

### 2015 Financial Position of the Pension Plans

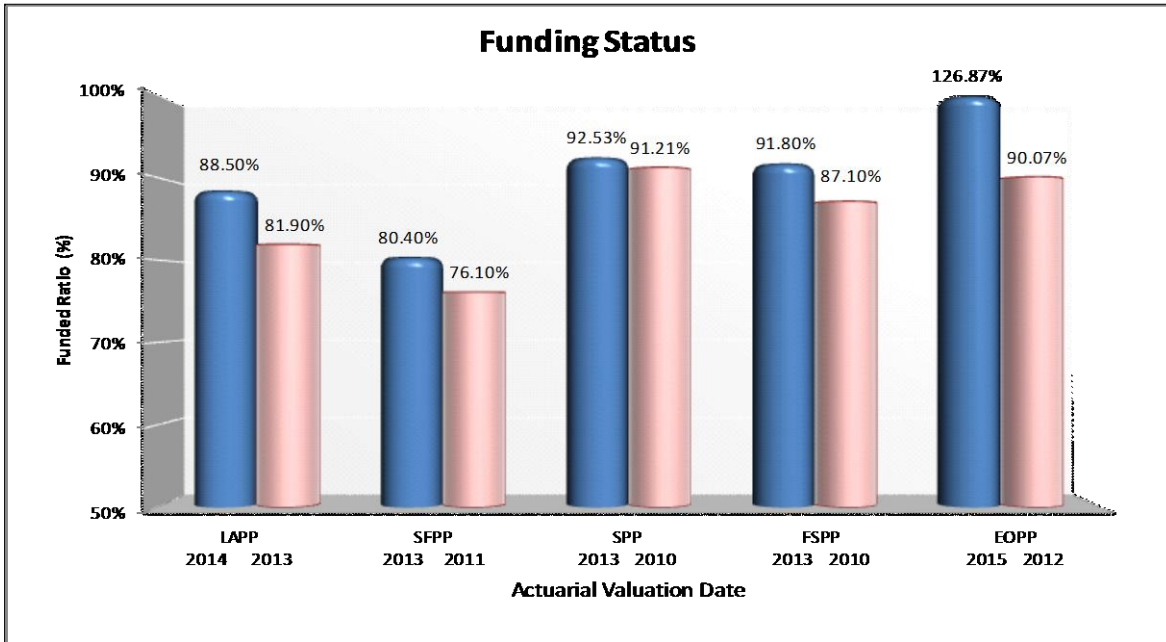
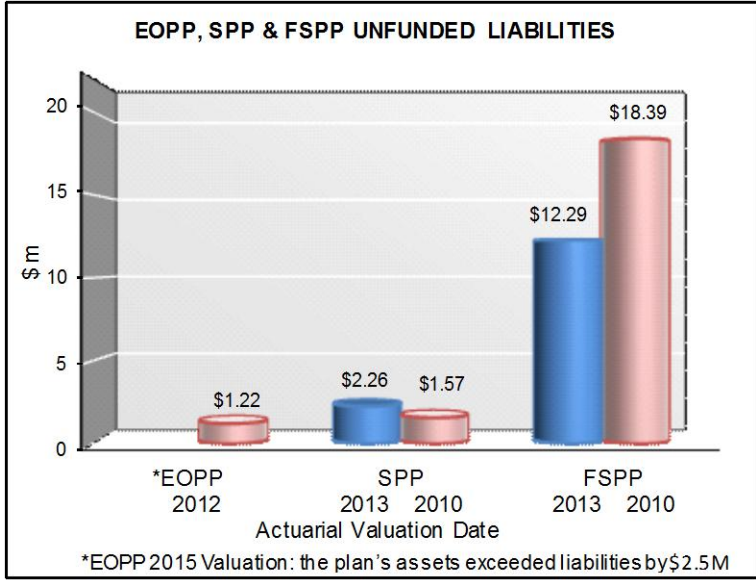
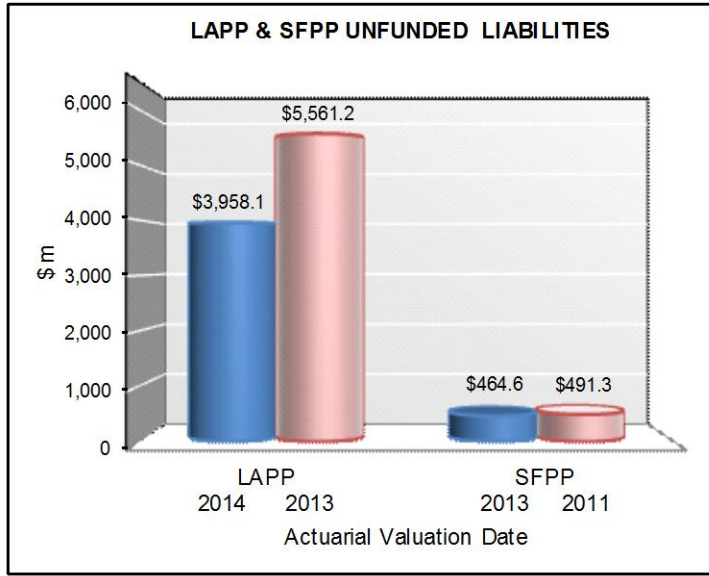
	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Elected Officials Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP)	Non - Registered Pension Plans
Actuarial Valuation Date	2014 Dec 31	2013 Dec 31	2013 Dec 31	2013 Dec 31	2015 Dec 31	2015 Dec 31	2015 Dec 31
Next Actuarial Valuation Date	2015 Dec 31	2016 Dec 31	2016 Dec 31	2016 Dec 31	2018 Dec 31	2016 Dec 31	2016 Dec 31
Actuarial Value of Assets (\$,000)	\$30,427,500	\$1,902,400	\$28,075	\$137,493	\$11,821	n/a <b>(Note 4)</b>	n/a <b>(Note 5)</b>
Actuarial Liability (\$,000)	\$34,385,600	\$2,367,000	\$30,340	\$149,787	\$9,318	\$2,007	\$54,191
Going – concern Unfunded Liability/ (Excess Assets) (\$,000)	\$3,958,100 <b>(Note 1)</b>	\$464,600 <b>(Note 1)</b>	\$2,265 <b>(Note 2)</b>	\$12,294 <b>(Note 2)</b>	(\$2,503) <b>(Note 3)</b>	n/a <b>(Note 4)</b>	\$22,074 <b>(Note 5)</b>
Going-Concern Funded Status	88.50%	80.40% <b>(Note 1)</b>	92.53%	91.80%	126.87% <b>(Note 3)</b>	n/a	n/a

Refer to notes on page 2 and graphs on page 3

## Notes to the 2015 Financial Position of the Pension Plans

A going-concern actuarial valuation is conducted at least every three years in order to assess the financial position of a pension plan as at the valuation date on the premise that the plan will continue into the future indefinitely. The funded status compares the value of the plan assets to plan liabilities. An unfunded liability exists when the actuarial valuation determines the plans' liabilities exceed the plans' assets available for the payment of benefits.

- 1) Due to the multi-employer nature of LAPP and SFPP, information is not available to determine the portion of the plans' obligations and assets attributable to each employer. However, given that these plans have unfunded liabilities, an inherent unrecorded liability amount is attributable indirectly to plan participants. Plan deficiencies are resolved by a combination of increased future employee and employer contributions, increased investment returns and interest rates, management or amendment of future liabilities.
  - Information on the valuations results for LAPP at 2015 December 31 was not available at the time of the report.
  - The going-concern funded status of SFPP as of 2013 December 31 was 80.4% based on the minimum level of indexing for post-2000 service.
- 2) The unfunded liabilities of The City Sponsored Pension Plans, SPP and FSPP, are shared 45% by the members and 55% by The City in accordance with the terms of the plan texts.
- 3) The members of the EOPP contribute a fixed per cent contribution rate of pensionable earnings. The City provides the balance of the funding based on the going-concern actuarial valuation report. The EOPP has moved to a surplus position with a funded ratio greater than 100% (assets exceed the plans' liabilities) as of the recent actuarial going-concern valuation at 2015 December 31.
- 4) The PSPP is deemed a closed plan as police officers who retired after September 1, 1979 are covered under the Special Forces Pension Plan. In 2007 the fund for PSPP was exhausted and benefits to pensioners for the year and future years are now being paid from The City's investments. In accordance with accounting standards, the liabilities for a closed plan are fully recognized in the year in which they occur. As a result, The City has recognized the actuarial liability for the PSPP in 2015 as determined by the most recent actuarial valuation report.
- 5) Assets to satisfy the non-registered pension plans' obligations are held within The City's investments as determined by the most recent actuarial valuation and are reported in Note 13 of The City's 2015 Annual Report.

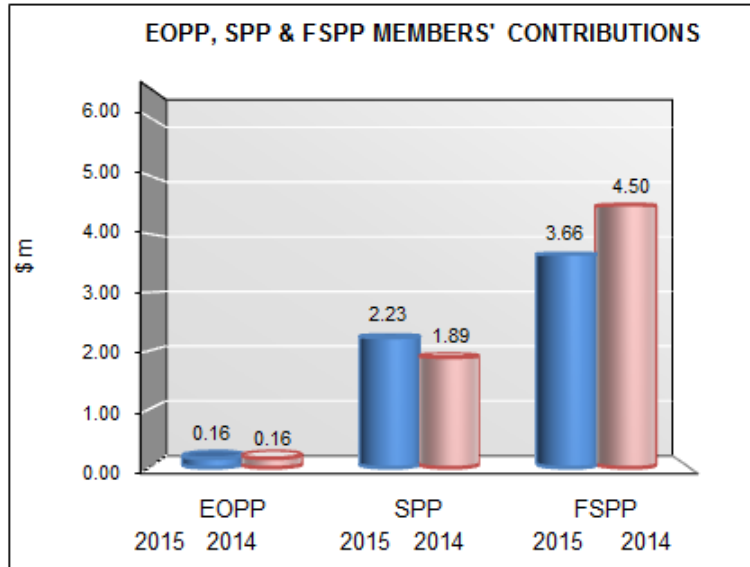
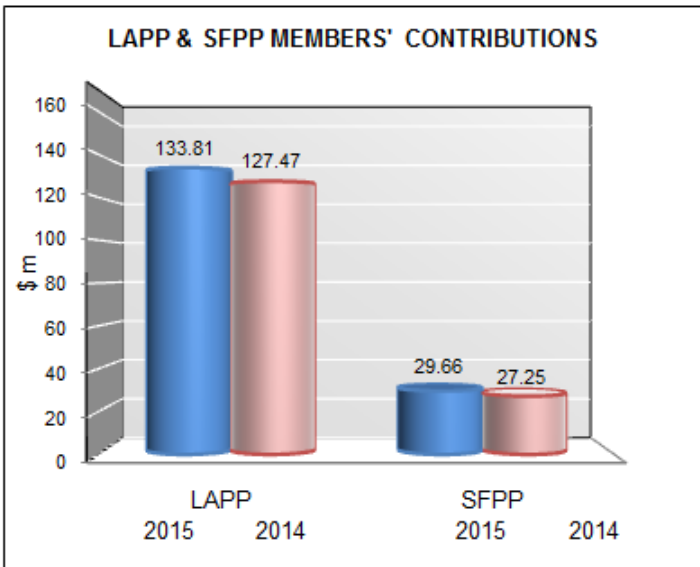
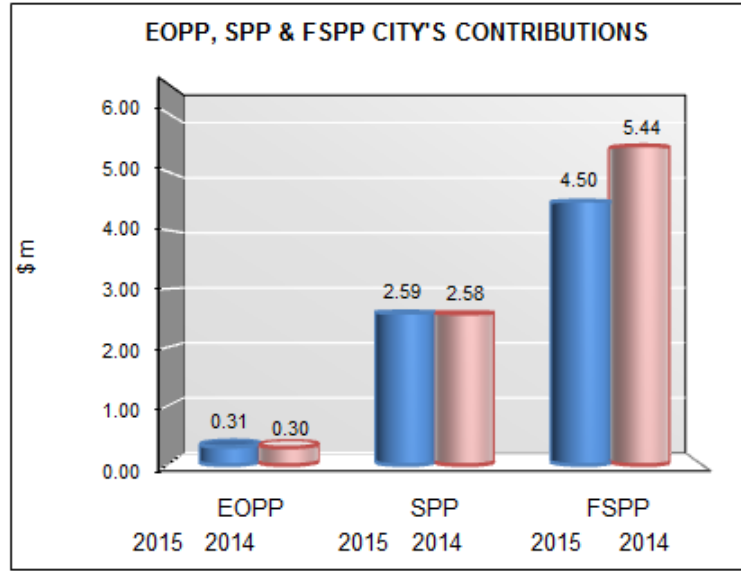
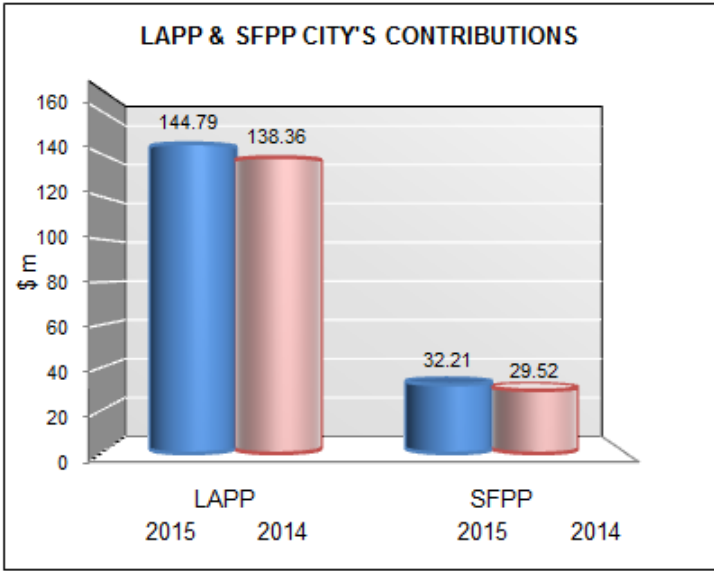


## 2015 Contributions

	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Elected Official's Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP)	Non-Registered Pension Plans
City Contributions (\$,000) <b>(Note 1)</b>	\$144,788	\$32,213	\$2,591	\$4,502	\$309	n/a	n/a
Member Contributions (\$,000)	\$133,810	\$29,655	\$2,231	\$3,660	\$161	n/a	n/a
Effective Date of Contribution Rates	2015 Jan 1	2010 July 1	2014 July 15	2014 July 1	2015 Jan 1	n/a	n/a
Member Contribution Rates <b>(Note 2)</b>	10.39% up to YMPE <b>(Note 3)</b> 14.84% over YMPE	13.45%	2.44%	2.63%	9.00%	n/a	n/a
City Contribution Rates <b>(Note 2)</b>	11.39% up to YMPE 15.84% over YMPE	14.55%	2.83%	3.22%	17.25%	n/a	n/a

### Refer to graphs on page 5

- (1) The contributions are made in accordance with the terms of the plan texts as follows:
  - LAPP & SFPP: The City's contributes 1% more than the members.
  - FSPP & SPP: The current service costs and going concern unfunded liabilities are shared 45% by the members and 55% by The City.
  - EOPP: Members contribute a fixed rate of earnings with The City providing the balance of the funding as determined by the most recent actuarial valuation report.
- (2) The contribution rates are determined according to the minimum funding requirements pursuant to the most recent actuarial valuation report.
- (3) The YMPE refers to Yearly Maximum Pensionable Earnings. In 2015 the YMPE was \$53,600.



**Investment Returns as of 2015 December 31 (net of investment fees)**

Annualized Rate of Return (%)	LAPP	SFPP	SPP	FSPP	EOPP	PSPP (Note 1)	Non-Registered Pension Plans (Note1)
1 Year	7.90%	9.30%	12.58%	3.74%	11.53%	N/A	N/A
3 Years	10.20%	11.90%	15.16%	9.85%	15.24%	N/A	N/A
4 Years	10.40%	11.80%	14.89%	9.79%	14.95%	N/A	N/A

**Refer to graphs on page 7**

The returns for LAPP, SFPP and FSPP were received from the Plans' Boards.

1) Assets to satisfy the obligations of the PSPP and the Non-Registered Pension Plans are held within The City's investments as determined by the most recent actuarial valuation and are reported in Note 13 of The City's 2015 Annual Report.

### RATES OF RETURN (annualized) ending December 31, 2015

