TORONTO CIVIC EMPLOYEES PENSION AND BENEFIT FUND

Actuarial Valuation Report as of December 31, 2009

Registration #0351593

March 2010

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1. Introduction

This report has been prepared for and at the request of Toronto Civic Employees' Pension and Benefit Fund Committee and presents the key results of the actuarial valuation of the Toronto Civic Employees' Pension and Benefit Fund (the "Plan") as of December 31, 2009. The previous valuation of the Plan was prepared by Buck Consultants as of December 31, 2008.

1.1 Primary Purpose

The primary purposes of this actuarial valuation report are as follows:

- To determine the financial position of the Plan on a going concern basis and the related appropriate contribution rate;
- To compare actual and expected experience on a going concern basis;
- To determine the financial position of the Plan on a solvency basis and ensure that the solvency contribution requirements are met;
- To review the Excess Surplus provisions and ensure that the recommended contributions adhere to those restrictions;
- To determine the windup status of the Plan; and
- To form part of the government filings, as required by the Financial Services Commission of Ontario ("FSCO") and Canada Revenue Agency ("CRA") for statutory and tax purposes.

1.2 Limitations

It should be noted that the results of this valuation are presented at a single point in time. Both the going concern and solvency funded positions of the Plan can change with time and the reader should bear that in mind when using this report as a guide for the current funded positions, now or in the future.

The solvency valuation is for the most part based on prescribed assumptions, whereas the going concern valuation is based on assumptions made by the Plan actuary, subject to discussions with the Plan sponsor. Those assumptions lie within a reasonable range of potential outcomes.

By necessity, we make a single estimate and that should not be taken to imply it is the only possible outcome.

1.3 Third Party Disclaimer

This report is intended for the Toronto Civic Employees' Pension and Benefit Fund Committee and the City of Toronto and it should not be shared with others (unless required by pension legislation) without our consent. Please note that we take no responsibility for any actions that may be taken by third parties based upon the contents of this report.

1.4 Subsequent Events

The City is currently reviewing past administrative practices of the Plan concerning the 50% excess contribution rule. In our opinion, the results of this review will not materially affect the results of this valuation.

We are unaware of any other significant events other than the market volatility since the completion of this valuation that would have a material effect on the results of this report.

1.5 Cost of Living Increases

Commencing 1986, City Council adopted a policy of providing ad hoc increases in pension to pensioners based on excess interest indexing methodology. The policy provided for and subject to City Council approval, each year, ad hoc increases subject to a minimum of 50% increase in the Consumer Price Index (the "CPI"), year over year, December to December, and a maximum increase equal to the lesser of the increase form "excess interest" and 100% CPI.

Commencing 1997, the Plan by-laws were amended to provide for future increases to pensioners including spouses of deceased retired members, based on the lesser of:

(a) the investment rate of return of Fund assets (using a 5-year smoothing technique) in excess of the rate of return required to maintain the actuarial solvency of the Benefit Fund as determined by the Actuary, and

(b) the increase in the year over year level of the average CPI, to the extent that actuarial surplus is available.

Pensions in payment to pensioners and spouses that commenced prior to January 1, 2009 were increased by 2.34% effective January 1, 2009.

For information purposes only, the estimated cost at December 31, 2009 to provide anticipated future ad hoc pension increases based on 100% of the increase in the CPI is $46,027,000, based on the current valuation data and valuation assumptions.

1.6 Confirmation

We confirm that this report complies with the Canadian Institute of Actuaries standards of practice, the Pension Benefits Act (Ontario), and the Income Tax Act (Canada).

2. Asset Information

2.1 Source of Information

The custodian of the Plan assets is CIBC Mellon. For the purposes of this valuation, we have relied on the draft financial statements for 2009 as provided by the City of Toronto.

2.2 Asset Reconciliation (Market Value)

The table below reconciles the change in the market value of assets from the last valuation of the Plan to the market value of assets as of December 31, 2009.

Asset Reconciliation	2009
Market Value as of January 1st	$ 366,667,921
Benefit Payments	(36,327,500)
Investment Earnings	47,674,731
Investment and Administrative Expenses	(1,066,511)
Market Value as of December 31st	**$ 376,948,641**

2.3 Asset Allocation (Mix)

The asset mix of the Plan as of the December 31, 2009 was allocated between the following major investment categories:

Asset Class	% Weight
Canadian Equity	19.2%
U.S. Equity	15.0%
International Equity	13.2%
Canadian Bonds	48.7%
Short-term	3.9%
Total Invested Assets as of December 31, 2009	**100%**

2.4 Performance of the Fund

The annual net rates of return (investment income and capital appreciation) earned on the market value of the assets in the past three years were as follows:

Year	Net Return on Market Value	Net Return On Actuarial Value
2009	13.4%	2.5%
2008	(14.1%)	2.4%
2007	0.9%	8.3%
Three-Year Average	**(0.6%)**	**4.4%**

The rates of return shown above are net of investment and administrative expenses. The rate of return calculation assumes that all cash flow items are uniformly distributed throughout the year. We believe that is a reasonable assumption in view of the inter-valuation experience.

3. Going Concern Valuation

The financial position of the Plan on a going concern basis is determined by comparing the actuarial value of assets to the going concern liabilities, in respect of accrued benefits, assuming the Plan will continue indefinitely.

To determine the value of liabilities, we build a model of all future expected cash flows to be paid from the Plan, adjusted for the likelihood of payment, and discounted to the valuation date in accordance with the assumptions made.

Details of the actuarial methods and assumptions are set out in Appendix A to this Report.

If the going concern liabilities exceed the actuarial value of assets, the shortfall, known as the going concern unfunded liability, must be amortized and paid for over no more than 15 years.

3.1 Financial Position

The financial position on a going concern basis as of December 31, 2008 and December 31, 2009 are:

Financial Position	December 31, 2009	December 31, 2008
Actuarial Value of Assets	$ 411,300,000 [1]	$414,442,000
Going Concern Liabilities		
Actives	542,000	493,000
Pensioners	200,236,000	208,405,000
Beneficiaries	70,910,000	70,874,000
Deferred Vested Member	6,000	5,000
Total Going Concern Liabilities	$ 271,694,000	$279,777,000
Surplus / (Going Concern Unfunded Liability)	**$ 139,606,000**	**$134,665,000**

[1] Developed in Section A.3.

3.2 Reconciliation of the Surplus / (Going Concern Unfunded Liability)

The following table is a reconciliation of the Surplus / (Going Concern Unfunded Liability) from the last valuation to this valuation. An explanation of the major items is provided in Section 3.3.

Reconciliation of Financial Position From Previous Valuation		
Surplus / (Going Concern Unfunded Liability) as of December 31, 2008		$134,665,000
Interest on Surplus / (Going Concern Unfunded Liability)		8,417,000
Experience Gains / (Losses) due to:		
Cost of Pensioner Increases effective January 1, 2009	$(6,824,000)	
Investment Loss on Actuarial Value of Assets	(14,878,000)	
Mortality	(1,039,000)	
Other Experience	(16,000)	
Total Experience Gains / (Losses)		(22,757,000)
Change in Liability Valuation Assumptions		(4,015,000)
Change in Asset Valuation Method		23,296,000
Surplus / (Going Concern Unfunded Liability) as of December 31, 2009		**$139,606,000**

3.3 Explanation of Reconciliation of Surplus / (Going Concern Unfunded Liability) Items

The following section briefly describes the major gain / loss items that occurred since the prior valuation.

a. Investment Experience

The Plan's actual return on the actuarial value of assets of 2.50% was significantly less than the expected investment return assumption of 6.25% for the valuation period. This resulted in a loss of $14,878,000.

b. Change in Asset Valuation Method

Since the last valuation the asset valuation method has been modified as described in Section A.3. This resulted in a gain of $23,296,000.

c. Change in Valuation Assumptions

Since the last valuation the discount rate assumption was changed from 6.25% per annum to 6.00% per annum (net of all expenses) to better reflect long term expectations. This resulted in a loss of $4,015,000.

d. Cost of Living Increases Effective January 1, 2009

As a result of operation of the provision for future increases in the by-law, there was an ad-hoc increase in post-retirement pensions of 2.34% per annum granted effective January 1, 2009 to eligible retirees and beneficiaries. The actual cost of this increase was $6,824,000.

3.4 Schedule of Going concern Special Payments

As the Plan has a going concern surplus, there are no special payments required. Employer contributions are shown in Section 5.

4. Solvency Valuation

The Pension Benefits Act (Ontario) requires a measure of solvency based on assumptions, which are prescribed by the Act, to assess the financial status of the Plan under a worst case scenario of Plan termination and windup.

4.1 Solvency Financial Position

The financial position of the Plan on a solvency basis is determined by comparing the solvency assets to the solvency liabilities (the actuarial present value of benefits, as determined by the Act, earned for service prior to the valuation date, calculated as if the pension plan were wound up on that date).

The following table shows the solvency position of the Plan as of December 31, 2008 and December 31, 2009.

Solvency Financial Position	December 31, 2009	December 31, 2008
Solvency Assets		
Market Value of Assets	$376,949,000	$366,668,000
Windup Expenses	(100,000)	(100,000)
Total Solvency Assets	$376,849,000	$366,568,000
Solvency Liabilities		
Active Members	$ 622,000	$ 560,000
Deferred Vested Member	7,000	6,000
Pensioners and Beneficiaries	307,552,000	317,802,000
Total Solvency Liabilities	$308,181,000	$318,368,000
Solvency Surplus / (Solvency Unfunded Liability)	**$ 68,668,000**	**$ 48,200,000**

If the Plan were to be wound up on the valuation date, the windup liabilities would be equal to the solvency liabilities.

4.2 Transfer Ratio

The Plan's transfer ratio is determined by dividing the market value of assets by the solvency liabilities. As of December 31, 2009 the Plan has a solvency transfer ratio of 1.0. The Plan does not have a "solvency concern" as defined under the Pension Benefits Act, R.S.O. 1990 (Ontario) as the above ratio is greater than 0.80. As a result, the next required actuarial valuation to be filed with the authorities is a valuation dated not later than December 31, 2012.

4.3 Statutory Solvency Excess / (Deficiency)

The minimum funding requirements under the Regulation to the Pension Benefits Act (Ontario) are based on the statutory solvency deficiency as of the valuation date. In calculating the statutory solvency deficiency, various adjustments can be made to the solvency financial position, including:

- Recognition of the present value of existing special payments, including any going concern special payments established at the valuation date, due to be paid within the periods prescribed by the Regulation (in this case, five years);
- Smoothing of the asset value by use of an averaging technique;
- Adjustment to the solvency liability by use of an averaging technique in determining the discount rate used to value the liabilities; and
- Removal of any prepaid contributions from the asset value.

To the extent that there exists a statutory solvency deficiency, after taking account of these adjustments, additional special payments must be made over a period of not more than five years. If there is no statutory solvency deficiency, the solvency excess may be used to reduce the period of any existing solvency special payments or may be used to offset any statutory solvency deficiency created by benefit improvements.

Statutory Solvency Excess / (Deficiency)	December 31, 2009	December 31, 2008
Solvency Surplus / (Solvency Unfunded Liability)	$68,668,000	$48,200,000
Solvency Adjustments:		
Present Value of Special Payments	$ 0	$ 0
Solvency Liability Adjustment	0	0
Solvency Asset Averaging Adjustment	0	0
Total Solvency Adjustments	$ 0	$ 0
Statutory Solvency Excess / (Deficiency)	**$68,668,000**	**$48,200,000**

4.4 Schedule of Solvency Special Payments

As the Plan has a statutory solvency surplus, there are no special payments required.

4.5 Pension Benefits Guarantee Fund (PBGF) Assessment

Under Section 47(1) of Regulation 909 of the Pension Benefits Act, R.S.O. 1990, the pension benefits provided by this Plan are not guaranteed by the Pension Benefits Guarantee Fund and this Plan is exempt from any Guarantee Fund assessment.

5. Employer Contributions

In this section we set out the range of allowable employer contributions to the Plan for the next year. The range of allowable employer contributions is based on the minimum that the employer must pay each year as prescribed by provincial pension regulations and the maximum allowable as prescribed by the Income Tax Act.

5.1 General

The allowable range of employer contributions is based on the following different measures:

- minimum going concern funding;
- going concern maximum or “excess surplus”; and
- minimum solvency funding.

If the Plan has a solvency funding requirement (i.e., a statutory solvency funded position less than 100%), then the going concern maximum or “excess surplus” measure is not applicable. In addition, the calculation of any solvency special payments recognizes any going concern special payments that are required to be made.

Sections 5.2 and 5.3 below show the range of allowable employer contributions after considering the different measures mentioned above.

5.2 Going Concern Maximum or “Excess Surplus”

The income tax rules require that employer contributions be suspended once the amount of the going concern surplus in the Plan exceeds a specified level and provided there are no solvency funding requirements. The amount of excess surplus in the Plan as of December 31, 2009 is determined below.

Excess Surplus	December 31, 2008
Going Concern Surplus	$93,579,000
25% of Actuarial Accrued Liability	79,430,000
Excess Surplus:	**$14,149,000**

Note: Excess surplus is based on actuarial liabilities reflecting pension increases at 100% CPI as per Section 8516 of the regulations under the Income Tax Act.

The threshold is currently being revised to be 25% of actuarial accrued liability. Canada Revenue Agency – Actuarial Division has indicated that this 25% threshold would apply for actuarial valuations effective December 31, 2009.

5.3 Recommended Contributions

The Plan has an excess actuarial surplus of $14,149,000 pursuant to Section 147.2(2) of the Income Tax Act. No contributions are permitted while the Plan has an excess actuarial surplus otherwise the Plan may be revoked of its registration status under the Income tax Act (Canada).

6. Sensitivity Analysis

It should be noted that the results of this valuation are presented at a single point in time. Both the going concern and solvency funded positions of the Plan can change with time and the potential for such variations must be borne in mind when using this report as a guide for the funded positions, now or in the future.

This section provides details on the sensitivity of the solvency valuation results to two key situations:

a. Discount Rate
b. Market Correction (a one-time drop in assets in the pension plan)

6.1 Discount Rate

If the assumed annuity purchase rate dropped by 0.25% (i.e. 25 basis points), the current solvency unfunded liability would further increase by approximately $5 million.

6.2 Market Correction

If the pension plan assets experienced a one-time drop of 10% due to a market correction, the current solvency surplus would decrease by approximately $38 million.

7. Actuarial Cost Certificate and Opinion

Toronto Civic Employees' Pension and Benefit Fund
Registration #0351593

In our opinion, for the purposes of this actuarial valuation report, the data is sufficient and reliable, the assumptions are appropriate and the methods employed in the valuations are appropriate.

This report has been prepared, and our opinion has been given, in accordance with accepted actuarial practice. This actuarial valuation report has been conducted in accordance with the funding and solvency standards prescribed by the Pension Benefits Act (Ontario) and Regulation, and in conformity with the requirements of the Income Tax Act (Canada) and Regulation. This actuarial opinion forms an integral part of the report.

Based on the results of this actuarial valuation report as of December 31, 2009, we certify that in our opinion:

1. The Plan does not have a prior year credit balance or prepaid contribution balance.

2. There are no employer or employee contributions required under the Plan.

3. There is an actuarial surplus of $139,606,000 in the Plan on a going concern basis.

4. There is no solvency deficiency under the Plan.

5. If the Plan had been wound up on the valuation date, the market value of plan assets (net of windup expenses) would have been $68,668,000 more than the windup liabilities of the Plan.

6. The excess actuarial surplus, pursuant to Section 147.2(2) of the Income Tax Act, is $14,149,000.

7. The transfer ratio, as defined in the Regulation to the Pension Benefits Act (Ontario), is 1.0.

8. Under Section 47(1) of Regulation 909 of the Pension Benefits Act, R.S.O. 1990, the pension benefits provided by this Plan are not guaranteed by the Pension Benefits Guarantee Fund and this Plan is exempt from any Guarantee Fund assessment.

9. In accordance with the Regulation to the Pension Benefits Act (Ontario), the next actuarial valuation report should be prepared with a valuation date not later than December 31, 2012.

10. We are unaware of any subsequent events since the completion of this valuation that would have a material affect on the results of this report.

The undersigned is available to answer any questions with respect to this valuation report.

Cindy Rynne

March 10, 2010

Cynthia L. Rynne
Fellow, Society of Actuaries
Fellow, Canadian Institute of Actuaries

Date

Appendix A Going Concern Assumptions and Methods

The assumptions and methods used in the going concern valuation are described below. If actual Plan experience differs from the assumptions below, gains and losses will arise. Any changes to assumptions from the previous valuation are referenced by footnote.

A.1 Economic Assumptions

Investment Return [1]: 6.00% per annum, net of investment and administrative expenses.

Post-Retirement Indexation: No provision has been made for future post-retirement adjustments in the liabilities.

Future post-retirement adjustments based on 100% CPI (Consumer Price Index) indexation were projected and valued to increase actuarial liabilities for the purpose of determining excess surplus and eligible contributions under Section 147.2(2) of the Income Tax Act. The increase in CPI is assumed to be 2.50% per annum. Previously, 2.75% per annum was assumed.

A.2 Non-Economic Assumptions

Mortality: UP 1994 Table projected to 2005, Scale AA

Marital Status: Active Members – 85% of members are assumed to have a spouse at retirement.
Retirees and Deferred Vested Members – 70% of males and 30% of females are assumed to have a spouse at retirement.

Spouse's Age: Females three years younger than males.

A3. Methods

Actuarial Cost: Unit Credit Method
The accrued liability for pensioners and beneficiaries is the present value of their respective benefits.

[1] Prior valuation: 6.25% per annum, net of investment and administrative expenses.

Actuarial Value of Assets [1]: The actuarial value of assets is a 4-year moving-average market value. This method recognizes realized and unrealized investment gains and losses over a period of 4 years based on the expected investment return assumption.

The following information shows the development of the actuarial value of assets.

Market Value Experience	As of December 31st		
	2007	2008	2009
Market Value of Assets	$467,382,481	$366,667,921	$376,948,641
Discount Rate	6.50%	6.50%	6.25%
Expected Gross Investment Income	$31,344,670	$29,178,225	$21,798,715
Actual Gross Investment Income	4,166,944	(63,149,762)	46,608,220
Market Value Investment Gain / (Loss)	**$(27,177,726)**	**$(92,327,987)**	**$24,809,505**

Year End	Investment Gain / (Loss) $	% of Gain / (Loss) Deferred	Deferred Gain / (Loss) $
2009	$24,809,505	75%	$18,607,129
2008	(92,327,987)	50%	(46,163,993)
2007	(27,177,726)	25%	(6,794,432)
Actuarial Value Adjustment			**$(34,351,296)**

Actuarial Value of Assets	December 31, 2009
Market Value of Assets	$376,948,641
Actuarial Value Adjustment	34,351,296
Actuarial Value of Assets	**$**411,299,937

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(1) Prior valuation: 4-year moving average market value with recognition of realized and unrealized investment gains and losses over a period of 4 years.

Appendix B Rationale for Going Concern Assumptions

The following rationale is provided to support the most significant going concern actuarial assumptions used in this report:

B.1 Investment Return (Discount Rate)

The investment return assumption is 6.00% per annum and reflects a best-estimate gross rate of return of 6.46% per annum less 0.25% for investment management and administrative fees, less 0.21% for provision for adverse deviations.

The best-estimate gross rate of return was developed by establishing expected returns for each major asset class in which the pension fund is invested and then using a building block approach based on the plan's asset allocation. It is assumed that the plan's asset allocation will not change over time.

In determining a return on equity investments we have assumed an equity risk premium (i.e. difference between expected return on Canadian equities and Canadian bonds) of 3.6% per annum.

B.2 Mortality

The 1994 Uninsured Pensioner Mortality Table reflects the mortality experience as of 1994 for a large sample of North American pension plans. Applying projection scale AA to 2005 provides allowance for improvements in mortality after 1994.

With the exception of 2009, the Plan has experienced mortality gains in previous valuations years. Given the average age of the pensioners and beneficiaries is over 80, future mortality improvement is not anticipated. Therefore, we recommend the 1994 Uninsured Pensioner Mortality Table projected to 2005.

Appendix C Solvency Assumptions and Methods

The assumptions and methods used in the solvency valuation are prescribed by regulation and are described below. Any changes to assumptions from the previous valuation are referenced by footnote.

C.1 Assumptions and Method

Mortality: (1)	UP 1994 projected to year 2020, Scale AA.
Annuity Purchase Rate: (2)	4.50% per annum for all members in accordance with the Canadian Institute of Actuaries guidelines for solvency valuations.
Benefits Excluded:	No future potential post-retirement ad-hoc adjustments have been included in the solvency liabilities.
Actuarial Cost Method:	Traditional Unit Credit method.
Value of Assets:	Market value of assets.
Provision for Windup Expenses:	$100,000

(1) Prior valuation: UP1994 projected to 2015, Scale AA.
(2) Prior valuation: 4.85% per annum.

Appendix D Summary of Membership Data

The membership data was provided and maintained by Toronto Civic Employees' Pension and Benefit Fund. The membership data was reviewed for reasonableness and consistency and found to be sufficient and reliable for the purposes of the valuation.

D.1 Data Tests

- ✓ High level review of the data to determine that an appropriate number of records was obtained, the appropriate data fields were provided and that the data fields contained valid information;
- ✓ A membership reconciliation was prepared to ensure the complete membership of the pension plan was accounted for;
- ✓ For active members, review of age, service, pensionable earnings and date of entry for reasonableness;
- ✓ For inactive vested members, deferred pension amounts were reviewed against the prior valuation data for consistency;
- ✓ For retired members and beneficiaries, dates of birth and pension amounts were reviewed against the prior valuation data for consistency; and
- ✓ Aggregate pension payments in the data were compared to actual payments shown in the trust statement.

Since the form of pension and spouse date of birth for inactive vested and retired members are not readily available for valuation purposes, the assumptions shown in Appendix A2 have been adopted. The form of pension for members assumed to be married is life with 66-2/3% of the member's pension continuing to the spouse following the member's death. The form of pension for members not assumed married is life only.

D.2 Summary of Plan Participants Included in the Valuation

	December 31, 2009	December 31, 2008
Actives(1)		
Number	1	1
Deferred Vested(1)		
Number	1	1
Pensioners		
Number	835	894
Average Age (years)	79.7	79.2
Annual Benefit	$25,294,595	$26,161,048
Average Annual Benefit	$30,293	$29,293
Beneficiaries		
Number	662	682
Average Age (years)	82.0	81.4
Annual Benefit	$10,267,081	$10,137,496
Average Annual Benefit	$15,509	$14,864

(1) Member specific information has not been disclosed due to confidentiality.

D.3 Data Reconciliation

	Pensioners	Beneficiaries	Total
Number at December 31, 2008	894	682	1,576
Changes due to:			
New Entrants	0	0	0
Vested termination	0	0	0
Non-vested termination	0	0	0
Paid out	0	0	0
Retirements	0	0	0
Deaths w/ survivor	(24)	24	0
Deaths w/o survivor	(35)	(45)	(80)
Data Corrections	0	1	1
Total Changes	(59)	(20)	(79)
Number at December 31, 2009	**835**	**662**	**1,497**

Appendix E Summary of Plan Provisions

The following is a summary the main features of the plan which are of financial significance to valuing the plan benefits. This summary is based on the most recent document and amendments up to and including the valuation date. For a detailed description of the benefits, please refer to the plan document. Any changes to the plan provisions since the prior valuation are referenced by footnote.

Plan Members:

All employees hired before July 1, 1968 including former employees transferred to Metro Toronto who elected to continue in the Civic Fund, but excluding Firemen, employees on a local board participating in OMERS and any employee hired after age 50 (male), 45 (female), unless such employee elected within 60 days after September 16, 1970 to become a member.

Normal Retirement Benefit

Eligibility:

The first of the month coincident with or next following attainment of age 65.

Amount:

An annual pension of 2% of the member's average annual earnings during the 60 consecutive months which produce the highest average, multiplied by his credited service up to 35 years; less a CPP offset equal to 0.675% of the lesser of such average earnings and the average of the YMPE at retirement and the 4 preceding years multiplied by his credited service after January 1, 1966. The CPP offset commences when the member attains age 65.

Creditable Service Limit:

Maximum of 35 years.

Minimum Pension:

Member's annual pension shall not be less than $9,400.

Normal Form of Pension:

No Spouse
Pension payable for life with 120 monthly payments guaranteed.

With a Spouse
Pension guaranteed for 60 months at the initial amount, with a spousal lifetime pension of 66-2/3% of the initial amount following the later of the member's death and the end of the guarantee period

of 10 years.

Early Retirement Benefit

Eligibility:	Earlier of: a) Age 55 & 2 years of service, b) 30 years of service.
Amount:	Normal Retirement Benefit reduced as follows: a) 55 & 2 years of service – actuarial equivalent from earliest unreduced retirement age. b) Age 55 & 30 years of service – unreduced c) Age 60 & 25 years – unreduced d) Age plus years of service equal to 85 – unreduced.

Death Benefits

Pre-Retirement:	Lump sum amount equal to the actuarial equivalent of the pension earned on and after January 1, 1987.
Post-Retirement:	If single at retirement - Beneficiary will receive greater of: a) the member's contributions with interest plus $150 for each year of service, and b) the commuted value of the member's benefit accrued after December 31, 1986 plus the member's contributions made prior to January 1, 1987 with interest. If a Spouse at retirement – Pension equal to 66-2/3% of the pension accrued to the date of the member's death payable for the life of Spouse.

Termination Benefits

Eligibility:	Two years of Plan membership.
Amount:	*For Benefits Accrued Prior to January 1, 1987* After age 45 and 10 years of service or after 20 years of service, equal to Normal Retirement Benefit but based on service before January 1, 1987. *For Benefits Accrued After January 1, 1987* After 2 years of credited service, equal to Normal Retirement Benefit but based on service after December 31, 1986.

Appendix F Certification

Toronto Civic Employees' Pension and Benefit Fund
Registration #0351593

I hereby certify on behalf of the Toronto Civic Employees' Pension and Benefit Fund Committee, that to the best of my knowledge and belief:

1. The Plan Provisions summarized in Appendix E are accurate and up-to-date for the purpose of representing member benefit entitlements that significantly affect the financial condition of the Plan;

2. The membership data summarized in Appendix D is complete and accurate for all persons who are entitled or will become entitled to benefits under the Plan in respect of service up to the date of the valuation;

3. The asset information summarized in Sections 2.2 and 2.3 is complete and accurate;

4. There have been no subsequent events since the last valuation date that would materially change the plan's financial position as presented in this report; and

5. The actuary has been provided with the official Plan text and all subsequent amendments pertaining to the Plan.

Imma Monardo	IMonardo
Name	Signature
Manager Pension	March 9/2010
Title	Date

Appendix G Actuarial Information Summary

Canada Revenue Agency | Agence du revenu du Canada

Office of the Superintendent of Financial Institutions Canada | Bureau du surinteridant des institutions financieres du Canada

Financial Services Commission of Ontario | Commission des services financiers de l'Ontario

Ontario

ACTUARIAL INFORMATION SUMMARY

Please see the instructions for completing this form. If an item does not apply, enter "N/A".

Part I — Plan Information and Contributions

A. 001. Name of registered pension plan

Toronto Civic Employees' Pension and Benefit Fund

B. 002. Registration number

Canada Revenue Agency: 0351593 **Other:**

C. 003. **Is this plan a designated plan?** ☐ Yes ☒ No

D. 004. Valuation date of report YYYY 2009 MM 12 DD 31

E. 005. End date of period covered by report YYYY 2012 MM 12 DD 31

F. 006. Purpose of the report (indicate the reason(s) for which the report was prepared)

☐ Initial report for a newly established plan
☒ Regular (triennial or annual) report for an ongoing plan
☐ Interim report in respect of an amendment to an ongoing plan
☐ Partial Termination
☐ Termination
☐ Conversion
☐ Other (please explain) ______

G. Contributions (prior to application of any credits and/or surplus) for covered period

Periods (see instructions)	Period 1	Period 2	Period 3	Period 4
007. Period start date	YYYY MM DD 2010 01 01	YYYY MM DD 2011 01 01	YYYY MM DD 2012 01 01	YYYY MM DD
008. Period end date	YYYY MM DD 2010 12 31	YYYY MM DD 2011 12 31	YYYY MM DD 2012 12 31	YYYY MM DD
Normal cost (defined benefit provision) **009.** Members	0	0	0	
010. Employer	0	0	0	
010a. Explicit expense allowance included in employer normal cost above	0	0	0	
Normal cost (money purchase provision) **011.** Members	0	0	0	
012. Employer	0	0	0	
Special payments **013.** Special payments for going-concern unfunded liability and/or solvency deficiency	0	0	0	
Fixed contributions **014.** Estimated dollar amounts of fixed employer and, if applicable, member contributions (defined benefit provision)	0	0	0	
014a. Estimated dollar amounts of fixed employer and, if applicable, member contributions (money purchase provision)	0	0	0	

Part II - Membership and Actuarial Information

H. Membership Information	Number	Average Age	Average Pensionable Service	Average Salary	Average Annual Pension
015. Active members	1	*	*	*	*
016. Retired members	1,497		N/A	N/A	$23,755
017. Other participants	1	*	N/A	N/A	*

I. Actuarial basis for going-concern valuation (see instructions)

020. Asset valuation method

☐ Market ☒ Smoothed Market ☐ Book ☐ Book & Market combination ☐ Other

021. Liability valuation method

☒ Accrued benefit (unit credit) ☐ Entry age normal ☐ Individual level premium ☐ Aggregate

☐ Other (Specify) ______

Canada

I. Actuarial basis for going-concern valuation (cont'd)

Selected actuarial assumptions

Where a flat rate is used, enter the rate under "Ultimate rate" and "N/A" under "Initial rate" and "Number of years*"

Valuation interest rate

	Initial Rate	Number of years*	Ultimate rate
025. active members	n/a%	0	6.00%
026. retired members	n/a%	0	6.00%
027. Rate of indexation	n/a%	0	0%
028. Rate of general wage and salary increase	n/a%	0	0%
029. YMPE escalation rate	n/a%	0	0%
030. *Income Tax Regulations'* maximum pension limit escalation	n/a%	0	0%
031. Rate of CPI increase	n/a%	0	0%

* from valuation date before ultimate rate becomes effective

035. Year *Income Tax Regulations*' maximum pension limit escalation commences n/a

036. Mortality table

☐ 1994 GAM Static ☐ 1994 Group Annuity Reserving (GAR) ☒ 1994 UP

☐ 80% of 1983 GAM ☐ Other (specify)

036a. Generational Mortality Table

Has an assumption of generational mortality improvements been made? ☐ Yes ☒ No

036b. Projected Mortality Table

Has a projection of mortality improvements been made? ☒ Yes ☐ No

036b.(i) If "Yes", what is the year to which the mortality improvements have been projected (see instructions)? 2005

037. Allowance for promotion, seniority and merit increases

☐ Included in (line **028.**) above ☐ Separate scale based on age or service ☒ No allowance

038. Allowance for expenses

038a. Allowance for investment expenses

☒ Implicit ☐ Explicit

038b. Allowance for administrative expenses

☒ Implicit ☐ Explicit

039. If a multi-employer plan, number of hours of work per member per plan year n/a

040. Was a withdrawal scale used? ☐ Yes ☒ No

041. Were variable retirement rates used? ☐ Yes ☒ No

042. If "No", what is the assumed retirement age? age 65/immediate if older

J. Actuarial basis for solvency valuation

Valuation interest rate

	Initial Rate	Select period	Ultimate rate
045. active members (electing a lump sum option)	n/a%	0	0%
046. active members (electing an annuity option)	n/a%	0	4.50%
047. retired members	n/a%	0	4.50%
048. Rate of indexation	n/a%	0	0%

049. Mortality table ☒ 1994 UP ☐ Other (specify)

049a. Year of projection (see instructions) 2020

K. Balance sheet information (defined benefit provisions, see instructions)

050. Market value of assets, adjusted for receivables and payables 376,949,000

051. Amount of contributions receivable included in market value above 0

Going-concern valuation

052. Going-concern assets 411,300,000

053. Optional ancillary contributions account balance included in going-concern assets above for a flexible pension plan (if applicable) 0

Going-concern liabilities

060. for active members 542,000

061. for retired members 271,146,000

062. for other participants 6,000

063. for optional ancillary benefits to be provided under a flexible pension plan (if applicable) 0

064. other reserve 0

K. Balance sheet information (defined benefit provisions, see instructions) (cont'd)

070. Net funded position – surplus/(deficit)	139,606,000
071. Additional voluntary contributions	0
072. Money purchase assets (if applicable)	0

Solvency Valuation

Complete lines **080.** to **100.** only if the report contains an explicit solvency valuation

Solvency Assets

080. solvency assets with adjustment for expense provision, if any	376,849,000
081. amount of wind-up expense provision reflected in line **080**	100,000
082. optional ancillary contributions account balance included in solvency assets above for a flexible pension plan (If applicable)	0

Solvency Liabilities

090. for active members	622,000
091. for retired members	307,552,000
092. for other participants	7,000
093. for optional ancillary benefits to be provided under a flexible pension plan (if applicable)	0
094. other reserve	0
100. Net solvency position – surplus/(deficit)	68,668,000

If the plan provides benefit increases coming into effect during the period covered by the report but after the valuation date, have those increases been reflected in:

102. the going-concern liabilities in lines **060.** to **064.**? ☒ N/A ☐ Yes ☐ No

103. the solvency liabilities in lines **090.** to **094.**? ☒ N/A ☐ Yes ☐ No

L. Actuarial gains/(losses)

110. Was a gain/loss analysis done? ☒ Yes ☐ No

111. If line **110.** is "Yes", indicate the date of the last filed funding Valuation report and the Net funded position as at that date — YYYY MM DD: 2008 12 31 — 134,665,000

If line **110.** is "Yes", indicate amount of gain/(loss) due to:

112. interest on surplus (unfunded liability)	8,417,000
113. special payments made	0
114. amounts used for contribution holiday	0
115. change in actuarial assumptions	(4,015,000)
116. change in the asset valuation method	23,296,000
117. change in liability valuation method	0
118. plan amendments/changes	0
119. investment experience	(14,878,000)
120. retirement experience	0
121. mortality experience	(1,039,000)
122. withdrawal experience	0
123. salary increase experience	0
124. optional ancillary contributions forfeited	0

Major contributing sources other than lines **112.** to **124.** above (specify)

125. Cost of pensioner increases effective January 1, 2009	(6,824,000)
126.	
127. all other sources (combined)	(16,000)

M. Subsequent events

135. Are there any subsequent event(s) that have not been reflected in the valuation? (Refer to the SOP) ☐ Yes ☒ No

N. Statement of opinion

136. Does the Report include the statements of opinion required by the SOP (data, assumptions, methods, accepted actuarial practice)? ☒ Yes ☐ No

136a. Are any of the actuary's statements of opinion qualified? ☐ Yes ☒ No

Part III - Information required by the Financial Services Commission of Ontario

0. Additional valuation information

Going-concern valuation

140. Have escalated adjustments been included in going-concern liabilities? ☒ N/A ☐ Yes ☐ No

Solvency valuation

141. Have any of the "excludable" benefits been excluded? ☒ N/A ☐ Yes ☐ No

142. If line **141.** is "Yes", enter the total amount of liabilities being excluded ______

P. Miscellaneous

145. Prior year credit balance: 0

146. Transfer ratio (express in decimal format): 1.2

Guarantee fund assessment

147. PBGF liabilities: n/a

148. PBGF assessment base: n/a

149. Amount of additional liability for plant closure and/or permanent layoff benefits as described in clause 37(4)(a)(ii)(A) of Regulation 909, R.R.O. 1990, as amended: n/a

149a. Number of Ontario plan beneficiaries: 1,499

Part IV - Information required by the Office of the Superintendent of Financial Institutions Canada

Q. Additional solvency valuation information

150. Has a smoothing method been used to determine solvency assets? ☐ Yes ☐ No

150a. Has the method used to determine assets changed since the last valuation? ☐ Yes ☐ No

If the answer to line **150a.** is "Yes", complete line **150b.** or **150c.**, as appropriate:

150b. The change in method increases solvency assets by the amount of $ ______

150c. The change in method decreases solvency assets by the amount of $ ______

160. Solvency ratio (express in decimal format) ______

161. Actuarial Present Value of Special Payments to be made within five years of the valuation date, prior to the determination of any solvency deficiency on that date (see instructions) ______

162. Liability for active members who are within ten years of pensionable age and whose entitlement is valued at an interest rate basis stated on line **045.** ______

163. Liability for active members who are within ten years of pensionable age and whose entitlement is valued at an interest rate basis stated on line **046.** ______

164. Liability for active members who are not within ten years of pensionable age ______

165. Pensionable age:

a. May a member become entitled - with no employer consent required - to an unreduced retirement pension prior to the normal retirement age? ☐ Yes ☐ No

b. If "Yes" to a., state the applicable age and/or service conditions:

		Age requirement	Service requirement			Age requirement	Service requirement
Active members	1)			Deferred vested members	1)		
	2)				2)		
	3)				3)		
	4)				4)		
	5)				5)		

c. Are these benefits reflected in the solvency valuation? ☐ N/A ☐ Yes ☐ No

166. Do the liabilities determined in the Report include the impact of one or several plan amendment(s) that affect the value of benefits having accrued prior to the Report's valuation date, and which were not included in the prior report? ☐ Yes ☐ No

167. Does the Report account for one or several plan amendment(s) that affect only the cost of benefits that will accrue after the Report's valuation date, and which were not included in the prior report? ☐ Yes ☐ No

168. If the answer to either question **166** or **167** is "Yes", provide the amendment number and effective date ______ Amendment number

______ Effective date

Part V— Information required by the Canada Revenue Agency

R. Additional information

173. Surplus / (deficit) determined at the valuation dale as per the instructions:

173a. Going-concern basis	139,606,000
173b. Wind-up basis	68,668,000
173c. For designated plans, maximum funding valuation basis	n/a

174. Excess surplus determined at the valuation date:

174a. Going-concern basis	14,149,000
174b. For designated plans, maximum funding valuation basis	n/a

175. For designated plans, employer normal cost determined under the maximum funding valuation basis:

Period 1	n/a
Period 2	n/a
Period 3	n/a
Period 4	n/a

176. Minimum surplus required under applicable pension benefit legislation before contribution holiday:

176a. Going-concern basis	n/a
176b. Wind-up basis	n/a

177. Maximum amount that could be claimed as eligible employer contribution(s) – defined benefit provisions – under subsection 147.2(2) of the *Income Tax Act*:

177a. Unfunded liability	0
177b. Normal Cost:	
Period 1	n/a
Period 2	n/a
Period 3	n/a
Period 4	n/a

Part VI — Certification by Actuary

As the actuary who signed the funding valuation report (the "Report"), I certify that this Actuarial Information Summary accurately reflects the information provided in the Report.

Dated this 10 (day) day of March (month), 2010 (year)

Cindy Rynne
Signature of actuary

Cynthia L. Rynne
Print or type name of actuary

Buck Consultants
Name of firm

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Telephone number