



# Municipal Client Questionnaire

Recommended Review: Annually. However, if

- a. there is a significant change in the Municipality's circumstances (or)
- b. there is a significant change in reserves/expenses

then a review is recommended within three months of the occurrence of such change.

## 1. CLIENT INFORMATION

1.1 NAME OF MUNICIPALITY: City of Kenora  
(Municipality)

1.2 NAME OF THE TREASURER: Charlotte Edie

1.3 NAME OF PRIMARY DAY-TO-DAY CONTACT\*\*: Charlotte Edie

1.4 TITLE OF PRIMARY DAY-TO-DAY CONTACT: Manager of Finance/Treasurer

1.5 ADDRESS: 1 Main Street South, Kenora, ON P9N 3X2

1.6 PHONE NUMBER OF TREASURER: 807-467-2013

1.7 PHONE NUMBER OF PRIMARY DAY-TO-DAY CONTACT: 807-467-2013

1.8 FAX NUMBER: 807-467-2141

1.9 EMAIL OF TREASURER: cedie@kenora.ca

1.10 E-MAIL OF PRIMARY DAY-TO-DAY CONTACT: cedie@kenora.ca

1.11 DATE OF PREVIOUS MUNICIPAL CLIENT QUESTIONNAIRE: N/A

1.12 If there have been no material changes to the information contained in the last Municipal Client Questionnaire provided to ONE Investment, indicate here:

N/A

1.13 Is the Municipality invested under Legal List with ONE Investment?  Yes  No

1.14 Is the Municipality invested under Prudent Investor Regime?  Yes  No

\*\*Primary day-to-day contact should have a comprehensive understanding of the Municipality's financial position and investment needs.

1.15 Please provide the following information for all individuals authorized to provide instructions to ONE Investment:

NAME	TITLE	EMAIL
Charlotte Edie	Manager of Finance/Treasurer	cedie@kenora.ca
Jon Ranger	Deputy Treasurer	jranger@kenora.ca

## 2. INVESTMENT KNOWLEDGE AND EXPERIENCE

2.1. Which statement best describes the Municipality's level of investment knowledge and experience with financial markets and products?

- Very limited knowledge
- Basic knowledge and minimal experience
- Good knowledge and some investment experience
- Strong knowledge and experience
- Advanced knowledge and extensive experience

2.2 Please confirm that the Municipality is prepared to have exposure to the equity markets in accordance with its IPS and the corresponding Investment Plan. If no such exposure is contemplated, so state.

**Exposure in accordance with the IPS is confirmed.**

2.3 Check the following statements that apply to the Municipality's current investment portfolio?  
[Check all that apply]

- Canadian money market securities (e.g. Cash, bank accounts, HISA etc.)
- Locked In Investments (GIC's PPN's etc.)
- Local Distribution Corporation Securities (cemetery, trusts, hydro funds etc.)
- Fixed income (government and/or corporate bonds)
- Equities

### 3. INVESTMENT OBJECTIVES AND RISK TOLERANCE

*This section of the Questionnaire asks about the Municipality's Money Not Required Immediately (MNRI). In general, investors can expect a higher annualized rate of return if the investor is also willing to accept volatility or fluctuation in the market value of their investments. For example, investors can expect that the average annual rate of return for a five year period will be higher where the portfolio's returns are varied when measured on a year by year basis, with some years having negative returns. A portfolio which has a steady return year over year, with little possibility of negative returns in any year, will most likely have a lower annualized return when measured on a rolling five year average.*

3.1 Which of the following best reflects the Municipality's investment objectives for its MNRI?

- Capital preservation is the main objective. Willingness to accept low returns in order to avoid any years with losses.
- Achieve moderate growth without excessive risk to capital.
- Willingness to accept higher risk, including risk of loss of capital, for potentially higher returns over the longer term

3.2 What is the Municipality's risk tolerance for its MNRI?

- Low (Conservative Approach: A very small chance of loss of capital over a 5 year period)
- Moderate (Moderate chance of loss of capital over a 5 year period)
- High (Greater uncertainty with potential of higher returns over a 5 year period)

3.3 Annual Return Expectations: Which range best reflects the Municipality's expected annual return for its MNRI?

- 0% to 2% gain
- 5% loss to 5% gain
- 10% loss to 10% gain

3.4 Other information: Is there any other information about the Municipality's investment objectives and risk tolerance for its MNRI that is relevant to the IPS or Investment Plan?

Kenora has considerable funds to invest for a Municipality of our size. A good portion of the funds cannot be eroded

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therefore our risk tolerance may be lower for certain funds. We are still willing to diversify and hold investments in all categories.

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*Sections 4 and 5 of this Questionnaire asks about the Municipality's assets, liabilities and cash flow and is not limited to MNRI. It is intended to assist ONE Investment in obtaining an understanding of the Municipality's financial circumstances, including its cash flow needs.*

## 4. FINANCIAL INFORMATION

### 4.1 Size of Assets and Liabilities

Description	Amount
Total Assets	246,816,561
Short Term Assets	84,649,206
Long Term Assets	162,167,355
Long Term Debt	7,917,494
Total Revenues	54,537,938
Reserves	25,281,220
Reserve Funds	3,785,681
Trust Funds	703,124
Sinking Funds	-
Pension Funds	-
Operating Funds	-

### 4.2 Cash Flow Projections by Year (e.g. Revenue Fund, Reserve Fund, Trust Fund etc.)

Type	2019	2020	2021	2022	2022-2030
Revenue Fund	1,783,108				
Reserve Fund	55,000				
Capital Fund	-				
Trust Funds	included in re				

### Funding/Expenditure Analysis

#### 4.3 Has the Municipality completed a cash flow analysis?

Yes       No

Please answer 4.4 through 4.8 if cash flow analysis has been completed by the Municipality.

#### 4.4 How often is a cash flow analysis of reserves, reserve funds and expected expenditures completed by the Municipality?

This analysis is done annually for a 1 year time frame. Starting with the 2020 budget we will have a 3 year analysis. This will be available in about a month.

4.5 Please specify month and year of the last update to the cash flow analysis.

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4.6 How confident is your municipality with your current cash flow forecast?

Very Confident       Moderately Confident       Considerable Uncertainty

4.7 How many years did the cash flow analysis forecast extend?

One year     Two years     Three years     Five years     Seven years     10 years or more

4.8 How sensitive are the expenditures of the municipality to inflation? Does the investment plan need to emphasize sensitivity to inflation?

All expenditures are subject to inflation. This is especially true of capital projects in the five year capital plan.

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4.9 How much and how often does the Municipality require funds from the operating reserves?

Type of Operating Reserve	Amount Needed	Frequency
For 2018 please see the look at the column	attached for the reserve highlighted - Applied to	activity. Specifically please Revenue Fund - Actual.
In 2018 we appropriated also transferred \$221,703	\$1,522,544 from our reserves from operations to reserves.	to our operating fund. We
For 2019 please see the Applications. Most of our operating vs capital. For eg	attached Schedule of reserves have been set up roads reserve may be used	Budgeted Sources and by purpose instead of for both types of expenses.
Most reserves are used for	capital most of the time.	

4.10 How does the Municipality manage unanticipated requests for funding? When was the last occurrence and how was it handled?

Usually unanticipated requests come out of our reserves. A report to Council is prepared & a by-law is passed (2 examples are attached).

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In an emergency the CAO has the authority to approve the request immediately with a Council report to follow. A schedule is attached.

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4.11 If the Municipality has completed a capital budget and asset management plan, how many years out does this forecast extend?

Less than 3 years       3-5 Years       5-10 Years       10 years or more

4.12 Are the capital reserves growing annually for the Municipality?

- Yes       No

4.13 If yes, what approximate annual rate are the capital reserves growing by?

- 1 to 2 %     3 to 4 %     Greater than 5 %

4.14 If no, at what approximate annual rate is the Municipality's capital reserves declining by?

- 1 to 2 %     3 to 4 %     Greater than 5 %

4.15 What annual rate is the Municipality's capital expenditures rising by?

- 1 to 2 %     3 to 4 %     Greater than 5 %

4.16 Is there a particular year when the Municipality has unusual, large expected capital expenditure(s)?

- Yes       No

4.17 If so, please explain the timing and nature of the expenditure(s)

Our capital expenditures for any particular year depend on government funding available. Kenora has completed 4 downtown revitalization projects in the last 10 years. We also have numerous bridges that require capital work.

4.18 What are the total capital reserves available for investment as the Municipality's MNRI?

- less than \$5 million    between \$5 and \$10 million    between \$10 and \$20 million  
 between \$20 and \$49 million    between \$50 million and \$99 million    over \$100 million

## 5. PORTFOLIO INFORMATION

No.	Description	Amount (\$)
5.1	Total Amount of MNRI	53,264,628
5.2	Total Amount of "Money Required Immediately" - MRI	8,995,028
5.3	MNRI currently invested with ONE Investment	36,131,912
5.4	MRI currently invested with ONE Investment	59,256
5.5	Total Amount currently invested with ONE Investment	36,191,168
5.6	Total Locked In portion of MNRI that is not available for investment moving to ONE JIB (e.g. local Hydro company shares)	9,999,402
5.7	Total Locked In portion of funds not moving to ONE JIB due to legislation or other requirements (e.g. cemetery trust)	1,249,034

5.8 Please list the name of securities with amounts invested and maturity dates that are not fully liquid (e.g. GIC's, PPN's etc.) which will be pledged as part of the Municipality's Prudent Investor investments (it is contemplated that proceeds from these investments will be transitioned into ONE Investments Prudent Investor pools at maturity or earlier if instructions given to liquidate prior to maturity.)

Type/Description	Amount	Maturity Date
See attached September	statement from Manulife.	

5.9 What percentage of the MNRI portion of the portfolio is required by the Municipality in the following time periods? ( Timeframes can be changed based on the Municipality's requirement)

[ 2 ] to [ 5 ] year: 7,340,886

[ 5 ] to [ 10 ] years: 9,171,954

[     ] to [     ] years:                     

More than 10 years: 26,752,386

## 6. PORTFOLIO MANAGEMENT AND ASSET ALLOCATION

*Section 6 of this Questionnaire asks about the Municipality's existing investment policies, if any. Such policies may apply to MNRI and to MRI.*

6.1 Are the Municipality's investments subject to any prohibited investment or other similar restrictions (Y/N)? If yes, please list:

**No**

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6.2 Are the Municipality's investments subject to any investment concentration limits?

**No**

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## Municipal Client Questionnaire

6.3 Are the Municipality's investments subject to any specific diversification requirements?

**No**

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6.4 Please provide here any other restrictions and constraints (i.e. other than as contained in Municipal legislation) relating to the Municipality's investments:

**No**

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### 7. ACKNOWLEDGEMENT

I confirm that information provided to ONE Investment in this form is complete and accurate as at the date hereof.

Dated this 30th day of April, 2020

*Charlotte Edie*

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**Charlotte Edie**

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Name and Signature of Treasurer

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Second Signature (if Required)