

E-Bulletin

Update on OMERS Issues

This E-Bulletin is intended to update members on several issues related to OMERS. In a previous [E-Bulletin](#) (July 7, 2005), we have already provided information with regard to contribution rates for 2006. On average, contribution rates will increase by approximately 9%. The focus of this E-Bulletin is on OMERS governance and Bill 206.

Working With AMO on Bill 206

Minister Gerretsen introduced [Bill 206](#) for first reading on June 1, 2005. This Bill, if passed, will significantly change the way in which the OMERS pension plan is governed. The Association of Municipalities of Ontario (AMO) has formed an [OMERS Steering Committee](#) to oversee its response to Bill 206. Membership on the Committee consists of the Chairs of the AMO Caucuses, the Chair of the Large Urban Mayors' Caucus of Ontario (LUMCO) and the Chair of the Mayors and Regional Chairs of Ontario of Single Tier Cities and Regions (MARCO). AMO President Roger Anderson is Chair of the Steering Committee.

The Steering Committee is supported by a staff-level Working Group, which includes two municipal staff associations which are aligned with the interests of municipal governments as employers: the Municipal Finance Officers' Association (MFOA) and the Ontario Municipal Administrators' Association (OMAA). By participating on the working group, MFOA is able to contribute to a common position and take advantage of the added resources that all groups are bringing to this issue. As part of the communication process with members, AMO has asked Hicks Morley, pension consultants, to prepare [a briefing note](#) on Bill 206 issues. In addition, AMO has sent a [letter to Minister Gerretsen](#) for additional information on potential costs

Although an overall position paper is not yet ready on this issue, MFOA thinks that this legislation is something that should concern municipal finance officials. We are concerned about costs related to:

- A variety of potential benefit enhancements,
- fund administration and
- employer costs incurred to participate properly in the Sponsors Corporation.

In addition to cost considerations, there are other aspects of the Bill that generate concerns, such as the mandatory mediation/arbitration process. We will be providing further information on this issues in the coming weeks.

Additional Bill 206 Resources

OMERS has also produced resources related to Bill 206. On their website, you can find:

- a high level [overview](#) of the Bill, and
- [Frequently Asked Questions with regard to autonomy.](#)

Stakeholder Meeting, September 23, 2005

OMERS met with stakeholders on September 23, 2005. MFOA will be issuing E-Bulletins on the two main issues dealt with at that meeting:

- OMERS position on technical issues related to Bill 206, and
- Preliminary costs associated with potential supplemental plans

Updates on both of these issues were provided at an OMERS stakeholder meeting on September 23, 2005. MFOA will be providing additional information in the next few days on both of these issues.