Members

- About e-access
- Employer Administration Manual
- News and Newsletters
  - News
  - **Employer News - October 2012**
  - Employer News - June 2012
  - Employer News - April 2012
  - Employer News - December 2011
  - Employer News - September 2011
  - Subscribe to Employer News
- Forms
- Employer Checklist 2012
- Annual Reporting - Form 119
- Part-time Employees
- Contribution and PAs
- Training
- Request a Publication
- Supplemental Plan

Go to Employers

Employer Newsletter

Employer News 59 - October 2012

Getting Questions? We Have Answers.

Chief Pension Officer, Jennifer Brown, wants employers to know about the services and tools we offer to help administer the Plan, as well as some key facts about OMERS.

Read More

2013 Contribution Rates and Plan Changes Recap

OMERS Sponsors Corporation (SC) approved contribution rate and benefit changes in a meeting on June 28, 2012. The SC also approved a new method for allocating contribution rates in the future, and decided to file the December 31, 2011 valuations for the OMERS Primary and Supplemental Pension Plans.

Read More

2010 SC Plan Benefit Changes Recap

In 2010, the OMERS SC Board approved benefit calculation changes that will affect members who terminate employment and who are not yet eligible for an early retirement pension. These members will no longer have pre-retirement indexing and early retirement subsidies included in the calculation of their benefits based on service earned post-2012.

Read More

OMERS Board Makes Submission to Reviewer

On September 4, the OMERS Administration Corporation's (OAC) Board of Directors publicly released its formal submission to Mr. Tony Dean. Mr. Dean was appointed by the Ontario government to review OMERS governance model in accordance with the *OMERS Review Act, 2006*.

Read More

OMERS Investment Portfolio Grows

In 2012, OMERS talented investment team added to OMERS growing investment portfolio with its first Global Strategic Investment Alliance (GSIA) deal, an ownership stake in HootSuite Media Inc., and the acquisition of Lifeways in the UK.

Related Links

Sign-up for Employer Administration Workshops

Read More

E-Form 119 - It's All About OMERS Members

Greater Sudbury Hydro Plus Inc. is an e-Form 119 success story. Why the e-Form 119 process works well for Sudbury Hydro comes down to two factors: their skilled staff and OMERS training and online tools.

Read More

Administration Manual Helps with…

In Spring 2012, Ontario's pension regulator, the Financial Services Commission of Ontario (FSCO) updated their policy on how employers must offer enrolment to other-than-continuous full-time (OTCFT) employees who become eligible to join the OMERS Primary Pension Plan (the Plan).

Read More

Check Your OMERS Print Materials

Periodically check to make sure that any OMERS print materials you stock for your members, such as member handbooks, are up to date.

Read More

Back to top

Employers

- About e-access
- Employer Administration Manual
- News and Newsletters
  - News
  - Employer News - October 2012
  - Employer News - June 2012
  - Employer News - April 2012
  - Employer News - December 2011
  - Employer News - September 2011
  - Subscribe to Employer News
- Forms
- Employer Checklist 2012
- Annual Reporting - Form 119
- Part-time Employees
- Contribution and PAs
- Training
- Request a Publication
- Supplemental Plan

Go to Members

Employer Newsletter

Getting Questions? We Have Answers.

Employer News 59 - October 2012 Next Article

A message from OMERS Chief Pension Officer, Jennifer Brown

Dear Employer,

A strong and sustainable OMERS retirement system benefits all of us. Yet we know that, across the diversity of Ontario's retirement landscape, many people are still not sufficiently planning for their retirement. There's no doubt that heightened public interest in this complex issue may fuel questions for you – both as an employer providing a pension plan such as OMERS, and as a service provider in your community.

Given the current economic times and high levels of consumer debt, providing for one's retirement has emerged as a growing issue with the public and in the media. It is not surprising that sometimes the facts can get lost in these discussions.

As OMERS Chief Pension Officer, I want you to know that we offer a range of services and tools to give you our full support and partnership in understanding and administering the Plan. From e-access, our online tool, to employer education sessions, training and webinars, and our Client Services representatives, we are here to help. We also offer individual on-site visits to cover any areas of particular interest to you.

We closely monitor the public dialogue taking place, and want to take this opportunity to share with you some background on OMERS and why it matters to Ontario and Canada, so that you can provide your employees, elected officials and ratepayers with the facts.

Thank you for the important work you do on our members' behalf and for your ongoing commitment to our relationship. Please do not hesitate to contact me directly at jenniferbrown@omers.com if you have any questions.

Sincerely,

Jennifer Brown
Chief Pension Officer
OMERS Administration Corporation

OMERS Facts

About OMERS

- OMERS was established 50 years ago to provide pensions for those who work and support the citizens in Ontario's communities.

- OMERS is one of the largest defined benefit pension plans in Canada. With over 400,000 plan members and $55 billion in owned assets, it is consistently ranked and recognized as a top global pension fund.
- OMERS liability profile – its "pension promise" to the workers who have contributed to the Fund – drives its investment strategy. Over the years, OMERS has grown into a global investment powerhouse and an engine of economic growth and employment in Ontario and Canada.
- Over the past 20 years, 2/3 of the capital added to OMERS balance sheet has been through investment returns, with roughly 1/3 coming from equal contributions by members and employers.
- OMERS is also recognized as one of the country's best workplaces, with a reputation for giving back to the communities in which its employees and members live and work.

OMERS Membership

- OMERS members are the men and women who have served or continue to serve across Ontario in cities and towns, libraries, homes for the aged, municipal transit systems, police and fire services to name a few.
- OMERS is a jointly sponsored pension plan, which means that working members equally share the responsibility for funding the Plan with their employers. Workers and employers, therefore, equally share the risk. Over the years, workers have accepted adjustments to their benefits as well as changing contributions to ensure ongoing Plan sustainability.
- About one in 20 employed Ontarians is an OMERS member.
- The average annual pension for all members retiring in 2011 is $28,000. Of all existing OMERS retirees, the average pension benefit is about $18,000 per year.
- On retirement, the average OMERS retiree receives an annual pension that is 30% to 50% of his or her pensionable salary just prior to retirement.

OMERS Funded Position

- The OMERS Primary Pension Plan is healthy, with $55 billion of net assets, as at December 31, 2011 – an increase of $11 billion since 2008, reflecting strong returns across its asset classes.
- Like most other defined benefit pension plans, and primarily as a result of the 2008 global financial crisis, OMERS is currently in an "actuarial deficit" position. We have projected our actuarial deficit to peak at around $10 billion by the end of 2012.
- The actuarial deficit is not an indication of OMERS ability to pay pensions in the short term. In fact, in 2011, OMERS collected a total of $2.7 billion in contributions from members and employers, and we paid $2.4 billion in benefits to our retired members.
- The "actuarial deficit" represents a long-term projection by OMERS independent actuary. It is based on best estimates for the next 80 years of numerous factors such as wages, life expectancies, retirement ages, investment returns and, of course, the pension benefits that have been promised. These expectations are all subject to change as we regularly review and modify pension elements, as required.
- Unlike a government's annual budget deficit, where expenditures exceed revenue, an actuarial deficit is very different. An actuarial deficit is a point-in-time measure of the gap between the Plan's assets and an actuarially determined liability "target". It measures the probable long-term financial health of the Plan if the actuary's assumptions are realized.
- All pension plans in Ontario, including OMERS, are required to report their funded position at least once every three years. If a deficit is reported, a strategy must be developed to return the pension plan to a fully funded position within 15 years.
- In 2010, as part of its regular review, OMERS implemented a strategy to return the Plan to an "actuarial surplus," or a fully funded position, within the next 15 years. This strategy comprises three phased-in contribution rate increases, effective 2011, 2012 and 2013, along with some moderate benefit reductions that go into effect in 2013.

OMERS Path to Growth

- OMERS invests its capital in important works such as public infrastructure, urban development, and established and new business ventures. OMERS capabilities rest in its large infrastructure and real estate investments (through Borealis and Oxford Properties), as well as expertise housed in OMERS Capital Markets, Private Equity, Strategic Investments, Investment Management and Ventures entities.
- The OMERS growth strategy is designed to generate average returns that exceed the assumed actuarial investment return of 6.5%, which should shorten the amount of time it takes to return the Plan to an actuarial surplus.
- OMERS investment strategy has been focused on reducing exposure to volatile market fluctuations outside of our control and on generating higher returns. This strategy has meant shifting capital from public to private market investment, direct active management of assets, and growing capital in Canada and abroad.
- Strategic growth opportunities include expanding the OMERS global footprint, building up OMERS western Canadian base, investing in green technologies and other new ventures, and leveraging OMERS increasingly successful worldwide reputation to capitalize on other attractive investment opportunities.

For more information, please contact:

Michael Robinson

Manager, Client Services

mrobinson@omers.com

1-800-387-0813 x 3147

Jason Pope

Manager, Government and Stakeholder Relations

jpope@omers.com

1-800-387-0813 x 2403

Employer Links

- e-access
- Employer education sessions, training and webinars
- Client Services

Employer Newsletter

2013 Contribution Rates and Plan Changes Recap

Employer News 59 - October 2012 Previous Article Next Article

As part of its long-term strategy to return the OMERS Plan to full funding, OMERS Sponsors Corporation (SC), which represents active and retired members and employers, approved two Plan changes in a meeting on June 28, 2012:

- Contribution rate increases were set for 2013 – the third increase as part of a three-year strategy announced in 2010; and
- A cap on contributory earnings, equal to seven times the CPP earnings limit (Year's Maximum Pensionable Earnings or YMPE).

The SC also approved a new method for allocating contribution rates in the future, and decided to file the December 31, 2011 valuations for the OMERS Primary and Supplemental Pension Plans.

Previously, the SC also approved a couple of benefit changes in 2010, which will go into effect in 2013.

Contribution Rates

Contribution rate changes for the OMERS Plan are effective with the **first, full pay in 2013**.

Contribution Rates		2012	2013
Normal retirement age 65 members	On earnings up to CPP earnings limit*	8.3%	9.0%
	On earnings over CPP earnings limit*	12.8%	14.6%
Normal retirement age 60 members	On earnings up to CPP earnings limit*	9.4%	9.3%
	On earnings over CPP earnings limit*	13.9%	15.9%

**The CPP earnings limit in 2012 is $50,100; the limit in 2013 will be higher. OMERS members pay a lower rate on earnings up to the YMPE because OMERS and the CPP are designed to work together to provide pension benefits. Contributions are tax deductible which lessens the net impact on Plan members.*

Examples of biweekly contribution increases, based on

26 pay periods

Normal retirement age 65

	Contributions*		Difference per pay period	
Total annual earnings example	**2012**	**2013**	**Gross****	**Net****
$40,000	$127.69/pay	$138.46/pay	$10.77	$8.17
$65,000	$233.28/pay	$257.09/pay	$23.81	$16.39

Normal retirement age 60

	Contributions*		Difference per pay period	
Total annual earnings example	**2012**	**2013**	**Gross****	**Net****
$65,000	$260.79/pay	$270.32/pay	$9.53	$6.56
$90,000	$394.44/pay	$423.20/pay	$28.76	$16.28

**This calculation uses the 2012 YMPE ($50,100).*
***Net differences after tax are based on 2012 Federal and Ontario marginal tax rates and assume the member has taxable income equal to the annual earnings shown.*

These rate increases are intended to be temporary until the deficit is eliminated.

New Method for Allocating Contribution Rates

- Starting 2014, a new method for allocating any contribution rates for the OMERS Plan – above/below the YMPE and between normal retirement ages 65/60 – will be used. The new methodology will see each group pay the value of their benefit provisions, but share other elements of Plan costs.
- The new method strikes a balance for different member groups among the various contribution rate setting principles. These principles include transparency, limited volatility and complexity, value for money, pooling, and cost effectiveness.

Cap on Contributory Earnings

This change will cap a member's earnings for pension purposes and it will only affect members earning over seven times the CPP earnings limit. (If the cap were in effect for 2012 this would be 7 x $50,100 or $350,700.)

This change applies to the OMERS Plan, the Retirement Compensation Arrangement (RCA) for the OMERS Plan, and the Supplemental Plan. This cap is in addition to the existing cap on contributory earnings (i.e., for incentive pay).

The effective date of the cap on contributory earnings is:

- **January 1, 2016** for members enrolled before January 1, 2014, and
- **January 1, 2014** for members enrolled on/after January 1, 2014.

Details for OMERS employers will be posted in the *Employer Administration Manual*.

Filing Plan Valuations

Pension plans must file an actuarial valuation – showing assets and obligations – at least once every three years. The decision was made to file the December 31, 2011 OMERS Plan and Supplemental Plan valuations with the regulators. The next required filing will be the December 31, 2014 valuation.

Employers

- About e-access
- Employer Administration Manual
- News and Newsletters
  - News
  - Employer News - October 2012
  - Employer News - June 2012
  - Employer News - April 2012
  - Employer News - December 2011
  - Employer News - September 2011
  - Subscribe to Employer News
- Forms
- Employer Checklist 2012
- Annual Reporting - Form 119
- Part-time Employees
- Contribution and PAs
- Training
- Request a Publication
- Supplemental Plan

Go to Members

Employer Newsletter

2010 SC Plan Benefit Changes Recap

Employer News 59 - October 2012 Previous Article Next Article

Starting on January 1, 2013, benefit calculation changes will affect members who terminate employment and who are not yet eligible for an early retirement pension – i.e., before age 55 (if their normal retirement age is 65) or age 50 (if their normal retirement age is 60). These members will no longer have pre-retirement indexing and early retirement subsidies included in the calculation of their benefits based on service earned post-2012.

Members who are within 10 years of their normal retirement age when they terminate employment – i.e., at least age 55 (if their normal retirement age is 65) or age 50 (if their normal retirement age is 60) – are not affected. Retired members and anyone receiving an OMERS survivor pension are also not affected.

What Do the Changes Affect?

These changes only affect OMERS Plan service earned on a “go-forward” basis – from the effective date of the change (January 1, 2013) onwards. They do not affect benefits that members earn for service up to the end of 2012, nor do these changes affect purchased service periods that occurred before 2013.

This means that when an affected member’s termination benefit is calculated from January 1, 2013, it will be done in two parts: pre-2013 and post-2012. The pre-2013 portion will include pre-retirement indexing and early retirement subsidies, while the post-2012 portion won’t*.

Again, these changes will only affect members who are not within 10 years of their normal retirement age when they terminate employment after 2012.

What Do the Changes Mean to an OMERS Pension?

Members contribute towards their future pension, which is based on an average of their highest (“best five”) earnings and credited (paid) service in the Plan. The pension to which members are entitled is a normal retirement pension – the pension that would be paid if a member were to retire at their normal retirement age (65 or 60).

Currently, if a member terminates before they are eligible for an early retirement pension (more than 10 years away from normal retirement age), the OMERS Plan includes pre-retirement indexing and early retirement subsidies when we calculate the value of the pension. Starting on January 1, 2013, affected members’ pension benefits earned after 2012 will be based on the actuarial value of their normal retirement pension – without pre-retirement indexing and early retirement subsidies.

What Is “Pre-Retirement Indexing”?

Currently, pre-retirement indexing is the inflation protection we apply when we calculate a terminating member’s OMERS pension benefit. This benefit extends from the date a member leaves their employer until the date their pension begins. The indexation applies regardless of whether the member chooses to leave their pension in the OMERS Plan, or transfer their

In This Issue

- Getting Questions? We Have Answers.
- 2013 Contribution Rates and Plan Changes Recap
- 2010 SC Plan Benefit Changes Recap
- OMERS Board Makes Submission to Reviewer
- OMERS Investment Portfolio Grows
- E-Form 119 - It’s All About OMERS Members
- Administration Manual Helps with...
- Check Your OMERS Print Materials

commuted value out of the OMERS Plan. Starting on January 1, 2013, affected members will not receive this benefit on credited service earned on and after this date.

What Are “Early Retirement Subsidies”?

Currently, OMERS includes some “extras,” such as the OMERS “bridge” benefit and early retirement provisions, when we calculate a terminating member’s pension benefit. These features are in addition to the lifetime pension (payable at normal retirement age) an OMERS member earns, and are an added cost to the Plan. Effective January 1, 2013, these early retirement features will no longer be included for an affected member’s service earned after 2012*.

The bridge benefit temporarily supplements a member’s OMERS Plan pension until the CPP normal retirement pension begins at age 65. Early retirement provisions determine whether the member would be entitled to an unreduced early retirement pension before they reach their normal retirement age and the reduction factor that is applied if a member is not entitled to an unreduced early retirement pension.

**Members who have a normal retirement age of 60 receive the OMERS bridge benefit until age 65 – for five years after their normal retirement age. This five-year portion of the bridge benefit will still be included in the calculation of these members’ benefits when they terminate employment.*

Employer Newsletter

OMERS Board Makes Submission to Reviewer

Employer News 59 - October 2012 Previous Article Next Article

On September 4, the OMERS Administration Corporation's (OAC) Board of Directors publicly released its formal submission to Mr. Tony Dean. The submission was unanimously endorsed by the OAC Board.

Mr. Dean was appointed by the Ontario government to review OMERS governance model in accordance with the *OMERS Review Act, 2006*.

The OAC Board was invited by Mr. Dean to make a submission, and it has done so on the basis that it has a fiduciary duty on behalf of the OAC and all the OMERS Plan members and employers it serves. The Chair of the OAC Board underlined this point in a letter introducing the submission:

"The governance of a pension-based institution that is important to so many Ontarians deserves broad-based and transparent consultation. How OMERS is governed and by whom is also critical to relationship building with a wide array of stakeholders and investment partners in Ontario, across Canada and, increasingly, worldwide."

The OAC Board wishes to thank Mr. Dean for the opportunity to make the submission.

Learn more about Mr. Dean and his work as a Reviewer.

Employer Newsletter

OMERS Investment Portfolio Grows

Employer News 59 - October 2012 Previous Article Next Article

OMERS talented investment team continues to focus on delivering stable investment results that enable us to deliver on the pension promise over the long term.

OMERS diversified asset mix strategy includes a wide range of assets in public and private markets, which helps to generate the returns to fund OMERS pensions. In 2012, the following three investment opportunities were added to OMERS growing investment portfolio.

OMERS Strategic Investments Closes First Global Strategic Investment Alliance (GSIA) Deal.

The GSIA is an innovative "ground breaking" initiative led by OMERS Strategic Investments, which builds investment platforms and develops direct relationships globally in support of the investment activities of the OMERS Plan.

The Pension Fund Association (PFA) and a consortium led by Mitsubishi Corporation, both of Japan, made an initial commitment totalling $2.5 billion. OMERS investment is $5 billion. (All amounts are in US dollars.)

"We're very pleased to be partnering with these sophisticated investors in pursuit of high quality, large infrastructure investments that we can own over the long term," said Jacques Demers, President and CEO of OMERS Strategic Investments.

OMERS Ventures' $20 Million Investment in HootSuite Media Inc. Marks One of the Largest Canadian Venture Capital Transactions to Take Place in the Past 10 Years.

hootsuite

OMERS Ventures has purchased a $20 million ownership stake in Vancouver-based HootSuite which delivers world-class social media management to customers. HootSuite is a social media management system for businesses and organizations to launch campaigns across multiple networks from one secure dashboard.

"HootSuite has revolutionized the way companies create and execute their social media campaigns," said Derek Smyth, Managing Director of OMERS Ventures. "We believe this company can be a leader in this rapidly advancing market, and we are very excited to work with HootSuite to help further accelerate their success."

Social networks such as Facebook, Twitter, LinkedIn and Google have already benefited from HootSuite's secure and comprehensive management system.

OMERS Private Equity Acquires Lifeways, One of the UK's Leading Providers of Supported Living Services for Adults with Learning Disabilities.

OMERS Private Equity has agreed to acquire one of Britain's largest providers of adult support services for a range of disabilities, including autism and brain injuries.

Through its 33 offices, and with over 6,300 trained staff able to offer a high level of in-house expertise and experience, Lifeways supports more than 3,400 people, helping them to live more independently and giving them greater control over decisions in how their support care is planned and delivered.

"Lifeways perfectly fits our investment criteria," says Mark Redman, Senior Managing Director and Country Head, OMERS Private Equity Europe. "It is a market leader in every respect with a proven track record of top quality service and profitable growth, both organic and via acquisitions, in a market with sound long-term growth fundamentals."

[Learn more about OMERS investments.](#)

Employer Newsletter

E-Form 119 - It’s All About OMERS Members

Employer News 59 - October 2012 Previous Article Next Article

Greater Sudbury Hydro Plus Inc. is an e-Form 119 success story. They closed their 2011 annual membership information reporting process on March 4th – helping OMERS to quickly deliver Pension Reports to their 120 members.

Why the e-Form 119 process works well for Sudbury Hydro comes down to two factors: their skilled staff and OMERS training and online tools.

We sat down with Catherine Huneault, Supervisor of Accounting/Administrative Services; Dawn Bates, Human Resources Manager; and Nicole Findlay, Payroll Clerk, to get their perspectives and insights on OMERS annual reporting.

Nicole Findlay (L), Catherine Huneault (R) - Greater Sudbury Hydro Plus Inc.

How do you prepare for e-Form 119 season?

Typically, I do our e-Form 119,” says Nicole Findlay. “I find it helps to keep an ongoing list of new hires, retirements, etc., that affect our members’ years of service. Then, at the end of September, I go through the list to ensure that all the required forms have been submitted to OMERS.”

Nicole also keeps up to date on any Plan and administration changes throughout the year by reading each issue of OMERS *e-Employer News*. “And,” she continues, “occasionally, we all take a [Form 119] refresher course.”

“We’re very fortunate, here, at Greater Sudbury Hydro, because Nicole has been with us for many years, and she plans her year to ensure she has all the tools she needs to complete our Form 119,” says Dawn Bates.

As with some other OMERS employers, Hydro Plus has more than one department responsible for completing their employer group’s e-Form 119. “So, it’s very important for us to maintain a positive relationship with HR,” Nicole says, smiling.

What do you find is the greatest challenge in preparing your e-Form 119? How do you overcome it?

“Timing is our greatest challenge, because it’s at year-end,” admits Catherine Huneault. “We update our systems for the new year, and reconcile the previous year all at that time. The year-end is an extremely busy time. To overcome this, we begin our 119 as early as possible in the new year.”

Which OMERS online resources do you find the most helpful in preparing your e-Form 119?

"The online *Employer Administration Manual* is golden. It has all the answers," enthuses Nicole. She also likes the way it provides thorough descriptions of administration procedures in laymen's terms.

"It's easy to navigate through and is very user-friendly," agrees Catherine. "And, OMERS Client Services is always available as a helpful backup – if you need the extra help."

What do you think about OMERS one-stop contact approach – with any Client Services representative being able to take your call and help?

"It's convenient being able to talk with any Client Services representative. Your call is answered right away and, overall, the customer service is great," says Nicole.

What would you like to see improved?

"We've noticed, that e-Correspondence turnaround times slow down during Form 119 season," reflects Nicole. "It can be a bit frustrating, as this causes stops and starts in our work process."

What do you think about OMERS Education and Training programs, generally, and Dev Tandon, in particular?

Dawn Bates has worked very closely with Dev Tandon over the past few years and finds his expertise and educational seminars not only helpful, but entertaining as well.

"The education programs for upcoming retirees as well as the program that Dev presented regarding AVCs [Additional Voluntary Contributions] were very informative. He spoke in laymen's terms that all could understand. The feedback to our Human Resources Department was so positive, we plan on holding these every couple of years."

Do you have any tips, tricks or suggestions that might help other OMERS employers prepare their e-Form 119?

On this, Catherine, Dawn and Nicole were very much in agreement: "Start early and keep track of ongoing anomalies. Deal with them all before the year-end so you know what's going on."

Find out more about OMERS e-Form 119 training.

NEW!

OMERS is offering webinars on how to prepare for your 2012 e-Form 119. Register for our November 15th session today!

OMERS
Plan for the Future

Contact Us | Email Updates

Text Size: A A A

Search

Corporate Investments Pensions

OMERS Home > Pensions > Employers > News and Newsletters > Employer News - October 2012 > Administration Manual Helps with...

Sign in to e-access Print Page

Employers

- About e-access
- Employer Administration Manual
- News and Newsletters
  - News
  - Employer News - October 2012
  - Employer News - June 2012
  - Employer News - April 2012
  - Employer News - December 2011
  - Employer News - September 2011
  - Subscribe to Employer News
- Forms
- Employer Checklist 2012
- Annual Reporting - Form 119
- Part-time Employees
- Contribution and PAs
- Training
- Request a Publication
- Supplemental Plan

Go to Members

Employer Newsletter

Administration Manual Helps with...

Employer News 59 - October 2012 Previous Article Next Article

OTCFT Enrolments - Voluntary Enrolments Rules Update

In Spring 2012, Ontario's pension regulator, the Financial Services Commission of Ontario (FSCO) updated their policy on how employers must offer enrolment to other-than-continuous full-time (OTCFT) employees who become eligible to join the OMERS Primary Pension Plan (the Plan).

This updated policy only affects voluntary enrolments – where, to be eligible, employees must have reached the earnings/hours worked threshold in the two immediately preceding calendar years with any OMERS participating employer (see section 6.1.3 of the *Employer Administration Manual*).

If it is in your participation by-law or resolution to enrol all OTCFT employees immediately, the policy update doesn't affect you.

Beginning with the 2013 Qualifying Year

OMERS is suggesting that employers adopt the updated FSCO policy, as follows:

When the OTCFT employee first qualifies, you are required to offer them enrolment. (You are not required to make any further offers after this initial one.)

- Make the offer either:
  - within the 60 days preceding a new year (e.g., Nov 1); or
  - within 60 days from the employee's date of hire (if the member is eligible at that time)
- Get the employee to complete and sign a *Form 104 – Offer of OMERS Membership – Part-time Employee* [83 KB]
- Give the employee a copy of *Offer of OMERS Membership – part time employees* [5 MB] ("OTCFT Handbook")

The employee elects whether or not to join the Plan.

Important: Ensure that every part-time employee completes, signs and returns a Form 104. Keep all Form 104s in your files – to help prevent any future omission period claims.

You may still wish to provide annual notices (as opposed to elections) of OMERS membership to eligible re-qualifying OTCFT employees who decided not to join the Plan. This will remind your employees to revisit the information you already provided them to make an informed decision and at the same time help prevent any misunderstanding in the future.

Employee eligibility

In This Issue

When you hire an OTCFT employee, you may not know whether the employee has hours/earnings related to other OMERS participating employers. That information is understandably a confidential matter. It is nevertheless relevant to the employee's ability to join the plan immediately and his/her right to receive an offer of enrolment.

While not part of the FSCO clarification, an employer should, as part of the hiring process, indicate (preferably in writing as proof) to OTCFT employees that optional OTCFT enrolment may occur based on all OMERS participating employer records. If the employee wishes to determine their immediate enrolment eligibility, then it is up to the employee to provide evidence of hours/earnings for the employer to perform the threshold test earlier than the first two-year milestone with you. The employer is not considered to be failing to offer voluntary enrolment if the employee does not disclose the information necessary to establish eligibility.

Tip: to help educate new OTCFT employees on their enrolment option, give them a copy of our online information page *OMERS Pension Plan enrolment for part-time employees* [1.7 MB].

Additional details

This update to the OTCFT offer of enrolment procedure will help to ensure against omission periods – the period during which an employee should have been enrolled in OMERS but wasn't.

Deciding not to become a member means that the employee has confirmed they have been given the opportunity to join the Plan and have been notified of their first eligible enrolment date (both items set out on OMERS Form 104).

Specifically, FSCO stated:

> *"If an employee decides not to become a member when he or she is eligible to join the plan, and decides to join at a future date, he or she is responsible for contacting the administrator to enroll in the plan."*

Providing the eligible employee a copy of the OTCFT Handbook and obtaining an OMERS Form 104 is key to this process.

OMERS has updated the Form 104 to indicate that it is the employee's responsibility to request membership enrolment forms if they elect not to join the Plan when they are first eligible to do so.

If an OTCFT employee elects not to join and, on a later date, decides they want to enrol, you can validate their eligibility at that time (see section 6.1.3 of the *Employer Administration Manual*).

NEW!

OMERS is offering training webinars on this OTCFT enrolment change. Register for a session today.

Employers

- About e-access
- Employer Administration Manual
- News and Newsletters
  - News
  - Employer News - October 2012
  - Employer News - June 2012
  - Employer News - April 2012
  - Employer News - December 2011
  - Employer News - September 2011
  - Subscribe to Employer News
- Forms
- Employer Checklist 2012
- Annual Reporting - Form 119
- Part-time Employees
- Contribution and PAs
- Training
- Request a Publication
- Supplemental Plan

Go to Members

Employer Newsletter

Check Your OMERS Print Materials

Employer News 59 - October 2012 Previous Article

OMERS continually updates its communications materials – for example, to keep pace with pension legislation changes and to incorporate annual figures and examples.

Every year, we review and revise our publications, pamphlets, information pages and forms – both print and online versions – to make sure their information is correct and current.

Please periodically check to make sure that any OMERS print materials you stock for your members, such as member handbooks, are also up to date. It's important that these materials be the latest version we've produced – to ensure members are informed about current Plan provisions and benefits. For many of our materials, you can check the online version to make sure yours are the latest. If not, please recycle any copies you have, and order more from OMERS.

In future, we'll also let you know whenever we release a new version of a member reference publication, such as the handbook. This way, together, we'll make sure your members get the latest OMERS information.

In This Issue