

March 28, 2013

To: Government Management Committee

From: Metropolitan Toronto Pension Plan Board of Trustees

Subject: Metropolitan Toronto Pension Plan – Actuarial Valuation Report for Funding Purposes, as at December 31, 2012

**Recommendation:**

**The Board of Trustees of the Metropolitan Toronto Pension Plan recommends to the Government Management Committee that:**

- 1. City Council approve an increase of 1.52% on pensions, effective January 1, 2013, to pensioners on benefit for more than one year and a proportionate increase of 0.1267% for each month of pension payment made in 2012 be granted for pensioners who retired during 2012. The total estimated cost to provide this increase is \$6,511,000, on the going-concern basis, and \$7,276,000, on the solvency basis.**

**Decision Advice and Other Information:**

The Board of Trustees of the Metropolitan Toronto Pension Plan:

1. Approved the Actuarial Valuation report for Funding Purposes, as at December 31, 2012, as amended.
2. Directed that the revised Actuarial Valuation report for Funding Purposes, as at December 31, 2012, from Mercer, be filed with the Financial Services Commission of Ontario (FSCO).

**Background:**

The Board of Trustees of the Metropolitan Toronto Pension Plan on March 28, 2013, considered a letter (March 15, 2013) from Anil Narale, Principal, Mercer, forwarding the Actuarial Valuation report for Funding Purposes as at December 31, 2012 for the Metropolitan Toronto Pension Plan.

Anil Narale, Principal, Mercer, presented to the Board of Trustees the revised Actuarial Valuation Report for Funding Purposes, as at December 31, 2012.

Board Secretary  
Janice Dicks  
Item 21.9

- c. Director, Pension, Payroll and Employee Benefits