

Participating Municipalities MCQ Survey

As part of the annual review of the ONE JIB Documentation Templates, participating municipalities are being asked for feedback on the Municipal Client Questionnaire (MCQ). Feedback can be provided at the August 3, 2023 meeting at 11 AM or through the attached survey. Any written responses should be received by Friday August 4, 2023.

MCQ Format

Based on previous feedback, the MCQ is now available in a Fillable PDF Format, it has been provided as an attachment to this survey for reference purposes.

Question #1: Section 3 Investment Objectives and Risk Tolerance

	Description	Investment Objective	Risk Tolerance	Tolerance for short-term (3 year) losses*
<input type="checkbox"/>	Lower risk/return	Capital preservation is the main objective. Willingness to accept lower returns to reduce the likelihood of losses	Conservative Approach: A small chance of loss of capital over a 5-year period	Less than 5% decline
<input type="checkbox"/>	Moderate risk/return	Achieve moderate growth without excessive risk to capital	Moderate chance of loss of capital over a 5-year period	5-15% decline
<input type="checkbox"/>	Higher risk/return	Willingness to accept higher risk, including risk of loss of capital, for potentially higher returns	Greater uncertainty of outcomes with potential of higher returns over a 5-year period	More than 15% decline

* these percentages are for illustrative purposes only, to determine sensitivity to potential capital loss, and do not represent a guarantee by ONE JIB or ONE Investment.

Does the **Risk / Return grid** (above) provide an adequate scale to represent your municipality's longer term investment objectives (return) and risk tolerance (volatility of returns)?

Yes

No

If No, how would you like the table modified?

Question #2: Section 4.1 Summary of Municipal Accounts for Investment Planning Purposes

Summary of Municipal Accounts for Investment Planning Purposes

Reserve Type	Brief Description	MNRI Amount	Investment Horizon of MNRI			
			Less than 3 years	3 to 5 years	5 to 10 years	10+ years
SAMPLE – Roads	Ongoing Maintenance	\$8,000,000	\$1,500,000	\$1,500,000	\$3,500,000	\$3,500,000
SAMPLE – Infrastructure	Road Lane Widening	\$5,000,000		\$1,000,000	\$4,000,000	
Total						

This table lists the municipal reserves and reserve funds (or common groups of reserves), and allocates the MRNI (money not required immediately), into various investment horizons. This table is then used by the CIO to translate the funds invested through the ONE JIB into the board approved outcome framework (Target, Contingency, Asset Management etc.) for the annual investment plan update.

- a) Does the **Municipal Accounts for Investment Planning Purposes table** (above) adequately allow your municipality to communicate your investment horizon and the types of investment required under the ONE JIB Outcomes Framework?

Yes

No

If No, how would you like the table modified?

b) Should the MCQ include a question on what assumptions/factors your municipality includes in your reserve / reserve fund forecast (i.e. inflation, future tax based reserve contributions, forecasted development charge revenue etc.) in order to better understand the cashflows?

Yes

No

Optional Comment

c) Should the MCQ include a question asking if there have been any major changes in circumstances since the last MCQ update that you feel would require a reallocation?

Yes

No

Optional Comment

d) Should the MCQ include a question asking how sensitive the municipality is to recognizing investment gains/losses?

Yes

No

Optional Comment

Question #3: Section 4.2 Cash Flow Projections Affecting MNRI

Type	Next year	2 years	3 to 5 years	5 to 10 years	Greater than 10 years
Anticipated MNRI Drawdowns					
Anticipated MNRI Contributions					
Net change in MNRI					

Does the **Cash Flow Projection table** (above) provide a clear way for your municipality to communicate potential draw downs or additions to MNRI that are currently *projected* to occur?

Yes

No

If No, how would you like the table modified?

Question #4: Section 4.4 Capital Budget and Asset Management Plan Forecast

- a) What is the length of your annual capital budget forecast?
- b) What is the length of your asset management plan forecast?
- c) To what extent is your asset management plan integrated into your capital planning budgeting process?
 - a. Fully integrated
 - b. Substantially integrated
 - c. Partially integrated
 - d. Somewhat integrated
 - e. Not integrated at all

Question #5: Section 6.1 Existing Investments

<i>Security/Investment</i>	<i>Type</i>	<i>Manager/Institution</i>	<i>Book Value</i>	<i>Market Value</i>	<i>Maturity Date (If applicable)</i>
<i>SAMPLE CIBC Global Blue Chip Growth Deposit Notes, Series 12</i>	<i>PPN</i>	<i>CIBC</i>	<i>\$5,000,000</i>	<i>N/A</i>	<i>February 2030</i>
<i>SAMPLE London 3.2% May 9, 2026</i>	<i>Bond</i>	<i>N/A</i>	<i>\$1,000,000</i>	<i>\$1,098,000</i>	<i>May 9, 2026</i>
<i>SAMPLE Canada 2 ^{7/8} July 2, 2028</i>	<i>Bond</i>	<i>N/A</i>	<i>\$2,000,000</i>	<i>\$1,945,000</i>	<i>July 2, 2028</i>

In the Municipal Investment Policy Statement, existing securities may be pledged to ONE JIB as part of MNRI. Over time, these securities would then be prudently transitioned over to the ONE JIB Outcome Framework (if applicable).

Does the **Existing Investments** table (above) provide a clear way for your municipality to communicate existing securities that are deemed to be MNRI?

Yes

No

If No, how would you like the table modified?

Question #6: Other Recommendations

Would you like to see any of the other sections / questions in the MCQ modified? If Yes, please explain.