



RE:GM21.10

Agenda



OMERS Overview – Joe Pennachetti

2016 Annual Report– David Beatty





OMERS Overview



OMERS Administration Corporation (OAC)

- 15 Board Members
- 7 each from Employee / Employer Sponsors
- An Independent Board Chair

The AC Board is responsible for:

- Pension administration
- Investments
- Plan valuation

OMERS Sponsors Corporation (SC)

- 14 Board Members
- 7 each from Employee / Employer Sponsors
- 2 Co-Chairs (1 representing Employee Sponsors, 1 representing Employer Sponsors)

The SC Board is responsible for:

- Board composition
- Setting contribution rates / reserves
- Plan design

To deliver secure, sustainable and affordable benefits that meet the needs of both members and employers

OMERS membership



470,000
members

280,000
active



43,000
deferred

147,000
retired

27%
part-time

73%
full-time

44%
male

56%
female

17
youngest

111
oldest

47
average age of
active members

71
average age of
retired members





2% membership growth



18,000 new members



9,000+ new retirees



13 new employers

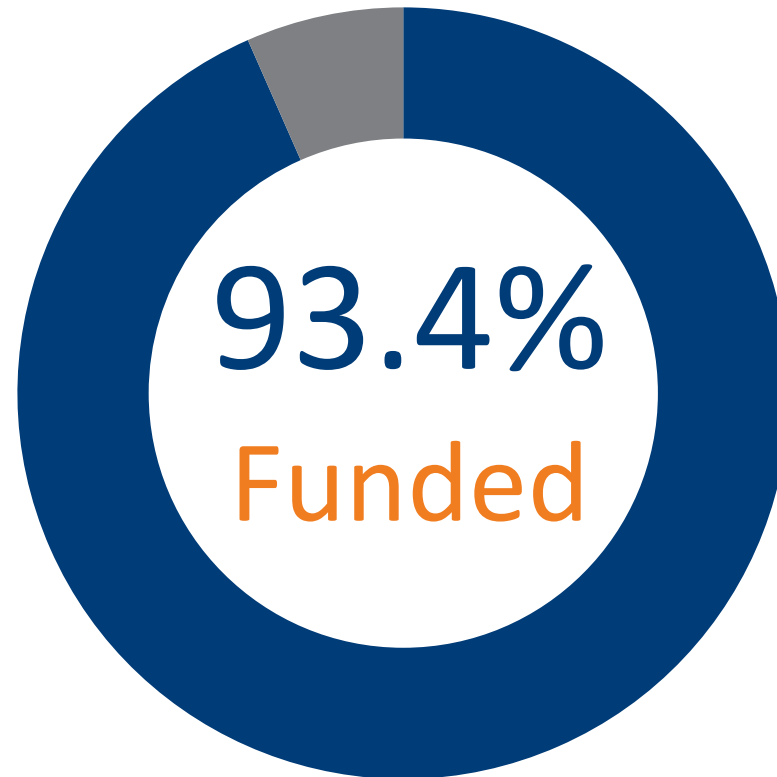


including
72 members

Funded status – improvement of 1.9%
Contribution rates and benefits remain stable

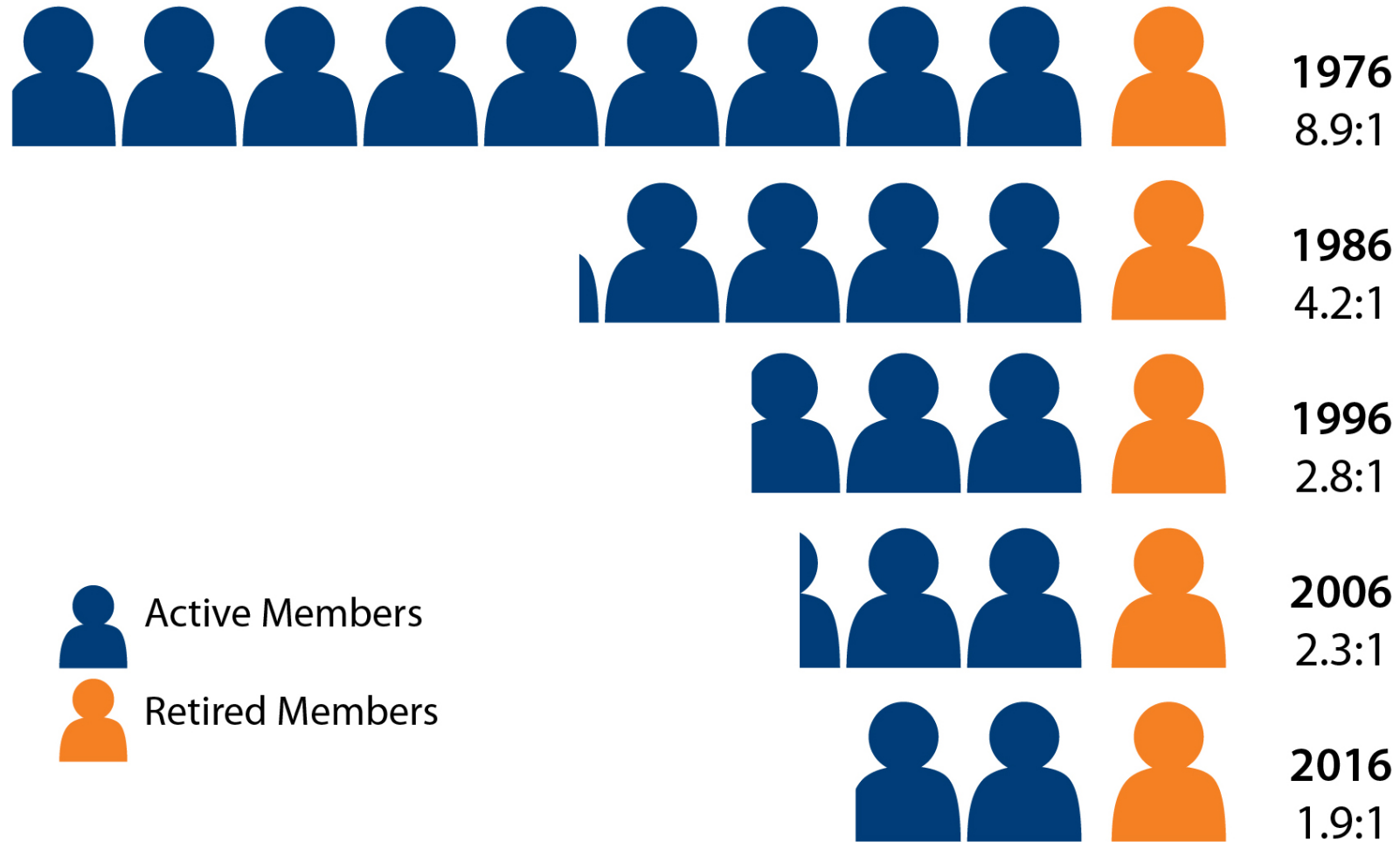


2016



\$5.7 Billion Deficit

OMERS Plan demographics: increasing Plan maturity



Comprehensive Workforce Research – OMERS is hiring a firm to research trends in the municipal sector:

- Existing workforce
- Forces and trends and their impact on the future workforce, including non-full-time workers
- Impact of trends on employee engagement and retirement needs

Closed Plans – ongoing positive discussions between OMERS and City on consolidating pre-OMERS pension plans

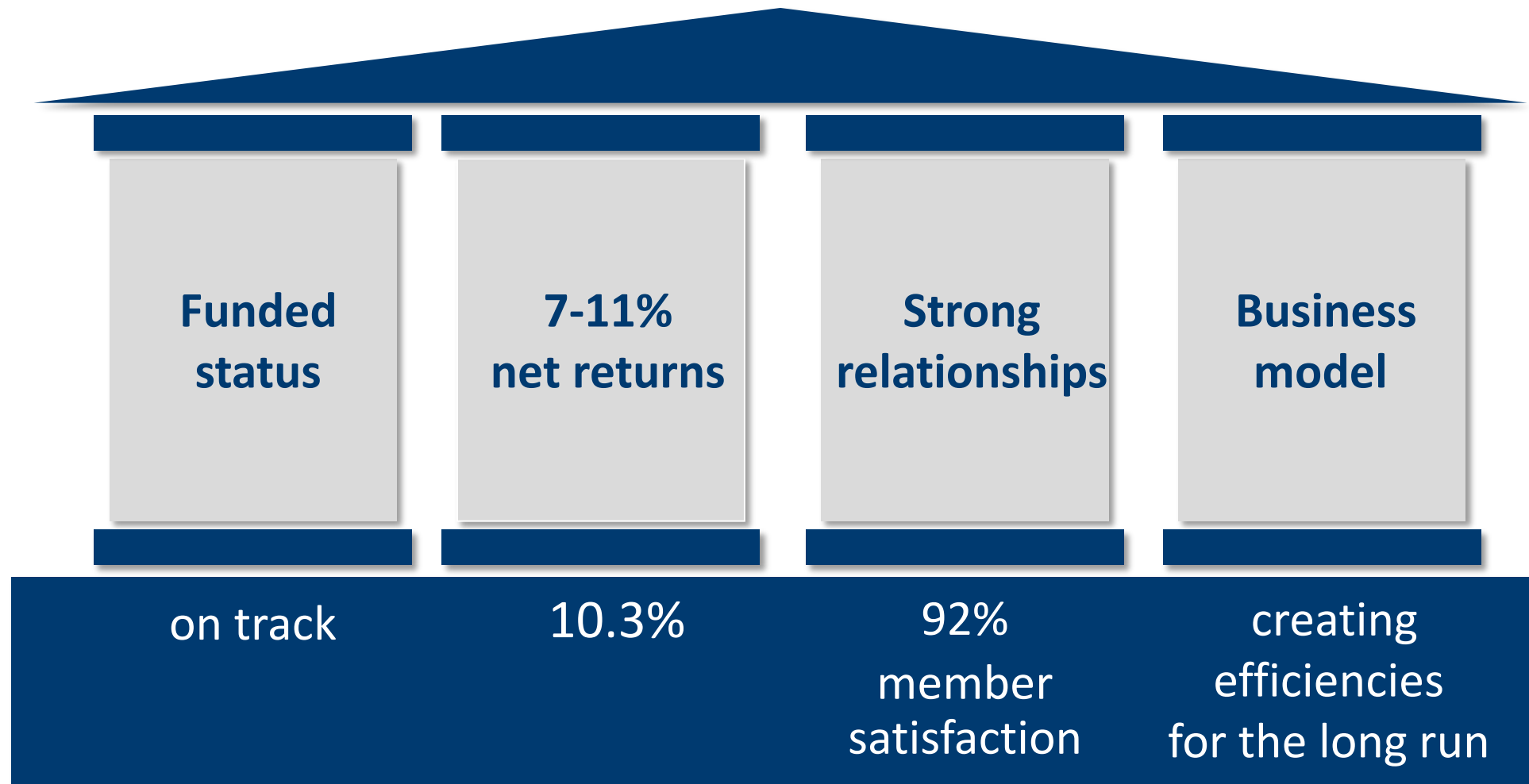


2016 Annual Report



 **OMERS**

Our 2020 Strategy in 2016: four pillars



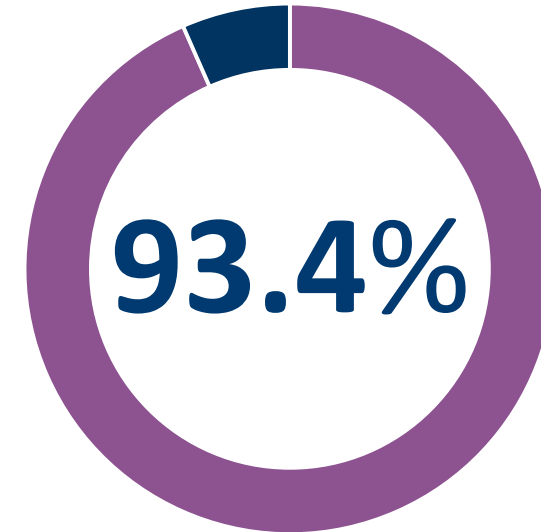
Net Return

10.3%

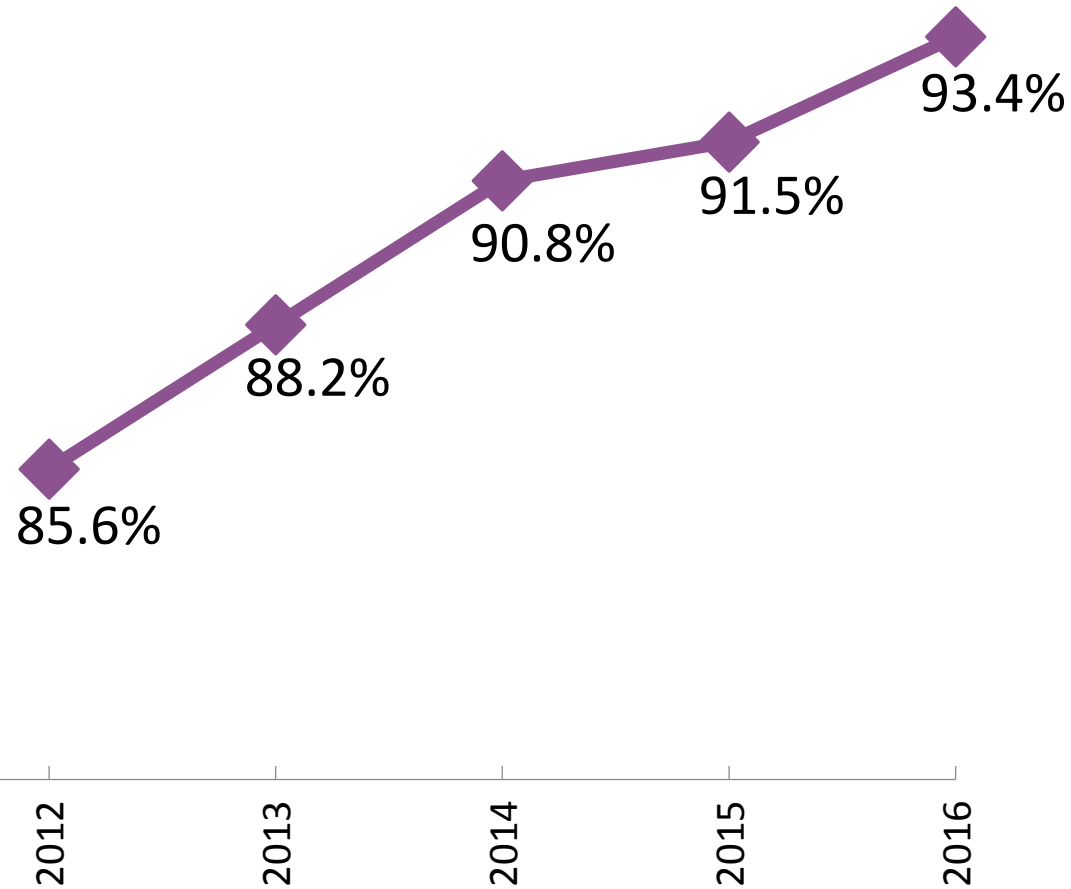
Net Assets

\$85.2B

Funded Ratio

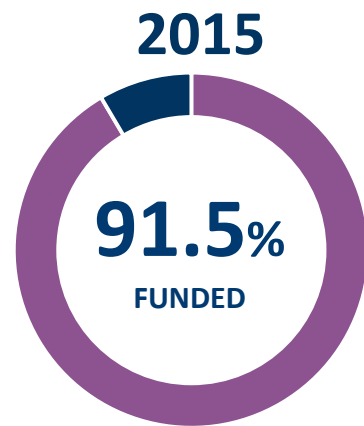


Funded ratio – improved for the fourth consecutive year

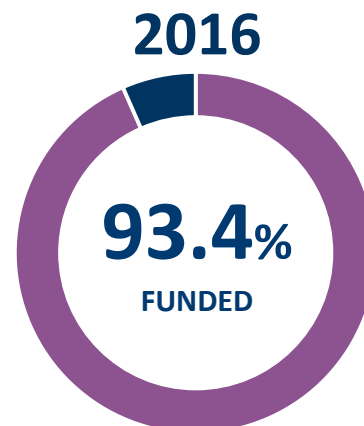


Unrecognized investment gains
\$3.4 billion = 3.9%

Funded ratio – improvement of 1.9% driven by returns and contributions



\$7.0B
deficit



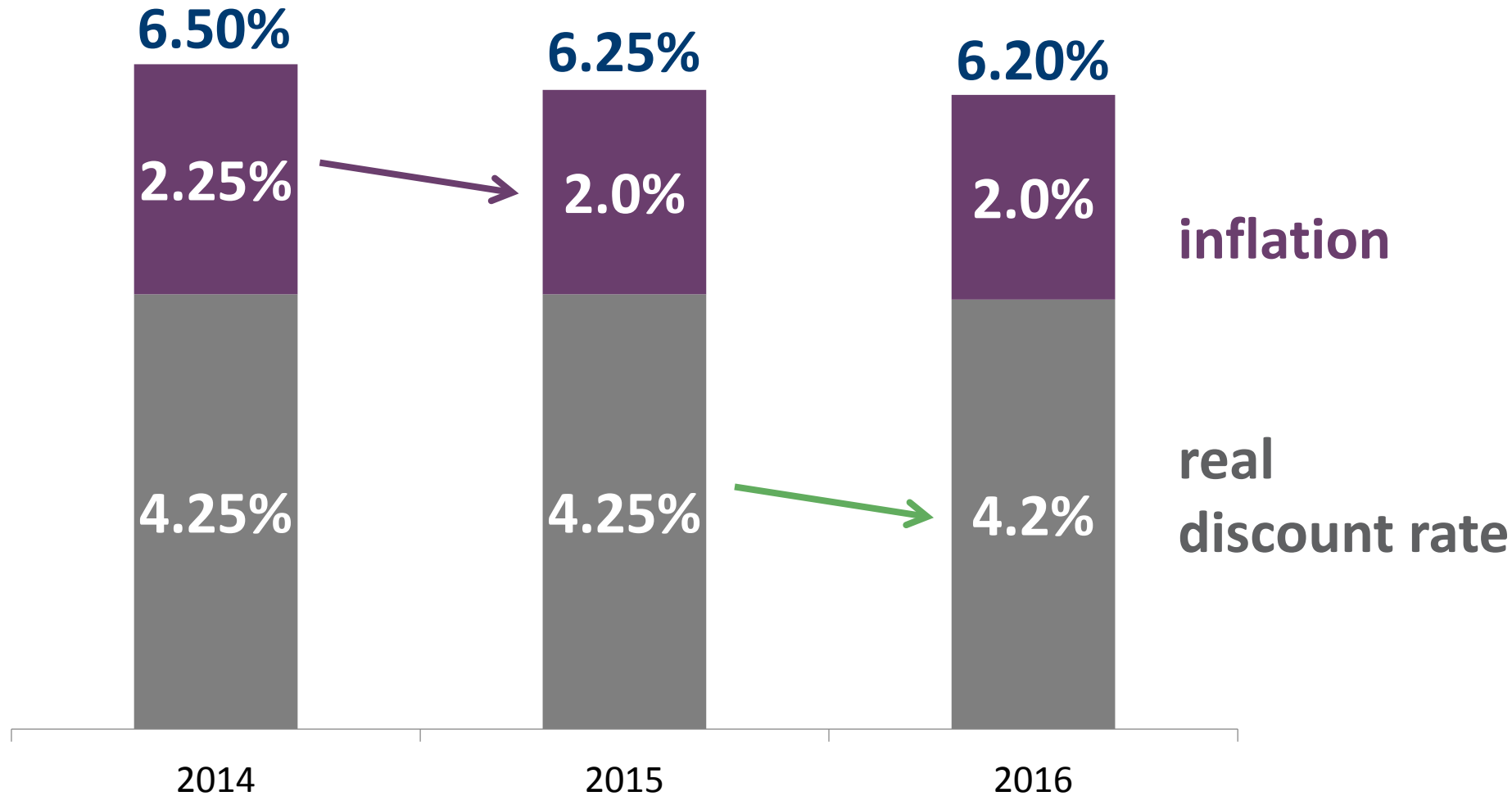
\$5.7B
deficit

+ 1.7% from investment returns

+ 0.8% from contributions

- 0.7% to fund reduction in Discount Rate

Adjusting the discount rate – in accordance with our 2020 Strategy



Investment returns –
exceeded: funding requirement, benchmark, prior year



10.3%
Net Return

Discount Rate

6.20%

Benchmark

7.9%

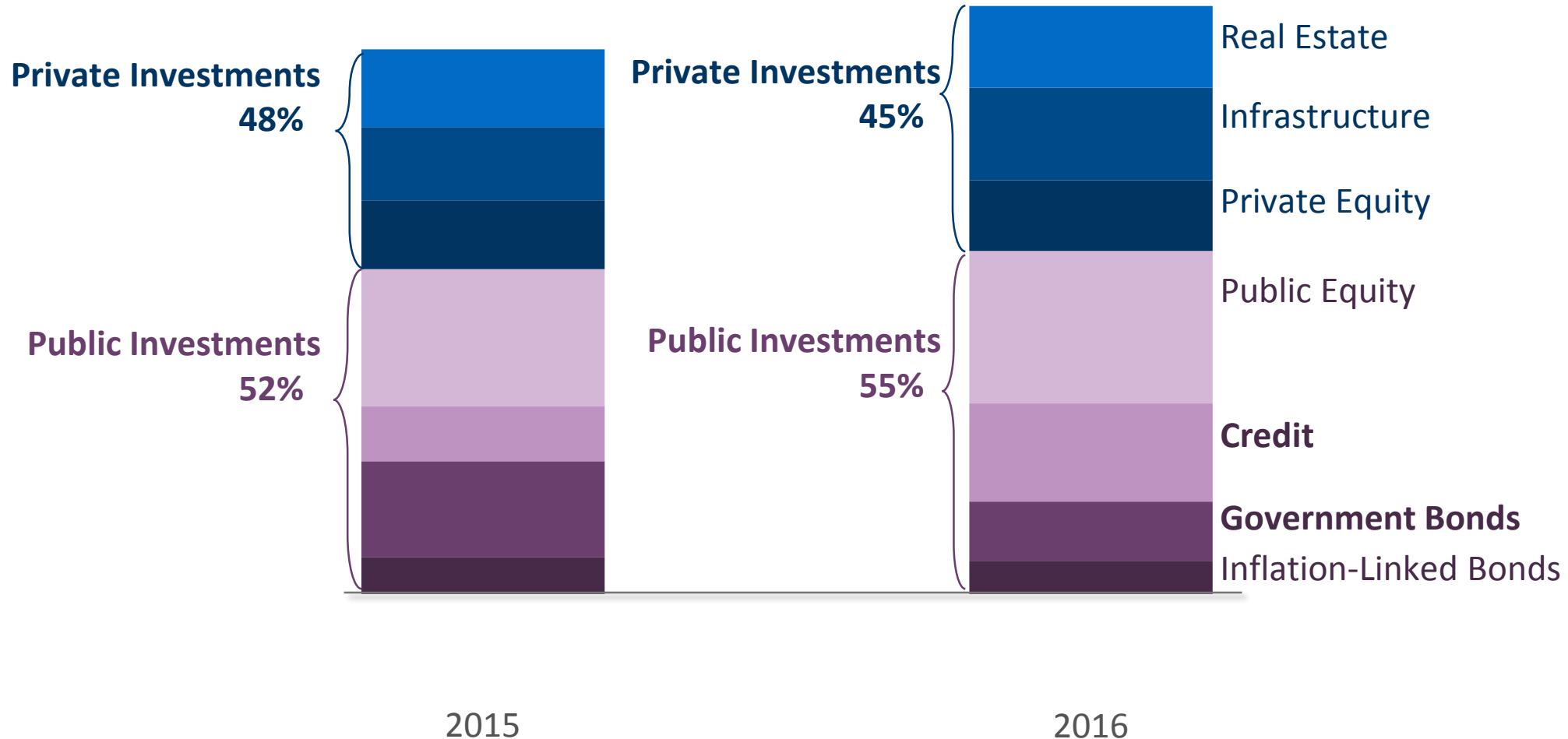
2015 Net Return

6.7%

All asset classes exceeded 2016 benchmarks

Net Return (%)	Public Assets	Private Equity	Infrastructure	Real Estate	Total
2016	9.5	12.6	11.0	12.4	10.3
2016 Benchmark	6.6	11.3	10.0	8.3	7.9

Highly diversified – key shifts in asset mix



**Fully funded by
2025**

**Stable
contributions
and benefits**

**Sufficient
liquidity to pay
pensions**



Q&A

 **OMERS**



Strategic
Secure
Strong

 **OMERS**