



**THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES
REQUEST FOR INFORMATION**

**Investment Services for the
Township of Muskoka Lakes
RFI #2024-01**

Issue Date: August 29, 2024

Closing Date: No later than 3:00PM EDT on September 25, 2024

Attention: Mark Donaldson, CPA, CMA
Director of Financial Services/Treasurer
Township of Muskoka Lakes
1 Bailey Street
Port Carling, ON P0B 1J0
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1. INVITATION TO RESPOND

The Township of Muskoka Lakes (the “Township”) is soliciting responses to this RFI for the management of funds by a qualified investment team, incorporating sustainable and responsible investment (i.e. ESG) considerations.

The Township has created this Request for Information (“RFI”) document for the purpose of assessing investment and cash management services that can meet the Township’s investment objectives. Primarily, the Township is seeking to maximize returns on reserve and reserve fund balances used to finance major infrastructure renewal projects which are funded from the municipal tax levy, government grants and other sources.

2. COMMUNITY OVERVIEW

The Township of Muskoka Lakes is located in the heart of the District of Muskoka, situated at the southern tip of the Canadian Shield. The Township encompasses a large geographic area around Lakes Muskoka, Rosseau and Joseph. Within the approximately 780 square kilometers of the Township’s jurisdiction, lie over 80 lakes and rivers, numerous wetland complexes, bedrock outcrops, islands, all set amongst a mix of vegetation types and natural heritage areas. The natural beauty of the shorelines and the abundance of wildlife make Muskoka Lakes a world renowned and preeminent tourism and recreational living destination.

The Township’s population consists of approximately 7,200 primary residents (2021 Census) and over 27,000 second-home residents. With the majority of the more highly assessed properties located in the waterfront area, Muskoka Lakes has the largest assessment base in the District of Muskoka.

3. BACKGROUND

The Township recently updated its Investment Policy (C-FS-04 found [here](#)). Ontario municipalities are subject to regulated investment practices under section 418 of the *Municipal Act, 2001, S.O. 2001, c. 25*, and the accompanying regulation O.Reg 438/97. Safety of principal is a primary objective of the investment program.

The Township is in the process of completing its asset management plan as required under O.Reg 588/17 of the *Infrastructure for Jobs and Prosperity Act, 2015, S.O. 2015, c. 15*. Under the requirements, a financial strategy will be developed to identify the sources and uses of cash needed to support the proposed level of service over the next 10 years. The desired investment strategies, while conforming to all legislative requirements, are expected to yield a competitive rate of return and mitigate the tax burden to every extent possible.

As at December 31, 2023, the Township held nearly \$28 million in cash of which \$24 million was held obligatory and discretionary reserves and reserve funds for long and short-term needs (see notes 6 and 10 of the 2023 consolidated financial statements found [here](#)).

4. QUALIFYING CRITERIA

To qualify, respondents must:

- 4.1. Solid understanding of investing regulations for Ontario's municipal sector demonstrated by working with municipal clients
- 4.2. Be registered under Canada's provincial and territorial securities regulators
- 4.3. Demonstrated analytical skills crucial for evaluating financial data and market trends
- 4.4. Have a responsible investment policy and proven expertise on responsible investing

5. PROCESS

5.1. The following is the timeline for the project:

<u>Activity/Milestone</u>	<u>Date</u>
Request for Information Issued	August 29, 2024
Request Closing	September 25, 2024
Interview with Respondent	To be scheduled
Recommendation to Council	November 13, 2024

All responses to this RFI will be kept confidential. Submissions will be reviewed, and Staff will make recommendations to Committee and Township Council regarding next steps. By responding to this RFI, there are no guarantees that an interview will be scheduled.

6. SUBMISSION CONTENT

Responses may be submitted in Word or PDF format by email. Submissions should be addressed to the Township primary contact (see section 11 below) prior to the closing date.

Included in the submission, respondents must include the following information:

- 6.1. Provide a brief history of your company including ownership structure, age of the company, and any significant developments affecting the company in the last five years, such as changes in ownership, restructuring, etc.
- 6.2. Provide the names, titles and biographies of key individuals who would be directly responsible for providing services to the Township. Provide information on the roles and the scope of their involvement for this assignment.
- 6.3. Describe relevant experience and provide examples of past performance for municipal (or similar) clients net of all fees.
- 6.4. How do you expect to add value to the Township's cash management and investment practices? What are your preferred instruments for municipal organizations who require liquidity and minimal risk?
- 6.5. Describe your approach to managing risk, and how the client's investment goals, risk preferences, and spending policy are factored into your process.

- 6.6. Describe how benchmarks are chosen or developed and how performance is compared with similar portfolios. Describe your custom benchmark capabilities.
- 6.7. Provide a sample of your reporting package.
- 6.8. Provide your fee schedule and a description of provided services.
- 6.9. Provide at least 3 municipal references that your firm is currently working with.

7. QUESTIONS AND INQUIRIES

Inquiries regarding this RFI are to be directed to Township of Muskoka Lakes, Director of Financial Services, Mark Donaldson, by e-mail to mdonaldson@muskokalakes.ca. Inquiries must not be directed to other Township employees (other than designate) or Elected Officials. Questions of clarification will be answered by September 13, 2024.

Inquiries must be received no later than five (5) business days prior to the closing date of the RFI; otherwise, a response may not be provided.

8. RESPONDENT EXPENSES

Any expenses incurred by the Respondent in the preparation of the submission are entirely the responsibility of the Respondent.

9. PROPOSAL CLOSING

Proposal submissions must be received electronically by Wednesday, September 25, 2024, at 3:00 p.m. EDT.

10. CONFLICT OF INTEREST

Respondents must ensure that they are not in a position that may be perceived as a conflict of interest.

11. CONTACT

The Project Manager is the Treasurer for the Township:

Mark Donaldson, Director of Financial Services
Township of Muskoka Lakes
Phone: (705) 765-3156 Ext. 210
mdonaldson@muskokalakes.ca

All inquiries shall be directed to the Project Manager identified above.