



Attachment 3
INVESTMENT PLAN FOR

Town of Innisfil

DATE: September 4, 2025



CONTENTS

1. DEFINITIONS	1
2. PURPOSE	2
3. RESPONSIBILITY FOR PLAN	3
4. INVESTMENT GOALS AND OBJECTIVES	4
5. INVESTMENT PORTFOLIO.....	<u>56</u>
6. APPLICABLE ONE JIB POLICIES	<u>78</u>
7. ELIGIBLE FUNDS.....	<u>89</u>
8. REBALANCING	<u>1044</u>
9. IMPLEMENTATION	<u>1142</u>

1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of Innisfil's Money Not Required Immediately (MNRI) as defined in section 5.2 of Innisfil's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of Innisfil.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of Innisfil's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of Innisfil's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer informs ONE JIB about Innisfil's current goals, objectives, circumstances, and risk tolerance and helps determine investment allocations. The allocation of Innisfil's MNRI in this Plan is consistent with the details as disclosed in Innisfil's IPS and MCQ. Section 5.2.1 of Innisfil's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	Objective & Risk Tolerance
Objectives for overall MNRI	<ul style="list-style-type: none"> • Preservation of capital. • Ability to generate income and capital appreciation. • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements. Diversification by asset class, market sector, issuer, credit quality, and term to maturity.

Details provided in the MCQ suggest that most of the MNRI will be needed within the next five years for growth-related capital projects, though there is some uncertainty about the exact timing of these drawdowns. These expected drawdowns total \$53 million and account for about 85% of MNRI. The rest of the MNRI is not expected to be required for at least ten years.

The MNRI invested with ONE JIB will be broadly diversified by asset class, market, sector, issuer, credit quality, and term to maturity to help reduce the volatility of investment returns. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective, but near-term liquidity from investments likely will not be required. The large near-term drawdowns will be invested in an investment allocation that provides sufficient liquidity but has a modest risk profile. For the longer-term portion of MNRI, a higher risk profile can be assumed.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
MNRI required within 5 years	Model B (20% Equity) assigned.	\$53,309,666
MNRI required beyond 10 years	Model F (60% Equity) assigned.	\$9,300,000

Other considerations:

- Innisfil will neither contribute nor withdraw MNRI as part of the Investment Plan update at this time.
- It was expected that Innisfil's investment horizon would shorten as major capital projects near completion. The updated MCQ reflects this.
 - The updated MCQ indicates that about \$53 million will be needed within the next five years to fund some of these capital projects.
 - Drawdowns are *budgeted* to occur within 2 years, but it is unlikely that the actual spending will happen within this timeframe. Instead, the funds will be withdrawn over the next 5 years.
- Given the significant size of near-term drawdowns, using a single model to represent all MNRI would be inappropriate.
 - Capital preservation is more important for the MNRI with a shorter investment horizon. A lower risk model will be assigned.
 - Capital growth is more important for the portion of MNRI with a much longer investment horizon. A higher risk profile will be assigned.
 - Innisfil's IPS did not permit the use of longer-term alternative investments, and none will be included in Innisfil's allocations.
- Innisfil's MNRI, which was previously held in ONE Investment pooled funds, was transitioned into the OCIO Offering in March 2025, while retaining allocations aligned with the Outcome Framework. The implementation of this investment plan will replace the mapping to the outcomes with allocations to two of the models.

5.2 Allocation Details

Model B (20% Equity)

Allocation = \$53,309,666

MNRI Horizon			
Asset Classes	Minimum	Target Weight	Maximum
Cash & Equivalent	0	0	10
Canadian Fixed Income	60	70	80
Global Fixed Income and Credit	0	10	20
Canadian Equities	0	10	20
Global Equities	0	10	20
Alternative Investments	0	0	0
Total		100	

Model F (60% Equity)

Allocation = \$9,600,000

MNRI Horizon			
Asset Classes	Minimum	Target Weight	Maximum
Cash & Equivalent	0	0	10
Canadian Fixed Income	20	30	40
Global Fixed Income and Credit	0	10	20
Canadian Equities	20	30	40
Global Equities	20	30	40
Alternative Investments	0	0	0
Total		100	

* further details on holdings and benchmarks for this model are detailed in an attachment to the New Products Committee Report ([10-01-24](#)). These investment allocations are subject to review on September 4, 2025, which may lead to revisions when the Investment Plans are implemented.

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule “A” of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund’s liquidity and capacity, and (3) its alignment with the municipality’s investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an “Investment Mandate”).

Asset Classes	Sub-Asset Classes	Eligible Fund Names (Schedule “A” of IMA)
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund

	Emerging Markets Bonds	RBC Emerging Markets Bond Fund
	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund PH&N Overseas Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund*
	Infrastructure	RBC Global Infrastructure Fund*

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Expected Transfer to JIB/ONE
September 2025	<ul style="list-style-type: none"> - Existing PH&N funds may be sold, or their weightings adjusted to align Innisfil's investment allocations to this Investment Plan. - This plan includes allocations to Models B and F, which represent a different strategy from the client's current allocation.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested according to the ONE Distribution Policy PI, and cash flow needs of Innisfil are expected to be financed with the sale of units from the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.