



OMERS PLAN CHANGE PROCESS IS BROKEN AND MUST BE SCRAPPED

(Toronto, June 5, 2018) - The City of Toronto Administrative, Professional, Supervisory Association (COTAPSA) wishes to express support for CUPE Ontario's joining COTAPSA's efforts at raising the alarm regarding potential benefit changes to members and retirees OMERS benefits.

COTAPSA requested in April that the OMERS Sponsors Corporation (SC) Board of Directors cease its largely confidential deliberations with Sponsors on possible changes to pension benefits. "We are pleased that CUPE Ontario has chosen to advocate publicly on behalf of their members" said Mike Major, President of COTAPSA, in response to a news story focusing on CUPE Ontario's concerns from CBC Ottawa late last week.

<http://www.cbc.ca/news/canada/ottawa/omers-union-pension-change-1.4687768>

"Ironically, CUPE has 4 of the 18 weighted votes at the SC and OPSEU, OSSTF, PAO, OPFFA and the retirees group have the remaining 5 of the 9-member votes. All of the 14 SC Directors have, rather than provide full disclosure to OMERS 482,000 members and retirees, instead kept the important aspects of its annual evaluation process behind closed doors out of fear of scrutiny from their own members. Now, when CUPE leadership worries they may be held accountable for keeping their members in the dark with unpopular changes, they are speaking up", said Major.

OMERS Governance Model is Costly, Inefficient and in Need of Change

"We believe the OMERS plan change process is broken and requires the input of the members and employers who actually own the plan, not Sponsors. The current process created and maintained by the SC Board is costly, inefficient and not consistent with other Ontario public pension plans' approach to plan change(s). We believe the SC should be abolished and replaced with a "committee" comprised of employers and active members, as equals, with equal access to all information. COTAPSA seeks a governance model that is as efficient and cost-effective as possible, with full transparency and collaborative decision-making. As beneficiaries, open and honest communication is vital to the security of our pension plan", Major added.

Weak OMERS Board Accountability, Diminished Transparency

COTAPSA is concerned that the OMERS Act has enabled an OMERS governance model compromised by undue complexity and which demands allegiance to the SC and not the contributors to the plan. Over the course of 12 years, this model has weakened board accountability and diminished decision-making transparency at OMERS, while costing over **\$30 million** of plan member money, just on SC operations. In comparison, other Ontario plans perform the same sponsor function at a fraction of the cost.

OMERS members and employers have the right well ahead of time to receive and review, any possible changes to their retirement benefits. All actuarially determined reports must be provided to members and should fully outline any changes being considered. Additionally, a Recorded Vote must be held, and the minutes provided - for all future benefit change motions.

All concerned OMERS members, employers and retirees should know who OMERS decision makers are:

OMERS Sponsors Corporation (SC) Board of Directors
900-100 Adelaide Street West
Toronto, Ontario, M5H 0E2
board@omerssc.com

1. Fred Biro, Ontario Association of Police Service Boards
2. Jason Chan, CUPE 79
3. Joe Pennachetti, City of Toronto
4. Frank Ramagnano, Ontario Professional Fire Fighters Association
5. John Weatherup, CUPE Ontario
6. Diana Clarke, OPSEU
7. Dan Axford, Police Association of Ontario
8. Paul Bailey, The Retiree Group
9. Peter Derochie, Ontario Catholic School Trustees' Association
10. Mary McConville, Ontario Association of Children's Aid Societies
11. Charlie Macaluso, Electricity Distributors Association
12. Marianne Love, AMO
13. Barry Brown, AMO
14. Sandra Sahli, OSSTF

<https://www.omerssc.com/Sponsors/Governance/board-of-directors>

For more information contact Mike Major – 416-392-7543

About COTAPSA: COTAPSA has represented the over 4,800 management non-union employees of the City of Toronto for over 50 years. COTAPSA has been advocating in concert with other OMERS stakeholders for representation on behalf of the over 57,000 non-union management contributors to OMERS pension plan on the OMERS Sponsors Corporation (SC) and OMERS Administration Corporation (OAC). For more information about our organization and our OMERS advocacy work, please visit our website, www.cotapsa.ca