

# Listuguj Mi'gmaq Government Order-In-Council



Chronological no.: 2485	Subject: Investment Committee - Terms of Reference	Originated by: Delphine Metallic
The Council of the Listuguj Mi'gmaq Government		District Gespe'gewa'gi
Date of duly convened meeting	D   M   Y 1   5   0   8   1   9	Province Gepeg

**WHEREAS** the Listuguj Mi'gmaq First Nation Government has a fiduciary responsibility towards the effective governance of funds entrusted to them on behalf of the members of Listuguj;

**WHEREAS** Listuguj holds various investments; including the Zenabis shares, Listuguj Mi'gmaq Claims Trust Fund (minors and adults), various fishing plants shares;

**WHEREAS** Listuguj Mi'gmaq Government Council wishes to ensure sound risk management strategies, provide oversight and direction to the various investments;

**WHEREAS** The Listuguj Mi'gmaq Government mandates the Listuguj Investment Committee to manage the investment process for the various investments;

**WHEREAS** The Investment Committee will report to the Listuguj Chief and Council at least once per year or as often as the Council deems necessary to provide an update on the investment fund progress;

**NOW THEREFORE BE IT RESOLVED THE LISTUGUJ MI'GMAQ GOVERNMENT** adopts the *Terms of Reference: Listuguj Investment Committee* ("Terms of Reference"; attached hereto);

Encl. (1) *Terms of Reference: Listuguj Investment Committee*

Moved: Wendell Metallic  
 Seconded: Chad Gedeon  
 Abstain: -  
 Opposed: -  
 Status:  Passed  Defeated  Tabled

Quorum 7

Councillor Lloyd Alcon  
 Councillor Chad Gedeon  
 Councillor Scott Martin  
 Councillor Wendell Metallic

Chief Darcy Gray  
 Councillor Calvin Barnaby  
 Councillor Gordon Isaac Jr.  
 Councillor Gary Metallic Sr.  
 Councillor Sheila Swasson

Councillor Dolly Barnaby  
 Councillor George Martin  
 Councillor Sky Metallic  
 Councillor Marsha Vicaire

The Investment Committee Terms of Reference were approved by the Listuguj Mi'gmaq Government Chief and Council at a duly convened meeting held on August 8, 2019. The LMG Chief and Council will provide oversight of the Investment Committee. The Investment Committee's Terms of Reference is part of the governance framework within which the Management, assisted by its committees, directs the affairs of the Listuguj Mi'gmaq Government trust fund and investment.

## **1. Purpose and Organization**

The Committee's role is one of strategic direction and oversight of Listuguj Mi'gmaq Government investments and is responsible for the operational implementation and execution of the Investment Policy Statement, which is developed by the Investment Committee and approved annually by the Listuguj Mi'gmaq Government Chief and Council.

The Committee is appointed by the Listuguj Mi'gmaq Government Chief and Council and is composed of the LMG Chief and three Council Members, Director of Finance, Economic Development Manager and may request an independent Financial Analyst who can bring diversity and representation to the committee. A seat is reserved for an Elder.

The Chief is considered ex-officio member of the committee, and may not exercise a vote.

The committee should comprise no more than seven members.

## **2. Roles and Responsibilities**

### **2.1. Develop and maintain committee governance documents**

2.1.1. Draft the committee Terms of Reference, the Investment Policy Statement, Operating Guidelines, and submit to the LMG Chief and Council for approval.

2.1.2. Annually review, evaluate, and make recommendations regarding the Terms of Reference, Investment Policy Statement and Operating Guidelines for approval by the LMG Chief and Council.

2.1.3. At least annually, evaluate the target for reserve levels for appropriateness given business and operating environment risks and opportunities

2.1.4. The Economic Development Unit shall act as the meeting manager and ensure all pertinent information is prepared in advance and distributed to committee members with sufficient time.

### **2.2. Assess portfolio risk and key reserve attributes**

2.2.1. At least every three years, gather input from the LMG Chief and Council regarding risk tolerance and key portfolio characteristics, such as expected return, volatility, liquidity, etc.

**2.2.2. Evaluate scenario analysis prepared by staff and consultant based on:**

- The projected future LMG Chief and Council expenses/liability projections prepared by staff including any expected strategic investments requiring distributions from the reserves;
- The operational risk and disaster risk scenarios and resulting projected cash needs; and
- The portfolio characteristics (expected return, volatility, risk factor analysis, etc.) of potential asset allocations as prepared by the consultant

**2.2.3. As a result of feedback, evaluate whether changes need to be made to the Investment Policy Statement (including the Asset Allocation Policy), or other governing documents.**

**2.3. Monitor and evaluate investment performance, investment service providers, and costs**

**2.3.1. Review the performance of the funds relative to their benchmarks on a quarterly basis.**

**2.3.2. Monitor and evaluate investment service providers code of ethics and conflict of interest policies as well as determining if they have signed onto any of our various Standards or Codes. Determine whether investment service providers should be retained or replaced.**

**2.3.3. Assess whether fees incurred by or on behalf of the portfolio are appropriate and reasonable on an annual basis.**

**2.4. Oversee implementation and ongoing operational execution of the Investment Policy Statement**

**2.4.1. At least quarterly, ensure compliance with the Investment Policy Statement by verifying that the reserve balances are invested according to policy**

**2.4.2. Lead investment manager and fund selection as per the Asset Allocation Policy specified in the Investment Policy Statement.**

**2.4.3. Ensure operational functions such as rebalancing the reserve and reserve funding are performed appropriately by the LMG Chief and Council or their designee.**

**2.5. Selection of Investment Advisor(s)**

**2.5.1. Ensure that a Request for Proposal (RFP) for an investment advisor is issued by the LMG Finance Committee once every five years, or earlier if it deems appropriate.**

**2.5.2. Evaluate RFP responses and engage a new (or retain the incumbent) investment advisor.**

**2.5.3. Annual, review the performance of the investment advisor, and determine whether each year's contract should be renewed or the contract terminated.**

**3. Reporting and Relationships**

**3.1. Maintain minutes or other records of committee meetings, and provide to the LMG Chief and Council upon completion.**

**3.2. The Investment Committee will formally report to the LMG Chief and Council at least once quarterly.**

- 3.3. The Investment Committee relies on the reports provided by management, the third party investment consultant, and external investment services providers in order to carry out its responsibilities and duties.

**4. Meetings**

- 4.1. The Committee shall meet at least monthly (every first Wednesday of the month) and additionally as required. Notice of meetings shall be given to all Committee members. Meetings may be held by conference telephone or other means.
- 4.2. A majority of the voting members of the Committee shall constitute a quorum for a meeting, and the affirmative vote of majority of voting members present at the meeting at which a quorum is present shall constitute action of the Committee.
- 4.3. The Committee may form, and delegate any of its responsibilities to, a subcommittee, which shall operate on a volunteer basis.
- 4.4. The Chairperson shall be appointed by the Investment Committee at a duly convened meeting of the members of the committee.