



## REPORT FOR ACTION

# Overview of the Performance of the Investment Consultant Aon Hewitt

**Date:** December 3, 2019  
**To:** Toronto Investment Board  
**From:** Director, Capital Markets  
**Wards:** All

## SUMMARY

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Aon Hewitt is the investment consultant for the Toronto Investment Board. The purpose of the consultant is to provide services to support the Board's activities. The contract with Aon Hewitt expires on January 14, 2021 with an option to extend for a two year term at the Board's discretion. City staff are providing this report for information in preparation of this contract deadline.

## RECOMMENDATIONS

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The Director, Capital Markets recommends that:

1. The Toronto Investment Board receive this report for information.

## FINANCIAL IMPACT

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There is no financial impact to City operating or capital budgets as a result of this report.

## DECISION HISTORY

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At its meeting on November 24, 2017 the Toronto Investment Board awarded a contract for consulting services and asked the Acting Chief Financial Officer, in consultation with the City Solicitor to negotiate an agreement with the firm selected as investment consultant, on terms satisfactory to City Solicitor and the Acting Chief Financial Officer, and authorize the Chair of the Investment Board to execute such agreement on behalf of the Investment Board.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.IB2.3>

At its meeting held March 28 & 29, 2017, City Council established the Toronto Investment Board and approved an interim budget that included the hiring of an Investment Consultant.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX23.2>

At its meeting of November 13, 2017, the Toronto Investment Board received information regarding a Request for Proposal that was issued on October 10, 2017 and Investment Consultant for the Toronto Investment Board closed November 6, 2017. The Board instructed the Acting Executive Director, Corporate Finance to make recommendations on the proposals received.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.IB1.7>

## **COMMENTS**

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On November 24, 2017, the Toronto Investment Board awarded Aon Hewitt a contract for investment consulting services. The purpose of the consultant is to provide services to support the Board's activities. Key services expected from the consultant include:

- Creation and regular review of the Investment Plan;
- Selection of new external investment managers (agents);
- On-going assessment of external fund manager performance; and
- Maintenance of the Board's general awareness of the investment environment (e.g. market conditions, asset mix options, and regulatory changes).

The contract with Aon Hewitt expires on January 14, 2021. The Board has the option to renew the same contract for an additional two year term.

Attachment 1 provides a checklist of the objectives and results to date of the investment consultant.

## **CONTACT**

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## **SIGNATURE**

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Randy LeClair  
Director, Capital Markets

## **ATTACHMENTS**

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Attachment 1 - Checklist of Investment Consultant Objectives and Results