

Letter to Mike Major, President, COTAPSA

July 13, 2018

Dear Mr. Major:

Thank you for the copy of your July 9 letter to the Board of Directors of the OMERS Sponsors Corporation. You may not be surprised that the Municipal Retirees Organization Ontario takes exception to the final bullet point in that letter.

1. We are insulted by your suggestion that, being now retired with our benefits protected by the Pension Benefits Act, we have suddenly stopped caring about the health of our pension plan and the well-being of our former colleagues. That is simply not true and contrary to human nature (at least to OUR human nature).
2. Permit me to remind you that a very large proportion of the assets in the OMERS plan (a majority?) derive from the contributions of retirees and of our employers on our behalf, and the investment of those contributions by OMERS over the years. To be quite blunt, COTAPSA and its members cannot claim anything like the same level of ownership of the OMERS Plan.
3. I remain proud of the swift action MROO took to reassure our elderly members when rumours began to swirl. I and our directors fielded dozens of calls and comments of concern. How fortunate that an organization of retirees was sufficiently informed about the OMERS Plan Review, and pension legislation generally, to be able to allay that panic. The 80-year-old woman with broken English did not phone your office in a panic, but, being empathetic, you are undoubtedly grateful that a retiree organization was able to reassure her.
4. Yesterday our executive director spoke to a municipal treasurer who was completely misinformed about the proposals on which OMERS is consulting. Among other mistaken concerns, he misunderstood that the proposal was to eliminate indexing altogether rather than the true proposal that indexing would be conditional on plan health. If that level of dissociation can be true of a capable municipal treasurer, I leave you to imagine how far away the complexities of pensions are for all the elderly members of the Plan. For them, our organization - and the retiree representative on the SC Board - are that light through the pension mists.
5. Our organization fully understands the situation with respect to OMERS governance and the non-union Plan members. We sympathize with your

frustration that the SC Board of Directors has not arrived at a workable structural solution to this anomaly (although we salute the substantial procedural effort that OMERS Boards and staff are putting forward to consult the many non-union associations). Indeed among our directors and other active members are former members not only of CUPE Ontario but also of the Ontario Municipal Administrators Association, the Ontario Association of School Business Officials, the Ontario Association of Fire Chiefs, the Ontario Municipal Human Resources Association, the Ontario Association of Public Health Agencies, and other non-union associations.

Nonetheless, as our mothers told us, "two wrongs don't make a right". You believe as we do in the power of a collective voice. We trust that is not your intention to trample our rights in order to assert your own?

6. Finally, let me assure you that NO-ONE around that SC Board table understands better than the retiree representative the value of an adequate retirement income and a decent quality of later life. NO-ONE believes more viscerally in the value of a pension plan both generous and sustainable. OMERS is our livelihood now, not at some future date. We rely on the retiree representative not to hide his head in the sand when faced with OMERS' present and future realities, but he will wring his hands at least as much as any other SC Board member when decisions are being made. He understands the implications in a way that COTAPSA members cannot yet do.

William (Bill) Harford, President, Municipal Retirees Organization Ontario