



Town of La Ronge Request for Proposals

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| Project Title: | Investment Management Services |
| Project Location: | Town of La Ronge |
| Contact Information: | Steve Brown, CAO PO Box 5680 La Ronge, SK. S0J 1L0 306-425-3805 administrator@laronge.ca |

Article I. INTRODUCTION AND BACKGROUND

The Town of La Ronge, Saskatchewan, is soliciting proposals for professional services (Advisor) to provide assistance in:

- developing an investment policy that complies with Section 182 of The Northern Municipalities Act and is approved by the Saskatchewan Municipal Board;
- then providing investment management services for the Town.

The Town of La Ronge is located in Northern Saskatchewan. The Town is the main regional service centre for Northern Saskatchewan and provides both retail and commercial services for the north. The Town is part of the Tri-Community region consisting of the Town, the Village of Air Ronge and the Lac La Ronge Indian Band. The Town has a population of approximately 2,700, with Tri-Community overall population being approximately 6,000.

The Town of La Ronge is also part of the Saskatchewan Association of Northern Communities, which is a non-profit association that assists in advocating on behalf of 35 Northern Communities within the Northern Saskatchewan Administrative District.

The Town's Council is currently developing their strategic plan however the anticipated focus for the next four years will be around the follow strategic priorities:

1. Crime prevention and reduction
2. Social programming and investment
3. Infrastructure renewal

The Town has approximately \$11,000,000 in reserves to invest that are currently invested in one-year GICs presently. The last GIC matures on February 28th, 2022.

Article II. SCOPE OF WORK

The expectation is that the investment advisor will be a highly experienced leader and innovator in the investment management of public sector funds, have experience working with municipal governments and other non-profit organizations, and be able to provide comprehensive investment and policy advice in the administration of the public sector money.

Respondents to the RFP are requested to submit proposals to provide the services described as follows:



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- On an annual basis, or more frequently if required, review the investment policy administration and provide advice on re-approving or amending it;
- Provide education and advice on best practices, governance and compliance to Town's administration team;
- Monitor the plans to ensure compliance with the investment policy and notify the Town's council if the plans are offside in any area at the time;
- Monitor asset allocations and provide recommendations to the Town with respect to rebalancing assets among investment managers and/or asset classes;
- Monitor investment managers' compliance with the statement, and with any specialized instructions and mandates provided them;
- Provide proactive information and advice with respect to developments that might affect the investment manager(s)' performance, risk characteristics and service capabilities;
- Manage the process when an asset allocation or investment manager change is made, including moving assets so that market timing and transaction costs are minimized, documentation is completed, and the transition is successfully completed
- Provide bi-annual presentations to the Town's Council on the current investment performance;
- Provide quarterly reports to and meet with the Administration to review these reports that should include:
 - Performance on the aggregate plans in addition to each investment manager, against the appropriate market benchmarks;
 - Comparative analysis of each investment manager's performance related to their peers within the appropriate investment manager universes;
 - Recommendations for rebalancing of assets between investment managers and/or asset classes to maintain the stated asset allocation ranges
 - A qualitative assessment of each engaged investment manager to reconfirm maintenance or to support an investment manager change;
 - Member communications including an annual report.
- Be an independent and objective resource for all questions or issues concerning administration, custody, managers, specialty mandates, market conditions, and related topics pertinent to the plans, and be available to attend any meeting of the town if requested
- Exercise the care, skill, and diligence that can reasonably be expected of a prudent expert and adhere to the CFA Institute's Code of Ethics and Standards of Professional Conduct
- Manage the process to acquire, renew, or cancel services, including investment manager(s) and/or custodian(s), on behalf of the Town
- Provide additional reporting on trends, new developments and market issues for the education of the members of the Town



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Article III. SUBMISSION OF PROPOSALS

- a) The deadline for submittal of proposals is April 20, 2021 at 3:00 p.m. Proposals arriving after the deadline will not be accepted. Proposals shall be delivered to:
Allyson Richards
P.O. Box 5680
La Ronge, SK. S0J 1L0
executiveassistant@laronge.ca
- b) Respondents will submit digital copies of the proposal.
- c) Evaluation of the proposal will include, but not be limited to, prior experience, technical capability, work plan and approach, organization of the proposal, evidence of understanding of the purpose and objectives to be achieved, ability to complete the effort in a timely manner, availability of key personnel on the consultant team, and cost effectiveness.
- d) Selection of the preferred consultant is expected as soon as possible after the deadline of submission of proposals. Step one of the approval will be to work with the Town to develop an Investment Policy. Once Council and the Saskatchewan Municipal Board approves the Investment Policy, step two will be to enter into a mutually acceptable five-year contract to provide investment management services. This contract will then be submitted for approval to Town Council.
- e) If the Town and selected consultant cannot agree on a satisfactory contract, the Town reserves the right to terminate negotiations. The Town will then negotiate an agreement with the consultant who was ranked second.
- f) The Town reserves the right to reject any and all proposals. The Town reserves the right to select the final composition of the selected consultant team, which may include combining prime consultants with sub consultants. In addition, the Town will not reimburse costs associated with the preparation or presentation of the proposals, or the Investment Policy.

Article IV. TIMELINE

It is envisioned that the Request for Proposals will be received by April 20, 2021, with a decision made at the next council meeting.

Article V. RESPONSIBILITIES

All respondents are to provide a work plan, outlining proposed completion of specific deliverables identified in their proposed scope of work.

The consultant will provide documentation and reports in digital form via email, the Town reserves the right to request a hard copy of materials submitted.

Article VI. EVALUATION CRITERIA

- a) *QUALIFICATIONS AND EXPERIENCE*



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- The proponent should provide a statement of qualifications for the firm; (10 Points)
 - Year founded as a current corporate entity
 - Permanent office address
 - Ownership, management and organization of the firm and if during the last three years these have undergone any major changes, please describe
 - Experience in working with non-profit organizations, or other organizations, and in particular experience in developing investment policies and portfolio management guidelines
 - Past performance history of investment vehicles used
- Individual and Team Qualifications and Experience; (20 Points)
 - The proponent should clearly identify, and provide evidence of, the expertise of the Team Leader assigned to the Town.
 - As well, the individuals who will be working with the Town staff in each of the different areas. These should include their roles, involvement, and the extent of the time devoted to the Town
 - Identify the direct experience that staff has had working with investment managers that enables them to provide a broad institutional perspective
 - A list of current or past clients to which comparable services were provided, including client name, client contact (current name, title, and phone number), number of years working for client and, if past client, reason why no longer a client

b) APPROACH

- Advising the Town; (15 Points)
 - Proponents should briefly describe the process that their firm would undertake to determine the best asset mix for the Town
 - What are the primary strategies employed by the firm for adding value to portfolios (i.e. market timing, credit research, etc.)
 - Describe the firm's research capabilities and resources
 - How would the firm propose to invest the Town's funds and what timelines
 - What options would be presented on the growth of the fund
- Reports and Analysis; (15 points)
 - Proponents should describe the types of reporting and analysis their firm provides on investment performance at the portfolio, asset class and fund levels. Can the components of the portfolio be aggregated or disaggregated for any time period requested? Provide the number of business days required to complete quarter-end reports
 - Discuss the performance attribution as it relates to individual portfolios, each asset class (Canadian equity, global equity, fixed income, and other) and the total fund
 - Describe how the firm provides value beyond the provision of raw data. If your firm utilizes proprietary quantitative modes to perform analysis please identify this
 - Describe your process for recommending modifications to the portfolio structure
 - Fee proposal document length limit to 20 pages plus appendices

c) FINANCIAL FEES

- Fees; (30 points)



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- Proponents will provide a flat dollar fee or a percentage of assets of the plan for the items listed under Scope of Requirements. This fee will apply to year one of the contract. Should proponents want to apply different fees to the subsequent years of the initial agreement, these may be quoted either as a percentage increase or a fixed fee
- Prices offered within proponent submissions shall be firm against any

increase for five years from the effective date of the contract

Should the renewal option noted above be pursued, the fees and/or pricing shall be established for the renewal period within six months of the expiry of the initial term, and shall be fixed upon mutual agreement between the parties.

d) *COMMUNITY INVOLVEMENT*

- Community Involvement (10 Points)
 - The proponent should provide evidence of any previous social involvement with Northern Canadian communities whether through investment, facilitating social programs, lending corporate knowledge or other means.
 - List off any economic or social programs the proponent has or has knowledge of that can increase the quality of life in the Town that the Town's administration could access or another partner in the Town.
 - Highlight any other current proponent investments or initiatives that will allow for a positive impact on residents in the Town.