

Authority: General Government and Licensing Committee
Item GL6.10, as adopted by City of Toronto Council on
July 16 and 17, 2019

CITY OF TORONTO

Bill 1167

BY-LAW -2019

To amend By-law 116-2018 consolidating the text of the Metropolitan Toronto Police Benefit Fund Plan.

Whereas By-law 116-2018, a by-law "To consolidate former Metropolitan By-law 181-81 and all amendments respecting pensions and other benefits", as amended, governs both the fund known as the "Metropolitan Toronto Police Benefit Fund" and the pension plan which it underwrites; and

Whereas in anticipation of the transfer of all benefit liabilities and corresponding assets from that Pension Plan to the OMERS Primary Pension Plan, it is desired to amend the by-law to add the Ontario Municipal Employees Retirement System (OMERS) Plan provision for annual unconditional Consumer Price Index-linked inflation adjustments, and to authorize the transfer of assets from the Police Benefit Fund Plan to the OMERS Plan;

The Council of the City of Toronto enacts:

1. Schedule A attached to By-law 116-2018 is amended by:
 - (a) Adding the following new Section 32z:

ANNUAL INFLATION ADJUSTMENTS

32z. On January 1, 2020 and each subsequent year, the pensions payable under this Plan will be increased on January 1 by an inflation adjustment equal to the monthly average for the Consumer Price Index (CPI) over the last 12 months of the 24-month period ending in October in the immediately preceding year compared to the monthly average for the CPI over the first 12 months of that period, subject to the following conditions:

- (a) to the extent that any inflation adjustment is in excess of 6 per cent, such excess shall be added to the inflation adjustment of the subsequent year; and
 - (b) no inflation adjustment shall be less than zero.
- (b) Adding the following heading and new Section 35:

TRANSFER TO OMERS

- 35.** (1) The City, the OMERS Sponsors Corporation and the OMERS Administration Corporation ("OAC") having agreed pursuant to section 80.4 of the Pension Benefits Act (the "Act") to a transfer of assets and liabilities from the Plan to the OMERS Primary Pension Plan (the "OMERS Plan") and upon the consent of the Superintendent of Financial Services of Ontario to such transfer having been granted, the Committee shall:
- (a) ensure that at least Five (5) business days prior to the Closing Date which the City specifies pursuant to clause (b), there exists in the Fund sufficient cash to carry out the Transfer called for by that clause, except insofar as subsection (2) is applicable;
 - (b) as of August 31, 2019 (the "Effective Date"), see to the transfer (the "Transfer") from the Fund to the OMERS Plan on such date as the City specifies to the Committee in writing (the "Closing Date") of such amount, not in excess of the amount of the wind-up liabilities of the Plan determined as of the Effective Date, as has been calculated to the satisfaction of the City and OAC as being correct for the purposes of the Transfer, including any adjustments calculated as of the Closing Date, all as confirmed to the Committee by the City in writing;
- (2) If there is on the day immediately preceding the Closing Date a shortage in the assets of the Fund with respect to the Transfer amount, the City shall pay into the Fund on that day an amount equal to such shortage.
- (3) Following the Transfer, the OMERS Plan having by virtue of the accomplishment of the transfer referred to in subsection (1) become responsible for all benefit payments to members, other benefit recipients and any persons who but for this subsection (3) would have been benefit recipients in the future, the Plan and the Fund shall cease to be so responsible, provided always that if there then remains in the Fund any surplus within the meaning of the applicable law, such surplus shall be applied in accordance with such applicable law.

Enacted and passed on July , 2019.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)