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OMERS Appoints New President and Chief Executive Officer

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On April 1, 2014, seasoned OMERS executive Michael Latimer took the reins as President and Chief Executive Officer following the retirement of Michael Nobrega – the culmination of a succession planning process that began in 2010.

As CEO, Mr. Latimer has responsibility for the leadership and performance of the OMERS Enterprise, including pension administration, investment activities, and the execution of its strategic plan.

"On behalf of the entire OMERS team, I'd like to reiterate our focus on ensuring the people who serve our communities can retire confident that their pensions are secure and sustainable over the long term. I'm excited to take on the CEO role at what I see as a time of great opportunity, and will focus on my leadership beliefs of clarity, accountability and candour," said Mr. Latimer.

Mr. Latimer has more than 40 years of business experience, and previously served as the Chief Investment Officer of OMERS. Prior to that, he was President and CEO of OMERS real estate investment arm, Oxford Properties Group.

"Michael Latimer is a great leader who demonstrates a strong personal commitment to OMERS. His experience and depth as an action-oriented strategist represent an ideal combination in the CEO role," said George Cooke, Chair of the Board of the OMERS Administration Corporation (OAC).

Michael Nobrega's Achievements Will Shape OMERS for Years to Come

During his time at OMERS, Michael Nobrega drove an innovative strategic plan that saw OMERS expand its international presence through a number of initiatives including the establishment of the Global Strategic Investment Alliance and the opening of OMERS offices in Calgary, London, U.K., and New York.

Under Mr. Nobrega's leadership, OMERS increased the proportion of assets managed internally from less than 70% in 2007 to almost 90% in 2013, significantly reducing investment costs while building an ownership culture across the organization.

"I cannot express how rewarding my time at OMERS has been to me on a personal level. We do all we do for OMERS members; we do it with prudence and with a very long-term perspective. OMERS members can be assured that, with Michael Latimer's appointment, your Plan is in good hands," said Mr. Nobrega.

"I feel very good about taking on the CEO role following Michael Nobrega's retirement. As a direct result of Michael's leadership over the past several years, we have a clear strategy, a strong talent bench, an innovative culture and very engaged employees right across the enterprise," said Mr. Nobrega's successor and long-time colleague, Michael Latimer.

Mr. Nobrega also stretched OMERS reach by introducing OMERS Investment Management to offer fee-based investment services to smaller pension plans and by offering Additional Voluntary Contributions (AVCs) to OMERS members. AVCs are a Plan provision that provides members an opportunity to invest in the OMERS Fund. OMERS continues to focus on excellence in service delivery to Plan members and on pension reform – an

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integral part of its long-term strategic plan.

"Michael Nobrega has had a tremendous impact on OMERS while playing a highly influential role in shaping the pension landscape in Canada," said George Cooke. "He brought to OMERS an ability to look beyond today and well into the future."

More about OMERS corporate management team

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OMERS announces 2013 Financial Results, Assets Up, Deficit Down

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In 2013, the OMERS Primary Pension Plan (the Plan) achieved a 6.53% gross return, generated $4 billion in total investment income and reduced its funding deficit by $1.3 billion to $8.6 billion.

Net assets for the OMERS Pension Plans reached $65.1 billion as at December 31, 2013.

Investment Returns of the OMERS Plan by Investment Entity

	Gross Returns - for the year ended December 31,	
	2013	**2012**
OMERS Capital Markets	0.47%	7.50%
OMERS Private Equity	23.55%	19.17%
Borealis Infrastructure	12.44%	12.68%
Oxford Properties	14.33%	16.91%
OMERS Strategic Investments	9.14%	-10.13%
Total Plan	**6.53%**	**10.03%**

2013 Pension Highlights

As at December 31, 2013

- **982** OMERS employers, **439,528** OMERS members
- Over **7,600** new pensioners in 2013
- Average annual pension as at December 31, 2013: **$28,300** for a newly retired member, **$19,300** for all retired members & survivors
- OMERS Client Services handled over **194,500** incoming and outgoing calls
- Over **19,400** retirement, termination, disability and pre-retirement death benefits claims were processed (about 87% were initiated through e-access or myOMERS)
- Over **100,000** retirement and termination estimate requests (a 12% increase over 2012)
- 1 in 5 OMERS members have activated their myOMERS account
- Almost **10,000** OMERS members have contributed to an AVC account resulting in a total accumulation of funds (including investment earnings) of **$276 million**.

For more on the 2013 results, see the *2013 Annual Report, Going the Distance*

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OMERS Administration Corporation (OAC) and OMERS Sponsors Corporation (SC) Board Appointments

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Both the OAC and SC Boards welcome new members in 2014.

OAC Board Appointments

In the last edition of Employer News, we announced the appointment of George Cooke, OAC's first Independent Board Chair. In 2014, the OAC Board also welcomes new Board appointees Bill Aziz, Darcie Beggs, William (Bill) Butt, Laurie Hutchinson, and Lloyd Komori. At the same time, OMERS says farewell and thank you to Rick Miller, the outgoing Chair, Frederick Biro, David Carrington, Laurie Nancekivell, and David O'Brien.

- **Bill Aziz** will serve as Chair of Investments of the OAC Board and as a member of the Human Resources Committee.
- **Darcie Beggs** will serve as a member of the Member Services Committee and the Governance Committee.
- **William (Bill) Butt** will serve as a member of the Audit Committee.
- **Laurie Hutchinson** will serve as a member of the Audit Committee and the Member Services Committee.
- **Lloyd Komori** will serve as a member of the Member Services Committee and the Governance Committee.

More about the OAC Board and its members

OMERS SC Board Appointments

The SC Board welcomes Frederick Biro and Tim Maguire. At the same time, OMERS says farewell and thank you to Mark Ferguson and Garth Pierce.

- **Frederick Biro** will serve as a member of both the Human Resources and Compensation Committee and the Plan Design Information Committee.
- **Tim Maguire** will serve on the Audit and Human Resources and Compensation Committee.

More about the SC Board and its members

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Analysis Confirms Defined Benefit Pensions Provide Significant Benefits to Canadian Economy

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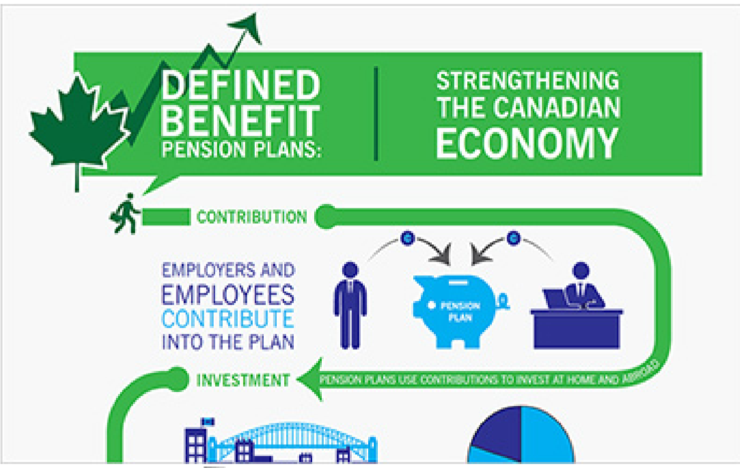

Download the study [127 KB]

A study, conducted by the Boston Consulting Group (BCG), revealed that retirees with a defined benefit (DB) pension like OMERS are less likely to rely on government assistance and collect the Guaranteed Income Supplement.

The study also finds the benefits paid out to DB pension plan members ultimately cycles back into the Canadian economy in the form of consumer spending and taxes, generating business growth and employment, and generating tax revenues for all levels of government. DB pension benefits had the greatest impact on small towns, and the impact was especially strong in Ontario.

The study, released in October 2013, was the second of two studies conducted by the Boston Consulting Group (BCG). The first study, released in June, found that Canada's ten largest public pension funds, dubbed "the Top Ten," provide Canadians with one of the strongest retirement income systems in the world and also contribute significantly to national prosperity.

More About the BCG Studies

Investing for Canada on the World Stage (June 2013)

Defined Benefit Pension Plans: Strengthening the Canadian Economy (October 2013)

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Streamlining Pension Administration Puts Clients First

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OMERS is moving to more direct delivery of services to provide members more choices and more online options in the future, while simplifying processes for employers. This year marks a milestone – it's the first year we will deliver all Pension Reports directly to members. Previously, employers provided addresses each year or delivered the reports for us.

The evolution of OMERS service model began last year with the full collection and storage of member contact information and changes to streamline the enrolment process. So far, the response from employers has generally been very positive.

"The new enrolment process is definitely less burdensome for us," says Angelo Tassone, Manager, Pensions, City of Toronto. "The direct mail of the welcome packages along with OMERS providing upfront buy-back information and informing new members of pension transfer opportunities have saved us an incredible amount of resources – both financial and staff hours."

The shift in service delivery is a multi-year modernization project which will result in more changes to employer processes in the future, for example, changes to e-access and the Form 119 annual reporting process. We'll keep employers informed through e-alerts which we'll post on the Client First resource page.

Help Us Get the Word Out to Your Members

We've put in place a number of processes to verify and ensure the accuracy of our address information on file, but the best way to ensure its accuracy is to have the member confirm their contact information. **Please encourage your members to sign into myOMERS and make sure their email and mailing addresses and other contact information are correct.** Through e-subscription, they can also switch to e-only delivery of their *Pension Report*.

Intranet Posting or Email Broadcast – A number of employers have asked for a template to use for an email broadcast to their OMERS members or an intranet posting. So, we provided a notice which you can copy and paste into an email or post on your intranet. See the Client First notice Help to Ensure Members Get Their Pension Report [330 KB]

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Employer Payroll Deductions: New Option for AVC Automatic Contributions

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OMERS employers now have the option to offer OMERS members the ability to make automatic contributions to their AVC account through payroll deductions.

AVCs were launched in 2011 as a response to member requests to invest their personal retirement savings in the OMERS Fund. Since then, participation in the AVC provision of the OMERS Primary Pension Plan (OMERS Plan) has grown to almost 10,000 members.

To offer more flexibility for members, catch-up payments for automatic contributions and year-round lump-sum transfers to an AVC account were introduced in 2013. As well, beginning on January 1, 2014, OMERS employers can choose to offer the AVC payroll deduction option.

Dufferin Peel Catholic District School Board and the District School Board of Niagara were among the early adopters of AVC payroll deductions.

"The AVC payroll deduction option provides our employees with an innovative way to increase their retirement savings," says Patti Nickel, Manager, Payroll Services at the District School Board of Niagara. "It's one small thing we can offer that has minimal administration and costs associated with it."

Fred Gardiner, Manager, Benefits & Payroll, Dufferin Peel Catholic District School Board says "Giving employees a tax break at source makes sense." When asked about the response from employees, Fred said "employees who have signed up are happy with the experience. One employee even enrolled before we advertised the option!" When asked about the administration of AVC payroll deductions, he said, "It's pretty simple. We expect that we can handle any increase in volume."

Listen to Patti Nickel and Fred Gardiner / Learn More About AVC Payroll Deductions

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Administration News and Reminders

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Keep June 20, 2014 in Mind – The Deadline to Submit Membership Data

This is the last date for OMERS to receive 2013 membership data to ensure we are able to produce and deliver Pension Reports to members by the legislated deadline of June 30.

Tip! e-subscription is the best way for your members to get their Pension Report. Encourage your members to go to myOMERS.com and consider signing up for e-only delivery of their Pension Report through e-subscription. It's a win-win-win. It's the fastest way for a member to get their report, it's environmentally friendly, and it keeps paper, mailing and printing costs down.

OMERS Employer Webinars Get Rave Reviews from Participants

We think webinars are a great way for our employer administrators to keep up-to-date with the latest in pension administration, and we're not alone. Here's what some recent participants had to say:

"Love the webinars as a refresher. I always learn something new!"

"I think this webinar was fantastic...the pace and visuals were great. I love the mini quizzes to ensure everyone is on the same page and understands the material being trained. I also like the fact that when you answered questions, it was brought up and answered during the time the topic was discussed. Great job."

"Being totally new to the OMERS administration process is a little overwhelming but webinars like this one certainly are of a big help."

"I think this is a great way to do training and share information."

Be sure to sign up for an upcoming webinar:

- Enrolment Part 1: Theory
- Enrolment Part 2: Enrolling a Member (e-Form 102)
- Leave Period Administration (e-Form 165)
- Disability Administration Part 1: Disability Elimination Period (e-Form 164)
- Disability Administration Part 2: Requesting a Disability Benefit (e-Form 143)
- Member Events (e-Form 143). Webinar schedule and registration

OMERS First All-Day Employer Conference Fills Up in Hours, Another Conference Scheduled for the Fall

This year, we're trying something new – on April 24th we will host an all-day employer conference with breakout sessions covering topics selected by participants. So far, the response has been incredible – registration opened on March 18 and the conference reached capacity within a few hours! We're excited and pleased with the response and we've got great news: a second conference will be held this fall. The location is yet to be decided. We'll keep you posted.

Administration of OMERS Disability Benefits

Check out the disability section of the Employer Administration Manual. Information on OMERS and employer

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responsibilities as well as the application, processing, maintenance and termination of OMERS disability benefits has been expanded to provide more details and better guidelines.

Upcoming disability webinars also cover administering disability elimination periods and submitting requests for a disability benefit. Webinar schedule and registration