



# REPORT

To: ONE Joint Investment Board  
From: Judy Dezell, Co-President/Co-CEO, ONE Investment  
Date: February 25, 2025  
Re: ONE JIB Governance Review 2025  
Report: ONE JIB 2025-011

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## 1. RECOMMENDATIONS

It is recommended that the Board:

1. Direct staff to bring to the September 4, 2025 meeting a review of ONE JIB committees.

## 2. SUMMARY

- As part of its good governance practices ONE JIB has adopted a regular review cycle for key documents. That process commenced at ONE JIB's meeting on November 29, 2023 with a report on its Terms of Reference, Code of Conduct and Procedure By-law. It was followed up in 2024 with a complete review of the ONE JIB Agreement and the adoption of a Records Retention By-law.
- In the 2025 work plan of ONE JIB further governance work was identified, including reviewing its committees' mandates.
- In addition, once the transition to the OCIO business model is completed in the second quarter of 2025, there will be a complete review of the ONE JIB Services Agreement.

## 3. BACKGROUND

### **The ONE JIB Agreement was revised in 2024**

The ONE JIB Agreement, together with the schedules and exhibits embedded in the agreement, is the primary operating document for municipalities that have decided to invest their MNRI with ONE JIB. It governs the relationship between ONE JIB and any municipality that decides to invest under the prudent investor regime and executes the agreement. ONE Investment is also a party to the agreement. It provides support and administrative services to the other parties.

The ONE JIB Agreement was approved by the Board on May 19, 2020. In early 2024 and in preparation for the transition to the OCIO business model, an extensive review of the ONE JIB Agreement was approved by ONE JIB that included expanding the membership of ONE JIB, amendments to reflect the new OCIO business model and associated fees, along with several housekeeping items. The next scheduled review for the ONE JIB

Agreement is Q1 of 2027 or sooner if there are legislative changes that necessitate an earlier review.

#### **A new Records Retention By-law was approved in 2024**

ONE JIB constitutes a local board of each Participating Municipality, and under the *Municipal Act, 2001* the Participating Municipalities are jointly responsible for retaining and preserving the records of ONE JIB in a secure and accessible manner. Unanimous approval from Participating Municipalities on a Records Retention By-law was achieved in the spring of 2024 and the By-law is now in effect.

#### **The 2025 Work Plan includes a review of ONE JIB Committees**

ONE JIB strives to continuously improve its governance practices. One element of governance best practice is to regularly review committee mandates and membership. This has been identified as an activity by ONE JIB as part of its work plan in 2025.

#### **The ONE JIB Services Agreement will be reviewed in light of the transition to the OCIO model**

The ONE JIB Services Agreement deals exclusively with ONE Investment's obligations as a service provider to ONE JIB. The Participating Municipalities are parties to the ONE JIB Agreement, but they are not parties to the ONE JIB Services Agreement. After having undertaken a complete review of the ONE JIB Services Agreement in 2024, and considering the imminent transition to the OCIO model, ONE Investment concluded that amendments to the ONE JIB Services Agreement should be deferred until after the OCIO business model transition is completed in 2025. ONE Investment plans to start this work by Q4 of 2025.

## **4. ANALYSIS**

#### **ONE JIB has the authority to create committees through the ONE JIB Agreement**

The Founding Municipalities contemplated the need for committees of ONE JIB and included provisions for committees within the ONE JIB Agreement. There is only one committee named specifically in the ONE JIB Agreement Terms of Reference Schedule, a Nominating Committee, to fill vacancies on ONE JIB. The only other committee ONE JIB currently has is the New Products Committee.

#### **The Nominating Committee follows a rigorous process for identifying new board members**

The Terms of Reference describe a process for adding new board members.

Section 4.3 of the Terms of Reference provides that in recommending a new member or reappointing a member, the committee shall consider:

- a) The competencies and skills ONE JIB, as a whole, should possess;

- b) The competencies and skills of each other member of ONE JIB; and
- c) The competencies and skills the prospective member would bring to ONE JIB.

The Nominating Committee was created in November 2020 when ONE JIB appointed the following members to the Committee:

- Chair Bill Hughes
- Vice-Chair Geri James
- Board Member Jennifer Dowty
- Board Member James Giles

ONE Investment's Co-Presidents also sit on the Committee.

Staff will be reviewing how to trigger the work of the committee upon the resignation or term ending of a Board member.

### **The New Products Committee was formed in late 2020**

When ONE JIB was established in May 2020, it started by approving two new fund managers and mirroring existing Legal List products. ONE JIB quickly recognized that it needed to continuously evaluate product options and would do so through a committee that also engaged municipalities in the conversation. The mandate of the New Products Committee was to identify, evaluate and present potential product offerings to ONE JIB.

The members of the Committee appointed in 2020 remain the same today:

- Chair Geri James
- Vice Chair Bill Hughes
- Board Member James Giles
- Board Member Jennifer Dowty
- Paul Judson, Director of Finance/Treasurer, Town of Bracebridge
- Julie Pittini, Director, Treasury Services, Region of Peel

### **The OCIO business model will result in continuous evaluation of product options**

One of the benefits of ONE Investment's shift to the OCIO business model is moving away from five fund options to an initial universe of 35 funds and the possibility to add more over time. PH&N Institutional, as part of its responsibilities as the sub-investment manager, is responsible for constantly evaluating the current approved funds and identifying potential other funds to include.

Staff are therefore recommending a review of the New Products Committee's mandate.

### **A new committee focused on Investment Plans could be considered**

As the number of Participating Municipalities continues to expand, the review of Investment Plans by ONE JIB becomes a larger responsibility consuming more time at Board meetings. This is a core fiduciary obligation for ONE JIB that requires careful consideration. In recognition of ONE JIB's interest in streamlining its meetings as much as

possible, it may make sense to establish a committee with the purpose of providing early input into Participating Municipalities draft Investment Plans, informed through reviewing the MCQ and IPS.

Staff will bring forward a report at the September meeting of ONE JIB on the current committee mandates and possible introduction of a new committee to help streamline ONE JIB's fiduciary obligations regarding Participating Municipalities' Investment Plans.

### **A process for rotating committee membership will be developed**

Some ONE JIB members may be willing and able to serve on board committees, in addition to those who are already serving. Not everyone may be able to serve on committees due to work or personal commitments, or for other reasons. As a result, participation on committees will remain a matter of individual discretion.

As part of the governance review, a process for board members to participate on committees will be developed.

For example, Section 37(2) of the Board's Procedure By-law provides that:

"The Chair may recommend the Members of Committees. The Board shall appoint the Committee Members. The Chair shall be an ex officio Member of all the Board's Committees."

This could be formalized in an annual review of committees, with a report from the Chair. Most terms could be one to three years to provide plenty of opportunities over time for participation on committees, while preserving a reasonable degree of continuity.

## **5. CONCLUSION**

As a good governance practice ONE JIB will continue its commitment to good governance practice through regular review of key documents and its committees.

The review of the ONE JIB Services Agreement is to be started by Q4 2025.

Drafted by: Judy Dezell, Co-President/CEO

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