OMERS
retired member news

NUMBER 57 • WINTER • 2014/2015

OMERS pensions to increase 1.80% for 2015

Your pension will go up by 1.80% beginning January 2015. This increase reflects the change in the cost of living as reported by Statistics Canada in the Canadian Consumer Price Index (CPI). Your *Annual Statement of Pension* shows your updated pension amount for 2015. Inflation protection helps to maintain your purchasing power as the cost to buy goods and services increases over time.

Continued on page 2

OMERS pension increase

Continued from page 1

OMERS inflation protection increases retirement, disability and survivor pensions each year. OMERS uses a similar method to that used by the Canada Pension Plan (CPP) to calculate its annual increase for pensions, but CPP has a different rounding approach.

If your pension started between January 2014 and November 2014, inclusive, your 2015 increase is pro-rated. If your pension started in December, you will not get an increase in 2015, but you will get a full increase in 2016.

How is the pension increase calculated?

$$\left(\frac{\text{CPI average 12 months (Nov. 2013 to Oct. 2014)}}{\text{CPI average 12 months (Nov. 2012 to Oct. 2013)}} - 1\right) \times 100$$

$$\left(\frac{124.81}{122.60} - 1\right) \times 100 = \mathbf{1.80\%}$$ (rounded to two decimal places)

Pension pay dates in 2015

OMERS pensions are deposited on the **first banking day** of each month.

Friday, January 2	Thursday, July 2
Monday, February 2	Monday, August 3
Monday, March 2	Tuesday, September 1
Wednesday, April 1	Thursday, October 1
Friday, May 1	Monday, November 2
Monday, June 1	Tuesday, December 1

2014 Tax Slips

By the end of February, OMERS will mail your 2014 pension tax slip to your home address. You should receive it by early March. If you're a registered myOMERS user, you can view and print your tax slip directly from your online account.

A look back at OMERS 2014 Fall Information Meeting

OMERS Fall Information Meeting, held on October 21, was an opportunity for members and stakeholders to hear from OMERS senior leadership.

Topics covered included:

- the new funding management strategy and related decision-making process recently adopted by the OMERS Sponsors Corporation (SC) – the strategy represents a significant move forward in the manner in which the SC manages benefits and contribution rates of the OMERS Primary Plan;
- OMERS Administration Corporation (OAC) key focus areas – investment results, aligning resources and building our culture, and value for pension dollars, which includes reviewing major costs;
- OAC interim financial results – as of October 2014, OMERS private and public market returns are on target and OMERS funded status is expected to improve; and
- an overview of the private equity and infrastructure components of OMERS investment platform – now managed together under OMERS Private Markets.

The meeting was also an opportunity for members and stakeholders to ask questions, voice concerns and engage in dialogue with OMERS senior leadership. Over 150 people attended, either in-person or via the live video webcast.

Watch the webcast at:
omers.com/informationmeeting

information meeting
2014 fall

Value of defined benefit plans

As part of an ongoing effort to communicate the value of defined benefit plans, OMERS has created an animated video which details the positive impact these plans have on the economy.

omers.com/valueofdb

Providing a secure and sustainable pension

In April 2014, seasoned OMERS executive Michael Latimer took the reins as President and Chief Executive Officer (CEO) following the retirement of Michael Nobrega, in the culmination of a succession-planning process that began in 2010.

Michael Latimer
OMERS President and CEO

Michael Latimer is responsible for the overall management of OMERS, its investment entities and operating divisions.

Retired Member News has the following insights from Michael Latimer about his role as CEO.

Q: You've been at OMERS for many years, most recently serving as Chief Investment Officer. Prior to that, you were President and CEO of OMERS real estate investment arm, Oxford Properties Group. How has your background prepared you for your role as OMERS President and CEO?

ML: My experience gives me an in-depth and broad understanding of OMERS investments – this is important because a large portion of the cost of providing pensions is covered by investment returns. I've also seen first-hand the Pension Services group's member-focused culture, and I know that we must continue to focus efficiently and accurately on providing members with the information and services they need.

Q: OMERS diversified investment approach includes expanding, directly owning and actively managing its portfolio in Canada and around the world. Do you see any major shifts in your strategy?

ML: We have a sound strategic plan and that hasn't changed. Investment returns are the number one priority for OMERS and, while we may fine-tune some things, generally, we will stay the course with a strategy that focuses on long-term growth and sustainable returns.

Q: Why have you been meeting with members, stakeholders and employees over the past months?

ML: These meetings are key to our success. I've received valuable input and insight on what we do well and where we can become more focused. For us, this includes a very strong focus on what I call value for pension dollars – aligning our resources to ensure we fully maximize the value of the contributions made to the Plan by members and employers. I want to make sure members and stakeholders feel connected to OMERS and that they know this connection is very important to us.

Q: What are your thoughts on the future and the challenges OMERS faces?

ML: I feel positive about the future. We are on track to be fully funded by 2025, even though we face

Continued from page 4

challenges in the short- to mid-term. We have a plan in place. We know returning the Plan to a fully funded status is important to you and it will continue to be a top priority for me and our team.

Q: If you could say one thing to members, what would it be?

ML: I'm a great believer in the value of defined benefit pensions as a cornerstone of the Canadian retirement system.

I'm proud to be CEO of an organization that's committed to providing a secure and sustainable pension to our members, and that has a positive impact on communities in Ontario and the Canadian economy.

OMERS Board updates

Effective governance makes a difference. It's critical for a high-performance pension plan and it's the objective behind recent appointments to the OMERS Boards.

OMERS Administration Corporation

The OMERS Administration Corporation Board welcomes two new members, effective January 1, 2015, and thanks departing Board members, Richard Faber and John Sabo, for their many years of service.

Cliff Inskip was jointly nominated by both the Ontario Catholic School Trustees' Association and Ontario Public School Boards' Association. Mr. Inskip is the Managing Director and Head of Infrastructure & Project Finance, Debt Capital Markets at a major Canadian financial institution. He has provided advice to numerous electricity-distribution utilities on financing-related matters, as well as to developers on large projects in the pipeline, energy and power and transportation infrastructure sectors.

David Tsubouchi was appointed on the nomination of the retiree group. As a former elected official, he brings both provincial and municipal government/public policy and governance experience to the Board. He served as a Councillor for the Town of Markham and as a member of provincial parliament, during which time he held cabinet posts including Solicitor General. His governance experience includes extensive involvement as a Chair and Director with a wide variety of public- and private-sector, educational and community organizations.

OMERS Sponsors Corporation

The OMERS Sponsors Corporation Board welcomes two new members and thanks departing Board members, Jack Jones and Bruce Stewart.

Sandra Sahli was appointed, effective July 1, 2014, by the Ontario Secondary School Teachers' Federation. An active retiree, Ms. Sahli has served in many elected and appointed Ontario Secondary School Teachers' Federation positions and was a Child and Youth Worker for the Greater Essex County District School Board.

Barry Brown was appointed, effective January 1, 2015, and will be taking over the Association of Municipalities Ontario seat. Mr. Brown brings legal expertise to the Board; he has been an employment and labour lawyer for the last 30 years. Throughout his career, he has worked with a variety of unions and other employee representatives to find mutually acceptable solutions to challenging workplace issues.

OMERS enters Boston and Paris real estate markets

32, rue Blanche
Paris, France

The real estate arm of OMERS, Oxford Properties Group (Oxford), recently announced the acquisition of office towers in Boston and Paris. The investments, made on behalf of OMERS, are significant transactions and are directly in line with Oxford's strategy to diversify globally.

Both Boston and Paris were identified by Oxford as key strategic markets, and the company spent considerable time to find the right properties to acquire for the portfolio.

Boston, U.S.

Oxford acquired three office towers in Boston and one in Cambridge, totalling 2.2 million square feet, and immediately became one of the top five landlords in the city. Three of the four towers were purchased in a joint-venture partnership, where Oxford is managing the assets on behalf of both partners. The fourth was purchased by Oxford on its own.

Oxford's senior vice president Andrew Trickett says, "Opportunities to acquire such a high-quality office portfolio in downtown Boston and Cambridge are extremely rare. We believe Boston has significant potential for rental growth and that the office market enjoys favourable supply/demand dynamics."

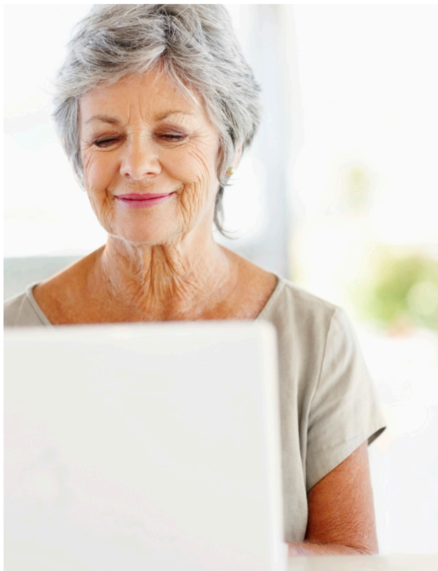
Paris, France

Oxford made its first real estate investment in continental Europe with the purchase of 32, rue Blanche, a prime office property in Paris' historic financial district and the city's new digital business centre. The building is fully leased to choice tenants and is an attractive entry point into the Paris office market, which demonstrates compelling long-term fundamentals.

"After delivering on our intention to establish a high-quality commercial real estate portfolio in the U.K., which currently stands at over €3 billion, the purchase of 32, rue Blanche represents an excellent opportunity to establish a portfolio in Continental Europe," says Michel Vauclair, Oxford's senior vice-president of asset management in Europe.

125 Summer St.
Boston, U.S.

Returning to work and your OMERS pension



With Canadians living healthier and longer lives than ever before, retirement in the traditional sense is changing. Retirees are exploring new lifestyles and changing how they spend their time. For example, more retirees are choosing to continue to contribute to their local communities by returning to work.

If you are thinking about returning to work, here's what you need to know.

Working for an OMERS employer

If you return to work for an OMERS employer in a position that requires that you enrol in the OMERS Primary Plan (the Plan), you can:

- stop your pension payments for as long as you are employed and re-enrol in the Plan; or
- continue your pension payments and not re-enrol in the Plan.

Be sure to tell your employer that you are an OMERS retiree and whether or not you want your pension payments to continue. You will be re-enrolled and your pension will stop unless you specifically elect to continue receiving your pension and not re-enrol.

If you re-enrol in the Plan:

- All your credited service and earnings are combined, and your pension is recalculated when you subsequently retire.
- If you work past age 71, your contributions to the Plan will stop on November 30 of the year in which you turn 71, and your pension will begin on December 1, regardless of whether you continue working.
- You cannot accumulate more than 35 years of service in the Plan.

Working for a non-OMERS employer

Working for a non-OMERS employer will not affect your pension payments.

Consider Additional Voluntary Contributions (AVCs), a unique savings opportunity available exclusively to OMERS members, which allow you to continue saving while in retirement until age 71.

Visit **OMERS.com/avcs** to learn more about unlocking the benefits of your membership.

Sign up for myOMERS

your online source for pension information

Once registered, be sure to go to e-subscription and sign up for e-only delivery. You'll receive your pension information faster, save paper and reduce administration costs for OMERS.

You need your reference number located on the top right-hand corner of your *Annual Statement of Pension* to sign up.


OMERS
Plan for the Future
ANNUAL STATEMENT OF PENSION
December 17, 2013
Reference number: 1234567
Date of birth: January 31, 1948
Private and confidential

Advantages of myOMERS

View your pension information

Manage your AVC account

Switch to e-delivery

Update your contact information

OMERS 2015 information sessions

Take the time to learn how your pension works. Find out if AVCs can help you reach your unique retirement goals.

Sessions run from 2:00 p.m. to 3:30 p.m.

Niagara	Jan. 22	Cornwall	Feb. 18
Belleville	Jan. 27	Hamilton	Mar. 17
Scarborough	Feb. 17	Windsor	Mar. 18

OMERS

If there is any discrepancy between the information in this newsletter and the *Ontario Municipal Employees Retirement System Act, 2006 (OMERS Act, 2006)* and the Plan text, the *OMERS Act, 2006* and Plan text will govern.

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