

City Clerk's Office

**Secretariat**  
Marilyn Toft  
Council Secretariat Support  
City Hall, 12<sup>th</sup> Floor, West  
100 Queen Street West  
Toronto, Ontario M5H 2N2Tel: 416-392-7032  
Fax: 416-392-2980  
email: mtoft@toronto.ca  
web: www.toronto.ca**In reply please quote:**  
**Ref.: 06-PF#7(27)**

October 2, 2006

**BUDGET COMMITTEE:**

**Subject: Policy and Finance Committee Report 7, Clause 27  
Metropolitan Toronto Police Benefit Fund - Actuarial Valuation for Funding  
Purposes as at December 31, 2005, and Revised Actuarial Valuation for  
Funding Purposes as at December 31, 2004**

City Council on September 25, 26 and 27, 2006, adopted this Clause, without amendment and in so doing, has forwarded the following recommendation to the Budget Committee for its consideration during the 2007 budget process:

- “(2) the “Report on the Actuarial Valuation for Funding Purposes as at December 31, 2005” prepared by Mercer Human Resource Consulting with respect to the Metropolitan Toronto Police Benefit Fund, be received, and that:
- (a) the existing authorization for the City to make special annual payments of \$11,389,200.00 to the Police Benefit Fund until 2009 to eliminate the Fund’s solvency deficiency determined as of December 31, 2004, be modified by:
    - (i) reducing the payments for each of the years 2006 to 2009 to \$4,940,400.00 subject to discontinuation as Council may determine, if any subsequent actuarial valuation indicates the existence of sufficient excess assets in the Police Benefit Fund;
  - (b) the City make additional special annual payments to the Police Benefit Fund, as recommended by the actuary of:
    - (i) \$4,677,600.00 in each of the years 2006 to 2015 to eliminate the Fund’s going-concern unfunded liabilities determine as of December 31, 2005; and

- (ii) \$865,200.00 in each of the years 2006 to 2010 to eliminate the Fund's solvency deficiency determined as of the same date;

subject in each case to discontinuation as Council may determine, if any subsequent actuarial valuation indicates the existence of sufficient excess assets in the Police Benefit Fund;

- (c) the City designate the \$6,448,800.00 excess special payments made in 2005 and the \$906,000.00 in 2006 to be a contribution credit to be applied equally against the 2007, 2008 and 2009 funding requirements;"

for City Clerk

M. Toft\sb

Attachment

Sent to: Budget Committee  
Deputy City Manager and Chief Financial Officer  
Treasurer  
Secretary, Metro Toronto Police Benefit Fund Committee

c. Director, Financial Planning



**Ulli S. Watkiss**

City Clerk

---

City Clerk's Office

**Secretariat**

Marilyn Toft  
Council Secretariat Support  
City Hall, 12<sup>th</sup> Floor, West  
100 Queen Street West  
Toronto, Ontario M5H 2N2

Tel: 416-392-7032

Fax: 416-392-2980

e-mail: [mtoft@toronto.ca](mailto:mtoft@toronto.ca)

web: [www.toronto.ca](http://www.toronto.ca)