



June 21, 2019

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General Government and Licensing Committee, Meeting 6, June 24, 2019

RE: OMERS Pension Plan Annual Update as it Relates to the City's Employer Contributions Board of Directors of the Sponsors Corporation - **AGENDA ITEM GL6.2**

Dear Councillor Ainslie and Committee Members:

COTAPSA commends Toronto City Council and the General Government and Licensing Committee for providing disclosure and education on OMERS issues that impact our City's employee retirement income. Thank you also for helping ensure transparency and accountability from Council's appointees to the Board of Directors of the Sponsors and Administration Corporations. The opportunity for Council to hear directly from your appointed OMERS Directors should be preserved by your committee.

We wish to point out that there are omissions in the list of City of Toronto agencies and corporations included in Attachment 4, page 8 of the report. The source of the information is also not clear as the attachment identifies both the City of Toronto and OMERS as the source of information. For instance, CNE Association, CreateTO, Civic Theatres Toronto, Enwave and George Hull Centre are not on the current list.

In addition, COTAPSA's serious concern is the cost that was required to operate the entire OMERS pension plan in 2018, (see attached) - namely, the expenses and their respective key drivers – administrative, compensation/incentive payments and investment management costs. Equally, an impartial view of the expense information contained in consecutive OMERS annual reports for its administration of the 29 Directors of the Sponsors and Administration Corporation Boards makes it clear that individual sponsors and their appointees are unable or unwilling to address these increasingly excessive and unjustified costs.

Also attached is our recent Bulletin, entitled, ***“Our OMERS Pension Plan: What COTAPSA wants and how we are trying to get it.”*** We remain concerned that OMERS contributor's best interests are not being met under the current OMERS

governance model and that the two Boards struggle in fulfilling their mandate of effective and efficient joint governance of the OMERS pension plan.

We appreciate the opportunity to comment on this important City of Toronto matter.

Sincerely,

A handwritten signature in black ink that reads "M. MAJOR". The letters are bold and slightly slanted, with a cursive-like flow.

Mike Major
President
COTAPSA