783
Employees	1,370	1,260	1,207	1,151	1,188
Pensioners	144	130	131	122	118
Investment Income (Loss)	10,647	8,984	10,230	(5,110)	(788)
	13,108	11,248	12,406	(3,036)	1,301
Decrease in Assets					
Actuarial Fees	65	-	54	60	20
Administration	99	101	90	83	67
Benefit Payments	3,718	3,489	3,500	3,282	2,439
Investment Management Fees	140	134	107	113	112
Risk Premium & Taxes	186	182	174	171	132
	4,208	3,906	3,925	3,709	2,770
Increase (Decrease) in Net Assets	$ 8,900	$ 7,342	$ 8,481	$ (6,745)	$ (1,469)
Annual Rates of Return	12.3%	11.4%	14.5%	-6.6%	-1.0%

Increase in Police Employees' Net Assets

	2005	2004	2003	2002	2001
Contributions					
City of Winnipeg	$ 174	$ 174	$ 155	$ 154	$ 229
Employees	221	220	189	193	269
Pensioners	30	28	26	24	38
Investment Income (Loss)	2,160	1,797	1,982	(948)	(145)
	2,585	2,219	2,352	(577)	391
Decrease in Assets					
Actuarial Fees	50	-	52	28	5
Administration	20	20	16	15	12
Benefit Payments	397	366	85	188	289
Investment Management Fees	29	27	21	21	20
Risk Premium & Taxes	26	24	21	22	17
	522	437	195	274	343
Increase (Decrease) in Net Assets	$ 2,063	$ 1,782	$ 2,157	$ (851)	$ 48
Annual Rates of Return	12.3%	11.4%	14.5%	-6.6%	-1.0%

* Includes participating employers

REPORT FROM THE DIRECTOR OF INVESTMENTS

The responsibility for determining the asset mix of the Employees' Group Life Insurance Plan, within the parameters of the Plan's Statement of Investment Policies and Procedures, rests with the Investment Committee of The Board of Trustees of The Winnipeg Civic Employees' Benefits Program. So too does the responsibility for recommending the selection or termination of various investment managers, and for monitoring the performance of these investment managers. The Plan utilizes external investment managers to manage the equity portfolios. The short-term investments and the bond portfolio, including real return bonds, are managed internally by Kirk Merlevede, Manager of Fixed Income Investments.

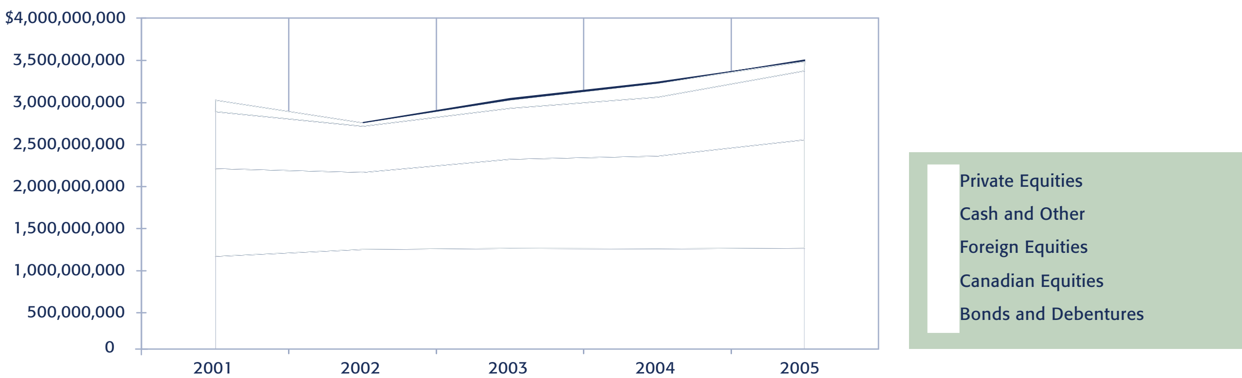
In 2005, the investment portfolio returned 12.3%. Stock markets globally rose in 2005 as consumer confidence and capital investment continued to improve. The years 1995 through 2000 experienced abnormally high real returns, followed by negative returns for 2001 and 2002.

The Plan's four-year and ten-year annual rates of return of 7.6% and 9.4%, respectively, place the Plan at the 62nd percentile and 69th percentile ranking, respectively, of Canadian pension fund returns as measured by Benchmark, an independent measurement service.

The marginally below median ten-year record (median return of 9.6%) can be attributed to the underperformance of our Canadian equity managers and the underperformance of our passive investment in the S&P 500 Index relative to the performance of active managers over the last six years. Our bond performance over this period ranks well into the 1st quartile. More recent performance, however, has been adversely affected by having the Program's Canadian equity portfolios underweighted in the energy and materials sectors which have experienced exceptional returns for the last three years. Generally, our investment managers have a more conservative position in these cyclical sectors which now dominate the Canadian market.

EMPLOYEES' GROUP LIFE INSURANCE PLAN

Investments



Asset Mix

As a result of appreciation in the equity markets, significant profits were realized in Canadian equities and the allocation to equities was reduced from 62% of the portfolio at the beginning of the year to 61% at year-end. Money market investments increased from 1.9% of assets at the beginning of the year to 3.7% at year-end in anticipation of adding to the bond portfolio in 2006. An additional allocation of $2.9 million was directed to the Plan's Non-North American equity position, thus increasing this asset allocation by approximately 1.4% to 10.3% of the portfolio.

Equity Investments

The Plan's Canadian Equity Managers underperformed the S&P/TSX Composite Index and the median pension fund in 2005 with a rate of return of 20.7%. The S&P/TSX Composite Index had a return of 24.1% in 2005 compared to a return of 14.5% in 2004.

The Plan's Foreign Equity Managers, collectively, achieved a rate of return of 6.7% in Canadian dollar terms in 2005. This return was marginally below the median due to below-median performance in U.S. equities. The U.S. market achieved a return of 1.6% in Canadian dollars, in 2005. Over the last ten years, the U.S. stock market has underperformed the Canadian stock market in Canadian dollars. The Plan's Non-North American manager achieved a return of 9.6% in 2005. The Europe, Australia, Far East Index rose 10.0% which was reflective of improving foreign markets, especially Japan.

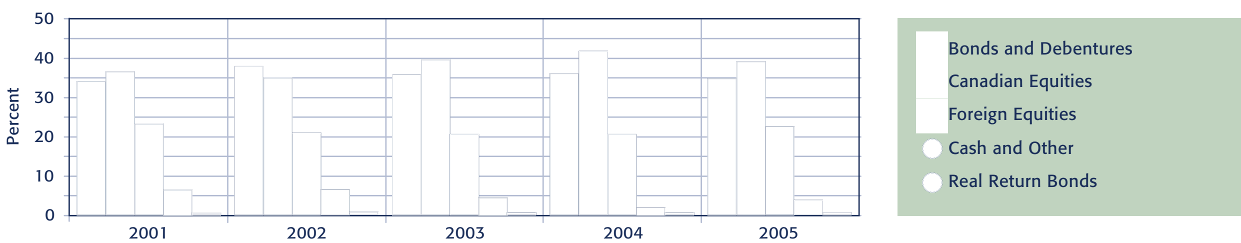
Fixed Income Investments

The Plan's bond portfolio achieved a rate of return of 7.6% in 2005. For the four- and ten-year periods ended December 31, 2005, the bond portfolio returned 8.2% and 8.8% annually, respectively, ranking first quartile for ten years.

Our strategy of maintaining a marginally long duration, high quality bond portfolio positively influenced our absolute and relative performance over the ten years.

EMPLOYEES' GROUP LIFE INSURANCE PLAN

Asset Mix



Asset Mix Strategy for 2006

The Investment Committee anticipates maintaining the equity weighting in the portfolio at approximately 60% of the total portfolio. It intends, however, to increase the weighting of the Non-North American portion by approximately 2%, thus improving the diversification of our fund and lessening risk. Correspondingly, the Canadian equity position will be reduced by 4%. By year-end 2006, it is anticipated that the portfolio will be weighted 60% equities, 39% fixed income, 1% short term investments.

Total Returns

	One Year	Four Years	Ten Years
Total Fund	12.3%	7.6%	9.4%
Bonds and Debentures	7.6	8.2	8.8
Canadian Equities	20.7	12.2	12.8
Foreign Equities	6.7	-0.8	7.0
Benchmarks			
Scotia Capital Markets Universe Bond Index	6.5	7.3	7.7
S&P / TSX Composite Index	24.1	12.1	11.0
S&P 500	1.6	-3.9	7.4
Europe, Australia, Far East Stock Market Index	10.0	3.9	4.2
Consumer Price Index	2.2	2.5	2.1

Rick Abbott
Director of Investments

THE CITY OF WINNIPEG – CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

ACTUARIAL OPINION

Western Compensation & Benefits Consultants has performed an actuarial valuation of the Civic Employees' Group Life Insurance Plan as at December 31, 2004, relying on data and other information provided to us by the Board of Trustees of The Winnipeg Civic Employees' Benefits Program. The results of the valuation are contained in our report dated November 3, 2005.

The principal results are as follows:

Basic Life Insurance

The Civic Employees' Group Life Insurance Plan is fully funded and has an actuarial surplus of $27,355,000 after taking into account the actuarial liability associated with post-retirement basic life insurance benefits in respect of Plan membership up to December 31, 2004 and a contingency reserve of 10% of the liability.

On the basis of the actuarial surplus and the estimated annual cost of the basic life insurance benefits, we recommend that Plan member and employer contributions continue at the reduced rate of 0.125% of earnings for basic life insurance of one times annual earnings and that the corresponding reduced rate of contribution continue to be paid by pensioners. These rates represent a 54% reduction relative to the normal actuarial cost of the basic life insurance benefits provided by the Plan.

Optional Additional Life Insurance

The cost of optional additional life insurance has reduced by an average of 33%.

We recommend that a revised table of contribution rates payable by the members for optional additional insurance be adopted, and that these rates continue to incorporate a 25% reduction on account of the actuarial surplus.

We hereby certify that, in our opinion, the actuarial valuation and our report thereon presents fairly the actuarial position of the Civic Employees' Group Life Insurance Plan as at December 31, 2004 on the basis of the actuarial assumptions and valuation methods adopted. Our report has been prepared, and our opinion given, in accordance with accepted actuarial practice.

Donald M. Smith
Fellow of the Canadian Institute of Actuaries

Natalie F. Thompson
Fellow of the Canadian Institute of Actuaries

THE CITY OF WINNIPEG – POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

ACTUARIAL OPINION

Western Compensation & Benefits Consultants has performed an actuarial valuation of the Police Employees' Group Life Insurance Plan as at December 31, 2004, relying on data and other information provided to us by the Plan administrator. The results of the valuation are contained in our report dated November 25, 2005.

The principal results are as follows:

Basic Life Insurance

The Police Employees' Group Life Insurance Plan is fully funded and has an actuarial surplus of $5,419,000 after taking into account the actuarial liability associated with post-retirement basic life insurance benefits in respect of Plan membership up to December 31, 2004 and a contingency reserve of 10% of the liability.

On the basis of the actuarial surplus and the estimated annual cost of the basic life insurance benefits, we recommend that Plan member and City contributions continue at the reduced rate of 0.20% of earnings for basic life insurance coverage of two times annual earnings and that the corresponding reduced rate of contribution continue to be paid by pensioners. These rates represent a 51% reduction relative to the normal actuarial cost of the basic life insurance benefits provided by the Plan.

Optional Additional Life Insurance

The cost of optional additional life insurance has reduced by an average of 33%.

We recommend that a revised table of contribution rates payable by the members for optional additional insurance be adopted, and that these rates continue to incorporate a 25% reduction on account of the actuarial surplus.

We hereby certify that, in our opinion, the actuarial valuation and our report thereon presents fairly the actuarial position of the Police Employees' Group Life Insurance Plan as at December 31, 2004 on the basis of the actuarial assumptions and valuation methods adopted. Our report has been prepared, and our opinion given, in accordance with accepted actuarial practice

Donald M. Smith
Fellow of the Canadian Institute of Actuaries

Natalie F. Thompson
Fellow of the Canadian Institute of Actuaries

THE CITY OF WINNIPEG – CITY OF WINNIPEG EMPLOYEES' GROUP LIFE INSURANCE PLAN

AUDITORS' REPORT

To the Chairpersons and Members
The Board of Trustees of The Winnipeg Civic
Employees' Benefits Program (Pension Fund) and
Winnipeg Police Pension Board
The City of Winnipeg

We have audited the statement of net assets of the City of Winnipeg Employees' Group Life Insurance Plan as at December 31, 2005 and the statements of changes in net assets of the Civic Employees' and Police Employees' Group Life Insurance Plans for the year then ended. These financial statements are the responsibility of the boards' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets of the City of Winnipeg Employees' Group Life Insurance Plan as at December 31, 2005 and the changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

Winnipeg, Manitoba
March 24, 2006

THE CITY OF WINNIPEG

CITY OF WINNIPEG EMPLOYEES' GROUP LIFE INSURANCE PLAN

Statement of Net Assets

As at December 31	2005	2004
	(000's)	(000's)
Assets		
Investments, at market		
Bonds and debentures	$ 40,745	$ 38,096
Canadian equities	45,067	43,525
Foreign equities	25,937	21,512
Short-term deposits	4,338	2,017
	116,087	105,150
Accrued interest	321	316
Accounts receivable	85	6
Due from The Winnipeg Civic Employees' Pension Plan	6	-
Total Assets	116,499	105,472
Liabilities		
Accounts payable	453	387
Due to The Winnipeg Civic Employees' Pension Plan	-	2
Total Liabilities	453	389
Net Assets	$ 116,046	$ 105,083
Net Assets Comprised of:		
Civic Employees' (Note 3)	$ 96,281	$ 87,381
Police Employees' (Note 3)	19,765	17,702
	$ 116,046	$ 105,083

See accompanying notes to the financial statements

THE CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

Statement of Changes in Net Assets

For the years ended December 31	2005	2004
	(000's)	(000's)
Increase in Assets		
Contributions		
City of Winnipeg and participating employers	$ 947	$ 874
Employees – basic	949	876
Employees – optional	421	384
Pensioners	144	130
	2,461	2,264
Investment income	2,956	2,796
Current period change in market value of investments	7,691	6,188
Total increase in assets	13,108	11,248
Decrease in Assets		
Administration	99	101
Actuarial fees	65	-
Benefit payments	3,718	3,489
Investment management fees	140	134
Risk premium and taxes	186	182
Total decrease in assets	4,208	3,906
Increase in net assets	8,900	7,342
Net assets at beginning of year	87,381	80,039
Net assets at end of year	$ 96,281	$ 87,381

See accompanying notes to the financial statements

THE CITY OF WINNIPEG

POLICE EMPLOYEES' GROUP LIFE INSURANCE PLAN

Statement of Changes in Net Assets

For the years ended December 31	2005 (000's)	2004 (000's)
Increase in Assets		
Contributions		
The City of Winnipeg	$ 174	$ 174
Employees – basic	174	174
Employees – optional	47	46
Pensioners	30	28
	425	422
Investment income	602	566
Current period change in market value of investments	1,558	1,231
Total increase in assets	2,585	2,219
Decrease in Assets		
Administration	20	20
Actuarial fees	50	-
Benefit payments	397	366
Investment management fees	29	27
Risk premium and taxes	26	24
Total decrease in assets	522	437
Increase in net assets	2,063	1,782
Net assets at beginning of year	17,702	15,920
Net assets at end of year	$ 19,765	$ 17,702

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS As at December 31, 2005

1. Description of Plan

The City of Winnipeg Employees' Group Life Insurance Plan is comprised of two plans, 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 the Police Employees' Group Life Insurance Plan for police officers of the City.

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 group life 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.

The Plan is administered by The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund). The Great-West Life Assurance Company is responsible for claims adjudication and processing of payments.

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.

The Winnipeg Police Pension Board is responsible for the administration of the Plan. The Great-West Life Assurance Company is responsible for claims adjudication and processing of payments.

2. Summary of Significant Accounting Policies

a) Basis of Presentation

These financial statements are prepared in accordance with Canadian generally accepted accounting principles on a going concern basis and present the aggregate financial position of the Plan as a separate financial reporting entity, 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.

b) Investments

Investments are stated at market value. The fixed income investments are valued using published mid-market quotations. Equity investments are valued using published closing market prices. Investment transactions are recognized on a trade date basis. Investment income is recorded on the accrual basis.

c) 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.

d) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the year. Actual results could differ from those estimates.

3. Net Assets

The Civic and Police Employees' Group Life Insurance Plans' net assets represent reserves to finance a portion of the cost of the post-retirement insurance expected to be provided in the future to the members of the Plans.

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

An actuarial valuation of the Civic Employees' Group Life Insurance Plan was made as of December 31, 2004 by Western Compensation & Benefits Consultants. The assumptions used by the actuary were approved by the Board of Trustees for purposes of preparing this note to the financial statements. 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 the valuation included a valuation interest rate of 5.5% per year and general increases in pay of 3.75% per year. 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 actuarial valuation as at December 31, 2004 disclosed an actuarial surplus of $27,355,000 and a contingency reserve in the amount of $5,304,000.

The results of the December 31, 2004 actuarial valuation were extrapolated to December 31, 2005 to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed below. The actuarial present value of post-retirement insurance benefits for the Civic Employees' Group Life Insurance Plan as at December 31, 2005, and the principal components of changes in actuarial present values during the year, were as follows:

	2005 (000's)	2004 (000's)
Actuarial present value of accrued benefits, beginning of year	$ 53,092	$ 49,924
Experience gains and losses and other factors	(1,166)	-
Changes in actuarial assumptions	1,111	-
Interest accrued on benefits	2,918	3,000
Benefits accrued	2,273	1,941
Benefits paid	(2,238)	(1,773)
Actuarial present value of accrued benefits, end of year	$ 55,990	$ 53,092

To be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets was determined from market values. The actuarial value placed on the assets smoothes out fluctuations in market values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years.

The value of the assets of the Civic Employees' Group Life Insurance Plan on an actuarial basis were:

	2005 (000's)	2004 (000's)
Market value of net assets available for benefits	$ 96,281	$ 87,381
Market value changes not reflected in actuarial value of assets	(5,934)	(1,685)
Actuarial value of net assets available for benefits	$ 90,347	$ 85,696

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

An actuarial valuation of the Police Employees' Group Life Insurance Plan was made as of December 31, 2004 by Western Compensation & Benefits Consultants. The assumptions used by the actuary were approved by the Winnipeg Police Pension Board for purposes of preparing this note to the financial statements. 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 the valuation included a valuation interest rate of 5.5% per year and general increases in pay of 3.75% per year. 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 actuarial valuation as at December 31, 2004 disclosed an actuarial surplus of $5,419,000 and a contingency reserve in the amount of $1,085,000.

The results of the December 31, 2004 actuarial valuation were extrapolated to December 31, 2005 to determine the actuarial present value of accrued post-retirement basic life insurance benefits disclosed below. The actuarial present value of post-retirement insurance benefits for the Police Employees' Group Life Insurance Plan as at December 31, 2005, and the principal components of changes in actuarial present values during the year, were as follows:

	2005	2004
	(000's)	(000's)
Actuarial present value of accrued benefits, beginning of year	$ 10,847	$ 10,079
Experience gains and losses and other factors	(165)	-
Changes in actuarial assumptions	165	-
Interest accrued on benefits	602	609
Benefits accrued	466	400
Benefits paid	(257)	(241)
Actuarial present value of accrued benefits, end of year	$ 11,658	$ 10,847

To be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets was determined from market values. The actuarial value placed on the assets smoothes out fluctuations in market values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years.

The value of the assets of the Police Employees' Group Life Insurance Plan on an actuarial basis were:

	2005	2004
	(000's)	(000's)
Market value of net assets available for benefits	$ 19,765	$ 17,702
Market value changes not reflected in actuarial value of assets	(1,206)	(351)
Actuarial value of net assets available for benefits	$ 18,559	$ 17,351

6. Interest Rate, Credit, Foreign Currency and Market Risk

a) Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Plan's asset values, future investment income, and actuarial liabilities. This risk arises from differences in the timing and amount of cash flows related to the Plan's assets and liabilities. The value of the Plan's assets is affected by short-term changes in nominal interest rates and equity markets.

The Plan's actuarial liabilities are exposed to the long-term expectation of rates of return on investments as well as expectations of salary escalation. The Plan's primary exposure is to a decline in the long-term rate of return which may result in higher contribution rates required to meet the Plan's obligations.

The Plan has approximately 39% of its assets invested in fixed income securities as at December 31, 2005. The returns on fixed income securities are particularly sensitive to changes in nominal interest rates.

The term to maturity and related market values of investments in bonds and debentures held by the Plan at December 31, 2005 are as follows:

Term to Maturity	Market Value
	(000's)
Less than one year	$ 504
Two to five years	16,457
Greater than five years	23,784
	$ 40,745

b) Credit Risk

Credit risk arises from the potential for an investee to fail or to default on its contractual obligations to the Plan. At December 31, 2005, the Plan's credit risk exposure related to bonds and debentures, accrued interest and short-term deposits totaled $45,404,730. The Plan's concentration of credit risk as at December 31, 2005, related to bonds and debentures, is categorized amongst the following types of issuers:

Type of Issuer	2005 Market Value (000's)	2004 Market Value (000's)
Government of Canada and Government of Canada guaranteed	$ 31,410	$ 29,242
Provincial and Provincial guaranteed	3,544	3,863
Canadian cities, municipalities, and other institutions	820	515
Corporations	4,971	4,476
	$ 40,745	$ 38,096

The Plan's investments include short-term deposits with the City of Winnipeg which have a market value of $3,702,626 at December 31, 2005.

The Plan limits 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.

c) Foreign Currency Risk

Foreign currency exposure arises from the Plan's holdings of foreign equity investments. The Plan's investment managers may, from time to time, hedge some of this exposure. There were no open forward contracts outstanding at December 31, 2005 (2004 – $ nil).

As at December 31, 2005, the Plan's net foreign currency exposure was as follows:

	2005 Net Exposure (000's)	2004 Net Exposure (000's)
United States	$ 12,967	$ 12,119
Euro	3,651	2,843
United Kingdom	2,852	2,351
Japan	1,782	1,053
Korea	894	339
Switzerland	649	220
Hong Kong	604	242
Other	2,538	2,345
	$ 25,937	$ 21,512

d) Market Risk

Market risk is the risk that the value of investments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to an individual asset or its issuer, or factors affecting all securities traded in the market. The Plan's policy is to invest in a diversified portfolio of investments.

2005

APPENDICES

INVESTMENT MANAGERS
As at December 31, 2005

Fixed Income
Mr. K. Merlevede, Manager of Fixed Income Investments

Canadian Equities
Burgundy Asset Management Ltd.
Foyston, Gordon and Payne Inc.
Guardian Capital L.P.
Phillips, Hager & North Investment Management Ltd.
TD Asset Management Inc.

US Equities
AllianceBernstein Institutional Investment Management
J.P. Morgan Investment Management Inc.
Provident Investment Counsel, Inc.
State Street Global Advisors, Ltd.

Non-North American Equities
Capital Guardian Trust Company
Franklin Templeton Investments Corp.

Private Equities
Richardson Capital Limited

FIXED INCOME INVESTMENTS SUMMARY

As at December 31, 2005

Description	Maturity Date	Pension Plan Market Value (000's)	Group Life Market Value (000's)
Government of Canada bonds	2006 - 2023	$ 710,704	$ 31,410
Provincial bonds	2006 - 2024	353,502	3,544
Municipal bonds (excluding Winnipeg bonds)	2006	368	820
Corporate bonds	2006 - 2017	152,963	4,971
Accrued interest		3,824	321
Total bonds and debentures		$ 1,221,361	$ 41,066
Call funds – City of Winnipeg		$ 98,951	$ 3,704
Funds on deposit – Great-West Life		-	634
Cash		29	-
Total short-term investments		$ 98,980	$ 4,338

TOP 50 CORPORATE SHARE HOLDINGS*

As at December 31, 2005

	Pension Plan Market Value (000's)	Group Life Market Value (000's)
Manulife Financial Corporation	$ 76,189	3,037
Bank of Nova Scotia	75,782	2,466
Royal Bank of Canada	74,279	3,209
Toronto - Dominion Bank	60,360	2,267
EnCana Corporation	55,832	2,673
Bank of Montreal	43,648	1,514
Suncor Energy, Inc.	41,730	2,156
Canadian Imperial Bank of Commerce	39,153	1,364
Rogers Communications Inc., Class B	34,896	1,150
TELUS Corporation, NV	33,380	1,749
Canadian National Railway Company	25,048	1,600
Alcan Inc.	23,288	1,097
BCE Inc.	22,957	870
Canadian Natural Resources Limited	18,501	202
The Thompson Corporation	17,755	842
Power Financial Corporation	17,035	573
Loblaw Companies Limited	16,953	592
Sun Life Financial Services of Canada Inc.	16,872	178
Potash Corporation of Saskatchewan Inc.	16,713	759
Power Corporation of Canada, SV	16,388	682
Research in Motion Limited	15,409	633
Petro-Canada	15,322	536
Great-West Lifeco Inc.	14,905	1,021
Biovail Corporation	14,438	806
Nortel Networks Corporation	14,108	597

	Pension Plan Market Value (000's)	Group Life Market Value (000's)
Barrick Gold Corporation	$ 13,113	259
Finning International Inc.	12,946	122
Cameco Corp.	12,904	241
Magna International Inc., Class A, SV	12,355	390
General Electric Company	12,257	360
Talisman Energy Inc.	12,239	147
Inco Ltd.	11,833	213
Nexen Inc.	11,179	220
ATI Technologies Inc.	10,894	124
Shoppers Drug Mart Corporation	10,553	193
Exxon Mobil Corporation	10,465	275
Western Oil Sands Inc.	9,972	168
Husky Energy Inc.	9,634	48
Canadian Pacific Railway Limited	9,592	172
IGM Financial Inc.	9,363	33
Citigroup Inc.	9,347	265
Torstar Corporation, Class B, NV	8,468	8
Teck Cominco Limited, Class B, SV	7,555	442
Bank of America Corporation	7,554	179
SNC – Lavalin Group Inc.	7,290	25
AGF Management Ltd., Class B, NV	7,285	118
Celestica Inc., SV	7,270	379
ShawCor Limited, Class A, SV	7,233	6
Microsoft Corporation	7,222	196
RONA Inc.	7,026	116

*Includes effective holdings through participation in pooled fund, including index funds.

NOTES

NOTES

2005 DIRECTORY

THE BOARD OF TRUSTEES OF THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

Our Address

185 King Street
4th Floor, Mandarin Building
Winnipeg, Manitoba R3B 1J1

Tel: 204-986-2516
Fax: 204-986-3571
Website: cepp.winnipeg.ca

As at December 31, 2005.