

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: September 30, 2010

SUBJECT: Automatic Fare Collection – Open Payments

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report contains advice or communications that are subject to solicitor-client privilege.

RECOMMENDATION

It is recommended that the Commission:

- (1) Approve the recommendations as set out in the Confidential Attachment; and
- (2) Note that the confidential information as set out in the Confidential Attachment remain confidential in its entirety as it contains material which is subject to solicitor-client privilege.

September 30, 2010
1-38
Confidential Attachment

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: September 30, 2010

SUBJECT: TAX ISSUES

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report contains advice or communications that are subject to solicitor-client privilege.

RECOMMENDATION

It is recommended that the Commission:

1. Approve the confidential recommendations as set out in Confidential Attachment 1; and
2. The contents of Confidential Attachment 1 remain confidential in its entirety as it contains advice which is subject to solicitor-client privilege.

FUNDING

Final assessment is subject to further developments and review by Finance.

DISCUSSION

Staff undertook to provide this information to the Commission.

JUSTIFICATION

This report is provided in response to a request for information from the Commission.

September 30, 2010
45-12-52
Confidential Attachment 1

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: September 30, 2010

SUBJECT: TTC PENSION FUND SOCIETY UPDATE

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report is about labour relations or employee negotiations.

RECOMMENDATION

It is recommended that the Commission authorize staff to proceed as follows:

1. Approve the recommendations as set out in the Confidential Attachment;
2. To continue working with the City of Toronto in their efforts to gain solvency exemption for the City's legacy pension plans;
3. To proceed with the procedural steps required to reclassify the Toronto Transit Commission Pension Fund Society as a jointly sponsored pension plan if such a conversation will enable the Society to obtain solvency funding exemption; and,
4. Note that the confidential information as set out in Confidential Attachment 1 remains confidential in its entirety as it contains information about labour relations or employee negotiations

FUNDING

In the absence of exemption from the solvency funding requirements of the Pension Benefits Act, the Commission and its employees will be forced to fund a solvency shortfall estimated to be in the range of \$750 million to well in excess of \$1 billion over a ten year period as yet to be defined.

BACKGROUND

The Society has been corresponding with the Office of the Minister of Finance, of the Province of Ontario for over seven years on the issue of solvency funding and its impact on its Commission and the members of the Society.

In 2006, Ontario established the Ontario Expert Commission on Pensions. Representatives from the Society's Board of Directors appeared before the Commission and laid out the case for exemption from solvency requirements for the TTC Pension Fund Society in particular.

Subsequent to this presentation, correspondence has been directed to the Ministry of Finance recommending exemption from solvency funding requirement for Jointly Sponsored Pension Plans (JSPP) in general and for the TTC Pension Fund Society in particular.

In August, the Province released the latest steps being taken in the area of Pension reform. This report has provided exemption from solvency funding requirements for the current JSPPs, OMERS, Teachers, The College of Applied Arts and Technology, Hospitals of Ontario, and OPTrust.

Currently, there is no indication that solvency exemption will be provided to the TTC Pension Fund Society.

It should be noted, that any changes to the Bylaws of Society required in the process of conversion to JSPP will require the approval of the Board of Directors of the Society, the sanction of the Commission and the approval of the active Members of Society at an Annual General Meeting of the Society.

September 24, 2010
44.78

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: September 30, 2010

SUBJECT: BST CONTRACT UPDATE

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report is about litigation or potential litigation that affects the Commission.

RECOMMENDATION

It is recommended that the Commission approve:

1. The recommendation contained in the confidential attachment; and,
2. That the information contained in the confidential attachment remain confidential in its entirety as it contains information related to a potential litigation matter.

September 30, 2010
13.3