

Investment Consultant Contract - Option to Extend

Date: September 7, 2025

To: Toronto Investment Board

From: Director, Capital Markets

Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report involves the security of property belonging to the City of Toronto or the Toronto Investment Board.

SUMMARY

This report provides a review and recommendation regarding the investment consultant (Aon) for the Toronto Investment Board. The current contract with Aon is for three years with an option to extend for another two years. The current contract was awarded by the Board at its meeting on December 16, 2022 with Aon to provide services from 2023 to 2026, with the option to extend the contract for another two years.

City staff recommend to extend this contract for another two years based on the Evaluation Scorecard found in Confidential Attachment 1 of this report.

RECOMMENDATIONS

The Director, Capital Markets recommends that:

1. The Toronto Investment Board direct that the confidential information contained in Confidential Attachment 1 to this report (September 7, 2025) remain confidential in its entirety, as it contains information that involves the security of property belonging to the City or one of its agencies or corporations.
2. The Toronto Investment Board extend the contract for the investment consultant (Aon) for an additional two years and authorize the Chair or Vice-Chair of the Investment Board to execute such agreements on behalf of the Investment Board.

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 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.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.IB1.5>

At its meeting on March 9, 2021, the Toronto Investment Board adopted a recommendation regarding the investment consultant (Aon) for the Toronto Investment Board. The original contract with Aon was for three years with an option to extend for another two years. The initial three year period ended on January 14, 2021.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.IB11.7>

At its meeting on February 5, 2018, the Toronto Investment Board was introduced to the investment consultant (Aon Hewitt) and a project plan was developed

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.IB3.4>

At its meeting on November 24, 2017, the Toronto Investment Board awarded a contract to an investment consultant (Aon Hewitt)

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

COMMENTS

The current contract with Aon is for three years with an option to extend for another two years. The initial three-year period of the contract will end on January 15, 2026.

Terms and conditions of this contract, including annual cost (\$118,650 including taxes), does not change with this extension.

Confidential Attachment 1 to this report provides an evaluation scorecard of the work completed to date by the investment consultant (Aon).

CONTACT

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SIGNATURE

Randy LeClair
Director, Capital Markets

ATTACHMENTS

Confidential Attachment 1 - Investment Consultant (Aon) Evaluation Scorecard