

# The Corporation of the City of Kenora

## By-law Number 97 – 2020

### A By-law to Authorize the Application of Section 418.1 of the *Municipal Act, 2001* to it, as a Founding Municipality

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**Whereas** Section 418.1 of the *Municipal Act, 2001* (the “**Act**”) provides that effective January 1, 2019 a municipality may, pursuant to subsection 418.1 (2) of the Act, pass a by-law to have section 418.1 apply to the municipality (the “**Prudent Investor Enabling By-law**”); and

**Whereas** pursuant to section 418.1 of the Act a municipality may invest money that it does not require immediately in any security provided that in doing so it exercises the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and that it satisfies the requirements prescribed for the purposes of section 418.1 on the day that the municipality passes the Prudent Investor Enabling By-law; and

**Whereas** paragraph 2 of section 15 of O. Reg. 438/97 (Part II) (the “**Regulation**”) provides that a municipality may pass a Prudent Investor Enabling By-law under the authority of that paragraph if the municipality satisfies the requirement prescribed in that paragraph (the “**Prescribed Requirement**”) on the day such municipality passes the Prudent Investor Enabling By-law; and

**Whereas** the Corporation of the City of Kenora (the “**Municipality**”) in accordance with the Prescribed Requirement entered into an Initial Formation Agreement with The Corporation of the Town of Bracebridge, The Corporation of the Town of Huntsville, The Corporation of the Town of Innisfil, The District Municipality of Muskoka and The Corporation of the Town of Whitby thereby establishing, pursuant to section 202 of the Act, and agreeing to invest through, ONE Joint Investment Board (“**ONE JIB**”) pursuant to section 202 of the Act (individually a “**Founding Municipality**”, collectively the “**Founding Municipalities**”), effective on May 19, 2020 (the “**JIB Effective Date**”) and as at the JIB Effective Date all of the Founding Municipalities certified that in the opinion of each of their treasurers they had a combined total of at least \$100,000,000 in money and investments that they did not require immediately; and

**Whereas** Subsection 17 (2) of the Regulation provides that a Founding Municipality that satisfies the Prescribed Requirement may invest money and investments that it does not require immediately only by having a Joint Investment Board that meets the following criteria do so on its behalf: (i) the Joint Investment Board is the subject of an agreement referred to in paragraph 2 of section 15; and (ii) the Joint Investment Board has been given the control and management of the Founding Municipality’s money and investments that it does not require immediately, together with that of all the other Founding Municipalities that are party to the agreement referred to under paragraph 2 of section 15, by each Founding Municipality delegating to the Joint Investment Board a) the Founding Municipality’s powers to make the investments, and b) the Founding Municipality’s duties under section 418.1 of the Act; and

**Whereas** Section 18 of the Regulation provides that the council of a municipality shall adopt and maintain an investment policy in relation to investing under section 418.1 of the Act; and

**Whereas** the Municipality has adopted the investment policy statement attached hereto as Schedule “A”, which is referred to as its Investment Policy Statement (the “**IPS**”), in accordance with section 18 of the Regulation; and

**Whereas** each of the Founding Municipalities and ONE JIB are required to have entered into an agreement referred to in paragraph 2 of section 15 of the Regulation before any Founding Municipality can pass its Prudent Investor Enabling By-law; and

**Whereas** on or before May 1, 2020 each Founding Municipality authorized its entering into of the ONE Joint Investment Board Agreement (the “**ONE JIB Agreement**”) that provides that ONE JIB will invest on behalf of the Founding Municipalities (each such Founding Municipality having at that time met the Prescribed Requirement and the criteria set out in subsection 17 (2) of the Regulation) and that ONE JIB will also invest on behalf of other Ontario municipalities that may subsequently enter into the ONE JIB Agreement, provided that each such municipality meets the requirement set out in paragraph 3 of section 15 of the Regulation and the criteria set out in subsection 17 (3) of the Regulation; and

**Whereas** ONE JIB held its initial meeting on May 19, 2020 during which it authorized ONE JIB to enter into the ONE JIB Agreement with the Founding Municipalities and thereafter each of the Founding Municipalities executed the ONE JIB Agreement before June 1, 2020 on the basis that July 2, 2020 will be the effective date of the ONE JIB Agreement for the Founding Municipalities and July 2, 2020 will also be the effective date of the Prudent Investor Enabling By-law for each Founding Municipality, which by-law will be passed by each Founding Municipality on or before June 30, 2020; and

**Whereas** each of the Founding Municipalities and ONE JIB have agreed that the effective date of the ONE JIB Agreement and of the Prudent Investor Enabling By-law that each Founding Municipality is required to pass on or before June 30, 2020 is July 2, 2020 (the “**Prudent Effective Date**”).

Now Therefore the Council of the Corporation of the City of Kenora, as a Founding Municipality, Hereby Enacts as Follows:-

1. The Municipality hereby declares that section 418.1 of the Act applies to it on the basis that the ONE JIB Agreement will have the same effective date as this By-law, which date is described herein as the Prudent Effective Date.
2. Any one or more of the mayor, the treasurer and the clerk are, for and on behalf of the Municipality, each hereby authorized to do all things and to execute all other documents, instruments and papers in the name of the Municipality necessary or desirable to give control and management of its money and investments that it does not require immediately to ONE JIB as authorized by the ONE JIB Agreement as at the Prudent Effective Date and to deliver all documents, instruments and papers as required and as authorized by this By-law and such execution shall be conclusive evidence that such documents, instruments and papers so executed are the documents, instruments and papers authorized by this By-law.
3. This By-law takes effect on the Prudent Effective Date (July 2, 2020) for purposes of the ONE JIB Agreement and this By-law.

**By-law read a First and Second Time this 16<sup>th</sup> day of June, 2020**

**By-law read a Third and Final Time this 16<sup>th</sup> day of June, 2020**

**The Corporation of the City of Kenora:-**

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**Daniel Reynard, Mayor**

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**Heather Pihulak, City Clerk**