



Municipality of Arran-Elderslie

May 26, 2025

ONE INVESTMENT OVERVIEW

- A **not-for-profit** organization dedicated to serving the investment needs of the Ontario municipal sector
- Manages **\$4.9 Billion** in portfolio holdings as of May 2025
- Partnership established in 1993 and jointly operated by two not-for-profits:
 - Local Authority Services
 - CHUMS (*a subsidiary of MFOA*)
- ONE Investment incorporated in 2018
- 195 municipalities and broader public sector entities (i.e. Conservation Authorities, Municipal Boards) invest with ONE.



ONE'S MUNICIPAL CLIENTS (BY POPULATION)


Population	# Ontario Municipalities	# ONE Investment Clients	% of Ontario Municipalities	Average Investment Per Investor	ONE - Prudent Investment Clients
Under 5,000	186	53	29%	\$1.9 million	1
5,000 to 24,999	160	69	43%	\$5 million	4
25,000 to 49,999	31	17	55%	\$18.1 million	2
50,000 to 99,999	28	12	43%	\$21.6 million	2
Over 100,000	39	23	59%	\$61 million	3
Total	444	174	39%		15

INVESTMENT ADVISORY SERVICES

- In 2018 ONE Investment incorporated as a not-for-profit and received an exemption from the Ontario Securities Commission (OSC) that allows it to provide unbiased investment advice **at no-cost**
- ONE Investment staff include:
 - CFA Charter holder who can provide advice on investment policies / appropriate allocations
 - CPA Municipal finance expert that can assist with investment policy development and other requirements.
 - Municipal policy expertise
- Combined we can help you build investments into a capital financing strategy and portfolio structure.

ONE'S LEGAL LIST INVESTMENT OPTIONS

MUNICIPAL INVESTMENT LEGISLATION AND REGULATION: MUNICIPAL ACT (SECT 418) AND O. REG 438/97

A hand holding a magnifying glass over a text box. The magnifying glass is held by a hand with a light skin tone, and the lens is focused on the text inside the box. The text box is white with a thin black border and contains a quote in black text.

“A municipality does not have the power to invest under section 418 of the Act in a security other than a security prescribed under this Part.”

LEGAL LIST - PORTFOLIO OPTIONS

Portfolio	Intended Duration	Investment Approach	Holdings
HISA (High Interest Savings Account)	1+ months	Deposits with a Schedule One Canadian Bank under a master ONE Investment account	<ul style="list-style-type: none"> Bank deposits
Canadian Government Bond	18 months to 3+ years	Provide a higher return over longer investment horizons through diversified investments	<ul style="list-style-type: none"> Federal, provincial and municipal bonds High quality bank paper Bank guaranteed debt
Canadian Corporate Bond*	4+ years	Investment in highly rated corporate bonds maturing over a wide timeframe	<ul style="list-style-type: none"> Canadian corporate bonds Federal, provincial and municipal bonds
Canadian Equity*	5+ years	A diversified, conservatively managed portfolio of equity securities issued by Canadian corporations	<ul style="list-style-type: none"> Canadian equity securities

* Canadian equities and corporate bonds with maturities > 5 years are available only through ONE Investment as per the *Municipal Act* regulation.

LEGAL LIST FEES

The current annual fee schedule is as follows:

- ONE Canadian Government Bond Portfolio - 40 Basis Points
- ONE Canadian Corporate Bond Portfolio - 45 Basis Points
- ONE Canadian Equity Portfolio - 50 Basis Points
- ONE High Interest Savings Account (HISA) - no fees

A basis point is 1/100 of 1 percent

- Fees accrue on a daily basis and are paid by the portfolio. All returns provided to an investor is net of fees.

GOVERNANCE

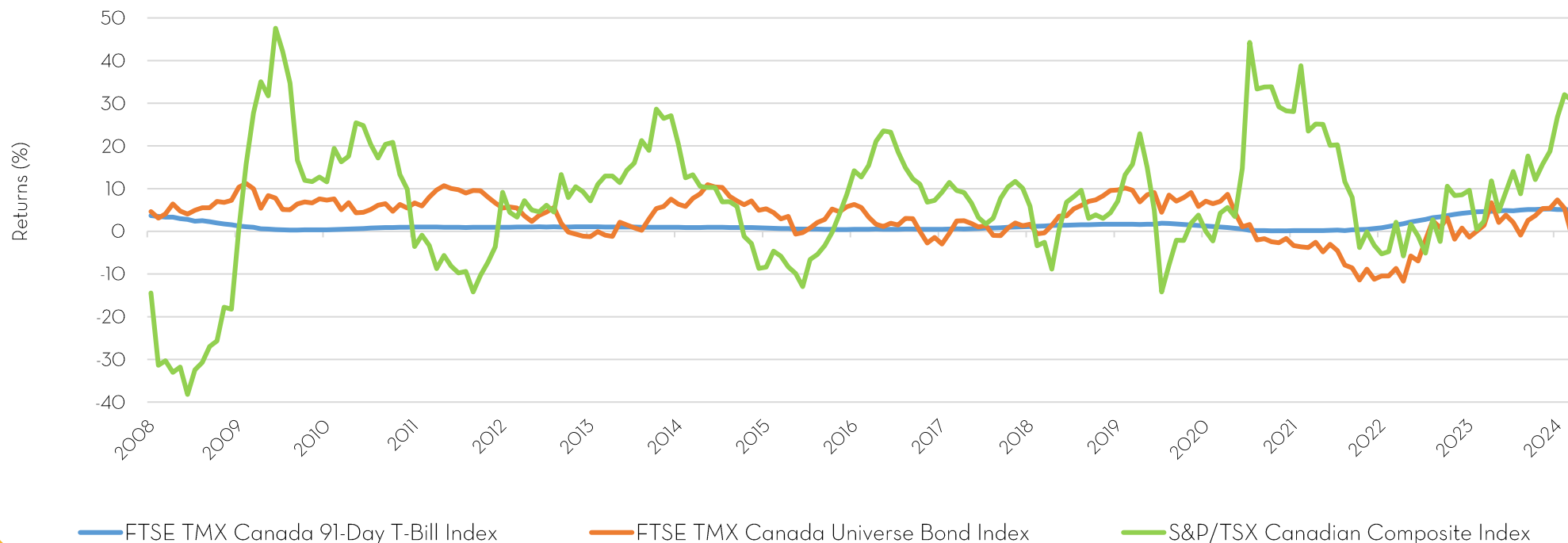
- ONE Investment's activities are governed by the **ONE Investment Board**, which oversees policy, financial decisions and general administrative functions.
 - 9 municipal representatives and 1 industry expert

- Legal List activities have additional advice provided by an **Investment Advisory Committee**
 - 5 investment sector experts and a municipal law expert

BENEFITS OF A DIVERSIFIED PORTFOLIO

THE NATURE OF ASSET CLASSES

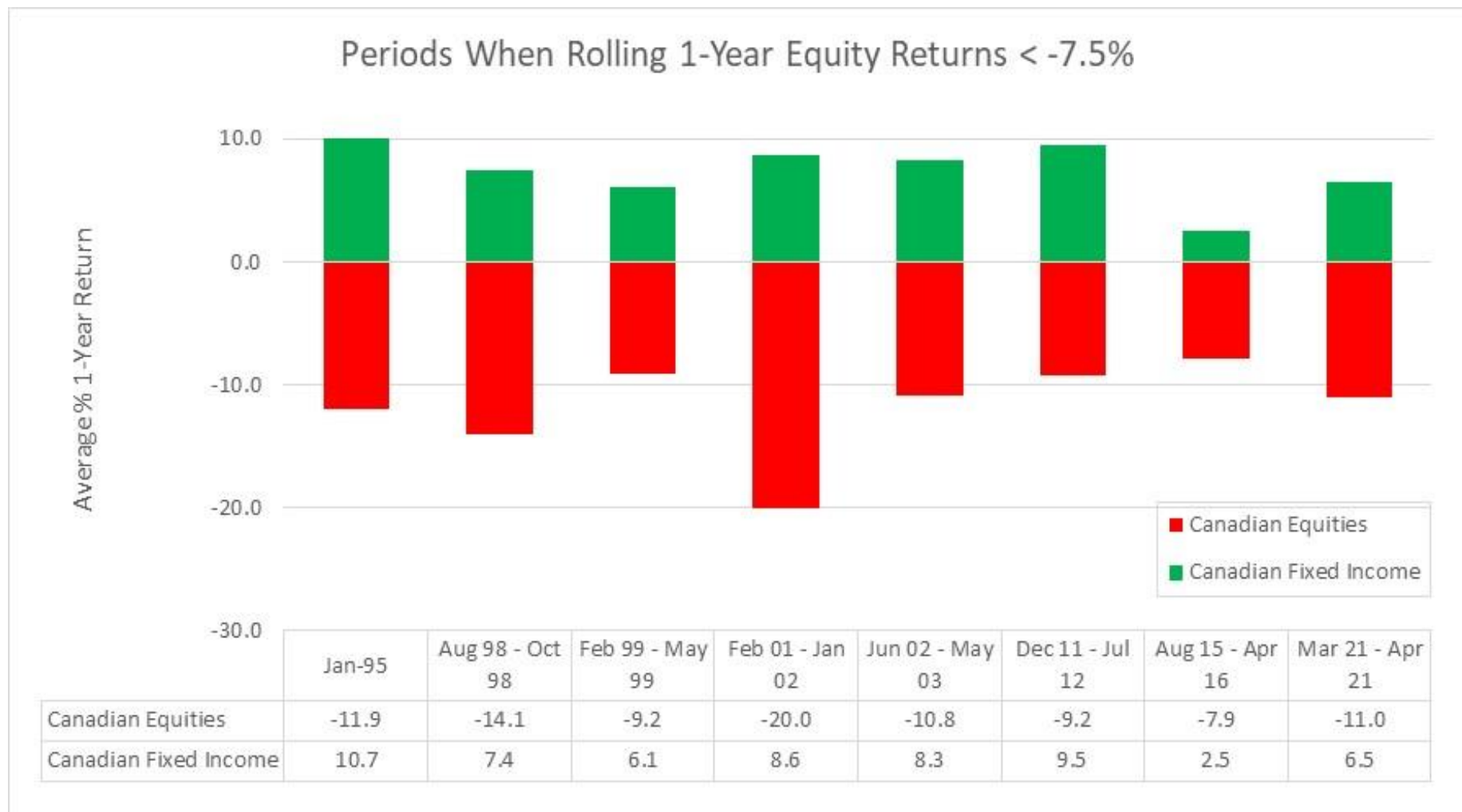
Rolling 1-Year Returns of key Canadian Benchmarks
September 2008 to December 2024



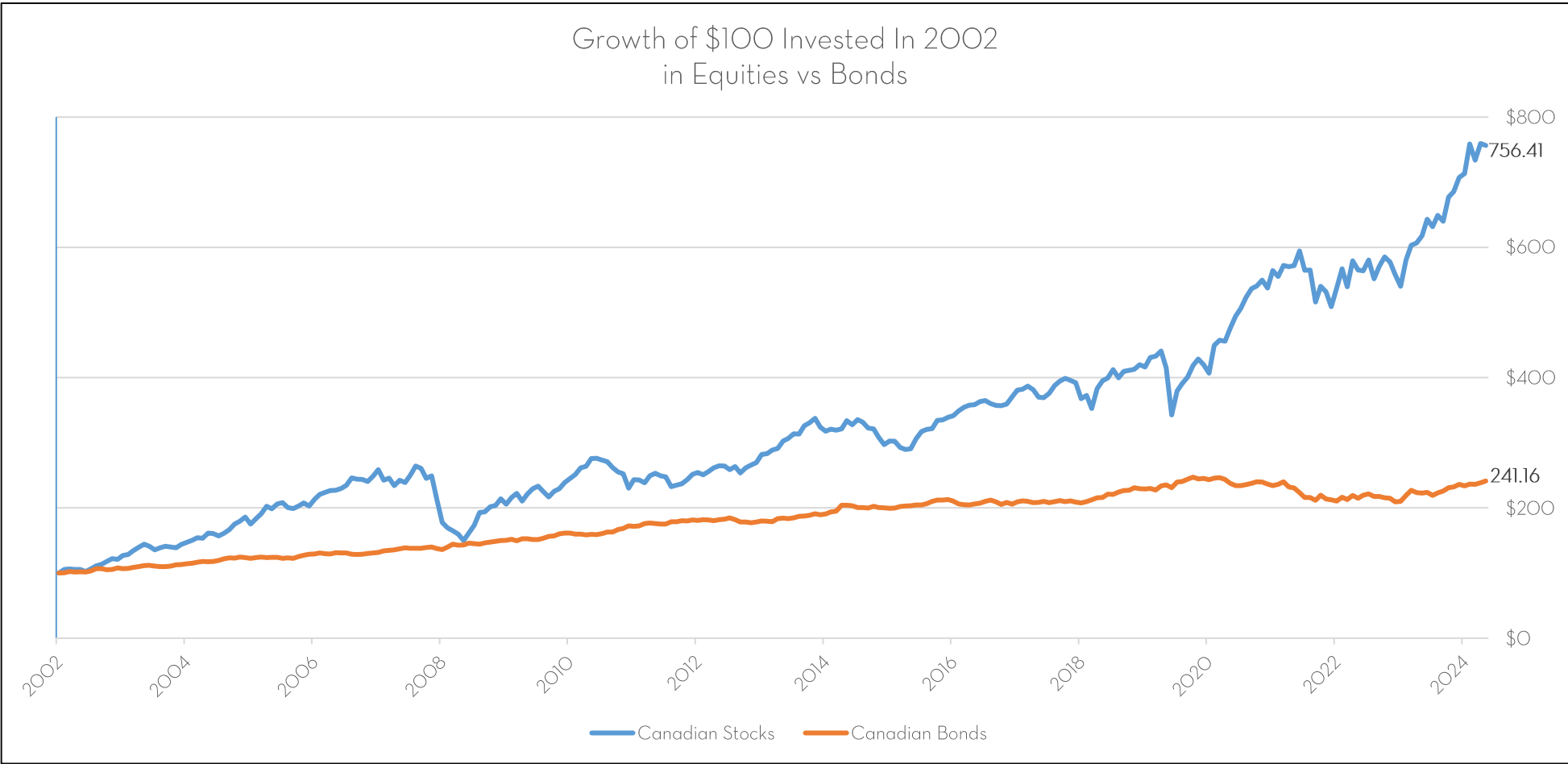
Sources: S&P, FTSE

Bonds tend to be more predictable, whereas Stocks display more volatility
but offer better longer-term investment growth opportunity

WHY DIVERSIFICATION?



EQUITY INVESTMENTS = GROWTH





QUESTIONS?