

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: May 1, 2012

SUBJECT: APPOINTMENT OF TTC PENSION FUND AND TTC SICK
BENEFIT ASSOCIATION DIRECTORS AND OFFICERS

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

- 1) Approve appointing Messrs. Andy Byford and Dave Dixon as Directors and Ms. Cheryl Uroda as Secretary of the TTC Pension Fund Society; and,
- 2) Approve appointing Ms. Gemma Piemontese and Ms. Mary Darakjian as Directors of the TTC Sick Benefit Association.

FUNDING

There are no funding issues as the Directors receive no remuneration and there is no impact to headcount.

BACKGROUND

Messrs. Scott Blakey and John Cannell have indicated their intention to retire and will resign as Directors on the TTC Pension Fund Society and TTC Sick Benefit Association Boards as at April 30, leaving vacancies on both Boards.

The Pension Fund Society was established on January 3, 1940 and as of December 31, 2011 has net assets of \$3.8 Billion. The Society has approximately 12,657 Active Members and 6,697 Pensioners as of March 31, 2012.

The TTC Sick Benefit Association was incorporated in 1960 and provides benefits to approximately 9,000 unionized members per year.

DISCUSSION

Bylaw 3.01(i) of the TTC Pension Fund Society states that the Society shall be administered by a Board of ten Directors, who must be Regular Members of the Society, five of whom shall be appointed by the Commission and five of whom are appointed by Local 113 of the ATU.

With the resulting retirements of Messrs. Blakey and Cannell it is recommended that Mr. Byford and Mr. Dixon replace the retiring Directors. As senior executives of the TTC, they bring their substantial business experience to the table, which will be beneficial in the management of a \$3.8 Billion pension plan. It is also recommended by the President of the Society that Ms. Cheryl Uroda be appointed as Secretary to the Fund. This position will also become vacant with the retirement of the current Secretary, Ms. Lynn Stanley on May 18. Under Bylaw 3.04 (iii), the President with the approval of the Commission recommends the position of Secretary.

In accordance with Bylaw 1 of the TTC Sick Benefit Association, the affairs of the Association shall be administered by a Board of eight Directors, four of whom shall be appointed by the Commission and four of whom shall be appointed by Local 113 of the ATU. Again, with the resulting vacancies created by Messrs. Blakey and Cannell, it is recommended that Ms. Gemma Piemontese and Ms. Mary Darakjian be appointed as Directors. In accordance to TTC Sick Benefit Association Bylaw 1, Section 7(4), Ms. Darakjian will also assume the role of Treasurer for the Association.

JUSTIFICATION

In accordance to the Bylaws of the TTC Pension Fund Society and the TTC Sick Benefit Association, these vacancies must be filled.

April 9, 2012
44.54.58

Attachment 1 - Bylaw 3.01 (i) and 3.04 (iii) of the TTC Pension Fund Society
Attachment 2 - Bylaw 1 Section 4(1) and Section 7(4) of the TTC Sick Benefit Association

Attachment 1

TTC PENSION FUND SOCIETY

BYLAW NUMBER 3

ADMINISTRATION

3.01 – BOARD OF DIRECTORS

- (i) The Affairs of the Society shall be administered by a Board of ten directors, who must be Regular Members of the Society, five of whom shall be appointed from time to time by the Commission, and five of whom shall be appointed from time to time by Local 113 of the Amalgamated Transit Union.

3.04 – OFFICERS

- (iii) The Secretary shall be a Regular Member of the Society but may or may not be a Member of the Board. He or she shall be appointed by the Board on recommendation of the President with the approval of the Commission and shall be paid by the Commission. As an employee of the Commission the Secretary shall be subject to all rules for Commission employees and may be partially employed upon Commission work. The Secretary shall receive and deal with all applications for benefits and when they have been found to be in order shall submit them to the Board for approval. The Secretary shall submit at meetings of the Board any records which the Secretary shall be notified by the Board to produce. The Secretary shall keep such statistical records as may be required by the Board.

The Secretary shall be ex-officio Clerk of the Board and shall attend all the sessions of the Board and meetings of the Members and record all facts and minutes of all proceedings in the books kept for that purpose. The Secretary shall give all notices required to be given to Members and to Directors; shall keep such individual records of Members as may be required by the Board, and shall keep in accessible form all Board decisions which might be used as precedents for future action. The Secretary shall give such security as may be decided by the Board, the cost of which shall be approved and paid by the Commission. The Secretary shall also see that the provisions of Sections 299 and 300 of the Corporations Act of Ontario, as amended from time to time, are duly complied with.

Attachment 2

TTC SICK BENEFIT ASSOCIATION

BYLAW NUMBER 1

A By-law for the government and ordering of the business and affairs of TORONTO TRANSIT COMMISSION SICK BENEFIT ASSOCIATION BE IT ENACTED by the Members of Toronto Transit Commission Sick Benefit Association as a by-law as follows:

BOARD OF DIRECTORS THEIR POWERS AND DUTIES

Section 4 - BOARD OF DIRECTORS

(1) The affairs of the Association shall be administered by a Board of eight directors, four of whom shall be appointed from time to time by the Commission, and four of whom shall be appointed from time to time by Local 113 of the Amalgamated Transit Union.

Section 7 - OFFICERS

(4) The Treasurer of the Association shall be appointed by the Chief General Manager of the Toronto Transit Commission, or if the Chief General Manager is not a member of the Board of Directors of the Association, by the Commission appointed Directors. The Treasurer shall pay all benefits provided by the by-laws after claims therefore have been submitted on a proper application form of the Association and have been approved. Other accounts shall be submitted to the Board before payment is made. The Treasurer shall submit to the Board regular statements of the current financial position of the Association and such other statements or records which the Treasurer shall be notified by the Board to produce.

The Treasurer shall collect all monies due to the Association. All payments shall be made by cheque signed by the Treasurer and President or their duly authorized deputies. The Treasurer shall keep the general books of account of the Fund and shall be responsible for safeguarding the assets of the Association. The Treasurer shall also see that provisions of Section 314 of the Corporations Act of Ontario 1953, and as amended from time to time, are duly complied with. The Treasurer shall give such security as may be decided by the Board, the cost of which shall be approved and paid by the Commission.

