



REPORT

To: ONE Joint Investment Board
From: Judy Dezell, Co-President/Co-CEO, ONE Investment
Date: November 27, 2024
Re: Board Governance Self-Evaluation Report – Fall 2024
Report: ONE JIB 2024-065

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.
2. Direct ONE Investment staff to bring forward the 2025 Board Governance Self-Evaluation Survey in the fourth quarter.

2. SUMMARY

The Board Governance Self-Evaluation was completed by board members in October 2024. The response rate was 89%.

2024 in-person conferences and events provided ONE JIB members with many opportunities to meet and learn from municipal investors.

3. BACKGROUND

ONE JIB's Terms of Reference require an annual self-assessment

Board evaluation is a critical part of good governance and is intended to help boards improve their effectiveness. Evaluation results can inform boards' continuous improvement efforts, identify substantive and process strengths and weaknesses, help orient new board members, and validate the board's future priorities. As contemplated in section 4.13 of ONE JIB's Terms of Reference, the ONE JIB directed ONE Investment staff to develop an online self-assessment. The first self-assessment survey was completed in Fall 2020, and a self-assessment survey has been completed every Fall since 2020.

The self-assessment is part of the continuous improvement process

2024 saw growth in the number of Participating Municipalities and launch of the OCIO model – a significant change in the business model for ONE Investment. Undertaking a self-assessment is a critical part of the continuous improvement process. The self-evaluation questions were designed to identify where improvements could be made, celebrate successes, and plan the future work of ONE JIB.

4. ANALYSIS

How well has ONE JIB done its job?

The survey received an 89% response rate from ONE JIB members who indicated that ONE JIB is making good decisions within a strong governance framework. The use of a consent agenda was designed to help ONE JIB focus on key areas of business and deal with matters that support the key business through consent. The use of this agenda technique will be even more valuable as the number of Participating Municipalities increases. Nonetheless, ONE JIB members continue to voice concerns about the size of the agenda package. More work is needed to streamline as much as possible. Table 1 identified areas of focus that were identified by ONE JIB members in the 2024 survey.

Table 1 - Areas of Focus for 2025

Key ONE JIB Areas of Focus	ONE Investment Response
The Outcomes Framework is an effective means of translating municipal reserves and investment objectives into asset allocations.	With the move to the OCIO model and adoption of model portfolios, the Outcomes Framework will become a communication tool for ONE Investment staff to use in conversations with municipalities.
The core documents (Municipal Client Questionnaire, Investment Policy Statement template, Investment Plan template) are adequately designed to meet ONE JIB's needs.	Consistently identified by ONE JIB as an area of focus. ONE Investment just brought a comprehensive review to ONE JIB in September to support the transition to the OCIO model. Visibility on the results of the new templates will take time – ONE Investment suggests waiting until Fall 2025 for further review.
ONE JIB has a sound performance reporting framework in place	With the transition to the OCIO model, ONE Investment is working on a performance reporting dashboard for ONE JIB to reduce the volume of paper it receives and provide the right level of information to make informed decisions about Phillips, Hager & North Institutional (PH&N) performance.

How well has ONE JIB functioned?

Members indicate an ongoing investment in municipal finance training is helpful and would like to see it continue. The quarterly municipal insights report is designed to provide regular opportunities to consider municipal finance issues. Table 2 identifies the most frequently mentioned areas of focus for 2025 in the survey.

Table 2 - Functional Areas of Focus

Key ONE JIB Areas of Focus	ONE Investment Response
The reports to ONE JIB are well written.	Consistently identified by ONE JIB as an area of focus. ONE Investment continues to focus on improving the reports to ONE JIB. The focus for 2025 will be reducing the size of ONE JIB’s agenda packages, including staff reports, with clear options for consideration by ONE JIB.
The frequency of ONE JIB meetings is adequate for ONE JIB to deliver on its mandate.	As participation in ONE JIB continues to grow ONE Investment staff are looking at the frequency of meetings.

Does ONE JIB have effective relationships?

Post pandemic, ONE JIB has been meeting in person consistently for about two years – the result is the collegiality between ONE JIB members has increased. ONE Investment staff will look for opportunities to continue building the relationships amongst ONE JIB members.

Table 3 - Effective Relationships Areas of Focus

Key ONE JIB Areas of Focus	ONE Investment Response
The ONE JIB is sufficiently familiar with the needs of its municipal investors.	A quarterly report to ONE JIB called Municipal Insights will continue to keep ONE JIB up to date on recent and continuing developments within the municipal sector, including feedback from municipal investors.
ONE JIB is clear about its relationship with ONE Investment	ONE Investment staff will provide a refresher on the governance structure of ONE Investment and ONE JIB early in 2025.
ONE JIB is sufficiently familiar with the fund managers	With the transition to the OCIO model ONE JIB will need to build a new relationship with PH&N including understanding its ESG perspectives and compliance regimes. PH&N will meet quarterly with ONE JIB as of the fourth quarter of 2024.

What should ONE JIB’s priorities be over the next 1-2 years?

This part of the survey offered Board members 14 different topics for consideration as priorities.

Developing a data strategy informed by systematic data collection and filling data gaps is

an objective of ONE JIB’s strategic plan and was identified by ONE JIB as a priority for 2025 during the budget consultation discussion in September. In addition to the data strategy work, Table 4 reflects the top two highest-ranked priorities.

Table 4 - ONE JIB Priorities Next 1-2 Years

Key ONE JIB Areas of Focus	ONE Investment Response
Growing assets under management through the OCIO model	ONE Investment staff are working on a pipeline of potential investors for 2025 and 2026.
Building relationships with municipal investors	<p>Attendance at key municipal conferences by ONE JIB members has helped members understand the challenges municipalities face and network with both senior municipal staff and elected officials. This opportunity will be presented again in 2025.</p> <p>In addition, regular delegations of new investors and existing investors will be an opportunity for members to engage with investors.</p>

5. CONCLUSION

ONE JIB’s Governance Self-Evaluation achieved an 89% response rate. The survey results were helpful by informing the 2025 Futures List. Two key priorities for 2025 will be growing assets under management through the OCIO model and developing a data strategy. Both are directly supportive of ONE JIB’s Strategic Plan.

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