



New Products Committee

Regular Committee Meeting - Open Session

Report

Meeting #: 2023-01
Date: June 21, 2023, 10:00 a.m.
Location: Hybrid (200 University Ave, Suite 801 / Zoom Virtual)

Members Present:

Committee Chair G. James, Board Vice-Chair
Committee Vice-Chair B. Hughes, Board Chair
J. Dowty
J. Giles
P. Judson
J. Pittini

Others Present:

J. Dezell, Co-President/Co-CEO, ONE Investment
D. Herridge, Co-President/Co-CEO, ONE Investment
S. Han, WeirFoulds, LLP, Legal Counsel
J. Hess, Manager of Investment Services, Municipal Finance Officers
Association
D. Kelly, Board Secretary
K. Taylor, Chief Investment Officer, ONE Investment

1. Land Acknowledgement

Committee Chair James made the following statement on behalf of the Committee:

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 people whose presence continues to enrich our communities.

2. Disclosures of Pecuniary Interest

There were no disclosures of pecuniary interest.

3. Investment Oversight

3.a New Products Committee Workplan (2023-002)

Keith Taylor, Chief Investment Officer, ONE Investment, made a presentation on the New Products Committee Workplan report.

Moved in amendment by Committee Vice-Chair Hughes

THAT the Committee recommends replacement of Recommendation 3 in the staff report dated June 21, 2023 with the following:

3 (a) Direct ONE Investment staff to implement the approved changes to HISA and the mandate of the One Canadian Government Bond Fund expeditiously.

(b) Direct ONE Investment staff to arrange a date with MFS for the implementation of the revised mandate for the ONE Canadian Government Bond Fund, including integration of HISA into the ONE Canadian Government Bond Fund, no later than September 30, 2023, and report back on implementation to the ONE JIB meeting of September 6, 2023.

(c) Provide that:

- a. References to HISA in the Investment Plans be deemed to be references to the Canadian Government Bond Fund
- b. References to the Canadian Government Bond Fund in the Investment Plans be deemed to be references to the revised mandate of the Canadian Government Bond Fund
- c. The “Criteria” table describing the revised mandate for the Canadian Government Bond Fund be amended by deleting references to “corporate obligations” and “Canadian chartered banks” in the “Permitted Securities” part of the table in all relevant documents, to ensure consistency with the approved mandate.”

(d) Amend the Workplan in Recommendation 1 accordingly.

Carried

Moved by Committee Member Judson

THAT the Committee receive the presentation and adopt the recommendations in the report, as amended to read as follows:

The Committee recommends that ONE JIB:

1. Approve the workplan in Appendix A
2. Authorize the New Products Committee to work with ONE Investment to continue developing the Large Municipality Offering.
3. (a) Direct ONE Investment staff to implement the approved changes to HISA and the mandate of the One Canadian Government Bond Fund expeditiously.

(b) Direct ONE Investment staff to arrange a date with MFS for the implementation of the revised mandate for the ONE Canadian Government Bond Fund, including integration of HISA into the ONE Canadian Government Bond Fund, no later than September 30, 2023, and report back on implementation to the ONE JIB meeting of September 6, 2023.

(c) Provide that:
 - a. References to HISA in the Investment Plans be deemed to be references to the Canadian Government Bond Fund
 - b. References to the Canadian Government Bond Fund in the Investment Plans be deemed to be references to the revised mandate of the Canadian Government Bond Fund
 - c. The “Criteria” table describing the revised mandate for the Canadian Government Bond Fund be amended by deleting references to “corporate obligations” and “Canadian chartered banks” in the “Permitted Securities” part of the table in all relevant documents, to ensure consistency with the approved mandate.”
(d) Amend the Workplan in Recommendation 1 accordingly.
4. Defer reorienting the mandate of the Canadian Corporate Bond Fund until the Large Municipality Offering is fully designed.
5. Direct staff to bring forward reports to the Committee to implement key elements of the workplan including:
 - a. Changes to the ONE JIB Outcomes Framework

- b. Changes to asset allocations for the Outcomes
- c. An implementation and transition plan
- d. A summary report on ONE JIB's overall investment strategy for the existing Prudent Investment Offering.

Carried

3.b Outsourced Chief Investment Officer Partner and Large Municipality Offering (2023-001)

Judy Dezell, Co-President/Co-CEO of ONE Investment, made a presentation on the Outsourced Chief Investment Officer Partner and Large Municipality Offering report.

Moved by Committee Member Giles

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

Carried

4. Closed Session

Outsourced Chief Investment Officer Partner and Large Municipality Offering

Moved by Committee Member Pittini

THAT the Committee move into closed session for the purpose of receiving confidential commercial or financial information that, if disclosed, could significantly prejudice the Board's competitive position or interfere significantly with contractual negotiations, under the authority of section 239 (2) (i) of the *Municipal Act*.

Carried

The Committee convened in closed session at 10:54 a.m.

The Committee reconvened in open session at 12:04 p.m.

5. **Reconvene in Public Session**

Moved by Committee Member Giles

THAT the Committee resume in public session.

Carried

Outsourced Chief Investment Officer Partner and Large Municipality Offering

Moved by Committee Member Pittini

THAT the Committee receive the confidential report and the confidential presentation relating to the Outsourced Chief Investment Officer Partner and Large Municipality Offering.

Carried

6. **Other Business**

There was no other business.

7. **Adjournment**

Moved by Committee Member Giles

THAT the Committee adjourn the meeting.

Carried

The meeting adjourned at 12:06 p.m.

Denis Kelly, Board Secretary