



ONE JIB

Regular Board Meeting

Minutes

Meeting #: 2023-05
Date: June 1, 2023, 11:00 a.m.
Location: AMO Office
200 University Avenue - Suite 801, Toronto, ON M5H 3C6

Members Present:

Board Chair B. Hughes
Board Vice-Chair G. James
J. Dowty
H. Franken
J. Giles
M. Melinyshyn
S. Pountney
S. Rettie

Others Present:

J. Dezell, Co-President/Co-CEO, ONE Investment
D. Herridge, Co-President/Co-CEO, ONE Investment
H. Douglas, WeirFoulds LLP, Legal Counsel
E. Foo, Chief Compliance Officer, ONE Investment
J. Hess, Manager of Investment Services, MFOA
D. Kelly, Board Secretary
C. Macdonald, Manager of Policy, MFOA
K. Taylor, Chief Investment Officer, ONE Investment

1. Chair's Welcome

Board Chair Hughes welcomed all in attendance to the ONE Joint Investment Board's second regular meeting of 2023, and its fifth meeting overall of 2023.

Board Chair Hughes also introduced two new staff members to the Board. The first is Jennifer Hess, Manager of Investment Services, who is taking over for Colin Macdonald. He indicated that Jennifer comes to ONE Investment from the Town of Whitby, where she was the Manager of Development Finance and Long-Term Financial Planning.

Board Chair Hughes also introduced Jennie Song, the new Board Coordinator. Jennie recently graduated from Western University and has experience with the Town of Newmarket and the Town of Pelham.

2. Land Acknowledgement

Board Chair Hughes made the following statement on behalf of the Board:

We recognize that our work as ONE JIB and the work of municipalities, take place on traditional Indigenous territories across Ontario. We recognize and respect the history, languages, and cultures of the First Nations, Metis, Inuit, and all Indigenous peoples whose presence continues to enrich our communities.

3. Disclosures of Pecuniary Interest

There were no disclosures of pecuniary interest.

4. Minutes of Previous Meeting

4.a Approval of the February 27, 2023, ONE JIB Meeting Minutes

Moved by Board Member Pountney

THAT the minutes of the February 27, 2023, ONE JIB Meeting be approved as circulated.

Carried

4.b Approval of the March 1, 2023, ONE JIB Meeting Minutes

Moved by Board Member Franken

THAT the minutes of the March 1, 2023, ONE JIB Meeting be approved as circulated.

Carried

4.c Business Arising from the February 27, 2023, and March 1, 2023, Meeting Minutes.

There was no business arising from the February 27, 2023, and March 1, 2023, ONE JIB Minutes.

5. Communications

There were no communications.

6. Delegations

6.a Presentation from John Mascarin, Aird & Berlis LLP, Integrity Commissioner

John Mascarin, Aird & Berlis LLP, Integrity Commissioner, made a presentation on the 2022-2023 Annual Report of the Integrity Commissioner.

6.b. 2022-2023 Annual Report of the Integrity Commissioner

Moved by Board Member Giles

THAT the Board receive the presentation from John Mascarin, Aird & Berlis, LLP, Integrity Commissioner and the 2022-2023 Annual Report of the Integrity Commissioner.

Carried

7. Board Committee Reports

There were no Board Committee Reports.

8. Consent Items

Moved by Board Member Melinyshyn

THAT the Board approve items 9.a, 9.b, 9.c, 11.a, 11.b, 11.c, and 11.d, all of which are listed as “Consent Items” on the Agenda, as listed below, and the recommendations contained in the related staff reports:

9.a. Audit Committee Update

- 9.b. 2022 Year End Pooled Funds Update
- 9.c. Terms of Reference and Procedure By-law Review
- 11.a. Neebing's Investment Plan Implementation Update
- 11.b. Municipal Performance Reports – Q1 2023
- 11.c. Compliance Reports – Asset Class and Target Weight Allocations Q1 2023
- 11.d. Fund Manager Presentation – Manulife (staff report only)

Carried

9. Governance and Administrative Matters

9.a Audit Committee Update (2023-O24) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

9.b 2022 Year End Pooled Funds Update (2023-O28) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

9.c Terms of Reference and Procedure By-Law Review (2023-O29) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendations in the report, as follows:

1. Amend section 4.11 of the ONE JIB Terms of Reference to provide for three-year terms for both the Chair and Vice-Chair.
2. Amend section 10.2 of the ONE JIB Terms of Reference to provide that an amendment shall be effective immediately upon the ONE JIB agreeing to amend the Terms of Reference, provided that the ONE JIB notifies ONE Investment of the amendment as soon as practicable.

3. Give notice that, at its meeting of September 6, 2023, the ONE JIB will be considering amendments to sections 4(1) and 4(2) of its Procedure By-law to provide for three-year terms for both the Chair and Vice-Chair.
4. Direct staff to undertake a complete review of the Terms of Reference and Procedure By-law and report to the ONE JIB at its meeting of February 28, 2024.

Carried

10. Strategy and Policy

10.a Strategic Plan – Report 2 – Large Municipality Offering (2023-030)

Judy Dezell, Co-President/Co-CEO, ONE Investment, made a presentation on the report on the Strategic Plan – Report 2 - Large Municipality Offering, for Q1 2023.

Moved by Board Member Rettie

THAT the Board receive the presentation and adopt the recommendations in the report as follows:

1. Endorse the use of an OCIO for a Large Municipal Offering
2. Authorize the Chair to write to ONE Investment's Chair to endorse the following principles for the fees associated with the Large Municipal Offering:
 - a. The Legal List, Prudent Investment Regular Stream and the Prudent Investment Large Municipality Offering all should be priced to be sustainable business lines.
 - b. Each business line should recover costs plus contribute to the objects of CHUMS and LAS.
 - c. Direct costs and revenues should be proportionately allocated to each business line.
 - d. Overhead costs should be equally shared among the business lines.
 - e. Any incremental costs in developing the Large Municipality Offering should be borne entirely by that business line unless there is a benefit conveyed to other business lines.
 - f. The Large Municipality Offering pricing should be a competitive alternative to a large municipality operating its own investment board.

Carried

10.b Strategic Plan – Report 1 - Q1 2023 Progress (2023-025)

Judy Dezell, Co-President/Co-CEO, ONE Investment, made a presentation on the report on progress on the Strategic Plan in Q1 2023.

Moved by Board Member Dowty

THAT the Board receive the presentation and adopt the recommendation in the report to direct staff to report quarterly on the progress of the Futures List and Strategic Plan using the strategic reporting tool.

Carried

10.c Municipal Insights Report - Q2 2023 (2023-023)

Colin Macdonald, Manager of Policy, MFOA, made a presentation on the quarterly report on municipal insights.

Moved by Board Member Giles

THAT the Board receive the presentation and adopt the recommendation to receive the report.

Carried

10.d Annual ONE JIB Template Review Process 2023 (2023-022)

Jennifer Hess, Manager of Investment Services, provided a presentation on the report on the annual Template Review Process.

Moved by Board Member Franken

THAT the Board receive the presentation and adopt the recommendations in the report to:

1. Approve the proposed objectives of the ONE JIB template review.
2. Approve the scope, timeline and workplan for the annual ONE JIB template review.

Carried

11. Investment Oversight

11.a Neebing's Investment Plan Implementation Update (2023-O14) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

11.b Municipal Performance Reports – Q1 2023 (2023-O15) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

11.c Compliance Reports – Asset Class and Target Weight Allocations Q1 2023 (2023-O27) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

Moved by Board Member Giles

THAT the Board recess for lunch.

Carried

The Board recessed at 12:13 p.m. and reconvened at 1:02 p.m.

11.d Global Fixed Income Manager Presentation by Manulife (2023-O16) (consent)

Moved by Board Member Melinyshyn

THAT the Board adopt the recommendation to receive the report.

Carried

Thomas Coggins, Senior Portfolio Manager, Global Multi-Sector Fixed Income, Sherri Tilley, Client Portfolio Manager, Global Multi-Sector Fixed Income, and Mark Bischoff, Managing Director, Relationship Management, Manulife Financial Management, made a presentation on the Global Fixed Income Fund.

Moved by Board Member Giles

THAT the Board receive the presentation from Manulife Financial Management.

Carried

Moved by Geri James

THAT the Board take a brief recess

Carried

The Board recessed at 2:11 p.m. and reconvened at 2:23 p.m.

11.e Town of Huntsville's Annual Investment Plan Review (2023-019)

Keith Taylor, Chief Investment Officer, presented on the report on the Town of Huntsville's Annual Investment Plan Review.

Moved by Board Member Melinyshyn

THAT the Board receive the presentation and adopt the recommendations in the report as follows:

1. Receive the Town of Huntsville's Investment Policy Statement (Attachment 1).
2. Receive the Town of Huntsville's Municipal Client Questionnaire (Attachment 2).
3. Approve the Town of Huntsville's proposed Investment Plan (Attachment 3).
4. Provide approval for an anticipated mid-year MNRI contribution of \$1 million to be allocated to be Target Date 10+ Year Outcome.

Carried

11.f Town of Innisfil's Annual Investment Plan Review (2023-O18)

Keith Taylor, Chief Investment Officer, presented on the report on the Town of Innisfil's Annual Investment Plan Review.

Moved by Board Member Rettie

THAT the Board receive the presentation and adopt the recommendations in the report as follows:

1. Receive the Town of Innisfil's Investment Policy Statement (Attachment 1).
2. Receive the Town of Innisfil's Municipal Client Questionnaire (Attachment 2).
3. Approve the Town of Innisfil's proposed Investment Plan (Attachment 3).

Carried

11.g City of Thunder Bay Annual Investment Plan Review (2023-O17)

Keith Taylor, Chief Investment Officer, presented on the report on the City of Thunder Bay Annual Investment Plan Review.

Moved by Board member Pountney

THAT the Board receive the presentation and adopt the recommendations in the report as follows:

1. Receive the City of Thunder Bay's Investment Policy Statement (Attachment 1).
2. Receive the City of Thunder Bay's Municipal Client Questionnaire (Attachment 2).
3. Approve the City of Thunder Bay's proposed Investment Plan (Attachment 3).

Carried

11.h Town of Whitby Annual Investment Plan Review (2023-O20)

(Board Chair Hughes noted that the last line in Table 3 of the Chief Investment Officer's report, on page 576 of the agenda package, inadvertently did not include the Target Date 10+ Year outcome which would now be included.)

Keith Taylor, Chief Investment Officer, presented on the report on the Town of Whitby Annual Investment Plan Review.

Moved by Board Member Franken

THAT the Board receive the presentation and adopt the recommendations in the report as follows:

1. Receive the Town of Whitby's Investment Policy Statement (Attachment 1).
2. Receive the Town of Whitby's Municipal Client Questionnaire (Attachment 2).
3. Approve the Town of Whitby's proposed Investment Plan (Attachment 3).

Carried

11.i Fund Manager Performance Review Q1 2023 (2023-021)

Keith Taylor, Chief Investment Officer, ONE Investment, presented on the report on the Fund Manager Performance Review – Q1 2023.

Moved by Board Member Giles

THAT the Board amend the recommendation by adding that Board confirms its members have reviewed the Fund Manager Performance Reports – Q1 2023 provided in the Resource Library.

Carried

Moved by Board Vice-Chair James

THAT the Board receive the presentation and adopt the recommendation to receive the report, as amended.

Carried

12. Other Business

There was no other business.

13. Meeting Outcomes

Board Chair Hughes outlined the outcomes from today's meeting:

1. Received the Integrity Commissioner's presentation and his 2022-2023 Annual Report.
2. Approved the Consent Items and the recommendations contained in the related staff reports. The consent items included an update from the Audit Committee and the 2022 Year-End Pooled Funds report. They also included amendments to section 4.11 and 10.2 of ONE JIB's Terms of Reference, notice of comparable amendments to the Procedure By-law and direction to staff for a complete review of the Board's Terms of Reference and Procedure By-law. The consent items further included an update on the implementation of Neebing's Investment Plan, the quarterly municipal performance reports, and the standard compliance report.
3. Endorsed the use of an OCIO for a Large Municipal Offering and will communicate to the ONE Investment Board our endorsement of key principles for the fees associated with the Large Municipal Offering.
4. Directed staff to report quarterly on the progress of the Futures List and the Strategic Plan using the Strategic Reporting Tool.
5. Received the Municipal Insights Update for Q2.
6. Approved the proposed objectives, scope, timeline and workplan for the annual review of the ONE JIB Templates.
7. Received a presentation from Manulife on the Global Fixed Income Fund.
8. Adopted Annual Investment Plans for four of the Participating Municipalities - the Town of Huntsville, Town of Innisfil, City of Thunder Bay and Town of Whitby.
9. Received the fund manager performance review for Q1.

14. Authorizing Motion

Moved by Board Member Melinyshyn

THAT the appropriate staff of ONE JIB and ONE Investment be given the authority to do all things necessary, including executing any documents, to give effect to the Board's decisions today.

Carried

15. Adjournment

Moved by Vice-Chair James

THAT the Board adjourn its meeting.

Carried

The meeting adjourned at 3:04 p.m.

16. Next Meeting: July 19th (10:00 am), special education session and regular meeting on September 6, 2023 (10:00 am – 3:00 pm).

Denis Kelly, Board Secretary