



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

Appointment of Chair of the respective Boards of Trustees of the Metropolitan Toronto Pension Plan and the Metropolitan Toronto Police Benefit Fund

Date:	September 27, 2011
To:	Civic Appointments Committee
From:	Treasurer
Wards:	All Wards
Reason for Confidential Information:	This report deals with personal matters about identifiable individuals being considered for appointment to the various pension boards/committees.
Reference Number:	P:\2011\Internal Services\ppeb\ca11010ppeb (AFS14642)

SUMMARY

This report presents the Treasurer's recommendations for citizen appointments to the position of Chair for each of the following two (2) Boards for a term concurrent with the term of the existing Council, and continuing until a successor is appointed:

- (i) The Board of Trustees of the Metropolitan Toronto Pension Plan; and
- (ii) The Board of Trustees of the Metropolitan Toronto Police Benefit Fund.

RECOMMENDATIONS

The Treasurer recommends to the Civic Appointments Committee that:

1. City Council appoint the selected individual listed in Confidential Attachment 1 as Chair of the Board of Trustees of the Metropolitan Toronto Pension Plan and the Board of Trustees of the Metropolitan Toronto Police Benefit Fund Committee, at the pleasure of Council, for a term of office up to November 30, 2014 and until a successor is appointed.
2. City Council authorize the City Clerk to make the appointees' name public once appointed by Council and the appointees have been notified.

Financial Impact

There are no financial implications associated with this report.

However, the Chair of the Board of Trustees of the Metropolitan Toronto Pension Plan and the Board of Trustees of the Metropolitan Toronto Police Benefit Fund receives an annual honorarium of \$7,500 per Board (\$15,000 for both) funded through the Office of the Treasurer's Pension, Payroll and Employee Benefits Division Operating Budget.

The provision for providing such Honorarium is found in Policy and Finance Committee Report 1, Clause 2 titled "*Remuneration for Civic Appointments to Agencies, Boards, Commissions & Corporations*" which was adopted, as amended, by City Council at its meeting held on January 31, February 1 and 2, 2006.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting held on June 19, 20 and 22, 2007, City Council approved the appointment of the current chairs (re: CA8.1 "Appointment of the Independent Member/Chair of the Various Pension Boards/Committees). Following is the link to the Council decision <http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-19-cc10-dd.pdf>

ISSUE BACKGROUND

The City of Toronto is the sponsor of five pre-OMERS pension plans, each of which is managed and administered by a Board of Trustees or a Pension Committee in accordance with the Ontario *Pension Benefits Act* and the by-laws of each of the plans.

This report covers only the appointment of the Chairs of two of such pension plans: the Metropolitan Toronto Pension Plan and the plan supported by the Metropolitan Toronto Police Benefit Fund. The pension plans provide benefits for certain employees and retirees who were hired prior to July 1, 1968, and their qualified survivors. Each plan is administered by its own Board of Trustees consisting of employer and employee/pensioner members.

Each of the separate governing by-laws of the Metropolitan Toronto Pension Plan and the Metropolitan Toronto Police Benefit Fund provides for the appointment by City Council of a citizen Chair to the Board of Trustees which is the administrator of the particular pension plan. The Chair of each Board is appointed under Council's Public Appointments Policy and has traditionally been the same individual for both Boards.

Under the Policy, the procedure for appointments of citizens is set out as follows:

The citizen member on each Board is recruited through City-wide media advertising, screened against Council approved qualifications by the City Treasurer and short-listed, interviewed and nominated by the City Treasurer to the City's Civic Appointments Committee for recommendations to Council.

In accordance with the provisions of the City's Public Appointments Policy, one member of the Board of Trustees of the Metropolitan Toronto Pension Plan may also serve as a member of the Board of Trustees of the Metropolitan Toronto Police Benefit Fund.

In recommending an individual to act as the Chair of each of such Boards of Trustees for the term of the 2010-2014 Council, the Treasurer has followed the *Public Appointments Policy, Governing Appointments to City Agencies, Board, Commissions and Corporations and Nominations to External Special purpose Bodies, Adopted by Council in September 2006 and revised in 2011*.

Interview Process:

All the applications received through the City Clerk's office for appointments to the two Boards of Trustees were reviewed and screened with regard to the following key qualifications:

- keen interest and knowledge of pension matters
- extensive professional skills relating to investment management and financial administration
- possession of sound judgement and knowledge of local government procedures
- flexibility in daily work activities to permit attendance at all Board meetings; and attendance at meetings with the plan's Investment and Actuarial Consultants and Investment Managers; and
- knowledge of general rules of procedure for Committees and ability to chair meetings.

Interviews were conducted with four (4) applicants for each of the two (2) positions who met the screening qualifications in order to ascertain details of their overall experience, skills and knowledge.

CONTACT

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SIGNATURE

Giuliana Carbone
Treasurer

ATTACHMENTS

Attachment 1 – Confidential Information: Appointment of Chair of the respective Boards of Trustees of the Metropolitan Toronto Pension Plan and the Metropolitan Toronto Police Benefit Fund