

2016 Financial Position of the Pension Plans

Funded Status - \$ thousands

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 ratio compares the value of the plan assets to plan liabilities while a plan is ongoing. An unfunded liability or excess asset position exists when the actuarial valuation determines whether the plans' liabilities exceed the plans' assets or the plans' assets exceed the plans' liabilities.

Pension Plan	Local Authorities Pension Plan (LAPP) <i>(Note 1)</i>	Special Forces Pension Plan (SFPP) <i>(Note 1)</i>
Actuarial Valuation Date	2015 Dec 31	2013 Dec 31
Next Actuarial Valuation Date	2016 Dec 31	2016 Dec 31
Actuarial Value of Assets	\$34,724,300	\$1,902,400
Actuarial Liability	\$36,904,900	\$2,367,000
Going –Concern Unfunded Liability / (Excess Assets)	\$2,180,600	\$464,600
Going-Concern Funded Ratio	94.10%	80.40%

Refer to graphs on page 3

Note 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. The LAPP and SFPP Boards have had a Long Term Funding Strategy in place for some time and over the past five years the funded ratio of the Plans has improved. 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.

- 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.
- Information on the valuation results for LAPP and SFPP as at 2016 December 31 was not available at the time of the report.

2016 Financial Position of the Pension Plans

Funded Status - \$ thousands (continued)

Pension Plan	Supplementary Pension Plan (SPP) (Note 1)	Firefighters Supplementary Pension Plan (FSPP) (Note 1)	Elected Officials Pension Plan (EOPP) (Note 2)	Police Supplementary Pension Plan (PSPP) (Note 3)	Non - Registered Pension Plans (Note 3)
Actuarial Valuation Date	2016 Dec 31	2015 Dec 31	2015 Dec 31	2016 Dec 31	2016 Dec 31
Next Actuarial Valuation Date	2019 Dec 31	2018 Dec 31	2018 Dec 31	2017 Dec 31	2017 Dec 31
Actuarial Value of Assets	\$43,233	\$155,501	\$11,821	n/a	n/a
Actuarial Liability	\$42,733	\$164,782	\$9,318	\$1,892	\$52,167
Going – Concern Unfunded Liability / (Excess Assets)	(\$500)	\$9,281	(\$2,503)	n/a	\$17,143
Going-Concern Funded Ratio	101.17%	94.40%	126.87%	n/a	n/a

Refer to graphs on page 3

Note 1: 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. The SPP is in a surplus position with a funded ratio greater than 100% (assets exceed the plans' liabilities) as of the 2016 December 31 going-concern valuation.

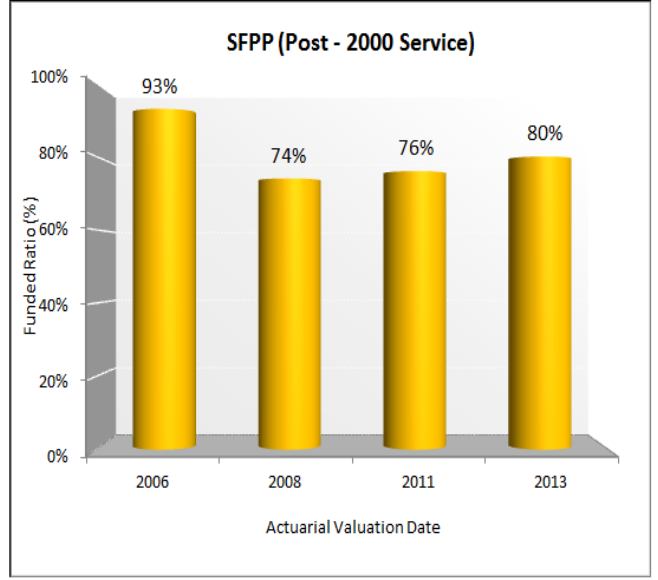
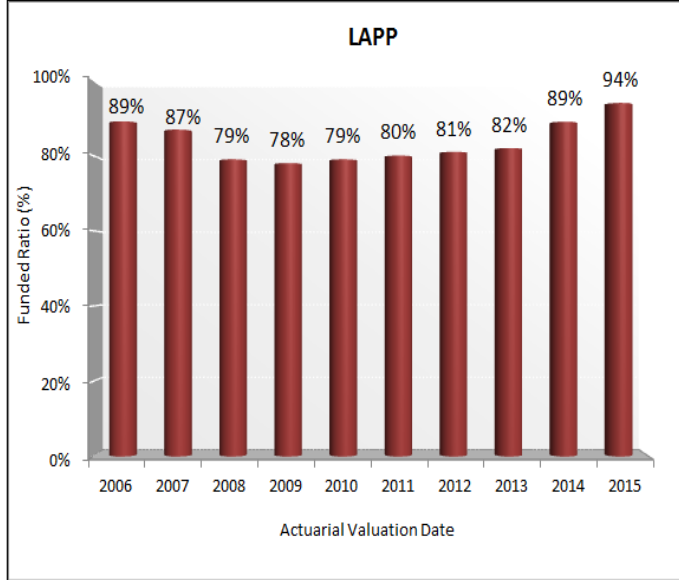
Note 2: The members of the EOPP contribute a fixed percent contribution rate of pensionable earnings. The City provides the balance of the funding based on the most recent going-concern valuation report. The EOPP is in a surplus position with a funded ratio greater than 100% (assets exceed the plans' liabilities) as of the 2015 December 31 going-concern valuation.

Note 3: Refer to Attachment 1 for the PSPP and non-registered pension plan funding requirements.

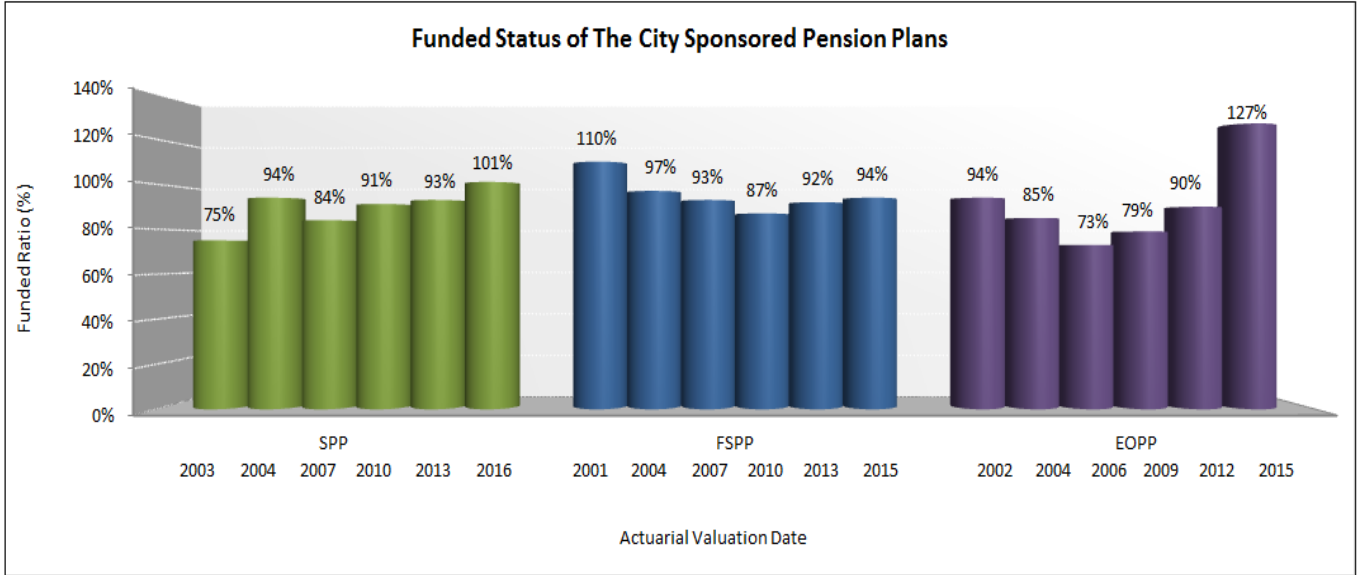
2016 Financial Position of the Pension Plans

Funded Status (Continued)

Funded Status of Multi-Employer Pension Plans



Funded Status of The City Sponsored Pension Plans



2016 Financial Position of the Pension Plans

2016 Contributions

Pension Plan	Local Authorities Pension Plan (LAPP)	Special Forces Pension Plan (SFPP)
City Contributions (\$,000) (Notes 1 & 2)	\$152,011	\$33,063
Member Contributions (\$,000)	\$139,933	\$30,601
Contribution Remittance Cycle	Bi-weekly	Bi-weekly
Effective Date of Contribution Rates	2015 Jan 1	2010 July 1
Member Contribution Rates (Notes 1 & 2)	10.39% up to YMPE 14.84% over YMPE	13.45%
City Contribution Rates (Notes 1 & 2)	11.39% up to YMPE 15.84% over YMPE	14.55%

Refer to graphs on page 6

Note 1: The contributions are made in accordance with the terms of the plan texts and the most recent actuarial report as follows:

- LAPP & SFPP: The City contributes 1% more than the members.

Note 2: The YMPE refers to the Yearly Maximum Pensionable Earnings. In 2016 the YMPE was \$54,900.

2016 Financial Position of the Pension Plans

2016 Contributions (continued)

Pension Plan	Supplementary Pension Plan (SPP)	Firefighters Supplementary Pension Plan (FSPP)	Elected Official Pension Plan (EOPP)	Police Supplementary Pension Plan (PSPP) (Note 3)	Non-Registered Pension Plans (Note 3)
City Contributions (\$,000) (Notes 1 & 2)	\$2,736	\$4,569	\$314	n/a	n/a
Member Contributions (\$,000)	\$2,369	\$4,230	\$151	n/a	n/a
Contribution Remittance Cycle	Monthly	Bi-weekly	Monthly	n/a	n/a
Effective Date of Contribution Rates	2014 July 15	2014 July 1	2016 Jan 1	n/a	n/a
Member Contribution Rates (Notes 1 & 2)	2.44%	2.63%	9.00%	n/a	n/a
City Contribution Rates (Notes 1 & 2)	2.83%	3.22%	18.64%	n/a	n/a

Refer to graphs on page 6

Note 1: The contributions are made in accordance with the terms of the plan texts and the most recent actuarial report as follows:

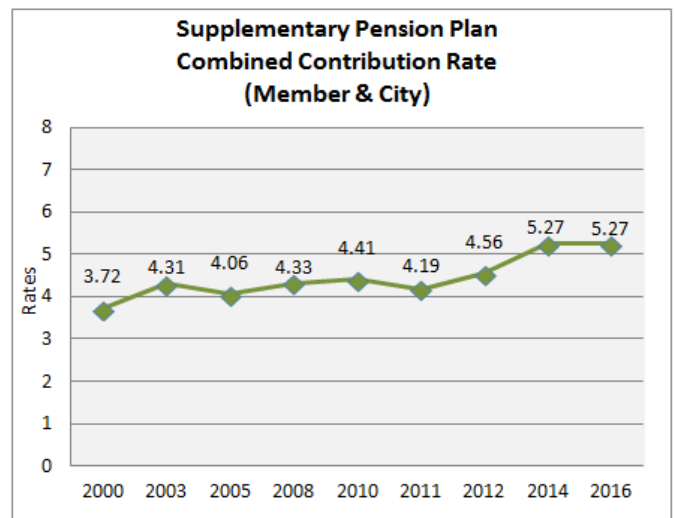
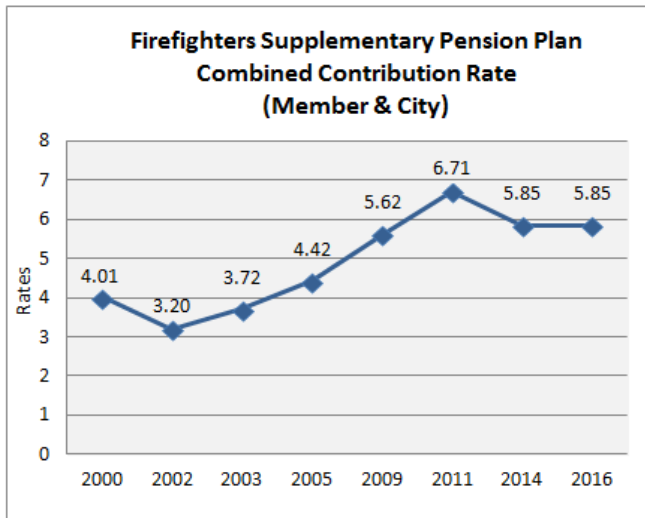
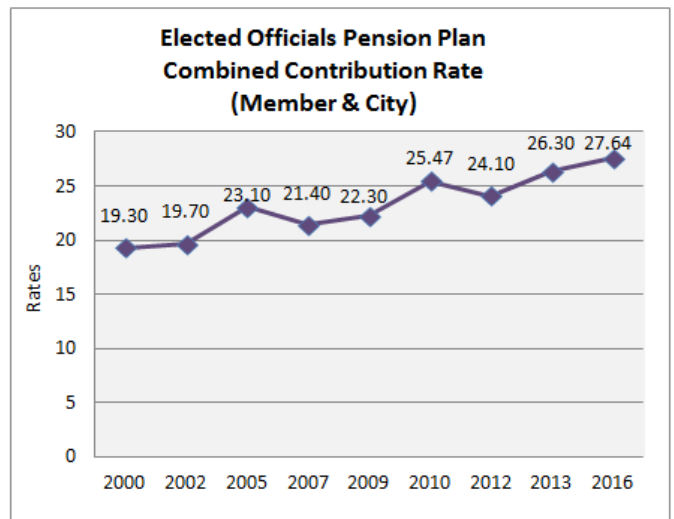
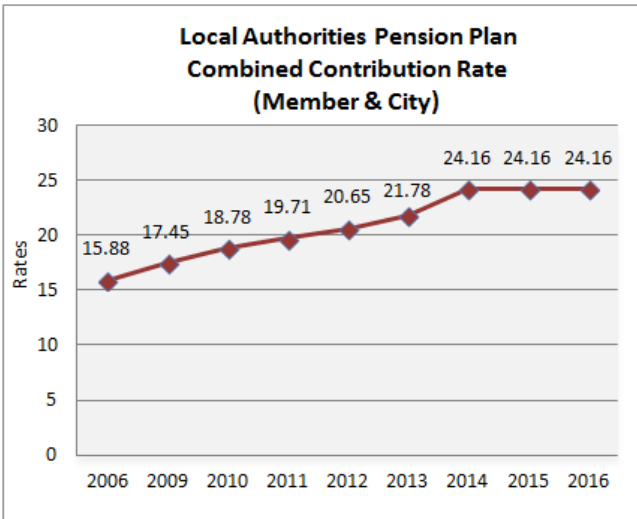
- SPP & FSPP: the current service costs and going concern unfunded liabilities or excess assets are shared 45% by the members and 55% by The City.
- EOPP: Members contribute a fixed rate of earnings with The City providing the balance of the funding as determined by the most recent actuarial valuation report.

Note 2: The YMPE refers to the Yearly Maximum Pensionable Earnings. In 2016 the YMPE was \$54,900.

Note 3: Refer to Attachment 1 for the PSPP and non-registered pension plan funding requirements.

2016 Contributions (continued)

2016 Financial Position of the Pension Plans



Note: a graph of the rates for the Special Forces Pension Plan is not shown as, since 2010, the combined contribution rate is unchanged at 28%. Prior to 2010, the combined rate was 21.12%.

2016 Financial Position of the Pension Plans

Investment Returns (net of fees) as of 2016 December 31

Investment Returns (annualized)	LAPP	SFPP	SPP	FSPP	EOPP	PSPP <small>(Note 1)</small>	Non-Registered Pension Plans <small>(Notes 1 & 2)</small>
1 Year	5.88%	6.83%	4.04%	7.59%	4.04%	N/A	N/A
3 Years	8.34%	9.38%	9.33%	7.90%	9.34%	N/A	N/A
4 Years	9.15%	10.63%	12.14%	9.37%	12.15%	N/A	N/A

Note 1: Sufficient funds are held within The City's investments to cover the obligations of these plans as determined by the most recent actuarial valuation and reported in Note 13 of The City's 2016 Annual Report

Note 2: Refer to Attachment 1 for the list of non-registered pension plans

