



REPORT

To: New Products Committee
From: Judy Dezell, Co-President/Co-CEO, ONE Investment
Date: June 21, 2023
Re: Outsourced Chief Investment Officer Partner and Large Municipality Offering
Report: New Products Committee 2023-001

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

ONE Investment completed a competitive RFP process to identify an Outsourced Chief Investment Officer (OCIO) partner that would assist in developing an offering designed to attract large municipalities to ONE's Prudent Investment Offering. ONE Investment established an Evaluation Committee to help select an OCIO partner. After the four candidates on the short list were interviewed, the committee came to a consensus and recommended a firm to ONE Investment.

Staff from the firm will make a brief presentation to the New Products Committee to describe their capabilities and approach. ONE Investment staff will be working with them over the coming months to negotiate and formalize contractual details of the Large Municipality Offering.

3. BACKGROUND

The Large Municipality Prudent Investment Offering is a key component of ONE Investment's Strategic Plan

ONE Investment's strategic plan includes the objective of growing assets under management by approximately \$3 billion over the next five years. One of the ways to achieve this goal is to develop a Large Municipality Offering to attract municipalities with more than \$500 million in money not required immediately to the Prudent Investment Program. The Large Municipality Offering uses an OCIO model to provide the scale and specialization larger municipalities are looking for, while not overwhelming ONE's staff capacity. The OCIO partner was identified through a competitive RFP process supported by an Evaluation Committee.

ONE Investment will be working with the firm to develop the Large Municipality Offering in the coming months

ONE Investment will negotiate a contract with the firm as its OCIO partner and work with the firm to design the prudent investor Large Municipality Offering.

While discussions on fees were part of the RFP process, they were based on a representative asset mix. The type of products to be offered, investment attributes of the offering, and allocation weights of the final offering will influence the fee level of the Large Municipality Offering. These details and other aspects of the offering will be under discussion and negotiation with the firm in the coming months.

4. CONCLUSION

After a comprehensive RFP process, ONE Investment is preparing to negotiate a contract with the successful firm as its partner in developing the Large Municipality Offering. The firm will make a brief presentation to the Committee in closed session to further describe the firm's OCIO model and investment capabilities.

Drafted by: Judy Dezell, Co-President/CEO

Approved by: Judy Dezell and Donna Herridge - Co-Presidents/CEO