

April 26, 2012

To: Government Management Committee

From: The Toronto Civic Employees' Pension Committee

Subject: The Toronto Civic Employees' Pension and Benefit Fund – 2011 Actuarial Valuation Report and 2012 Consumer Price Index Increase

**Recommendation:**

**The Toronto Civic Employees' Pension Committee recommended to the Government Management Committee that:**

- 1. City Council approve an ad hoc increase of 2.87% to those in receipt of pensions from the Fund as of January 1, 2012, representing the CPI increase on a year over year basis, inasmuch as the Toronto Civic Employees' Pension Fund had a going concern actuarial surplus of \$94.6 million and a solvency surplus of \$53.7 million and that currently pensioners are in receipt of an average annual pension of approximately \$31,000 and spousal pensioners are in receipt of an average pension of approximately \$16,000 and the cost as at January 1, 2012 to provide a cost of living adjustment equal to 100% CPI is approximately \$7.2 million on a going concern basis and \$8.3 million on a solvency basis, which is being funded by the Plan, with no contribution by the City.**

**Decision Advice and Other Information:**

The Toronto Civic Employees' Pension Committee received the Valuation Report for information.

**Background:**

The Toronto Civic Employees' Pension Committee on April 3, 2012, considered a report (March 2012) entitled "Toronto Civic Employees' Pension and Benefit Fund Actuarial Valuation Report as

of December 31, 2011”, submitted by Cynthia L. Rynne and Max H. Bazile, Consulting Actuaries, Buck Consultants, who gave a presentation thereon and answered Members’ questions.  
City Clerk

Gail Fowler/gf

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c. Director, Pension, Payroll and Employee Benefits