TORONTO

REPORT FOR ACTION

Investment Consultant for the Toronto Investment Board - Update

Date: February 22, 2023
To: Toronto Investment Board
From: Director, Capital Markets
Wards: All

SUMMARY

This report summarizes the award process and successful completion of the Request for Proposal (RFP) for Investment Consultant for the Toronto Investment Board (Board).

The name of the successful proponent can now be released as per the Board's decision at its meeting on December 16, 2022.

As a way to assess the Investment Consultant's performance, it is recommended that the Board adopt the Investment Consultant Survey (Survey) contained in Attachment 1 of this report. Each individual Board member will be asked to complete the Survey on an annual and confidential basis. The Survey will be collected, summarized and reported back to the Board by the Director, Capital Markets.

RECOMMENDATIONS

The Director, Capital Markets recommends that:

1. The Toronto Investment Board adopt the Investment Consultant Survey on an annual basis as described in Attachment 1 to this report and request the Director, Capital Markets to collect, summarize, and report the results of the survey to the Board in confidence.

FINANCIAL IMPACT

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

DECISION HISTORY

At its meeting on December 16, 2022, the Toronto Investment Board awarded the contract for consulting services to the investment consultant listed in Confidential Attachment 1 to the report (December 7, 2022) from the Director, Capital Markets, for a three year term with the option to extend for an additional two years, at the option of the Investment Board. The Board authorized the Chief Financial Officer and Treasurer, 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 Chief Financial Officer and Treasurer, and authorize the Chair of the Investment Board to execute such agreement on behalf of the Investment Board. The Board also Authorized the public release of the name of the successful supplier upon finalizing an agreement with the investment consultant, identified in Confidential Attachment 1 to the report (December 7, 2022) from the Director, Capital Markets.
https://secure.toronto.ca/council/agenda-item.do?item=2023.IB1.5

At its meeting on June 23, 2022, the Toronto Investment Board authorized the Director, Capital Markets to initiate a Request for Proposal on behalf of the Toronto Investment Board for an investment consultant to assist the Board and directed the Director, Capital Markets to report the results of the Request for Proposal along with a recommendation for contract award to the successful investment consulting firm to the Investment Board.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.IB16.7

At its meeting on March 9, 2021, the Toronto Investment Board extended the investment contract for the investment consultant (Aon) for an additional two years.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.IB11.7

At its meeting on November 24, 2017, the Toronto Investment Board awarded a contract to an investment consultant (Aon Hewitt) for a three year term with the option to extend for an additional two years.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.IB2.3

COMMENTS

The Director, Capital Markets issued a RFP on behalf of the Board to retain an investment consultant to support the Board as the contract term of the existing consultant was nearing expiry. A RFP was issued on October 24, 2022 and closed on November 23, 2022.

A Selection Committee comprised of three senior City staff reviewed and evaluated the submitted proposals. The Selection Committee developed a detailed Evaluation Scorecard based on the information provided in the RFP. The Scorecard was reviewed by staff in the Purchasing & Materials Management Division before the proposals were released to the Selection Committee.

The evaluations were completed and a recommendation was made to the Board at its meeting on December 16, 2022. The Board adopted the staff recommendation at this meeting without amendment. The Board also authorized the public release of the name of the successful supplier upon finalizing an agreement.

The legal agreement between the consultant and the Board has now been completed and signed by both parties.

The name of the successful proponent can now be released as per the Board's decision at its meeting on December 16, 2022.

As a way to assess the performance of the Investment Consultant, it is recommended that the Board adopt the Investment Consultant Survey contained in Attachment 1 and be completed by each individual member of the Board on an annual and confidential basis. The Director, Capital Markets will then collect, summarize, and report the results of the survey to the Board in confidence.

CONTACT

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SIGNATURE

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Director, Capital Markets

ATTACHMENTS

Attachment 1 - Investment Consultant Survey