OMERS
employer news

NUMBER 46 • FALL • 2008

3 OMERS 2009 contribution rates

5 CV calculation change next year

6 Helping members with retirement planning

5 Guidelines for submitting Form 143

6 New ESA leave for reservists

8 Employer training schedules

Employers speak about how OMERS helps their members

see page 4 >>

Shelly Crovetto (left) and Cathy Cubberley (right), Huron-Perth Children's Aid Society

One team, one goal drives performance

Last year, Michael Nobrega took the reins as OMERS President and CEO. His focus is to put OMERS at the leading edge through team work and a solid game plan. This approach served OMERS well last year – OMERS had the highest rate of return among Canadian pension funds. In an interview, Mr. Nobrega talks about working together as a team to deliver superior benefits to members, OMERS priorities and what's in store for the future.

Continued on page 2

Continued from page 1

Since becoming OMERS CEO, is there any one thing that stands out in your mind?
Yes, the depth of talent at OMERS. We've worked hard to bring that talent together and put it to work as a team with the investment entities. OMERS is a complex organization and no one group can be expected to do the heavy lifting needed to put us at the leading edge. By working together, we will deliver superb investment returns and outstanding levels of service.

On March 12, 2007, Michael Nobrega became OMERS President and Chief Executive Officer. Previously, he was President and CEO of Borealis Capital Corporation, OMERS infrastructure entity. Outside of pensions, his interests include a passion for his family and sports. He also has a keen interest in international economics and politics.

What are some of OMERS priorities?
Our primary investment priority is to manage what we own by adopting an enterprise-wide, direct-drive management strategy to generate surplus wealth. This involves:

- corporate initiatives to internalize some currently outsourced investment management services; and
- expanding our management reach by selectively opening regional offices where we have major investments or see long-term prospects for private market investments and alliance agreements with major international capital pools.

Pension reform is another priority. We've made several pension related recommendations to the Expert Commission on Pension Reform in Ontario. We're tracking the Commission's progress and expect that it will embrace several of our recommendations in its preliminary report expected in the fall.

We will also work with other pension plans and the Ontario government to update rules that restrict investment activities of Ontario-based pension plans. As pension payments grow, OMERS will be under increasing pressure to generate stable long-term investment returns. To do this, OMERS must be able to exercise management control over its investments.

What do you see OMERS doing for plan members in the future?
In addition to providing OMERS pension benefits, we are looking at corporate structures for plan members to have access to our investment expertise by providing new pension products through different investment vehicles. We want to stay ahead of the curve in serving our members, and we are exploring how we can do that.

Where do you see OMERS five years down the road?
I see OMERS as a highly respected institution with exceptional pension services and investment performance – and an employer of choice for the best and the brightest.

What's on your mind when you're not in the office?
I think about the volatility of the public markets and how we can better position OMERS to ensure stability and optimal performance. I think about how OMERS can be a dominant player in its pension and investment activities through research and teamwork that encourages innovation and creativity. I think about

"I see OMERS as a highly respected institution with exceptional pension services and investment performance."

— Michael Nobrega, OMERS President and CEO

how I can assist the Sponsors Corporation to ensure it appreciates the importance of creating a board structure for OMERS Administration Corporation (AC) that advances the OMERS brand as a focused and disciplined institution that delivers leading edge services and investment performance for its plan members.

You've attended some presentations and met members and employers. What do you take away from these meetings?

I see that members and employers have confidence in OMERS investment performance. They also have a high regard for its service levels and are pleased with its communications.

Do you have a final message for members and employers?

It's important to pay close attention to the composition of the OMERS AC Board. Board composition must reflect the complexity of OMERS AC that is tasked with delivering exceptional member services and investment performance.

Administration Corporation files plan valuation

OMERS Administration Corporation (AC) has filed the 2007 valuation of the OMERS plan with the Financial Services Commission of Ontario, the provincial pension regulator. This is a legal requirement under the Ontario *Pension Benefits Act.*

This is the first valuation to be filed since the introduction of OMERS current governance structure. As such, the *Ontario Municipal Employees Retirement System Review Act, 2006,* requires that the Minister of Municipal Affairs commence consultations with the persons or organizations that are entitled to appoint members to the OMERS AC and OMERS Sponsors Corporation (SC).

OMERS is looking forward to supporting the government in this important consultation initiative.

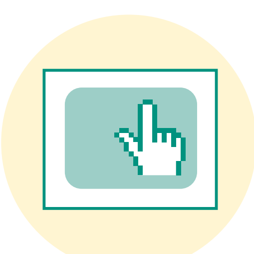
OMERS 2009 contribution rates

On July 4, 2008, the OMERS Sponsors Corporation (SC) announced changes to OMERS Primary Plan and Retirement Compensation Arrangement (RCA) contribution rates effective January 1, 2009. The new rates better reflect the value of OMERS benefits being earned.

		Primary Plan and RCA contribution rates	
		2008	**2009****
Normal retirement age of 65 members	On earnings up to CPP earnings limit*	6.5%	6.3%
	On earnings over CPP earnings limit*	9.6%	9.5%
Normal retirement age of 60 members	On earnings up to CPP earnings limit*	7.9%	7.7%
	On earnings over CPP earnings limit*	10.7%	12.8%

* CPP earnings limit in 2008 is $44,900 ** Beginning with the first, full pay in 2009

OMERS employers were notified of the contribution change by e-mail broadcast and letter to OMERS employer agents. For more about OMERS contribution rates and the SC announcement, visit OMERS website.



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Huron-Perth Children's Aid Society

Joyce Birnstihl, Shelly Crovetto and Cathy Cubberley administer the OMERS pension at the Huron-Perth Children's Aid Society (CAS). Employer News *spoke with them recently about their special work and how OMERS provides pension support, including e-tools and training.*

Employees at the Huron-Perth CAS share a common passion; to keep children safe. Huron-Perth CAS came into existence through an amalgamation of the Huron and Perth Children's Aid Societies in April 2003. "Our mission is to advocate for and protect children's rights; to support and strengthen families; and to be leaders for change in our community," says Joyce Birnstihl, Director of Human Resources. "We provide supportive services to children and families in need. We support over 200 children on a regular basis."

The Huron-Perth CAS consists of approximately 120 employees. About 110 of these employees are OMERS members. Previous to the amalgamation it did not have an operating Human Resources department. As staffing increased, the need for a Human Resources Department became apparent. The department consists of, Joyce Birnstihl, Director of Human Resources and Shelly Crovetto, Human Resources Coordinator. Both have been with Huron-Perth CAS since 2004 and come from the private sector. Human Resources help administer OMERS pension, along with assistance from Cathy Cubberley, Accounting Manager and her staff.

Ms. Crovetto comments that the OMERS benefit "is very valuable to staff in assisting them to save for retirement. It is a superior plan compared to that of the private sector. With the advent of e-access, administration and processing of OMERS has been simplified. With so many forms now on e-access it really has made the process much easier."

With a number of employees facing retirement within the next few years, members are interested in becoming familiar with the benefits OMERS has to offer. "It is important employees get the right information the first time. I call OMERS for information or refer to the website if I am unsure of an answer," Ms. Crovetto adds.

Ms. Cubberley is responsible for the annual reporting for OMERS. "The Call Centre is very reliable when I call them, which I appreciate as it's a busy time of the year. OMERS training seminars help so much and we are planning on taking a refresher course soon."

Huron-Perth has a very committed staff and it is important that staff feel appreciated. Ms. Birnstihl concludes, "The job [our employees] do every day is a difficult, stressful one and as administrators, we do what we can to support and advance their careers. It's about giving peace of mind to our employees, who strive to give peace of mind to our clients every day. As Human Resources specialists, Shelly and I both appreciate the ongoing support and training that OMERS has to offer."

Form 143 – Request for an OMERS plan benefit

Background

- Employers are required to complete and submit a Form 143 with any other required documents no later than 30 days after the member ceases employment. This initiates a benefit claim on behalf of the member.
- The Form 143 can be submitted in advance for retirements once the final figures are known.
- Unless the Advance Election Option is completed, when we receive a Form 143 we prepare and send the member a *Benefit application form* – our turnaround time for this is normally one to three business days.
- Benefits presented to the member must be based on actual information, not estimated. When member information is estimated then subsequently revised, we process an adjustment and send the member updated documents. This can be confusing to members and more work for both employers and OMERS.

Guidelines for submitting Form 143

Please use the following guidelines when reporting member events on the Form 143.

Terminations	• Submit the Form 143 when the information is final or after the member's final payroll run.
Retirements	• Submit the Form 143 when the information is final. For salaried employees where the final figures are known this can be up to 60 days in advance. • If the member's final pay is after the third week of the month and you must estimate information, report the revised information as soon as possible.
Pre-retirement deaths	• Only submit the Form 143 when you have final information – i.e., after the member's final payroll run.
Disabilities	• Only submit Form 143 when you have final information, including any elimination periods occurring in the calendar year before the effective date of the disability benefit – submit the Form 143 only after the member has decided whether or not to purchase the elimination period(s).

We understand that benefit adjustments are sometimes unavoidable, for example, when reporting a retroactive payment resulting from a new collective agreement. However, reducing the adjustments made to paid benefits provides better service to our members.

Upcoming change to Commuted Value (CV) calculation

The Actuarial Standards Board (ASB) is reviewing the rules that govern how pension plans calculate CVs with a proposed effective date of February 1, 2009. If approved by the ASB and adopted by the Ontario government under the Ontario *Pension Benefits Act,* the changes could lower the value of a member's CV by 10-30%, depending on the member's age and future interest rates.

OMERS calculates a CV when a member ceases employment on or before the end of the month in which they turn 55 (or 50 for most police and firefighters). The member has the option of transferring the CV of their OMERS pension out of the plan. The changes affect only the CV calculation. The changes do not affect OMERS pension formula.

We'll have more details on this upcoming change in the next *Employer News.*

Helping members plan for retirement

Getting ready to retire booklet

The *Getting ready to retire* booklet is a retirement planning guide for OMERS members. It provides a summary of OMERS pension benefits as well as retirement planning information and tips from OMERS retired members.

Order a supply of booklets for your members online at www.omers.com under Employers/Publications/Request a publication. A PDF of the booklet is also available at www.omers.com under Members/Publications.

Pre-retirement seminars

Our pre-retirement seminars are a big hit with members who are planning retirement. The group sessions offer an in-depth review of normal and early retirement pensions and survivor benefits. OMERS staff can also be on hand to take appointments for one-on-one meetings with members to discuss their Pension Report.

To arrange a pre-retirement seminar for your members, visit our website and use the online request form under Employers/Training/Request a meeting for your members.

Retirement Income Estimator

The online Retirement Income Estimator estimates income from OMERS pension, government retirement benefits, and personal savings, including after-tax income (before and after retirement).

Pension estimate

A *Pension estimate* gives a member a projected estimate of their pension at one or more specific retirement dates. Employers can request estimates for members through e-access or members can request an estimate by sending a completed and signed *Form 190 – Request for a pension estimate* to OMERS.

Employment Standards Act, 2000 (ESA) leave for reservists in the Canadian Forces

In December 2007, ESA was amended to provide job-protection rights to members of the Canadian Forces Reserve who are on leave due to deployment, i.e., members on a reservist leave.

The amendments apply to the reservist leave period and periods of postponement. A period of postponement occurs when the employer postpones the employee's return to work following the leave.

For example, Susan is an OMERS member who works for a municipality. She is also a reservist in Canada's Reservist Force. If she is deployed and as a result takes a leave of absence from her job at the municipality, the leave of absence is a reservist leave.

The following summarizes administration of the reservist leaves for OMERS purposes.

Reservist leave period

- Member pays double contributions. Note: Although the employee's right to return to work is protected, the reservist leave is treated differently from other ESA leaves where the employer shares the cost, e.g., pregnancy and parental leaves.
- The leave period counts as eligible service if not purchased.

Period of postponement

- The employer can deny the employee's return until a set date or if no date is set, the later of:
  – two weeks after the leave ends, and
  – the first pay day after the leave ends.
- Member and employer share cost if the period is purchased.
- The period of postponement counts as eligible service if not purchased.

Service excellence is a team effort

From fast turnaround times on benefits to courteous call response, OMERS aims to be the pension service leader. Our commitment is to you: over 380,000 members and retirees, and more than 900 employers across Ontario. Our professional pension staff is dedicated to continue to raise the bar to provide top-of-class pension services.

Mike Watters helped OMERS employers get data in faster via e-access online tool

Amy Warner put a smile on the face of a member getting ready to retire

Neil Rattigan with his team answered more than 100,000 inquiries last year

Mylah Casalda explained disability benefits to a member who had been injured

Viktor Kogan laid the groundwork for business requirements for supple-mental benefits

Tracey Ball conducted policy analysis to ensure fair pension administration

Frank Cosentino tested a new system application to provide pension quotes to members

Anna Barone ensured pensions were paid promptly to more than 100,000 retirees

Claude Felber provided pension education to 3,000 members, retirees and employers last year

Tina Hendson went the extra mile to track down and pay benefits to a "missing" retiree

Workshops and e-Form 119 Annual Reporting training

OMERS Administration Workshops

Need a refresher on pension administration? Do new HR or payroll staff need training? Our one-day workshop has something for everyone. It covers all aspects of OMERS administration; enrolments, leave periods and disabilities, and year-end reconciliation.


OMERS will host an employer workshop in Toronto in December.

2008 Employer Administration Workshop Schedule

Workshops run from 9 a.m. to 4 p.m.

Date	Location
October 14	**Cornwall** Best Western Parkway Inn and Conference Centre, 1515 Vincent Massey Drive
December 2	**Kitchener** Delta Kitchener-Waterloo, 105 King Street East
December 10	**Toronto** Toronto City Hall, 100 Queen Street West

Register online under Employers/Training, or call OMERS Client Services. Workshops are free, but accommodation and travel is up to you. Please check our website for additional information.

Getting ready for e-Form 119 reporting

Another reporting season is just around the corner and our e-Form 119 seminars are a great way to get ready. Topics covered include year-end wrap-up, building an import file, submitting data, resolving exceptions and reconciling contributions.

e-Form 119 Seminar Schedule

Date	Location
October 7	North Bay
October 9	Timmins
October 15	St. Catharines
October 17	Hamilton
October 21	Kenora
October 22	Toronto (East)
October 23	Thunder Bay
October 28	Windsor
October 30	London
November 4	Barrie
November 6	Owen Sound
November 10	Burlington
November 12	Peterborough
November 18	Kingston
November 19	Toronto (West)
November 20	Ottawa

For meeting locations and to register visit OMERS website under Employers/ Training or call OMERS Client Services.

OMERS
Plan for the Future

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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