



Councillor Paul Ainslie
Toronto City Council
Scarborough East - Ward 43

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May 29, 2014

Ulli Watkiss, City Clerk
12th Floor, West Tower, City Hall
100 Queen Street West
Toronto ON M5H 2N2

Dear Ms. Watkiss,

Re: Administrative inquiry regarding Toronto Transit Commission (TTC) Pension Fund Society (Society): Preliminary Analysis, OMERS Options

I am submitting this administrative inquiry under Municipal Code S27-61 to seek information regarding the status of the Toronto Transit Commission (TTC) Pension Fund Society (Society): Preliminary Analysis, OMERS Options GM21.9 adopted at Toronto City Council during the May 7, 8, 9 and 10, 2013 meeting.

Recommendation number 3 requested that the Toronto Transit Commission and the Board of Directors of the Toronto Transit Commission Pension Fund Society (working with independent external legal advisors), to conduct a formal legal review of the Pension Fund Society's plan documents to ensure transparency in governance and decision making responsibilities, and to ensure consistency between the Society's Bylaws and other policy documents including the Society's Funding Policy and that this be completed and reported back to the October 15, 2013 Government Management Committee meeting. As of today no report to update has been brought back to the Government Management Committee.

City Council Decision

City Council on May 7, 8, 9 and 10, 2013, adopted the following:

1. City Council request the Toronto Transit Commission and the Board of Directors of the Toronto Transit Commission Pension Fund Society, working co-operatively with the Ontario Municipal Employees' Retirement System (OMERS), to re-assess the benefits of a possible merger of the Pension Fund Society Plan into the OMERS Plan once the regulations dealing with the mechanics of plan mergers are in place under the *Pension Benefits Act*, and within a year of the regulations being filed.
2. City Council request the Toronto Transit Commission and the Board of Directors of the Toronto Transit Commission Pension Fund Society to apply to the Ontario Ministry of Finance and the Financial Services Commission of Ontario (*i.e.*, the Ontario pension Regulators) again requesting an exemption from the statutory obligation to continue past solvency deficit payments to the Fund of the Pension Fund Society Plan given that effective January 1, 2011 the Plan has been a recognized Jointly Sponsored Pension Plan and that any correspondence pertaining to the exemption request be made available to the Government Management Committee.
3. City Council request the Toronto Transit Commission and the Board of Directors of the Toronto Transit Commission Pension Fund Society (working with independent external legal advisors), to conduct a formal legal review of the Pension Fund Society's plan

documents to ensure transparency in governance and decision making responsibilities, and to ensure consistency between the Society's Bylaws and other policy documents including the Society's Funding Policy and that this be completed and reported back to the October 15, 2013 Government Management Committee meeting.

4. City Council request the Toronto Transit Commission to report back to the Government Management Committee on the outcome of the foregoing recommendations once each is completed and that the Government Management Committee be kept apprised of the status of each recommendation in this report every six months or as circumstances warrant.
5. City Council authorize the release of Confidential Attachment 1 to the report (March 22, 2013) from the Treasurer if an agreement to merge the Toronto Transit Commission Pension Fund Society Plan with OMERS is approved by the Plan Sponsors (i.e. Toronto Transit Commission and Amalgamated Transit Union Local 113), or the Society authorizes such release and as determined by the City Solicitor, but that it be released on a confidential basis now to the affected parties including the Toronto Transit Commission, the Pension Fund Society and OMERS officials.
6. City Council request that the Toronto Transit Commission Pension Society Board expedite the recruitment of an external Chief Executive Officer for the Pension Fund Society.
7. City Council adopt the confidential recommendation, as amended, contained in the letter (April 8, 2013) from the City Clerk and that this recommendation remain confidential in accordance with the provisions of the City of Toronto Act, 2006 as it pertains to the security of the property belonging to the City.

To date City Staff have confirmed that the City of Toronto has not heard back from Toronto Transit Commission on this matter.

Sincerely,

Councillor Paul Ainslie
City of Toronto
Scarborough East Ward 43