



# REPORT

To: ONE Joint Investment Board  
From: Judy Dezell, Co-President/Co-CEO, ONE Investment  
Date: September 4, 2024  
Re: 2025 Pre-Budget Consultation  
Report: ONE JIB 2024-048

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## 1. RECOMMENDATIONS

It is recommended that the Board

1. Approve the following 2025 pre-budget recommendations:
  - a. Support the continuing rollout of the OCIO Offering, including custom solutions for large participating municipalities and the transitioning of current participating municipalities to the OCIO Offering
  - b. Nurture and grow the pipeline of municipalities looking to become prudent investors.
  - c. Provide strong staff support from ONE Investment, including development of a comprehensive data strategy to inform staff analysis for board reports and future strategic plans.
  - d. Support a strong governance framework and practices by ONE JIB.
2. Forward the recommendations to the ONE Investment Board for its consideration.

## 2. SUMMARY

ONE Investment is ONE JIB's agent. This includes responsibility for resourcing ONE JIB's activities. ONE Investment is seeking to determine ONE JIB's plans for 2025 so that appropriate resources can be allocated in the 2025 budget.

## 3. BACKGROUND

### **ONE Investment staff are consulting with ONE JIB in advance of the 2025 budget discussions**

One of the results from the ONE JIB governance survey conducted by Haddad & Associates recently is that ONE JIB, while not responsible for appropriately resourcing ONE Investment or for determining its own budget, would like input into ONE Investment's budgetary priorities before the upcoming year's budget is developed and approved.

## **ONE Investment and ONE JIB have a shared strategic plan**

While each Board has its own priorities and focus, there are shared strategic objectives – any work planned in a year must demonstrate how it will support one of the strategic objectives.

The Strategic Plan includes four goals:

*Assets Under Management (AUM) Growth* - develop our data and analytics capabilities.

*Participating Municipalities* - grow our people and capabilities.

*Engagement and Conversions* – grow our brand, awareness, and education

*Profiles of Municipalities* – drive investment maturity.

## **4. ANALYSIS**

### **Growing assets under management**

2024 marked a significant shift for both ONE Investment and ONE JIB with Durham Region becoming a prudent investor. This has required a shift in the business model used by ONE Investment which will support not only Durham Region, but all existing and future municipal investors. There is more work to be done though to streamline ONE Investment processes as outlined in a separate report on the transition to the OCIO Offering Business Model. This will include looking at how to streamline ONE JIB's workload as much as practical. It is recognized that large agenda packages are difficult for ONE Investment to put together, and for ONE JIB members to process. Focus in 2025 should include looking at ways to streamline the ONE JIB agenda packages as much as possible.

### **Continue to grow the number of municipalities that want to become prudent investors**

The pipeline for potential investors continues to evolve, but continuing to nurture and grow this pipeline is important. ONE JIB members actively participating in municipal conferences is a key aspect of this work. This allows the members to hear from municipalities directly. Attendance at conferences throughout 2025 should continue to be a priority for ONE JIB members.

### **Starting work on developing a data strategy should be considered a priority for 2025**

The Strategic Plan's goals are predicated on understanding what data is already available to inform how to grow participation in both the Legal List Offering (a responsibility of the ONE Investment Board) and the Prudent Investment Offering (a shared responsibility of the ONE Investment Board and ONE JIB). To achieve three of the four goals in the Strategic Plan, work needs to be started on data strategies in 2025. ONE JIB encourages ONE Investment to consider in 2025 working on identifying data already available and working towards development of a data strategy.

## **Invest in ongoing good governance**

ONE JIB is committed to the highest level of governance possible. This means that ongoing education and training of ONE JIB members should be considered in the budget. This may include quarterly training for one hour on a specific topic.

ONE JIB relies on resources approved by the ONE Investment Board

ONE JIB's request for the 2025 budget is for sufficient resources to:

- Support the continuing rollout of the OCIO Offering, including custom solutions for large participating municipalities and the transitioning of current participating municipalities to the OCIO
- Nurture and grow the pipeline of municipalities looking to become prudent investors.
- Provide strong staff support from ONE Investment, including development of a comprehensive data strategy to inform staff analysis for board reports and future strategic plans.
- Support a strong governance framework and practices by ONE JIB.

## **5. CONCLUSION**

ONE Investment is evolving its budget setting practices including consultations with ONE JIB before setting the budget. This year marks the first year of doing this pre-budget consultation.

Drafted by: Judy Dezell, Co-President/CEO

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