

**Subject: Restatement of the Ottawa-Carleton Regional Transit Commission
Employees' Pension Plan Text and Governance Plan**

File Number: ACS2023-FCS-FIN-0009

**Report to Finance and Corporate Services Committee on 5 December 2023
and Council 6 December 2023**

**Submitted on November 4, 2023 by Isabelle Jasmin, Deputy City Treasurer,
Corporate Finance, Finance and Corporate Services Department**

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Ward: Citywide

**Objet : Reformulation du plan de gouvernance et du texte du Régime de
retraite des employés de la Commission de transport régionale
d'Ottawa-Carleton**

Numéro de dossier: ACS2023-FCS-FIN-0009

Rapport présenté au Comité des finances et des services organisationnels

Rapport soumis le 5 décembre 2023

et au Conseil le 6 décembre 2023

**Soumis le 24 novembre 2023 par Isabelle Jasmin, Trésorière municipale adjointe,
Service des finances municipales, Direction générale des finances et des
services organisationnels**

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION

That the Finance and Corporate Services Committee recommend that Council approve the restatement of the Ottawa Carleton Regional Transit Commission Employees' Pension Plan Text and Governance Plan.

RECOMMANDATION DU RAPPORT

Que le Comité des finances et des services organisationnels recommande au Conseil d'approuver la reformulation du plan de gouvernance et du texte du Régime de retraite des employés de la Commission de transport régionale d'Ottawa-Carleton.

BACKGROUND

The Ottawa-Carleton Regional Transit Commission Employees' Pension Plan (The Plan) was established on September 1, 1951, to provide a defined benefit pension plan to employees of the Ottawa-Carleton Regional Transit Commission, a Transit Commission independent of the City of Ottawa prior to January 1, 2001. On January 1, 2001, with the Ontario legislative authority of the 1999 City of Ottawa Act, the Regional Municipality of Ottawa-Carleton was amalgamated into a single tier municipality forming the City of Ottawa which included the responsibility and management of the Ottawa-Carleton Regional Transit Commission and the accompanying fiduciary responsibility for the Plan. Prior to January 1, 2001, the administration of the Plan was the fiduciary responsibility of the Plan's Board of Commissioners. Post amalgamation, the administration of the Plan became the fiduciary responsibility of City Council. Council's fiduciary responsibilities are outlined in the Pension Plan itself (commonly referred to as the Plan Text) and the Governance Plan.

DISCUSSION

The Ottawa-Carleton Regional Transit Commission Employees' Pension Plan was included in the amalgamation of the Regional Municipality of Ottawa-Carleton into a single tier municipality forming the City of Ottawa. Ottawa City Council assumed the role of the Board of the Plan with the associated fiduciary duty to the Plan members to ensure prudent administration and governance required to execute the Plan.

The administrative fiduciary obligations of City Council are detailed in the Ottawa Carleton Regional Transit Commission Employees' Pension Plan Text and the Governance Plan, attached as Document 1 and Document 2, respectively. The two documents detail the roles and responsibilities of Council and its authority to delegate

some of those responsibilities to the Finance and Corporate Services Committee, the City's Senior Leadership Team, and the Senior Leadership Team's delegates (Deputy Treasurer Corporate Finance and Director, Payroll, Pensions & Benefits). The Plan documents are to be reviewed at least every three years to ensure the roles, responsibilities and duty to the Plan are up to date and are adequate to fulfill Council's fiduciary obligations to the Plan and its members.

Over the past year, Staff supported by external pension experts reviewed the Plan Text and Governance Plan over the past several months. These documents were updated primarily to reflect administrative changes including the updated roles and titles of the various Plan administrative delegates.

Changes to the Pension Plan Text include the Pension Committee being renamed to the Pension Advisory Committee (PAC), and the position titles of the City employees that sit on the PAC have also been updated to align with their title changes.

The Governance Plan has been updated to reflect current roles and titles. It details clear roles and responsibilities for City Council and its delegates in the administration of the Plan. The Governance Plan supports the Plan Text providing greater clarity on the fiduciary role of Council and its ability to delegate some of those roles to the Finance and Corporate Services Committee who in turn delegate the operation and management of the Pension Plan to the Senior Leadership Team and the Senior Leadership Team delegates (Deputy City Treasurer Corporate Finance and Director Payroll, Pensions and Benefits). The Governance also outlines the role of the PAC and city staff who assist City Council and its Delegates in executing its fiduciary duty to the Plan.

There are no financial implications to the changes being recommended to the Ottawa Carleton Regional Transit Commission Employees' Pension Plan Text (Document 1) and Governance Plan (Document 2).

FINANCIAL IMPLICATIONS

There are no financial implications related to this report.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report.

ACCESSIBILITY IMPACTS

Finance and Corporate Services adheres to the requirements of the *Accessibility for Ontarians with Disabilities Act, (2005)* in its operations, programs and initiatives. This report is administrative in nature and has no associated accessibility impacts.

TERM OF COUNCIL PRIORITIES

This report supports the City's ongoing commitments the current 2023 - 2026 Term of Council Priorities of: a city that has affordable housing and is more livable for all; a city that is more connected with reliable, safe, and accessible mobility options; a city that is green and resilient; and a city with a diversified and prosperous economy. The report also promotes the City's commitment to financial sustainability and transparency.

SUPPORTING DOCUMENTATION

Document 1 - Ottawa Carleton Regional Transit Commission Employees' Pension Plan Text

Document 2- Ottawa Carleton Regional Transit Commission Employees' Pension Plan Governance Plan

DISPOSITION

Upon Council's approval of this Report, staff will undertake to implement all recommendations as further described in this report.