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Town of Aurora  
**Memorandum**  
Finance

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**Re:** Annual Investment Policy Review

**To:** Finance Advisory Committee

**From:** Laura Sheardown, Financial Management Advisor

**Date:** April 15, 2025

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## Recommendation

1. That the memorandum regarding the annual investment policy review be received; and
2. That the Finance Advisory Committee comments regarding the annual investment policy review be received and referred to staff for consideration and further action as appropriate.

## Background

In 2023, Council approved the transition of Aurora's long-term investments to the ONE Joint Investment Board (ONE JIB) which was completed in September 2023 with Aurora's investments seeing returns of 14.9 per cent since inception (as per Sept 2024 statement).

The ONE JIB's Strategic Plan includes a key goal of growing the assets under its management through the attraction of new large municipal members to the Prudent Investor Program. On February 28, 2024, the ONE JIB agreed to proceed with the implementation of an Outsourced Chief Investment Officer (OCIO). In support of the transition to the OCIO model, the ONE JIB undertook a tender review process resulting in the identification of Phillips, Hager & North Investment Management Ltd, (PH&N), a wholly owned subsidiary of RBC Global Asset Management Inc. as the successful bidder. The ONE JIB's implementation of an OCIO further supports its goal of adding new large municipal partners by making it more attractive to them by strengthening its governance model.

On February 18, staff presented an orientation to the Finance Advisory Committee on the Outsourced Chief Investment Officer (OCIO) framework. One key item of feedback received from the Finance Advisory Committee was its desire that the Town not invest in alternative investments which are available under this framework. The committee requested that this desire be reflected in the Town's upcoming investment policy update.

As a member of the ONE JIB, the Town is required to re-visit its investment policy on an annual basis to ensure its continued alignment with the Town's risk tolerances and objectives.

## Analysis

### Transition to OCIO

The Town of Aurora's current Investment Policy has been updated (using track changes) to incorporate the ONE JIBs transition to an OCIO framework and to ensure its continued alignment with the desires of FAC and Council pertaining to the composition of the Town's short and long-term investments.

Some key changes made to this policy include wording updates that enable the outsourcing of the management of the ONE JIB's combined holdings to an OCIO. This draft policy has also been updated to restrict the investment of Town funds in alternative investments as per feedback received from the FAC.

Some specific wording changes include:

- Changes in terminology **from** short and long-term money **to** money required immediately and money not required immediately
- Addition of an alternative investment section to the policy
- Addition of a listing of restricted special assets that are identified as investments longer than 24 months, but not controlled by the ONE JIB

## Attachments

1. TOA – Investment Policy Statement July 2025