



2025 OMERS GOVERNANCE REVIEW FINAL REPORT TO THE MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

September 2025

Robert Poirier, OOnt
Special Advisor

Jennifer Wong
Policy Manager

Michael Beckett
Senior Economist

The Honourable Rob Flack
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor.
Toronto, Ontario M5G 2E5



September 2025

Dear Minister Flack,

RE: 2025 OMERS Governance Review

I am pleased to present the final report of the OMERS Governance Review, delivered ahead of schedule and under budget with no expenses incurred. For your convenience, I have included a set of bulleted highlights alongside this cover letter.

This review was initiated by your predecessor, the Honourable Paul Calandra, with the mandate to evaluate and provide recommendations to ensure the governance model of OMERS, one of Ontario's largest pension plans, continues to serve the interests of plan members equitably and fairly.

Throughout this review, I have engaged extensively and frequently with an expanded spectrum of stakeholders, including the boards and executive leadership at OMERS Sponsors Corporation and Administration Corporation, retiree organizations, union and non-union leaders, employers, and pension experts. Our consultations have been widely praised by both labour and employer groups for their transparency, clear communication, and sincere engagement. The insights gained from these consultations were crucial in guiding the areas of focus and the development of the recommendations in this report.

I wish to sincerely thank the Ministry of Municipal Affairs and Housing for its support throughout this process. I particularly want to acknowledge the exceptional contributions by the members of the Review Team, Jennifer Wong, Policy Manager, and Michael Beckett, Senior Economist, who have demonstrated professionalism, responsiveness, and dedication throughout this process and have played a critical role in the success of this review. I would also like to extend my appreciation to the Ministry of Finance for its valuable pension expertise and thoughtful input.

This report and its recommendations are intended to strengthen the OMERS' governance model by identifying areas where it may no longer serve the best interests of plan members and organizations and aim to foster meaningful change that rebuilds accountability and regains the trust of its membership. I'm confident that the recommendations in this report will be of value to you and your Ministry as you consider next steps.

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I appreciate the confidence and trust placed in me to take on this important initiative and to deliver meaningful results. I remain available to discuss the report and its recommendations at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Poirier', with a stylized flourish at the end.

Robert Poirier, OOnt, ICD.D
Special Advisor, OMERS Governance Review 2025

Encl.

cc. Robert Dodd, Chief of Staff, Minister's Office
Martha Greenberg, Deputy Minister of Municipal Affairs and Housing
Caspar Hall, Assistant Deputy Minister, Local Government Division. MMAH
Ruchi Parkash, Director, Municipal Finance Policy Branch, MMAH

Background – Highlights

- OMERS is among the biggest defined pension plans in Canada.
- OMERS participants include over 1,000 employers and over 640,000 active, deferred, and retired employees of municipalities, local agencies, public utilities, firefighters, police, paramedics, and non-teaching school board staff throughout Ontario.
- The Ontario Municipal Employees Retirement System Act, 2006, under Premier McGuinty, devolved governance of the plan from the Ontario Government to a stakeholder-based Sponsors Corporation and an Administration Corporation.
- Plan Sponsors are listed on the next page and include, but are certainly not limited to: AMO, City of Toronto, CUPE, OPSEU, Education Sector, Police, Fire, Retirees, etc.
- Plan Sponsors have statutory powers to appoint to the regulated administration board, make plan design changes, such as setting contribution rates and benefits, similar to all other jointly sponsored pension plans.
- The decision, enshrined in the Act, to organize the sponsors in a second corporation, is unique to OMERS, as opposed to a group, committee, or council used by other jointly sponsored pension plans such as Ontario Teachers, HOOPP, etc.
- This Review concluded the corporate structure for OMERS' Sponsors creates duplication and waste (~\$10M+ annually) and is central to Sponsor complaints regarding lack of communication, transparency, and engagement in decision making.

Recommendations – Highlights

- Maintain the current jointly sponsored, bicameral (two-entity) model.
- Maintain the current Sponsor representation and voting.
- Maintain the Sponsors' statutory powers related to the ABCs (Appointments, Benefits and Contributions).
- Replace the Sponsors Corporation with a new Sponsors Council.
- Establish an additional 5 non-voting members (Observers) in the Sponsors Council.
- Establish minimum standards in the Act for communication, transparency, engagement and mandatory consultations with Sponsors and Non-Sponsors (including other Non-Sponsor retiree groups) on specified changes.
- Enshrine the current 12-year board term limits in the Act and allow for changes by regulations.
- Establish a transition period and increase the term limit from 12 to 16 years for the current Sponsor-appointed independent chair to oversee the transition.
- Establish a report back to the Minister of Municipal Affairs and Housing on the progress of the implementation and transition by June 2027.
- Establish a periodic governance review by the Minister of Municipal Affairs and Housing in 5 years from this review and every 10 years thereafter.

List of Sponsors, Stakeholders and Experts Consulted during the 2025 OMERS Governance Review

OMERS

1. Administration Corporation (AC)
2. Sponsors Corporation (SC)

OMERS Sponsors

Employer Sponsors:

1. Association of Municipalities of Ontario (AMO)
2. City of Toronto (Toronto)
3. Electricity Distributors Association (EDA)
4. Ontario Association of Children's Aid Societies (OACAS)
5. Ontario Association of Police Services Boards (OAPSB)
6. Ontario Catholic School Trustees' Association (OCSTA)
7. Ontario Public School Boards' Association (OPSBA)

Employee Sponsors:

8. The Canadian Union of Public Employees (Ontario) (CUPE Ontario)
9. CUPE Local 79 of the Canadian Union of Public Employees (CUPE Local 79)
10. CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (CUPE Local 416)
11. Ontario Professional Fire Fighters Association (OPFFA)
12. Ontario Public Service Employees Union (OPSEU)
13. Ontario Secondary School Teachers' Federation (OSSTF)
14. Police Association of Ontario (PAO)
15. The Retiree Group (consists of the Association of Retired Fire Fighters of Ontario, Police Pensioners Association of Ontario (PPAO), Municipal Retirees Organization of Ontario (MROO))

OMERS Non-Sponsors / Stakeholders

1. Amalgamated Transit Union (ATU)
2. Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO)
3. Civic Institute of Professional Personnel (CIPP)
4. The City of Toronto Administrative, Professional Supervisory Association (COTAPSA)
5. Canadian Office and Professional Employees Union (COPE)
6. Elementary Teachers Federation of Ontario (ETFO)
7. Good Roads
8. International Brotherhood of Electrical Workers Local 636

9. Metrolinx
10. Municipal Employer Pension Centre for Ontario (MEPCO)
11. Municipal Finance Officers Association (MFOA)
12. Ontario Association of Chiefs of Police
13. Ontario Association of Fire Chiefs
14. Ontario Association of School Business Officials (OASBO)
15. Ontario Big City Mayors
16. Ontario Municipal Administrators Association (OMAA)
17. Ontario Municipal Human Resources Association (OMHRA)
18. Ontario Nurses Association (ONA)
19. Service Employees International Union (SEIU)
20. Toronto Police Association (TPA)
21. Unifor
22. Wasaga Distribution

Subject-Matter Experts

1. Barry Brown, Former Chair, Sponsors Corporation
2. Dr. Sebastien Betermier, Exec Director, Int. Centre for Pension Management
3. Dr. Keith Ambachtsheer, Director Emeritus, Int. Centre for Pension Management
4. Elizabeth Brown, Board Member, Sponsors Corporation (pension lawyer)
5. Ian Robertson, Partner, The Jefferson Hawthorne Group (governance expert)
6. Ian MacEachern, Special Advisor to the Minister, MMAH (2005-2007)
7. Karen Gordon, Principal, Gordon Strategies (labour/employment comms expert)
8. Michael Nobrega, Former CEO, Administration Corporation
9. Rick Miller, Former Chair, Administration Corporation

Other Pension Plans

1. Ontario Teachers' Pension Plan (OTPP)
2. Healthcare of Ontario Pension Plan (HOOPP)

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Forward

When implemented, we are confident that Sponsor and Non-Sponsor organizations, and all plan members, will recognize that this governance review delivered—staying true to our commitments and meeting the expectations set by these organizations during consultations.

We believe these changes will strengthen OMERS' governance model in serving the interests of plan members in a fair, equitable, and transparent manner that supports its long-term financial sustainability.

Thank you for the trust and confidence you placed in us.

Pension Landscape

Retirement security just doesn't happen. It is built on strong governance.

Stemming from a conversation on the pension promise, **Dr. Sebastien Betermier**, Executive Director, The International Centre for Pension Management (ICPM), stated:

“The defined-benefit scheme is the gold standard of pension schemes. People need not worry about investing their pension savings or running out of money in retirement. They simply contribute a portion of their earned income during their active years and then receive a steady stream of pension payouts for the rest of their life. Having a life annuity gives them peace of mind and allows them to spend their pension income more freely.

Over the past decades, pension plan management has become increasingly challenging and complex. Lower bond yields and longer life expectancy have resulted in greater liabilities for defined benefit pension plans. Furthermore, the higher ratio of retirees to active workers means that pension plans have become more mature and need to pay closer attention to their short-term liquidity needs. To address these challenges and meet the higher liabilities, pension plans have developed increasingly sophisticated investment strategies that involve risk-taking across a wide range of geographies and asset classes in order to earn higher investment returns. The successful implementation of these strategies requires a diversified and integrated investment approach as well as a comprehensive risk management framework.

The Canadian pension fund model stands out in its ability to sustain well-funded defined-benefit schemes for public-sector employees. The model provides a reasonable pension for life without requiring excessive pension contributions from employees and employers. The model works because the pension funds have a robust governance structure enabling them to (i) insource a large proportion of asset management to reduce costs and (ii) invest like private-sector organizations with a long-term horizon to earn high investment returns and manage the risks. In addition, risks are shared between employers and employees in the sense that nominal pensions are guaranteed, but indexation is conditional on the pension funds' funded status.

Building a strong governance structure is critical to the pension plans' success. Good governance creates alignment throughout the pension organization, from the board to the portfolio manager on the asset side and the benefits specialist on the liability side. Alignment results in a well-designed investment strategy that takes into account the pension scheme's liability risks. Alignment also results in a robust and careful implementation of the strategy, where all the roles and responsibilities are clearly defined.”

Review Context

A governance structure under stress.

The Ontario Municipal Employees Retirement Systems (OMERS) is one of the largest defined benefit pension plans in Canada, and a large, multi-employer, jointly sponsored defined benefit pension plan that is very complex, as participants include diverse industry sectors with more than 1,000 participating employers and more than 640,000 active, deferred and retired employees of municipalities and local agencies, public utilities, firefighters, police, paramedics, and non-teaching school board staff across Ontario.

The defined benefits paid under OMERS' Primary Plan, when combined with CPP benefits, are designed to approximate 2% of a member's average annual earnings for the highest-paid 60 consecutive months, multiplied by their years of credited service.

In 2006, the Ontario Municipal Employees Retirement System Act, 2006 (OMERS Act) came into effect, creating a new governance framework for the plan. This framework transferred the sponsor responsibility from the Province of Ontario to the newly created OMERS Sponsors Corporation (SC), while maintaining the existing OMERS Administration Corporation (AC), which is responsible for administering the pension plan. The statute also required that OMERS establish supplemental plans for police, firefighters, and paramedics within two years and provided some financial support for plan startup costs. As of this report, a supplemental plan has not been bargained for, and much of the initial funding has been spent maintaining plan compliance over the years.

Since 2006, it is understated to say that Sponsors and Non-Sponsors have been increasingly vocal about their concerns with governance trends at OMERS, which have diminished their role so much so that, in their view, OMERS no longer functions like other jointly sponsored pension plans, to the detriment of plan members. As stated during consultations, "Restoring a real role for Plan Sponsors will make OMERS a better plan."

While the legislated 2012 Governance Review by Tony Dean highlighted the growing governance concerns expressed at the time, his set of well-considered recommendations, all accepted and implemented by both the AC and the SC, did not stem the growing concerns amongst Sponsors and Non-Sponsors regarding the lack of communication, transparency and engagement in SC decision making.

It is now understood that during the 2012 Governance Review, the government of the day would not entertain legislative changes, and as such, Tony Dean was limited in what he could recommend.

During this review, **Tony Dean** opined on his 2012 Governance Review:

“My report and recommendations went as far as they could in recommending non-legislative governance changes designed to address issues related to OMER’s dual governance arrangements. Those changes were adopted, and as far as I know, appear to have worked reasonably well in the intervening years. In the context of the current review, anyone with an interest in OMERS will know that some aspects of that governance structure appear to be under stress. I recognized this possibility at the conclusion of my review, including the potential need for legislative changes at some point.”

— **The Honourable Tony Dean, Senator**, appointed in May 2012 by the then Minister of Municipal Affairs and Housing as the Reviewer pursuant to the OMERS Act 2006 to conduct a review of the operation of the devolved OMERS governance structure established by statute in 2006.

Concerns regarding communication, transparency, and engagement continued to worsen, and in 2018, the SC conducted a Comprehensive Plan Review aimed at considering Plan changes to improve long-term sustainability. While the SC completed the Review and decided not to make significant Plan changes, the process led to the SC initiating an SC Board Effectiveness Review in 2019.

In late 2019, the Employee Sponsors of the OMERS Caucus (ESOC) raised serious concerns, in a letter dated November 7, 2019, about proposed SC governance changes and the manner in which they were communicated. A copy of the letter is provided in **Appendix 1**. They believed the amendments would significantly alter Sponsor engagement and weaken their rights. Notwithstanding Sponsor concerns, the SC revised its Confidentiality Policy to classify all SC documents and discussions as confidential, unless the SC Board determines otherwise.

Stakeholder concerns again came to a head in 2024, with the SC Board decision to change contribution rates and the long-term sustainability funding target without adequate communication, transparency and engagement, as evidenced by letters to the government, universal condemnation by stakeholders on the decision-making process and the questions raised at the OMERS 2025 Annual Meeting.

In response to these stakeholder concerns regarding transparency and inadequate representation in decision-making, on August 12, 2024, the Minister of Municipal Affairs and Housing issued a letter to the Chairs of the OMERS Sponsors Corporation (SC) and Administration Corporation (AC) Boards. In the letter, the Minister reaffirmed the government’s commitment to strengthening the governance of the OMERS pension plan and supporting its long-term success for its plan members. As part of this commitment, the Minister announced the initiation of a governance review of OMERS.

The Letter noted that this governance review will be similar to the one conducted in 2012, with a notable exception: we are not limited to non-legislative recommendations. Specifically, this review will focus on assessing the effectiveness of the SC and AC in delivering on their respective mandates, the composition of the two corporations' governing boards in effectively representing the interests of employers, members, and retirees, and the efficiency of decision-making processes in delivering the best outcome for plan members. Importantly, the Letter also noted that the governance review would not include any assessment of the financial sustainability of the plan, recent decisions regarding changes to contribution rates, or the fairness of the plan benefits.

This report outlines the findings and recommendations of the 2025 OMERS governance review, conducted in response to the Minister's direction, to support ongoing improvements in governance and to ensure the plan remains well-positioned to serve its members.

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Executive Summary

This 2025 OMERS Governance Review marks a critical juncture in the ongoing evolution of OMERS. Despite a more than decade-long window following the 2012 review, the steps to implement meaningful reforms have fallen well short. Rather than improving, the governance structure has become inward-looking and drifted further away from the fundamental objective of a jointly sponsored pension plan. The Sponsors Corporation has increasingly operated within the confines of the Board and its affiliated corporation. This inward focus has significantly limited its engagement with the broader Sponsor and Non-Sponsor community and plan members, undermining transparency and accountability.

Faced with a governance structure that has failed to adapt and evolve since 2006, the proposed amendments in this report aimed to realign the governance model with its original intent. The return to the foundational principle of pension governance as a collaborative agreement between employees and employers, where both parties actively participate in negotiating the plan design, contribution levels and the types of benefits that best support members' retirement security. To address these challenges and restore alignment with the original purpose of a jointly sponsored plan, the report proposed the following key recommendations:

- Maintain the current jointly sponsored, bicameral (two-entity) model.
- Maintain the current Sponsor representation and voting.
- Maintain the Sponsors' statutory powers related to the ABCs (Appointments, Benefits and Contributions).
- Replace the Sponsors Corporation with a new Sponsors Council.
- Establish an additional 5 non-voting members (Observers) in the Sponsors Council.
- Establish minimum standards in the Act for communication, transparency, engagement and mandatory consultations with Sponsors and Non-Sponsors, (including other Non-Sponsor retiree groups), on specified changes.
- Enshrine the current 12-year board term limits in the Act and allow for changes by regulations.
- Establish a transition period and increase the term limit from 12 to 16 years for the current Sponsor-appointed independent chair to oversee the transition.
- Establish a report back to the Minister of Municipal Affairs and Housing on the progress of the implementation and transition by June 2027.
- Establish a periodic governance review by the Minister of Municipal Affairs and Housing in 5 years from this review and every 10 years thereafter.

In conclusion, this 2025 Governance Review presented a critical opportunity to restore trust, transparency, and accountability within the governance model of one of the largest pension plans. By embracing the recommendations in this report, OMERS can better

serve its diverse membership, strengthen its long-term sustainability, and reinforce its mandate to safeguard the retirement security of its members.

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Purpose of this Review

This 2025 Governance Review aims to assess whether the OMERS governance model is effectively serving the interests of plan members, prioritizing their needs, and operating equitably and fairly. This includes ensuring that plan decisions are made transparently for the long-term financial sustainability of the plan.

The governance review aims to address a range of concerns raised by stakeholders, including the lack of representation on the OMERS SC and AC Boards, the effectiveness of plan performance, and the need for transparency in decision-making processes.

Accordingly, the governance review shall evaluate the current governance model with a focus on the following:

- Effectiveness of the SC Board in making plan decisions.
- Effectiveness of the AC Board in managing plan assets and making investment decisions.
- Composition of the SC Board and its impacts on fair and equitable decisions for plan members.
- Composition of the AC Board and its impacts on plan sustainability and performance.
- SC Board's decision-making processes, including engagement with employee and employer organizations on plan decisions.
- AC Board's decision-making processes, including the information it provides to the SC Board to inform plan decisions.

This assessment will be informed by a review of best practices in pension governance, including a jurisdictional scan of peer organizations to identify potential improvements that OMERS could implement.

The intent is to ensure that:

- Sponsors governance results in fair and equitable impacts on its diversity of plan members; reflects consultation with employee and employer organizations; and is informed with the best available information.
- AC Board governance results in the best available plan performance for plan members.
- OMERS governance reflects best practices in the field.

Excluded from the scope of this review are assessments of the financial sustainability of the plan, recent decisions regarding contribution rates, the fairness of the plan benefits, and the supplemental plan to provide optional benefits to members in the police, firefighter, and paramedic sectors.

Jurisdictional Scan

Introduction to Pension Plan Basics

A registered pension plan (RPP) (also called a workplace or employer pension plan) is a form of deferred compensation. It is an arrangement by an employer or union to provide a source of retirement income to workers in the form of periodic payments. An RPP is funded by contributions from employers (and employees, depending on the plan's terms), as well as from investment returns on the accumulated contributions. These plans play a critical role in retirement security and vary significantly in how benefits are determined, risks are shared, and costs are managed.

There are three primary types of pension plans:

Defined Benefit Plans (DB)

- A defined benefit plan (DB) provides members with a defined pension income when they retire. This benefit typically depends on factors such as years of membership in the pension plan and the member's salary, and not directly on the investment returns of the plan fund. Different types of formulas can be used to calculate a member's benefit.

Defined Contribution Plans (DC)

- In a defined contribution plan (DC), the employer contributions and employee contributions (if any) are defined, and the amount of pension income that the member receives upon retirement is determined largely by the amount of contributions and investment income accumulated before a member's retirement.

Hybrid Plans

- Hybrid models incorporate elements of both DB and DC plans. Examples include shared-risk plans, cash balance plans, and target benefit plans. These structures aim to balance predictability and flexibility, often sharing investment and longevity risks between employees and employers. Hybrid plans are increasingly used to manage long-term sustainability while still offering meaningful retirement benefits.

Each model carries distinct implications for risk-sharing, cost management, and retirement outcomes, making it essential for stakeholders, including plan members, employers, and policymakers, to understand the structure, governance, and long-term viability of the pension arrangements in place.

Common Governance Models of Pension Plans

Overview

Jointly Sponsored Pension Plans (JSPPs)

- These plans are characterized by joint governance and joint responsibilities. As sponsors, both employers and employees share responsibility for decisions regarding the pension plan. Both are also responsible for addressing plan deficits and both may access plan surplus.
- JSPPs have gained significant popularity in the public sector over the last 30 years. Examples in Ontario include: CAAT, HOOPP, OMERS, OPTRUST, OTPP, and UPP.

Multi-Employer Pension Plans (MEPPs)

- MEPPs are designed to allow employees to retain their pension credits as they move between employers. This type of plan is particularly common in sectors with high mobility, such as construction, nursing, retirement homes, and retail.

Single-Employer Pension Plans (SEPPs)

- SEPPs are traditional pension plans where the employer is the sole sponsor. The employer determines the plan's key features, including whether it offers a defined benefit or a defined contribution plan.

Target Benefit Plans (TBPs)

- A target benefit plan is a pension plan that is (1) funded by fixed contributions and (2) can be reduced if contributions and plan assets are insufficient to provide the benefit originally targeted. In Ontario, this type of reducible benefit is provided by multi-employer pension plans (MEPPs) which are established by a collective agreement or trust agreement (e.g., mostly trade unions).

Risk Sharing and Decision Making in JSPPs

Jointly Sponsored Pension Plans present unique governance challenges due to their shared structure. Both employees and employers are exposed to funding risks, which can lead to complexities in decision-making. One of the most significant issues in JSPPs is the potential for conflicts of interest. Since representatives from both sides (employees and employers) are equally responsible for decision-making, they may sometimes face situations where decisions that are beneficial for the overall pension plan do not align with the short-term interests of individual members. For instance, voting

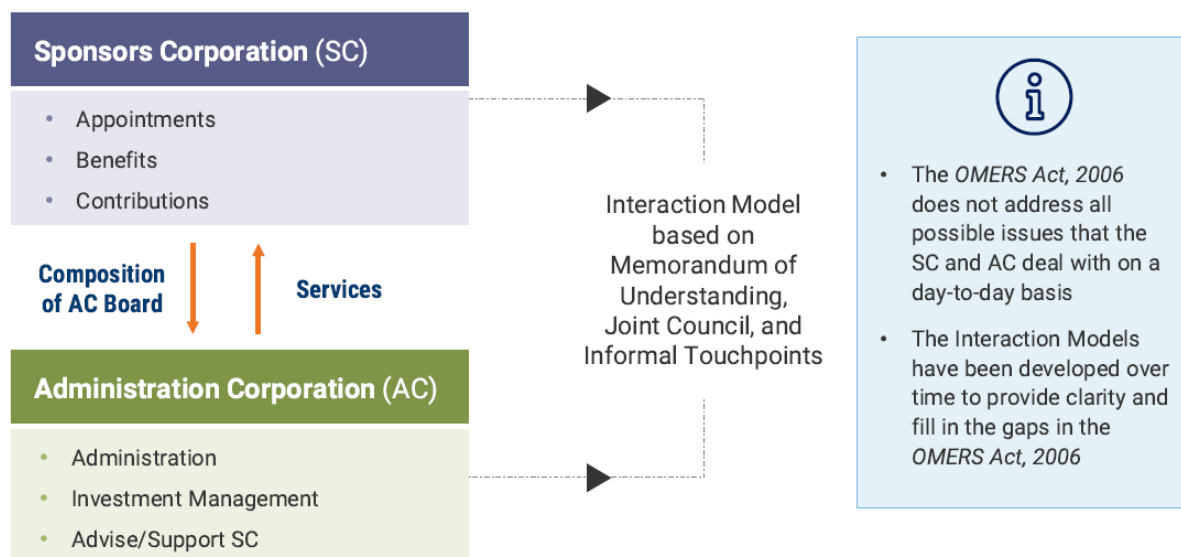
on an increase in contribution rates may be in the best interest of the plan's long-term sustainability, but it could place a financial burden on current members.

The OMERS Pension Fund

The Ontario Municipal Employees Retirement System pension plan (OMERS) is a jointly sponsored defined benefit pension plan that provides retirement income to over 640,000 members from more than 1,000 employers across Ontario. As a defined benefit pension plan, OMERS guarantees a predictable retirement income based on a member's salary and years of service. It operates under a joint governance model, with both employer and employee representatives sharing responsibility for decisions related to contributions and benefits.

The Current OMERS Governance Model

Below is an outline of the current OMERS Governance Model. Note that the Joint Council was an implementation and is not part of the statutory framework established under the OMERS Act, 2006.



Source: OMERS SC Orientation Deck, 2025

The Canadian Pension Model

Key Features and Principles

Canada leads the world in pension investing; despite being only the 38th-largest country by population, Canada has the third-largest share of pension wealth. Canadian pension plans have adopted what is called the “Canadian Model.”

In a 2017 World Bank Report, the success of the Canadian Model can be attributed to collaborations between diverse stakeholders such as labour, government, business, and Finance, in which each stakeholder performs the role best suited to its expertise, and where there is alignment around the shared interest of serving plan beneficiaries.

Maintaining the buy-in and shared vision of these diverse stakeholders was critical not only during the founding stage of Canadian pension organizations but also at each phase of the organization’s evolution. The importance of a stable, supportive stakeholder coalition should not be underestimated. Success in building a world-class pension organization can be seen as a continuous cycle consisting of three elements:

1. The building and maintenance of trust among a diverse range of stakeholders.
2. Adherence to a set of pension design and management principles that cut across a variety of pension disciplines, including governance, people and organization, investment, administration, plan design and funding, and regulation and public policy.
3. Results-focused execution that puts the principles into practice on a day-to-day basis and delivers superior results.

Strong, independent governance is perhaps the most important element of the Canadian model. Canadian pension organizations are governed to run as high-performing, arm’s-length entities that meet high standards of transparency, accountability, and ethical conduct.¹

Another key feature of the model is its focus on direct investment in both public and private markets, including infrastructure, real estate, and private equity asset classes that are typically illiquid but could offer higher long-term returns. Funds like OMERS have become global leaders by leveraging their scale to reduce costs and enhance returns through internal management and strategic partnerships. This approach has earned them the nickname “Maple Revolutionaries” for their innovation and performance.²

¹ [The Evolution of the Canadian Pension Model | World Bank](#)

² [The success of the Canadian pension fund model | CPP Investments](#)

Importantly, the Canadian model is, however, not without risk. Its success depends on strong governance, disciplined investment strategies, and the ability to adapt to demographic and economic shifts. The Canadian experience demonstrates that well-designed, independently managed pension systems can deliver sustainable retirement income, but they require ongoing vigilance and review to remain strong.

Investment Strategies and Governance of the Maple 8 Pension Plans

The Maple 8 refers to Canada's eight largest public pension funds, which collectively manage over \$2.4 trillion in assets³ serving millions of Canadians. These funds are globally recognized for their sophisticated investment strategies, including sizeable allocations to alternative asset classes, and robust governance frameworks. This model emphasizes independent governance, in-house investment expertise, global diversification, and a long-term investment horizon, positioning these funds as leaders in institutional investing.

The Maple 8 consists of:

- Alberta Investment Management Corporation (AIMCo)**
- British Columbia Investment Management Corporation (BCI)**
- Caisse de dépôt et placement du Québec (CDPQ)**
- Canada Pension Plan Investment Board (CPPIB)
- Healthcare of Ontario Pension Plan (HOOPP)
- Ontario Municipal Employees Retirement System (OMERS)
- Ontario Teachers' Pension Plan (OTPP)
- Public Sector Pension Investment Board (PSPIB)

The governance model of each of these plans follows the Canadian model investment approach, which means that plans operate independently of government, consist of large internal teams of investment professionals to manage assets, and invest directly in infrastructure, real estate, and private equity globally. The governance structures are designed to insulate investment decisions from political influence, focusing instead on the financial best interests of beneficiaries.

The Maple 8's success has made them a model for pension reform globally, demonstrating how robust governance, scale, independence, and professional management can deliver sustainable retirement outcomes.

³ [Trump's global shakeup complicates life for Canada pension giants | Financial Post](#)

** Provincial Investment Management Organizations

Ontario's Large Jointly Sponsored Pension Plans

In accordance with the Pension Benefits Act (PBA), a jointly sponsored pension plan (JSPP) has a number of defined characteristics, including: the JSPP provides defined benefits which are contributory benefits; the joint employer and employee sponsors are required by the plan documents to contribute equally in respect of any unfunded liabilities; and the joint employer and employee sponsors are equally responsible for appointing the plan Administrator and any appointments related to the oversight of that Administrator. The plan Administrator has a fiduciary responsibility for ensuring that the plan operates in accordance with the requirements of the PBA and its regulations, the terms and provisions of plan's documents, and the Income Tax Act.

This means that a JSPP is a pension plan in which decision making and funding of the benefits and risks are shared jointly by both employees and their employer(s), that a JSPP provides defined benefits to plan members and that contributions are always made by both plan members and their employers. Under the legislative framework, plans sponsors are responsible for designing and amending the pension plan, including setting plan terms such as the benefit structure, contributions, eligibilities for benefits as well as other terms of the plan. In the JSPP context, the employer sponsors and employee sponsors work together to make joint decisions on funding and benefits and other terms of the plan. The employer and employee sponsors are jointly responsible for financing any funding shortfalls.

From the Legislation, a pension plan is a jointly sponsored pension plan if it has the following characteristics⁴:

- It provides defined benefits.
- The defined benefits are contributory benefits.
- Members of the pension plan are required, by virtue of the documents that create and support the plan, to make contributions in respect of any going concern unfunded liability and reduced solvency deficiency of the plan.
- The plan satisfies such additional criteria as may be prescribed. 2005, c. 31, Sched. 18, s. 1 (2); 2017, c. 34, Sched. 33, s. 1 (6).

⁴ [Pension Benefits Act, R.S.O. 1990, c. P.8 | ontario.ca](#)

Below is a table that summarizes key features of 6 of Ontario's largest jointly sponsored pension plans:

Pension Plan	Year Founded	Size	Funded Status (2024)	Governance Structure	Similarity to OMERS
HOOPP (Healthcare of Ontario Pension Plan)	1960	470,000+ members and includes 700 employers	111% funded	Governed by a Board of Trustees comprising 16 voting members: • 8 appointed by the Ontario Hospital Association (OHA) • and 4 unions (CUPE, SEIU, OPSEU, ONA), each appointing 2 trustees. • Up to 8 observers may be appointed (4 from OHA and 4 from union organizations). • The Board has 5 councils made up of board members.	• Similar to OMERS in its joint governance model, with equal representation between employer and employee groups. • Board of trustees oversees all decisions, including all investment decisions and decisions about contribution rates
OMERS (Ontario Municipal Employees Retirement System)	1962	Almost 640,000 active, deferred and retired members and over 1,000 employers	98% funded	Dual-board structure: Administration Corporation (AC) and Sponsors Corporation (SC)	• The AC oversees investment management functions and pension services, administration and plan assumptions, actuarial valuations and financial statements. • OMERS SC Board determines contribution rates and plan and voluntary filing of actuarial valuation (both employer and employee and must agree on contribution and benefit changes).

CAAT (Colleges of Applied Arts and Technology Pension Plan)	1967	Over 110,000 active and retired members and over 700 employers	124% funded	Sponsors Council (8 members) + 12-member Board of Trustees	• Similar dual-council structure. • Joint governance. • Sponsors decide contributions and benefits.
OTPP (Ontario Teachers' Pension Plan)	1990	343,000 active and retired members	Fully funded with \$29.1B surplus	Jointly sponsored: 5 board members each from the Ontario government and OTF + 1 chair	• Joint sponsorship. • Sponsors Council decides contributions and benefits. • Board oversees investments and administration of the plan.
OPTrust (OPSEU Pension Trust)	1995	114,000+ active and retired members	Fully funded for 15 th consecutive year	10-member Board of Trustees (5 OPSEU, 5 Ontario government)	• Single board oversees both administration and investments.
UPP (University Pension Plan)	2021	41,000+ members, 5 universities and 14 sector organizations	102% funded	14-member Board of Trustees (equal employer/employee reps + 1 non-union + 1 chair)	• Joint sponsorship • Sponsors decide contributions and benefits. • Board oversees administration and investments.

Previous Governance Reviews of the OMERS Pension Plan

Since the transition to a jointly sponsored governance model in 2006, the OMERS pension plan has undergone multiple governance reviews.

The 2011 Arthurs Report

Commissioned by the Boards of the OMERS Sponsors Corporation (SC) and Administration Corporation (AC), the report was intended to assess the effectiveness, fairness, and accountability of OMERS' bicameral governance model, and to prepare both corporations for the 2012 legislative review mandated by the OMERS Review Act, 2006.

Key Findings and Recommendations

- **Bicameral Governance Model:** The division of responsibilities between the SC (plan design, contributions, benefits) and the AC (plan administration, investments) has generally worked well, though it has introduced inefficiencies and tensions.
- **Governance Challenges:** The model has led to overlapping responsibilities, unclear lines of authority, and occasional conflict, particularly on issues such as optionality regarding the normal retirement age for first responders (NRA60/65).
- **Effectiveness and Efficiency:** Despite structural inefficiencies, OMERS has achieved strong investment performance, high-quality member services, and international recognition.
- **Accountability:** While formal structures are in place, the report calls for clearer articulation of board member responsibilities and improved oversight, especially in pension administration.

The 2012 Dean Review

As required by the OMERS Act, 2006, the 2012 Governance Review was intended to look at the effectiveness and efficiency of:

1. The OMERS governance model in representing employer, member and retiree interests and accountability.
2. Decision-making by the Sponsors Corporation; and
3. The fairness of the governance model and OMERS' financial stability.

Key Findings and Recommendations

1. Aligned, Efficient, and Transparent Decision-Making

- Tensions exist in “crossover” areas where SC and AC responsibilities intersect (e.g., actuarial assumptions (AC), plan design (SC)).
- Need for improved communication and collaboration between boards.
- Recommendation: Develop joint strategic plans and protocols for shared issues.

2. Fairness in Representation

- Concerns from:
 - Non-unionized/management employees.
 - Smaller unions.
 - Retiree groups.
- Recommendation: Create an advisory committee to improve engagement and input from underrepresented groups.

3. Capacity of the Administration Board

- AC Board lacks sufficient expertise to oversee a complex, global investment portfolio.
- Recommendation: Transition to a higher-capacity board with a majority of expert members and appoint an independent chair.

The review acknowledges the success of OMERS but emphasizes the need for governance enhancements to ensure long-term sustainability, fairness, and resilience. The recommendations are designed to be implemented without legislative changes, respecting the devolved governance model.

2025 OMERS Governance Review Methodology

1. Planning and Preparation

Prior to initiating stakeholder engagement and ahead of the 2025 Ontario election writ period, the review team arranged preliminary meetings with key stakeholders and subject matter experts. These sessions were intended to provide orientation and gather early input. Although some meetings, such as those with OPSEU, AMO, and the SC executive leadership team, were not completed before the writ period commenced, the team met with the following parties:

- Outgoing and incoming Chairs of SC.
- Chair of the Board of AC.
- Members of the AC executive leadership team.
- President of CUPE Ontario
- The Honourable Tony Dean

Following the 2025 provincial election and before formal consultations commenced, the review team attended orientation sessions with each of the AC and SC Boards.

These meetings emphasized the importance of an iterative consultation approach, and were conversational in nature, allowing insights from early engagements to shape subsequent discussions. Stakeholders also underscored the importance of conducting consultations guided by the principles of inclusivity, transparency, and adaptability, to ensure that all perspectives were considered, and that each recommendation was supported by a clear rationale (see the section on Guiding Principles for further details).

2. Stakeholder Engagement

The OMERS review team initiated outreach to pre-identify stakeholders inviting them to participate in the consultation process. Stakeholders were given the option to provide feedback via email, through scheduled meetings, or both. All feedback was treated as confidential and not shared with other stakeholders.

To broaden participation, a comprehensive outreach strategy was implemented to ensure that OMERS plan members and organizations not initially identified as targeted stakeholders were also made aware of the opportunity to participate. See **Appendix 2** for the full list of engaged stakeholders.

A dedicated mailbox omersgovernancereview2025@ontario.ca was established to manage correspondence.

This allowed individuals and organizations to submit feedback or request meetings. Organizations were encouraged to submit a single consolidated response. The inbox was

equipped with automated acknowledgements in both English and French and was actively monitored by the review team. All input received was reviewed and considered.

In addition, the review team consulted with subject matter experts in pension governance and Ontario's pension landscape to identify best practices and inform the development of high-standard, evidence-based recommendations.

3. Consultation Process

Stakeholder meetings were typically 90 minutes or longer and conducted in person at the review team's office at 40 Dundas Street West, at stakeholder-selected locations, or remotely via Microsoft Teams.

To encourage open dialogue, the review team recommended that each organization be consulted individually, minimizing group dynamics that could influence responses.

Prior to each meeting, stakeholders received a consultation deck containing a list of open-ended questions designed to guide discussion and ensure comprehensive input. Additional space was provided for stakeholders to raise other relevant topics. A complete list of questions used to guide the consultations is provided in **Appendix 3**.

In line with the iterative, conversational approach, initial consultations began with broad questions, followed by more targeted inquiries based on themes identified in earlier discussions.

4. Guiding Principles

The review was conducted in accordance with the principles:

Transparency: The objective and scope of this review will be clearly communicated to stakeholders. The rationale behind the final recommendations will be clearly articulated in the report provided to the Minister.

Inclusivity: This review aimed to be inclusive of diverse perspectives, ensuring that all relevant stakeholders, including plan employers, groups and members, are engaged and their voices are heard throughout the process.

Objectivity: This review process was designed to be unbiased and impartial, ensuring that all viewpoints are considered equally and that recommendations are made based on evidence presented and impartial analysis.

Responsiveness: This review team responded to all inquiries in a timely manner, ensuring all participants are heard and valued.

Adaptability: Feedback received and integrated throughout this process to ensure a comprehensive and responsive consultation.

Key Themes Identified from Stakeholders' Consultations

Support for the Governance Model

- There was universal support for the Joint Sponsored Pension Plan model (JSPP), with Sponsors affirming the importance of Sponsors' statutory powers related to the ABCs (Appointments, Benefits and Contributions).
- Stakeholders also expressed strong support for the bicameral model (division of roles and responsibilities between the Administration of the plan and Sponsors).

Concerns with OMERS

- Sponsors and Non-Sponsors expressed widespread concern that the SC is woefully failing at communication, transparency, and engagement. Many described these functions as insufficient or absent.
- Sponsors and Non-Sponsors expressed widespread concern that both the AC and SC communications are uneven, creating asymmetrical information, and dependent on the level of engagement initiated by Sponsors and Non-Sponsors.
- There was unanimous feedback that the SC's decision-making processes in respect of Sponsor and Non-Sponsor input are unclear, inaccessible, and ineffective.

Governance Misalignment

- Stakeholders perceive a lack of cohesion between the two boards, with fragmented leadership, overlapping responsibilities and inefficiencies.
- Stakeholders are often unsure who to contact, resulting in duplicate outreach to both corporations.
- The SC is viewed by all as disconnected from the needs of members, Sponsors and Non-Sponsors (lack of communication, transparency, and engagement).
- Some Sponsors believe OMERS no longer functions like a jointly sponsored plan, to the detriment of plan members.
- Decision-making of SC is viewed as based on the SC creating its own set of data and analysis from that provided by the AC, including the SC creating its own actuarial assumptions and discount rate, separate from that of the AC, resulting in inefficient use of resources, duplicative cost by SC, and most importantly, potential asymmetry between underlying plan design and investment decisions.
- There is an acknowledgement from Sponsors and Non-Sponsors that in 2019, following implementation of amendments from the SC's Board Effectiveness Review, the SC decided to revise their Confidentiality Policy to classify all SC

documents and discussions as confidential, unless the SC Board determines otherwise, based on a perceived corporate fiduciary duty, etc., further limiting information that could be shared with Sponsors, Non-Sponsors and plan members. Both Sponsors and Non-Sponsors have expressed concerns that the SC may be overstating its fiduciary obligations in a manner that adversely affects stakeholders.

- Some Sponsors and Non-Sponsors support legislative amendments to promote greater cohesion and trust within the OMERS structure, while some raised concerns about unintended consequences arising out of a potential legislative process.

Communication Imbalance

- Persistent asymmetry in communication with Sponsor and Non-Sponsor organizations. Information, if shared at all, is often done so after a decision is made, limiting transparency and precluding stakeholder input and feedback.
- Since the SC's Board Effectiveness Review in 2019, SC communication has become more restricted, and almost non-existent, with Sponsor and Non-Sponsor organizations.
- There is no adequate mechanism for input and feedback that exists for Sponsor and Non-Sponsor organizations to raise issues directly with OMERS.

Lack of Transparency and Role Clarity

- The SC does not communicate consistently, and when it does, there is often limited supporting information regarding the rationale behind decisions and limited, if any, opportunity to input or provide feedback.
- The division of responsibilities between SC and AC remains unclear, contributing to stakeholder confusion, inefficiencies, and a lack of accountability.

Nomination and Eligibility Criteria

- The process for selecting Sponsor organizations to the SC Board lacks transparency and standardized eligibility criteria (e.g., headcount, full-time equivalent (FTE), or contribution levels).

Governance Structure and Accountability

- Some stakeholders have suggested reducing board term limits to promote fresh perspectives and the need for more diversity and lay people.
- Some stakeholders have expressed concern with the recycling of board members amongst AC and SC.

- Board performance should be assessed using a broader set of metrics beyond financial indicators.

Confidence in OMERS

- The lack of communication, transparency, and engagement in decision-making by SC and AC is eroding stakeholder trust in OMERS.
- Employer and employee groups see OMERS as a valuable recruitment and retention tool; however, ongoing public calls for governance scrutiny as a result of a lack of communication, transparency and engagement on decisions taken by the SC diminishes its perceived value and reputation among prospective and current employees.

Legislative Codification of Regular Reviews

- A pre-determined review schedule would help to avoid the perception that reviews are reactive and indicative of possible underlying issues.
- Recommended that regular initial five (5) followed by ten (10) year governance reviews should be formally codified in the Act to ensure that its governance model is serving the interests of plan members in a fair, equitable, and transparent manner that supports the plan's long-term financial sustainability.

Sponsors' Current Rights

- Sponsor organizations want to retain their statutory powers related to the ABCs (Appointments, Benefits and Contributions).
- Sponsors expressed that changes are needed regarding the compensation framework for SC Board members.

AC Board Selection

- Concerns raised by organizations about whether the SC Board should have the right to nominate AC Board members, if the AC is intended to be a skills-based expert board.
- Sponsors and Non-Sponsors are generally supportive of AC Board member appointments being skill-based, although some have raised the need to better reflect the diversity of its membership.

From Insights to Action

During consultations, the review team talked with subject matter experts in the areas of pension plan governance best practices, communication and stakeholder engagement:

“Like many jointly sponsored pension plans, OMERS must balance the different perspectives of employers and unions, their collective bargaining roots, and the need for strong governance and investment returns. Clear, transparent communication and active stakeholder engagement are essential, but complex governance and corporate structures can sometimes make it difficult to ensure that the direct, effective dialogue that is required can occur.”

- **Karen Gordon** is the Principal of Gordon Strategy and is widely known for her experience in labour and employment strategic communications. For 23 years, she has worked closely with bargaining committees, human resources professionals, organizational leaders and legal counsel on all matters related to labour, employment, and human resources.

“Despite demonstrated fiduciary competence, OMERS underperforms in three essential governance dimensions:

- 1. Transparency: Key proposals and decisions are not proactively disclosed. Stakeholders often learn of major changes, such as contribution increases, only after they are finalized.*
- 2. Oversight Clarity: No independent mechanism exists to observe, assess, or report on the effectiveness of SC and AC alignment beyond internally controlled processes.*
- 3. Agility: The dual-board structure slows decision-making at times when responsiveness is critical; there is no mechanism to stress-test governance responsiveness.”*

- **Ian Robertson**, Partner, The Jefferson Hawthorne Group, is a seasoned executive with over 20 years of experience helping global leaders solve novel, complex problems for which there is no immediate playbook and serving as a force multiplier to help already successful corporate executives achieve more.

To ensure the long-term sustainability and credibility of OMERS, the recommendations in the following section are proposed. These are grounded in the following key ideas drawn from the main themes that emerged during the consultations:

1. Preserve the Integrity of the JSPP and Bicameral Structure

The Jointly Sponsored Pension Plan (JSPP) and two-entity bicameral governance model are foundational to OMERS' strength. Maintaining these structures ensures balanced decision-making and shared responsibility between Sponsors and Non-Sponsors.

2. Address Governance Gaps in Accountability

Replace the existing Sponsors **Corporation** with a new Sponsors **Council** to clarify roles and improve oversight and communication with each of the Sponsor organizations.

3. Clarify Roles to Reduce Confusion and Duplication

Clearly defined responsibilities will minimize overlap, improve operational efficiency, and support better decision-making.

4. Enhance Transparency Through Formal Stakeholder Engagement

Introduce a new governance structure and minimum standards for communication, transparency, and engagement. This will strengthen participation, ensure diverse perspectives are heard, and foster trust and confidence in decision-making processes.

5. Improve Representation for More Employers and Non-Represented Employee groups

Enhance the governance structure to include non-voting stakeholder representatives to ensure greater representation, regardless of the size of the organization, so more employees and employers have a meaningful voice in OMERS' strategic direction.

6. Strengthen Accountability Through Performance Metrics

Building on existing financial indicators, implement clear, measurable performance indicators to support continuous improvement and reinforce accountability to all plan members.

The intent behind the recommendations below is to restore trust and confidence in OMERS across all membership groups. The proposed recommendations collectively aim to rebuild trust and confidence in OMERS by demonstrating responsiveness, transparency, and a commitment to inclusive governance.

Final Recommendations

Recommended No Change:

1. **OMERS to retain the current jointly sponsored pension plan (JSPP) model, including the bicameral pension model of two (2) entities.**

Retaining the current JSPP model, including its bicameral governance structure, ensures continued balanced oversight and shared accountability between employees and employers. This proven framework aligns with pension sector best practices and supports effective, transparent pension management.

2. **OMERS to retain the current Sponsor composition, including the current Sponsor representation as indicated below, weighted votes, and the number of Administration Corporation board appointments of each of the Sponsors.**

The composition of the OMERS Boards generally remains consistent with the initial transitional approach taken by the Ontario government under the OMERS Act, 2006.

The table below outlines the current sponsor composition and their breakdown of seats and votes across each of the SC and AC Boards. Equal representation of employee and employer members is essential in a JSPP and recommended to be maintained. The McGuinty government, through Bill 206 (OMERS Act, 2006), devolved the Government of Ontario from its central sponsorship role and established a new and independent governance model for OMERS. In a deliberate political decision, the Government established a transitional arrangement, where certain organizations would be designated as Sponsors, along with additional seats and weighted voting for AMO and CUPE Ontario. The Sponsors Corporation enshrined this arrangement, and although it is reviewed periodically, it remains unchanged to this day. While the current composition may appear arbitrary, the SC applies a formulaic approach that considers headcount, contributions and sector representation.

Organization	Organization Type	SC Board		AC Board	
		Seats	Votes	Seats	Votes
Association of Municipalities of Ontario (AMO)	Employer	2	4	2	2
Canadian Union of Public Employees (CUPE)	Employee	1	3	2	2
Local 79 and 416 of the Canadian Union of Public Employees (CUPE 79, CUPE 416)	Employee	1	1	-	-
Electricity Distributor's Association (EDA)	Employer	1	1	1	1
Ontario Association of Children's Aid Societies (OACAS)	Employer	1	1	1	1
Ontario Association of Police Services Boards (OAPSB)	Employer	1	1	1	1
Ontario Catholic School Trustees' Association (OCSTA), Ontario Public School Boards' Association (OPSBA)	Employer	1	1	1	1
The City of Toronto	Employer	1	1	1	1
Ontario Professional Fire Fighters Association (OPFFA)	Employee	1	1	1	1
Ontario Public Service Employees Union (OPSEU)	Employee	1	1	1	1
Ontario Secondary School Teachers' Federation (OSSTF)	Employee	1	1	1	1
Police Association of Ontario (PAO)	Employee	1	1	1	1
The Retiree Group (consists of Association of Retired Fire Fighters of Ontario, Police Pensioners Association of Ontario (PPAO), Municipal Retirees Organization of Ontario (MROO))	Employee	1	1	1	1

3. Sponsor Organizations will retain their statutory powers under the Act related to the ABCs (Appointments, Benefits, and Contributions), and whether to file a valuation more frequently than is required under the Pension Benefits Act (consistent with current practices involving consultation with the AC).

The Administration Corporation is required to implement decisions made by the Sponsors including determining plan design and contribution rates. Sponsor organizations will retain their ABC statutory powers as provided for in section 25 of the OMERS, Act, 2006. Decisions regarding these ABC statutory powers are not subject to challenge or override by the Administration Corporation board. The Administration Corporation operates under the regulatory frameworks established by the Pension Benefits Act (Ontario) and the Income Tax Act (Canada). It is subject to oversight by the Financial Services Regulatory Authority of Ontario (FSRA) and the Registered Plans Division of the Canada Revenue Agency (CRA).

4. OMERS to retain inclusion of retiree sponsor representation.

Not all pension plans have retiree representation. This is explained in part given the limited affiliation retirees have with other sponsor representatives, the Pension Benefits Act does not allow an accrued benefit to be reduced in an ongoing plan (JSPP benefits may only be reduced if the plan was wound up), under the legislation, it is members and employers who are required to make special payments to address funding shortfalls, and the OMERS trustees must act in the best interests of all plan members, including retirees.

This review however considers it important for OMERS to maintain retiree representation to ensure their perspectives are meaningfully included. Preserving a dedicated retiree voice supports inclusive, balanced governance, particularly as retirees, after 2022, now share in plan risk:

- Members who retire after 2022 now share in the risk of plan benefits. The introduction of Shared Risk Indexing (SRI) as a plan change made by the SC affects the inflation protection on benefits earned after December 31, 2022. Instead of guaranteed full cost-of-living adjustments, the OMERS Sponsors Corporation (SC) Board now has the option to adjust the level of inflation protection based on the Plan's financial health. While SRI does not impact the pensions or benefits of retired members earned before the 2023 date, it introduces conditional, or shared risk, indexing for future benefits, where the amount of inflation adjustment depends on the Plan's sustainability and may be less than the full Consumer Price Index (CPI).

5. Retaining the existing skills and competency criteria for the Administration Corporation board members (appropriate for a plan of this size and complexity), while broadening the senior leadership experience competency.

Some Sponsors and Non-Sponsors recommended broadening the AC required competencies to include, among other things, public sector pension knowledge, governance experience, and soft skills such as communication, consensus-building, and equity-informed decision-making.

Retaining skills and competency criteria for the OMERS Administration Corporation board is essential to ensure the board can effectively oversee a pension plan of OMERS' scale and complexity. Given its responsibility for overseeing investment management functions, pension services, administration, and plan valuation, board members must possess the necessary expertise to make informed decisions, manage risk, and uphold fiduciary duties in a dynamic financial environment.

6. Retaining the Administration Corporation board at 15 directors, including the Independent Board Chair, and the current 12-year [4 x 3-year] term limit.

The Administration Board, with 14 members and an additional independent Board Chair, for a total of 15 members, was deemed appropriate, particularly considering Recommendation #2, which maintains the current Sponsor representation, including their current rights regarding Administration Board seats.

Term limits are essential to introduce fresh perspectives and diverse skill sets, mitigate the concentration of power among long-serving members, and facilitate the orderly transition of underperforming or inactive directors. When weighed against the potential loss of valuable expertise, institutional memory, and established relationships, which could undermine the board's effectiveness and hinder timely decision-making, the current term limits are deemed appropriate.

7. Maintain in the OMERS Act, 2006, the prohibition on using assets from the Primary Pension Plan to fund optional benefits or liabilities of any Supplementary Plan.

While decisions regarding supplemental plans fall outside the scope of this review, the governance framework to support inclusive and effective decision-making is within scope to ensure fair, equitable, and transparent outcomes for plan members.

Some Sponsors and Non-Sponsors believe that the potential for amendments to the OMERS Act, specifically, the mere possibility of removing the prohibition on using Primary Pension Plan assets to fund Supplementary Plan benefits or liabilities, is

discouraging meaningful engagement with affected parties. To illustrate, some sponsors voiced the need for the effectiveness of the governance framework in ensuring the overall fairness of the plan and its overall financial stability, including ensuring that cross-subsidization does not occur between the primary pension plan and any supplemental plans. The lack of action on supplemental plans persists despite ongoing operating costs, funded by a grant from the Ontario Ministry of Municipal Affairs and Housing, for regulatory compliance related to a Supplementary Plan that currently has no members.

8. As a general principle, the government should abstain from involvement in the administration and governance of the OMERS pension plan.

Abstaining from involvement in the administration and governance of the OMERS pension plan reinforces the principle of plan independence and protects the integrity of its jointly sponsored structure. This recommendation also aligns with the original intent of the OMERS Act, 2006, which sought to limit government interference and ensure that decisions are made by those directly accountable to plan members and Sponsors, free from political influence.

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Recommended Changes:

Proposed Legislative Recommendations to the OMERS Act, 2006

*Additional legislative details are outlined in **Appendix 4**.*

9. Dissolve the current Sponsors Corporation and its board and establish a new Sponsors Council (“Council”) that includes direct representation from the current composition of Sponsors, with an option for an honorarium or similar.

This review concluded that the 2006 decision to have Sponsors within a corporation has resulted in inefficiencies and misalignment of the two corporations. No other known bicameral Jointly Sponsored Pension Plan has Sponsors in a separate corporation, and for good reason.

This change will eliminate fiduciary responsibilities and reduce the growing institutionalization that has hindered communication, transparency, and engagement, thereby eroding trust and confidence. The new structure will ensure that the Administration Corporation is directly accessible to both Sponsors and Non-Sponsors.

Sponsor organizations on the Council will retain, as per recommendation #3, the ABC statutory powers (Appointments, Benefits, Contributions) currently held under the Administration By-law and the OMERS Act, including the authority to appoint members to the Administration Corporation board, and to make decisions regarding plan design, including benefit structures and contribution rates. The term *Council* was chosen deliberately, as it does not imply a legal entity.

The new Council will:

- Be fully supported by the Administration Corporation, eliminating the need for a separate Sponsors Corporation management team, staff and overhead. This streamlining reduces duplication, cuts costs, and improves operational efficiency with anticipated savings of over \$10 million annually in direct and indirect costs. Feedback during consultations indicates that many organizations feel confident they have the in-house expertise and or resources within their organization to participate without additional support from SC staff.
- Be more focused and transparent. During consultations, both Sponsors and Non-Sponsors expressed serious concerns about the lack of transparency regarding the [largely unknown] matters being discussed at Sponsors Corporation Board

meetings. In 2024, the SC convening 17 board meetings and 19 board meetings in 2023. This unusually high number suggests potential governance issues and removing the corporation entity will support a transition to a more focused and transparent Council, supported by the AC.

- Operate without the corporate fiduciary overlay and formalities, providing greater flexibility and responsiveness, enabling direct engagement and transparency in decision making. This proposed Sponsors Council supports a more participatory and transparent governance framework, while preserving the essential levers of Sponsor oversight and control.
- Permit employee and employer sponsor groups to re-establish SC caucuses, which are valued by many Sponsors and support Non-Sponsor engagement. In response to calls for reduced duplication and inefficiency, the replacement of the Corporation with the Council will result in OMERS consolidating leadership under a single CEO to improve strategic alignment and operational efficiency.
- The Administration Corporation may wish to consult with the Sponsors Council on the appropriateness of providing a reasonable honorarium or equivalent payment to Sponsor organizations or their representatives, in recognition of their contributions to the plan's long-term sustainability. The acceptance of any such payment should be at the Sponsors' discretion and remain optional, in accordance with their internal policies.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Added a new section 36 to the OMERS Act, 2006, which states that the Sponsors Corporation will be wound up by way of a voluntary winding up to be undertaken in accordance with the provisions of Part XVI of the Business Corporations Act, with such necessary modifications so as to apply to the Sponsors Corporation and its members. Section 22 (1) will be amended to read there is hereby established a Sponsors Council to be known as the OMERS Sponsors Council.

10. Re-establish an employee and employer co-chair model for the new Sponsors Council. Employee and employer Sponsor organizations shall each conduct a vote to appoint their respective chairperson for a 2-year period.

JSPPs are built on the principle of shared governance and shared risk between employees and employers. Reinstating a co-chair model for the Sponsors Council, which existed before 2021, could help restore balanced representation between employee and employer sponsor groups. Sponsors viewed the original co-chair structure as a benefit that ensured both perspectives had equal leadership influence, thereby fostering collaboration and trust in decision-making.

Some Sponsors indicated, during consultations, that the Sponsors Corporation Board announcement in 2020, moving away from co-chairs, further eroded OMERS' JSPP governance model. The SC's news release in 2020 announcing the end of co-chairing included a quote that may be interpreted as reinforcing Sponsor concerns that the SC is no longer acting as a representative body:

"This good news represents a key evolution for the OMERS governance and decision-making model," said Michael Rolland, CEO, OMERS Sponsors Corporation. Under its previous board leadership structure, the SC had two co-chairs: one chosen by its employee sponsor group, and the other by its employer sponsor group. This change reinforces the SC Board's fiduciary responsibilities, in that both the Chair and Vice-Chair will formally focus on the best interest of OMERS as a whole – rather than being elected to represent the employee and employer groups' perspectives," he continued."⁵

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- An amendment to Section 23 of the 2006 OMERS Act that the Sponsors Council will have two co-chairs, who will be elected by the members of the Sponsors Council from among the members of the Sponsors Council. One co-chair will be elected by the members of the Sponsors Council appointed by the Employee Plan Sponsors from among the members appointed by the Employee Plan Sponsors, and one co-chair will be elected by the members of the Sponsors Council appointed by the Employer Plan Sponsors from among the members appointed by the Employer Plan Sponsors. Such an appointment will be made by a majority vote of the members entitled to vote on the appointment, as the case may be. A co-chair's term will be for two (2) years and may be renewed for so long as such person remains a member of the Sponsors Council.

⁵ [OMERS Sponsors Corporation Unanimously Elects Chair and Vice-Chair, Following Enactment of Key Governance Enhancements](#)

11. To support a smooth transition, the Administration Corporation will establish an initial charter for the new Sponsors Council, to include mandatory minimum standards, including mandatory consultations prior to a specified change and mandatory reporting to plan members and participating employers on the outcome of such changes. The Sponsors Council may, from time to time, amend the Charter.

The new minimum standards to be set out in the Act are as follows:

- **Quorum:** A quorum for a Sponsors Council meeting requires members holding a majority of the Council's voting rights, unless otherwise stated in the Charter.
- **Mandatory Sponsor and Non-Sponsor Consultations:** Consultation must occur at least 90 days prior to a Sponsors Council meeting to consider a specified change.
- **Calling a Meeting:** Meetings may be called by the Administration Corporation or by a majority of Sponsors Council members, with notice to all members and the Administration Corporation. Notices must include the general nature of the business and be sent at least:
 - 20 days in advance for regular meetings.
 - 60 days in advance for meetings concerning OMERS pension plan amendments or contribution rate decisions.
- **Notice Waiver:** The OMERS Act allows the Sponsors Council Charter to specify when meeting notice periods may be waived.
- **Electronic Attendance:** Members may attend meetings via phone or electronic means, with instructions included in the meeting notice.
- **Meeting Frequency:** The Sponsors Council will meet at least twice annually and once every three years to review OMERS pension plan terms and contribution rates. Outcomes of these reviews will be reported to plan members and participating employers.
- **Meeting Summaries:** A summary of each meeting will be made available to OMERS Sponsors and stakeholders within 30 days.

In preparing the charter, the Administration Corporation should aim to finalize it within approximately 100 days following royal assent.

The charter should consider establishing the:

- Engagement model with council and non-council members.
- Consultation model for plan design decisions, and should include, at a minimum:
 - Materials published in advance in plain language.
 - Supporting explanatory materials outlining the rationale and anticipated impact.

- Stakeholder feedback via formal channels.
- Disclosure of how feedback was considered in final decisions, consistent with governance best practices.
- Transparency requirements behind decision making, and should consider, at a minimum:
 - Establish a formal transparency policy requiring publication of key non-confidential governance materials within a reasonable amount of time, including:
 - Plan design proposals.
 - Weighted voting records.
 - Non-sensitive board-level background reports, scenario analyses, third-party reviews, and financial impact models.
 - Minority opinions and policy rationales.
 - Non-confidential board decisions.
- Governance process for the Council, including the appointment of co-chairs, etc., and ensuring the AC's independent chair or their designate(s) shall attend.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add an amendment to Section 22 of the OMERS Act, 2006, to establish the Sponsors Council, which will have a Charter and may pass resolutions regulating its proceedings and the conduct and management of its affairs. The Charter must be consistent with the Act. The initial Charter will be prepared by the Administration Corporation and approved by a two-thirds vote of its members. The Sponsors Council may amend the Charter from time to time in accordance with Section 26. Amendments to Section 23 address the composition of the Sponsors Council, quorum requirements, procedures for calling and attending meetings (including electronic participation), and the sharing of meeting summaries. Section 26 outlines procedural requirements for decisions, including mandatory consultation with Plan Sponsors and stakeholders prior to a Sponsors Council meeting to consider a "specified change," and mandatory reporting to plan members and participating employers on the outcome of such changes.

12. Amend the Act to better clarify decision-making definitions related to specified and administrative changes.

A “specified change” means:

- A change in benefits for members of any of the OMERS pension plans.
- A change in the contribution rate for members or participating employers.
- The establishment of, or a change to, a reserve to stabilize contribution rates.
- Any amendment to the Charter.
- The establishment of a supplemental plan.

An “administration change” means a change to the OMERS pension plans that the Administration Corporation considers is necessary or appropriate:

- To resolve a critical issue that does not involve material changes in contribution levels of, or materially affect the funding of, any OMERS pension plan other than a supplemental plan.
- For the proper administration of the pension plan, including to comply with the Pension Benefits Act or any other provincial law or any federal law.
- To amend the terms of any supplemental plan or to establish or amend contribution rates for any supplemental plan.

During consultations both Sponsor and Non-Sponsor organizations expressed concerns about role clarity and overlap between the two existing boards. Clarifying these decision-making categories will reduce ambiguity and support more efficient decision-making processes between governing bodies going forward.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- The recommended amendment will leave material plan design and contribution rate decisions in the hands of the Sponsors Council, which requires an affirmative vote of two-thirds of all eligible votes that may be cast by its members and gives the Administration Corporation the ability to require a meeting of the Sponsors Council to consider a crucial issue or a change for the proper administration of the plan. These require a majority vote of the Sponsors Council.

- 13. As outlined in Recommendation #2, the current composition of Sponsors will remain unchanged. A periodic review of the Sponsor composition will be established beginning on January 1, 2028, and every five years thereafter.**

The composition of the OMERS Sponsors Corporation is reviewed with regular frequency to ensure the governance structure remains effective, representative, and aligned with best practices. Following the 2012 Governance Review, the SC has reviewed Board composition regularly, with reviews completed in 2013, 2016, and 2020. The next scheduled review of Sponsor composition was due to take place in 2025; however, this initiative has been paused out of deference to this review.

These periodic reviews help maintain fairness in stakeholder representation, support transparency and accountability and ensure responsiveness to evolving member and employer needs.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Amend 22(7) whereby Plan Sponsors starting January 1, 2028, and every five years thereafter has been included. Decisions on changes shall be made by the Sponsors Council with a 2/3 majority, by way of an amendment to the Charter and thereby as a specified change. Also includes a requirement that there be a report to members on the outcome of such a review, which enhances transparency and amends the size of the Sponsors Council to be 12 to 18 members so as to provide some flexibility to Sponsors to review.

- 14. Establish five (5) non-voting [observer] seats for the employer and the employee members on the new Sponsors Council.**

Observers are not uncommon within Jointly Sponsored Pension Plans, and OMERS can benefit from having non-voting observers on the Sponsors Council. At the next Council composition review, Sponsors would likely have considered changes, at least at the margin, based on updates to “Active Membership Headcounts.” The Observer status enables Sponsors to roll on and off in an orderly manner, while providing engagement with largely unrepresented sectors such as the relatively fast-growing transit sector.

Overview of Transit, as a Growing and Unrepresented Sector

- Metrolinx has 7,449 active members in OMERS (2.1% of OMERS' active membership). When assessing Metrolinx against other employers by the number of active members in OMERS, Metrolinx is larger than all but four employers: the

City of Toronto, the City of Ottawa, the Toronto District School Board, and the Toronto Police Services Board have more active members than Metrolinx. Currently, Metrolinx does not have a voting seat as an employer.

- As a category, Transit Authorities (including Metrolinx) have 12,427 members. This is 3.6% of active plan members. This is more members than Children's Aid Societies (9,758 members / 2.8% of members) and Utilities (8,118 / 2.3%). Metrolinx is by far the largest employer among Transit Authorities, with OC Transpo next at 3,252 members. Given that Metrolinx has fewer active members than both the Children's Aid Societies and Utilities, Metrolinx would today need to team up with other Transit Authorities or consider Metrolinx's unique status as an agency of the Ontario government.

Non-voting seats will include organizations from each of the following categories:

Employees:

1. **CUPE local 416 / 79:** One observer appointed by either CUPE local 416 or 79, depending on membership status on the Sponsors Council. These CUPE locals will alternate in appointing a member to the Sponsors Council.

These two locals alternate having a Voting Member of the Council, the local without a Voting Member on the Sponsors Council remains connected to OMERS by having an Observer on the Sponsors Council and provides balanced input and continuity

2. **Amalgamated Transit Union (ATU):** One observer appointed by the ATU. The ATU has over 10,000 active members in OMERS, representing over 3.1% of the Plan's active members.

As explained above, transit represents a sizeable number of active plan members by headcount, and ATU's voice should be at the table.

Employers:

3. **Ontario Catholic School Trustees' Association (OCSTA) and Ontario Public School Boards' Association (OPSBA):** One observer collectively appointed by OCSTA and OPSBA. Collectively, these groups work together to appoint a non-voting Member of the Sponsors Council.

Together, they have nearly 100,000 active members in OMERS, representing more than 28% of active members. An Observer role for these organizations will enhance transparency and representation of the school board sector.

4. **Metrolinx:** One observer appointed by Metrolinx. Metrolinx is the fifth largest employer of OMERS active members. In addition to the number of members in the OMERS Plan, Metrolinx is a unique employer in OMERS as it is an agency of the Ontario government and, as such, is subject to Ontario government compensation frameworks.

Metrolinx has 7,449 active members in OMERS (2.1% of OMERS' active membership). When assessing Metrolinx against other employers by the number of active members in OMERS, Metrolinx is larger than all but four employers.

Manager [Non-Union] Organizations:

5. **One Observer collectively appointed by:**

- **COTAPSA** (The City of Toronto Administrative, Professional, Supervisory Association).
- **AMCTO** (The Association of Municipal Managers, Clerks and Treasurers of Ontario).
- **OMHRA** (The Ontario Municipal Human Resources Association).

Similar to the Retirees group, these three groups are encouraged to collectively work together to appoint a single Observer to the Sponsors Council who can bring greater transparency to OMERS members in management and non-union roles who are not otherwise represented at the Sponsors Council.

Nearly 25% of OMERS' active membership consists of management / non-union members. For many years, these groups have advocated for greater transparency from the Sponsors Corporation about plan design and contribution rate decisions. Given the number of OMERS members in management and non-union positions, it is reasonable to allow these members to participate in the Sponsors Council as Observers.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add Observers to section 23 of the OMERS, Act 2006, that an Observer will be entitled to notice of the meeting, copies of all materials provided to members of the Sponsors Council, attend such meetings, but will not be entitled to vote on any matters brought before a Sponsors Council meeting.

15. The new Sponsors Council will maintain CUPE Local 416’s rotation for their voting seat on Council.

CUPE Locals 416 and 79 alternate their seat on the OMERS Sponsors Corporation every three years. With board placements soon to be frozen, it is appropriate for CUPE Local 416 to retain its current seat ahead of the transition to a Sponsors Council. This will help preserve continuity and facilitate a smooth and stable change in governance.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add a new subsection to section 23 of the OMERS, Act 2006, which reads as follows: Until changed in accordance with the provisions of subsection 22(7), CUPE local 79 of the Canadian Union of Public Employees (“CUPE Local 79”) and CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (“CUPE Local 416”) together constitute a Plan Sponsor and they will, as between them, appoint a member to the Sponsors Council on an alternating basis; provided that for the period from the date this Act comes into force to April 14, 2029, the member shall be appointed by CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (“CUPE Local 416”).

16. Amend the Act to codify the current 12-year (4x3-years) term limits for members of the Administration Corporation Board and permit future changes through regulation.

The topic of term limits for Administration Corporation Board Members was of broad interest to both Sponsors and Non-Sponsors. While some advocated for shorter term limits, most thought the current term limits were appropriate, with some noting the January 2021 Capital Markets Modernization Taskforce Report⁶ recommending a 12-year maximum tenure limit for directors, and a 15-year limit for the board chair:

“The issue of board entrenchment and board renewal is a concern from a governance perspective as continued refreshment of the board helps to ensure that independent, fresh and diverse perspectives and skills are brought into the boardroom.”

— Capital Markets Modernization Taskforce Report, 2021.

Codifying the current term limits in the Act, while also establishing that the Lieutenant Governor in Council may make regulations prescribing term limits for

⁶ [Capital Markets Modernization Taskforce, Final Report, January 2021](#)

members of the Administration Corporation, strikes the right balance between board renewal and the ability to seek changes in times of stress.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add “Regulations” in section 16 that the Lieutenant Governor in Council may make regulations prescribing term limits for members of the Administration Corporation.
- Add amendment to section 33 that states Members, of the Administration Corporation, other than the independent Chair, will be appointed for a three-year term and may, subject to subsection (13) be reappointed by the appointing Employee Plan Sponsor or Employer Plan Sponsor for up to a maximum of 4 terms.

17. Establish the authority that the Administration Corporation Board could extend the current independent chair for effective implementation and transition purposes.

The current Independent Board Chair began his 12-year term on October 1, 2013, and is scheduled to conclude his final term on or about April 14, 2026. The proposed amendment would provide the AC Board for purposes of implementation of the recommendations contained herein, including transition to the new Sponsors Council, the authority to appoint the current Independent Board Chair, whom the SC Board appointed in a joint process with the AC Board, and extended for this Review, for a maximum term of 16 years, if the Board deems the Independent Board Chair essential to facilitate a smooth transition and effective implementation of the recommendations for both the SC and AC.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add a new subsection to section 33 of the OMERS, Act 2006, which reads as follows: The Governance & Risk Committee will make a recommendation to the Administration Corporation members as to candidates for the independent Chair. The independent Chair will be independent of the Administration Corporation and the Plan Sponsors as determined by the members of the Administration Corporation. The independent Chair will be selected by resolution of the members of the Administration Corporation passed by an affirmative vote of two-thirds of its members and may be renewed on the same basis. The independent Chair will have a term of three years and may serve a maximum of four terms. The independent Chair may be removed by a vote of two-thirds of the members of the Administration

Corporation. **Despite the foregoing, the person acting as the independent Chair on the date that this Act comes into force may serve a maximum of 16 years.**

- 18. Establish a requirement at the Administration Corporation board for a two-thirds (2/3) majority vote to exercise a veto on Sponsor appointments to the AC Board and establish a formal procedure to ensure that directors pass the necessary background checks, possess the necessary expertise and authority to assess and, if warranted, veto Sponsor nominations deemed unsuitable.**

Administration Corporation (AC) board members must act independently of plan sponsors and management, in the best interests of all plan members. With individual Sponsor organizations now being proposed to appoint board members directly, it is essential to implement a safeguard to uphold board standards, including skills and competence, team effectiveness, and strategic direction. The proposed veto mechanism serves as a necessary transfer of the checks and balances currently exercised by the SC, which will no longer exist under the new Council structure.

In the current model, sponsor nominations are reviewed by the SC's Corporate Governance & Risk Committee. Following an SC By-Law No. 4 change in 2024, the SC invites the AC Board Chair or their delegate (typically the chair of the AC's Governance & Risk Committee) to review candidates. Successful candidates are recommended to the SC board by majority vote, followed by a required two-thirds board approval due to the materiality of AC appointments. The AC is then required to accept these recommendations. This SC process effectively functions as a veto, as the SC is not obligated to advance a sponsor's nominee for SC board decision/appointment. In the last five (5) years, or so, the SC's governance committee has exercised this process by not advancing 2 appointments and 1 reappointment, thereby requiring the Sponsors to nominate new candidates.

Under the newly proposed governance model, the SC's Corporate Governance & Risk Committee will be dissolved, and with it, the structured vetting process for AC appointments. As such, the introduction of a two-thirds majority veto mechanism within the AC board is a shifting of an existing SC governance safeguard. It ensures that the AC retains the ability to uphold board integrity and independence, consistent with fiduciary obligations and governance best practices.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- A new provision under section 33 of the 2006 OMERS Act may stipulate that The Governance & Risk Committee will advise the Employer Plan Sponsors and Employee Plan Sponsors entitled to appoint members to the

Administration Corporation at such time as to the competencies that the Administration Corporation then requires to best meet the competency framework. The Employer Plan Sponsors and Employee Plan Sponsors entitled to appoint members to the Administration Corporation at such time will nominate a person who in such Plan Sponsor's assessment meets some or all of the competencies identified by the Governance & Risk Committee as being needed. The members of the Administration Corporation will either appoint such person as a member or by a vote of two-thirds of the members of the Administration Corporation veto the membership of such person if the members of the Administration Corporation determine that the appointed person does not sufficiently address the competency gaps identified by the Governance & Risk Committee at such time. If the members of the Administration Corporation veto an appointment as provided in this subsection (12), then the appointing Plan Sponsor may nominate another person, and the provisions of this subsection (12) will again apply to such appointment.

19. Establish a provision to prohibit the movement of Board members between the Administration Corporation and the Sponsors Council or the Sponsors Corporation.

Sponsors and Non-Sponsors raised concerns about the 'recycling' of board members between the Sponsors Corporation and the Administration Corporations despite the corporations having different roles, responsibilities, skills and competency requirements.

The two governing bodies are designed to fulfill different mandates, requiring diverse skill sets, competencies, and perspectives. Recycling board members across both bodies risk blurring these boundaries, potentially limiting the breadth of expertise and independent oversight that each entity is meant to provide.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- The prohibition on the movement of Board members between the Administration Corporation, Sponsors Council and Sponsors Corporation is now included in sections 23(2) and 33(4).

20. Establish beyond lawful, a “reasonableness” threshold in the Act whereby the Administration Corporation has discretion to reimburse the Sponsors Council for any of its costs.

Some Sponsors have requested the introduction of funding for costs associated with, for example, legal and actuarial support to support decision-making when presented with data, analysis and options from the Administration Corporation. Funding was also raised in terms of restoring caucuses, which we believe will be a natural development within the Sponsors Council structure. All Sponsors and many Non-Sponsors stated they have some capacity to fund their own analysis, but from time to time, funding from the Administration Corporation could be appropriate and reasonable.

In short, Sponsors raised the need to access reasonable and appropriate funding to support decision-making and to better align with the Sponsors representative function.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- See amendment to section 27 of the OMERS Act 2006, which states the Sponsors Council Corporation may require the Administration Corporation to reimburse it from any pension or other fund for any of its costs that, in the opinion of the Administration Corporation, are reasonable and may lawfully be paid out of the fund, as well as additional amendments in section 28.

21. Amend the cost recovery for arbitration-related expenses so that the associated levy is applied exclusively to plan sponsors, rather than to all plan members.

Arbitration is a powerful tool for the Sponsors Council; however, the current cost-recovery levy on all plan members is not viable and hinders the potential use of this important tool. Arbitration costs would therefore need to be borne by the Sponsor organizations, not the plan members.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- See amendment to section 28 of the OMERS Act, 2006, which is recommended to be amended such that Plan Sponsors pay a fee for the purpose of funding any of the Sponsors Council’s costs that, in the opinion of the Administration Corporation, are not reasonable or may not lawfully be paid out of a pension fund.

22. Establish the term “paramedic” throughout the OMERS Act to be more inclusive than the current inclusion as persons who are employed in the police and fire sectors.

Paramedics were already included by law, as defined in the Ambulance Act, but adding the term “paramedic” throughout the legislation would enhance legal clarity and inclusivity by explicitly recognizing paramedics as a distinct occupational and although they are already covered under provisions for police and fire sectors, this change affirms their unique role in public safety, ensures consistent interpretation of eligibility, and reflects long-standing advocacy for equitable treatment.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Addition of the term “paramedic” where appropriate throughout the OMERS Act to ensure that there is clear visibility and inclusivity.

23. Establish in the Act to permit conversion between NRA 60 and 65 (and vice versa) for police, fire and paramedics, and ensure that the existing and proposed NRA conversion provisions prevail over any conflicting requirements of the Ontario Pension Benefits Act (PBA), as permitted under s. 114 (Conflict) of that Act.

Most first responders have a Normal Retirement Age of 60 or “NRA 60”. NRA 60 is a plan benefit open to firefighters, police officers, and paramedics, providing an earlier retirement opportunity to recognize the unique roles and careers of first responders. These NRA 60 benefits are accompanied by higher contribution rates for members with NRA 60 benefits and their employers.

Non-first responder members in OMERS have Normal Retirement Age 65 or “NRA 65” benefits in the pension plan. These NRA 65 members pay lower contribution rates than NRA 60 members, as do their employers.

In recent years, some first responder groups have recognized that their members desire greater flexibility, as the current NRA 60 plan benefits do not adequately address the needs of the current workforce, who are starting their careers later and cannot realistically retire in with full benefits.

In 2020, the Ontario Professional Fire Fighters Association (OPFFA) submitted five (5) plan design proposals to the SC that would enhance NRA conversion options for certain plan members, and the SC has not yet decided on two (2) of those proposals.

The NRA provisions are unique to OMERS, and legislative amendments could resolve the issue to permit the NRA conversions contemplated by some of the Sponsors.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add a new section 38 to the OMERS, Act 2006, which reads as follows: The primary pension plan shall contain terms and conditions for employers of members in the police, fire and paramedic sectors to consent to a change from a normal retirement age of 60 years to a normal retirement age of 65 years or a change from a normal retirement age of 65 years to a normal retirement age of 60 years in respect of a class of such members, including terms and conditions to provide for a member who is part of a class of members affected by such a change in normal retirement age to elect not to change their normal retirement age and, where applicable, for a refund of contributions, as determined by the Administration Corporation, and notwithstanding any provision in the Pension Benefits Act, as of and from July 29, 1987, no such terms and conditions in the primary pension plan governing, permitting or prescribing the consequences of a change from a normal retirement age of 60 years to a normal retirement age of 65 years or a change from a normal retirement age of 65 years to a normal retirement age of 60 years shall be treated as void, ineffective or otherwise not able to be administered by reason of any provision in the Pension Benefits Act.

24. Establish in the Act a provision to permit Employee Sponsors and related Employer Sponsors whose employees, members, former members or retired members are eligible to participate in a supplemental plan to jointly request that the Administration Corporation propose an amendment to the supplemental plan, once the Sponsors Council has formally established contribution rates, and the required enrolment thresholds have been met.

As per Recommendation #7, the prohibition as contained in the OMERS Act must remain on assets of the OMERS Primary Pension Plan being used for the purpose of paying any optional benefit under a Supplemental Plan or funding the payment of any other liability of a Supplemental Plan.

During consultations, Sponsors raised concerns about the lack of action regarding the OMERS Supplemental Plan and the OMERS Retirement Compensation Arrangement (RCA). Some Sponsors also raised questions about a decision by the Sponsors Corporation to introduce a cap on OMERS contributory earnings, which impacts benefits payable from the RCA, and was fully implemented in or around 2016.

The Supplemental Pension Plan was established in the OMERS Act, 2006.

The Supplemental Pension Plan for Police, Firefighters, and Paramedics (Supplemental Plan) is a separately funded, stand-alone registered pension plan that offers optional benefits not available under the Primary Plan. The Supplemental Plan came into effect on July 1, 2008, and was restated on January 1, 2011, to consolidate amendments made since July 1, 2008. It was also restated on January 1, 2014, and again on January 1, 2021, to reflect further amendments.

The Supplemental Pension Plan currently has no members.

Given the Supplemental Plan funding agreement expires between OMERS and the Ministry of Municipal Affairs and Housing by March 2028, it is reasonable that the Sponsors Council convene as soon as possible to determine the future of the Supplemental Plan and also separately to discuss the SC determined cap on OMERS Retirement Compensation Arrangements (RCAs), as seen by some Sponsor organizations as arbitrary.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Introduce a new section 4(2), changes to a supplemental plan, to the OMERS Act, 2006, whereby an Employee Plan Sponsor and related Employer Plan Sponsor whose employees, members, former members or retired members are eligible to participate in a supplemental plan may jointly request that the Administration Corporation propose an amendment to the supplemental plan. The Administration Corporation will propose such amendment for approval by the Sponsors Council in accordance with the provisions of subsection 26(3). Also introducing another new section, Section 38, to the OMERS Act, 2006 to read as follows: Any supplemental plan established pursuant to subsection 4(1) to provide optional benefits to members, former members and retired members employed in the police, fire and paramedic sectors will contain provisions such that such plan will not begin to accept contributions or accrue and administer any benefits until such time as the contribution rates therefor have been established by the Sponsors Council in accordance with the provisions of subsection 4(2) and 26(6) and any required enrolment thresholds have been met.

25. OMERS to provide a report back to the Minister on the implementation of the recommendations in this report by no later than June 30, 2027.

Requiring OMERS to provide a report to the Minister on the implementation of the report's recommendations ensures transparency, accountability, and ongoing oversight.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Add a new section, section 40, to the OMERS Act 2006, which reads as follows: The Administration Corporation will provide the Minister a report by no later than June 30, 2027, outlining the steps that have been taken to implement the changes to the OMERS governance model provided for in the Act.

26. The Minister of Municipal Affairs and Housing shall establish a periodic legislative review of the OMERS governance structure, five years following these changes and then every ten years.

Sponsors and Non-Sponsors raised the need for a predetermined review schedule to help avoid the perception that reviews are reactive or indicative of underlying issues. Establishing a regular review cycle reinforces transparency and accountability, and aligns with governance best practices, which recommends that pension plans conduct periodic governance assessments to ensure their structures remain effective, responsive, and in the best interests of plan members⁷

Establishing periodic legislative reviews of OMERS' governance structure in the Act will provide a formal venue for a periodic legislative review of the OMERS' governance structure, ensuring ongoing accountability, transparency, and alignment with evolving best practices. This approach allows for timely adjustments in response to changing stakeholder and plan member needs, market conditions, and governance best practices, while reinforcing public trust and confidence in the plan's oversight.

Proposed Legislative Amendment

See Appendix 4 for a chart of recommended and redlined legal amendments.

- Introduce a new section, Section 39, to the OMERS Act, 2006, to read as follows: The Minister shall, beginning no later than June 30, 2031, and every

⁷ [CAPSA Guideline number 4](#)

10 years thereafter, undertake a review of the governance structure implemented for OMERS as provided in the Act.

As a general principle, the government must prioritize these legislative changes for implementation.

Implementing the legislative amendment recommendations outlined in this report represents a significant evolution in OMERS' governance, with a renewed focus on transparency, stakeholder engagement, and operational efficiency. By pursuing key priorities, such as dissolving the Sponsors Corporation and establishing a more agile and representative Sponsors Council with minimum standards on communication, transparency and engagement, OMERS is taking deliberate steps to modernize its structure while safeguarding the integrity of plan oversight. The implementation of these priorities will be crucial to ensuring a smooth transition and adoption of the new proposed recommendations, as well as to continue reinforcing long-term confidence in the OMERS pension plan.

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Non-Legislative Recommendations

27. The Sponsors will have the right to directly appoint members to the Administration Corporation board.

As per Recommendation #3, Sponsors will retain their power to appoint to the AC Board. With direct representation on the Sponsors Council, Sponsors will now directly appoint to the Administration Corporation Board, rather than nominating through the SC Board.

28. The Administration Corporation, in consultation with the Sponsors Council, shall establish a formal procedure enabling a Sponsor to revoke or replace its appointed member on the Administration Corporation board at its discretion.

Permitting a Sponsor to formally revoke or replace its appointee on the Administration Corporation Board serves as a governance safeguard. It ensures accountability for performance, ethical conduct, attendance, and conflicts of interest, while reinforcing the Sponsors Council's authority and maintaining alignment between board representation and expectations.

29. The Administration Corporation shall develop and implement a formal transition plan to support the shift from the Sponsors Corporation to the new Sponsors Council.

The transition plan will include establishing the necessary policies and procedures to ensure the Administration Corporation is equipped with the capacity and authority to fully support the Sponsors Council's mandate, including adherence to the revised OMERS Act, new minimum standards, and the creation and implementation of a new Charter.

30. The Administration Corporation board shall establish authority over Administration Corporation director compensation, guided by the compensation formula that the Sponsors Corporation approved within the last three years.

Establishing the Administration Corporation Board's responsibility for director compensation, guided by the Sponsors Corporation's approved formula, ensures accountability, transparency, and reinforces good governance by linking compensation decisions to a framework that reflects organizational values and oversight.

31. The Administration Corporation board shall ensure a comprehensive framework of periodic performance indicators to monitor the Administration Corporation board and member effectiveness, the Administration Corporation's support of the Council, and the effectiveness of the Council.

To ensure governance accountability and ensure the board fulfills its strategic and fiduciary responsibilities, it is recommended that the Administration Corporation review its current performance indicators against a structured set of performance indicators beyond financial indicators to monitor board performance across key dimensions. These indicators should be reviewed regularly and integrated into the board's self-assessment and reporting processes.

Below are some suggested Key Areas of Performance Monitoring:

1. Achievement of Strategic Objectives

- Indicators should assess the board's effectiveness in guiding and overseeing the implementation of the organization's strategic plan.
- Metrics may include progress against strategic milestones, alignment of board decisions with strategic priorities, and strategic direction.

2. Monitoring of Operational and Financial Results

- The board should regularly review indicators related to operational efficiency, service delivery outcomes, and financial performance.
- This includes budget adherence, cost-effectiveness, and performance against key operational benchmarks.

3. Continuous Improvement in Organizational Performance

- Indicators should track whether the board fosters a culture of learning and innovation.
- Examples include the implementation of improvement initiatives, responsiveness to performance audits, and the integration of feedback into governance practices.

4. Oversight of Organizational Risk

- The board must ensure that a robust risk management framework is in place and actively monitored.
- Indicators may include the frequency and quality of risk reviews, mitigation strategies implemented, and responsiveness to emerging risks.

5. Implementation Considerations

- Develop a dashboard or scorecard to track and report on these indicators quarterly or annually.
- Incorporate performance results into board self-evaluations and governance reviews.
- Engage an independent evaluator periodically to validate the effectiveness of the board's oversight.

6. Stress Testing

Introduce structured governance stress-testing focused on issues such as:

- The ability to detect and act on early warning signals and non-linear threats.
- Decision-making speed and clarity under pressure.
- Transparency and stakeholder inclusion in urgent scenarios.

Stress tests should include representative strategic shock scenarios, such as sponsor withdrawal, a sudden funding shortfall, or material reputational events, and should be conducted periodically, with the findings documented.

32. The Joint Council shall be dissolved as it is no longer required and will inhibit direct communication, transparency and engagement of the Administration Corporation with Sponsors and Non-Sponsors.

The "Joint Council" is a joint committee within the governance structure of the Sponsors Corporation and Administration Corporation, established to address matters between the two boards and ensure they effectively deliver on their mandates.

While the creation of the Joint Council had initially served a purpose, its usefulness has waned in recent years. With the dissolution of the Sponsors Corporation, its continued operation is no longer necessary or effective, as it would inhibit the direct communication between the Administration Corporation and the new Council representatives.

33. OMERS to share the information and analysis underlying its recent contribution rate change decision with Sponsor and Non-Sponsor organizations, in a timely manner.

This review was initiated in response to concerns from certain Sponsors and Non-Sponsors regarding the Sponsors Corporation's June 2024 announcement of contribution rate changes, effective 2027. By the time Sponsors and Non-Sponsors were informed, the decision had already been finalized. The adjustments affected contribution rates "across income levels and between uniformed and non-uniformed members, with varying impacts on unions and employers."

Sponsors expressed significant concern over the lack of communication, transparency and engagement. Sponsors and Non-Sponsors requested the actuarial study, analysis and options supporting the changes, but were denied by the Sponsors Corporation. Without this information, it remains unclear whether contribution inequities existed, whether they were addressed, or how long they may have persisted.

This episode prompted some Sponsors and Non-Sponsors to request a provincial review, which led to media coverage highlighting a perceived lack of transparency by the Sponsors Corporation.

It is strongly recommended that the information underlying the recent decision to change contribution rates be disclosed by OMERS to be further shared by the AC to Sponsor and Non-Sponsor organizations. Such actions would be instrumental in restoring trust and confidence among both Sponsors and Non-Sponsors, while reinforcing accountability and plan governance.

Appendix 1

Letter from Employee Sponsors of the OMERS Caucus (ESOC).

November 7, 2019

Frank Ramagnano
Barry Brown
Co-Chairs
OMERS Sponsors Corporation Board of Directors
900 - 100 Adelaide St W.
Toronto, ON M5H 0E2

Dear Sirs,

On behalf of the employee sponsors of OMERS we are writing in response to the suite of changes to the OMERS governance model that has been proposed by the Corporate Governance Committee (the "Committee") and scheduled to be considered by the SC Board on November 14, 2019. As you may be aware, the employee sponsors have recently formed the "Employee Sponsors of OMERS Caucus" (ESOC). Among other things, ESOC is dedicated to monitoring the actions of the SC and AC Boards and ensuring that the voice of the Sponsors is valued as an equal partner in OMERS.

On November 4, 2019 ESOC met to discuss the content of the proposed amendments and the method in which they were communicated to the Sponsors.

In our view the fundamental nature of the proposed amendments require significant, in-depth consultation with the Sponsors. The changes, if adopted, would significantly alter the way in which Sponsors engage with the Sponsors Corporation and dramatically impair our rights as Sponsors. To date we have not had the opportunity to review any of the supporting documentation that the Committee relied upon in arriving at the recommendation. Further, the SC has not shared the text of the proposed amendments for our review. As a result we have been unable to fully evaluate the proposal.

We would find it extremely problematic if the vote were to proceed without the sponsors having the opportunity to review the actual text of the amendments and full access to the rationale and legal underpinning for them. Even with the all of the pertinent information was made available, a timeline of less than one month from notice to vote is inappropriate given the fundamental nature of many of the proposals.

With this in mind, the vote on these matters must be deferred until ESOC has had an opportunity to review and evaluate the proposals on an informed basis. Given the short time frame available, we would appreciate a response to our request to have the vote deferred by November 8, 2019.

...2

Please forward to us the text of the proposed amendments and any supporting documentation, including legal opinions, used by the Committee to formulate the proposals. We will seek to review them in short order and would anticipate being able to give fulsome, informed, feedback in due course.

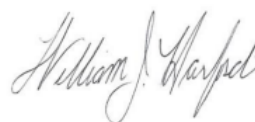
Sincerely,



Bruce Chapman
President
Police Association of Ontario



Fred Hahn
President,
Canadian Union of Public
Employees Ontario



William J. Harford on behalf
of the OMERS Retirees
Group MROO, ORFFA, PPAO



Dave Mitchell
President, Canadian
Union of Public
Employees Local 79



Warren (Smokey) Thomas
President, Ontario Public
Service Employees Union



Harvey Bischof
President, Ontario
Secondary School Teachers
Federation



Rob Hyndman
President, Ontario Professional
Fire Fighters Association

Appendix 2

List of Stakeholders and Experts Engaged during the 2025 OMERS Governance Review

OMERS

1. Administration Corporation (AC)
2. Sponsors Corporation (SC)

OMERS Sponsors (with decision-making powers)

Employer Sponsors:

1. Association of Municipalities of Ontario (AMO)
2. City of Toronto (Toronto)
3. Electricity Distributors Association (EDA)
4. Ontario Association of Children's Aid Societies (OACAS)
5. Ontario Association of Police Services Boards (OAPSB)
6. Ontario Catholic School Trustees' Association (OCSTA)
7. Ontario Public School Boards' Association (OPSBA)

Employee Sponsors:

8. The Canadian Union of Public Employees (Ontario) (CUPE Ontario)
9. CUPE Local 79 of the Canadian Union of Public Employees (CUPE Local 79)
10. CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (CUPE Local 416)
11. Ontario Professional Fire Fighters Association (OPFFA)
12. Ontario Public Service Employees Union (OPSEU)
13. Ontario Secondary School Teachers' Federation (OSSTF)
14. Police Association of Ontario (PAO)
15. The Retiree Group (consists of the Association of Retired Fire Fighters of Ontario, Police Pensioners Association of Ontario (PPAO), Municipal Retirees Organization of Ontario (MROO))

OMERS Non-Sponsors

1. Amalgamated Transit Union (ATU)
2. Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO)
3. Civic Institute of Professional Personnel (CIPP)
4. The City of Toronto Administrative, Professional Supervisory Association (COTAPSA)
5. Canadian Office and Professional Employees Union (COPE)
6. Elementary Teachers Federation of Ontario (ETFO)
7. Good Roads
8. International Brotherhood of Electrical Workers Local 636
9. Metrolinx
10. Municipal Employer Pension Centre for Ontario (MEPCO)
11. Municipal Finance Officers Association (MFOA)
12. Ontario Association of Chiefs of Police
13. Ontario Association of Fire Chiefs
14. Ontario Association of School Business Officials (OASBO)
15. Ontario Big City Mayors
16. Ontario Municipal Administrators Association (OMAA)
17. Ontario Municipal Human Resources Association (OMHRA)
18. Ontario Nurses Association (ONA)
19. Service Employees International Union (SEIU)
20. Toronto Police Association (TPA)
21. Unifor
22. Wasaga Distribution

Subject-Matter Experts

1. Barry Brown, Former Chair, Sponsors Corporation
2. Dr. Keith Ambachtsheer, Director Emeritus, Int. Centre for Pension Management
3. Dr. Sebastien Betermier, Exec Director, Int. Centre for Pension Management
4. Elizabeth Brown, Board Member, Sponsors Corporation (pension lawyer)
5. Ian Robertson, Partner, The Jefferson Hawthorne Group (governance expert)
6. Ian MacEachern, Special Advisor – OMERS (2005-2007) to the MMAH Minister
7. Karen Gordon, Principal, Gordon Strategies (labour/employment comms expert)
8. Michael Nobrega, Former CEO, Administration Corporation
9. Rick Miller, Former Chair, Administration Corporation

Other Pension Plans

-
1. Ontario Teachers' Pension Plan (OTPP)
 2. Healthcare of Ontario Pension Plan (HOOPP)

Appendix 3

List of Consultation Questions

Theme 1: Board Structure and Governance

1. Does the OMERS governance structure provide fair representation of the interests of all employers, groups and members in OMERS?
 - a. Are there any gaps in representation on the SC and AC Boards that could impact the equity and fairness of decisions made for plan members?
2. Are the current roles and responsibilities for each of the corporations set out in the legislation serving plan members? Are the functions and duties reflective of what is required to succeed in this role?
 - a. Are the roles and responsibilities effective enough to ensure the sustainability of the plan?
 - b. Is there a need to revisit the roles and responsibilities of the two corporations/councils? Of the members on each board?
3. Tell us what you think about the process of choosing new representatives on the boards of both corporations. Should there be any improvements?
 - a. Is the process for choosing new members of both corporations' boards fair in representing employers and members in the OMERS plans?
 - b. One of the recommendations from the 2012 review was that the OMERS AC Board shift to a majority professional, skills-based board. Do you feel that this recommendation has been fulfilled? If not, what suggestions would you make about the appointment process for the AC Board to ensure that a skills-based board is created?
4. How effective is the OMERS' model with two boards in delivering on the best interests of its plan members?
5. Is the current governance model of OMERS conducive to good governance? What changes, if any, would you recommend be made to the OMERS governance structure to ensure the plan is governed efficiently and effectively?
6. Does the governance model of OMERS ensure that appropriate levels of accountability are upheld for various stakeholders (employers, union groups, members)?
 - a. If no, what recommendations might you have to improve accountability?

Theme 2: Collaboration, Communication and Decision Making

7. Do the two OMERS corporate boards work efficiently and effectively with one another? Are the boards aligned on the decision-making processes with clear accountability structures? Can you identify any barriers impeding their ability to work collaboratively together?
8. Does the level of communication by both AC and SC Boards provide sufficient transparency and consistency to all stakeholders, including employers, organizations representing plan members and individual plan members?
9. How efficient and effective is the decision-making process for decisions by both Boards?
10. Are decisions on the OMERS plans being made by the appropriate corporation's board?
 - a. What recommendations might you have to improve communication between the boards?
11. What are your thoughts on the transparency of the OMERS Boards' Approach in explaining the rationale behind the decision-making? Are the methods used by the OMERS AC and SC sufficient in providing information on decisions?
12. What mechanisms exist to solicit feedback on board decisions? What strategies could be implemented to ensure that all members, regardless of background or role, feel their interests are represented and taken into account?
13. Do you feel that your organization is a participant in discussions about setting plan design and contribution rates? Do you feel that your voice is valued in the OMERS decision-making process?

Theme 3: Legislation

14. Do you believe there are necessary amendments to the OMERS Act, 2006, to better align with the current situation? Are there any new elements or adjustments that should be included in the Act?

Theme 4: Additional Information

15. Are there any additional recommendations you have, or areas related to governance with OMERS that may require revisiting or updating?

Appendix 4

List of Recommended Amendments to the OMERS Act, 2006

Note: The information herein is for general informational purposes only and does not constitute legal advice.

Ontario Municipal Employees Retirement System Act, 2006

Recommended Amendments

Section ¹	Provision	Amendment ⁸²	Comments
Section 1(1)	“OMERS pension plans” means the primary pension plan, any retirement compensation arrangements that provide benefits for members, former members and retired members of the OMERS pension plans and such other pension plans as may be established by the Sponsors Corporation; “Sponsors Corporation” means the corporation established by subsection 22 (1); (“Société de promotion”)	“Charter” means the Charter of the Sponsors Council provided for in subsection 22(2). “Employee Plan Sponsor” means a Plan Sponsor that represents the interests of any members, former members or retired members who participate in the OMERS pension plans. “Employer Plan Sponsor” means a Plan Sponsor that represents the interests of one or more employers who participate in the OMERS pension plans. “Manager Organization” means one of the organizations listed in subsection 25(2). “OMERS pension plans” means the primary pension plan, any supplemental plans, any retirement compensation arrangements that provide benefits for members, former members	[NTD: See Section 25(2) for the list of Manager Organizations.]

¹ Reference to Ontario Municipal Employees Retirement System Act, 2006, S.O. 2006, Chapter 2.

⁸² The recommended amendments relate to this Review / Mandate and do not include matters that are no longer relevant and that should be deleted or replaced as part of an amendment to the Act.

Section ¹	Provision	Amendment ⁸²	Comments
	“supplemental plan” means a pension plan that is a supplemental plan as defined in the regulations under the Income Tax Act (Canada). (“régime complémentaire”) 2006, c. 2, s. 1 (1); 2012, c. 8, Sched. 42, s. 1.	and retired members of the OMERS pension plans and such other pension plans as may be established by the Sponsors Council Corporation. “Plan Sponsor” means, on the date of coming into force of this Act, a Plan Sponsor listed in subsection 25(1), as same may be changed in accordance with the provisions of subsection 22(7). “Retiree Group” means, unless changed in accordance with the provisions of subsection 22(7), the Ontario Retired Fire Fighters Association, the Municipal Retirees Organization of Ontario, the Police Pensioners Association of Ontario. “Sponsors Corporation” means the corporation established by subsection 22 (1) of the Ontario Municipal Employees Retirement System Act, 2006. “Sponsors Council” means the OMERS Sponsors Council established by subsection 22(1). “supplemental plan” means a pension plan that is a supplemental plan as defined in the regulations under the Income Tax Act (Canada) and includes the OMERS supplemental plan existing on the date this Act comes into force.	

Section 1(4)	Police and fire sectors (4) A reference in this Act to persons who are employed in the police and fire sectors is a reference to OMERS pension plan members who are members of a police service as defined in subsection 2 (1) of the Community Safety and Policing Act, 2019 or who are employed as firefighters as defined in subsection 1 (1) of the Fire Protection and Prevention Act, 1997 or as paramedics as defined in subsection 1 (1) of the Ambulance Act. 2006, c. 2, s. 1 (4); 2019, c. 1, Sched. 4, s. 40.	Police, and fire and paramedic sectors (4) A reference in this Act to persons who are employed in the police, and fire and paramedic sectors is a reference to OMERS pension plan members who are members of a police service as defined in subsection 2 (1) of the Community Safety and Policing Act, 2019 or who are employed as firefighters as defined in subsection 1 (1) of the Fire Protection and Prevention Act, 1997 or as paramedics as defined in subsection 1 (1) of the Ambulance Act. 2006, c. 2, s. 1 (4); 2019, c. 1, Sched. 4, s. 40.	[NTD: Section 11 of the Act relating to a one time increase in benefits can be deleted as the action was completed.]
Section 4(1)	Supplemental plans 4 (1) The Sponsors Corporation may establish one or more supplemental plans for the purpose of providing optional benefits to members, former members and retired members of the primary pension plan who are, or were, employed in the police and fire sectors or to other members, former members and retired members of the primary pension plan. 2006, c. 2, s. 4 (1); 2012, c. 8, Sched. 42, s. 3.	Supplemental plans 4 (1) The Sponsor Corporation Council may establish one or more supplemental plans for the purpose of providing optional benefits to members, former members and retired members of the primary pension plan who are, or were, employed in the police, and fire and paramedic sectors or to other members, former members and retired members of the primary pension plan. Changes to a supplemental plan (2) An Employee Plan Sponsor and related Employer Plan Sponsor whose employees, members, former members or retired members are eligible to participate in a supplemental plan may jointly request that the Administration Corporation propose an amendment to the supplemental plan.	

		The Administration Corporation will propose such amendment for approval by the Sponsors Council in accordance with the provisions of subsection 26(3). Restriction on use of primary pension plan assets (23) No assets of the primary pension plan shall be used for the purpose of paying any optional benefit under a supplemental plan or funding the payment of any other liability of a supplemental plan.	
Section 5(1)	Employers generally 5 (1) Each of the following employers may participate in the OMERS pension plans in respect of its eligible employees: 1. A municipality. 2. A local board other than a hospital board that operates a public hospital, within the meaning of the <i>Public Hospitals Act</i>, on behalf of a municipality. 3. A conservation authority within the meaning of the <i>Conservation Authorities Act</i>. 4. A district social services administration board within the meaning of the <i>District Social Services Administration Boards Act</i>. 5. REPEALED: 2019, c. 14, Sched. 7, s. 16. 6. An association of municipalities or local boards.	Employers generally 5 (1) Each of the following employers may participate in the OMERS pension plans in respect of its eligible employees: 1. A municipality. 2. A local board other than a hospital board that operates a public hospital, within the meaning of the <i>Public Hospitals Act</i>, on behalf of a municipality. 3. A conservation authority within the meaning of the <i>Conservation Authorities Act</i>. 4. A district social services administration board within the meaning of the <i>District Social Services Administration Boards Act</i>. 5. REPEALED: 2019, c. 14, Sched. 7, s. 16. 6. An association of municipalities or local boards. 7. An association of the officials or employees of municipalities or local boards. 8. The Crown. 9. The Sponsors Corporation. 10. 9. The Administration Corporation.	

	7. An association of the officials or employees of municipalities or local boards. 8. The Crown. 9. The Sponsors Corporation. 10. The Administration Corporation. 2006, c. 2, s. 5 (1); 2019, c. 14, Sched. 7, s. 16.		
Section 6(1)	Associated employers 6 (1) Each of the following employers may participate in the OMERS pension plans on such conditions as may be agreed upon by the employer and the Sponsors Corporation: 1. A person who, under an agreement with a municipality or local board or under an Act, provides a service, program or thing to a person that the municipality or local board is authorized to provide to the person. 2. A corporation incorporated in accordance with section 142 of the <i>Electricity Act, 1998</i> for the purpose of generating, transmitting, distributing or retailing electricity. 3. A person or association of persons that, immediately before the repeal of the <i>Ontario Municipal Employees Retirement System Act</i>, was	Associated employers 6 (1) Each of the following employers may participate in the OMERS pension plans on such conditions as may be agreed upon by the employer and the Sponsors Council Corporation: 1. A person who, under an agreement with a municipality or local board or under an Act, provides a service, program or thing to a person that the municipality or local board is authorized to provide to the person. 2. A corporation incorporated in accordance with section 142 of the <i>Electricity Act, 1998</i> for the purpose of generating, transmitting, distributing or retailing electricity. 3. A person or association of persons that, immediately before the repeal of the <i>Ontario Municipal Employees Retirement System Act</i>, was designated by the Lieutenant Governor in Council for the purposes of clause (c) of the definition of “associated employer” in subsection 1 (1) of that Act or that, immediately before the repeal of that Act, was deemed by another Act to have been so designated.	

	designated by the Lieutenant Governor in Council for the purposes of clause (c) of the definition of “associated employer” in subsection 1 (1) of that Act or that, immediately before the repeal of that Act, was deemed by another Act to have been so designated. 2006, c. 2, s. 6 (1).		
Section 8	Termination of participation 8 (1) An employer who is described in paragraphs 1 to 7 or paragraph 9 or 10 of subsection 5 (1) is not entitled to terminate its participation in an OMERS pension plan unless it has the consent of the Sponsors Corporation. 2006, c. 2, s. 8 (1). By-law (2) An employer who is described in paragraphs 1 to 7 or paragraph 9 or 10 of subsection 5 (1) shall not pass a by-law providing for the termination of its participation in an OMERS pension plan except upon such terms as may be established by the Sponsors Corporation. 2006, c. 2, s. 8 (2).	Termination of participation 8 (1) An employer who is described in paragraphs 1 to 7 or paragraph 9 or 10 of subsection 5 (1) is not entitled to terminate its participation in an OMERS pension plan unless it has the consent of the Sponsors Council Corporation. By-law (2) An employer who is described in paragraphs 1 to 7 or paragraph 9 or 10 of subsection 5 (1) shall not pass a by-law providing for the termination of its participation in an OMERS pension plan except upon such terms as may be established by the Sponsors Council Corporation.	

Section 12	Employer contributions 12 (1) The total amount of the contributions payable to any of the OMERS pension plans by an employer for a year must equal the total amount of the contributions payable to the pension plan for the year by the employer's employees. 2006, c. 2, s. 12 (1). Exception (2) Despite subsection (1), the Sponsors Corporation may amend any of the OMERS pension plans to authorize unequal amounts of contributions to be made by employees and employers for one or more years if, (a) after the amendment, the contribution rates for employees and employers for each class of benefit under the OMERS pension plans are equal; and (b) the Sponsors Corporation is of the opinion that it is fair and reasonable to make the amendment. 2006, c. 2, s. 12 (2). Application (3) Subsection (1) does not apply in respect of contributions payable to a pension plan for a year if, (a) the amount of the contributions are in accordance with the terms and conditions of the	Employer contributions 12 (1) The total amount of the contributions payable to any of the OMERS pension plans by an employer for a year must equal the total amount of the contributions payable to the pension plan for the year by the employer's employees. Exception (2) Despite subsection (1), the Sponsors Corporation Council may amend any of the OMERS pension plans to authorize unequal amounts of contributions to be made by employees and employers for one or more years if, (a) after the amendment, the contribution rates for employees and employers for each class of benefit under the OMERS pension plans are equal; and (b) the Sponsors Corporation Council is of the opinion that it is fair and reasonable to make the amendment. Application (3) Subsection (1) does not apply in respect of contributions payable to a pension plan for a year if; (a) the amount of the contributions are in accordance with the terms and conditions of the pension plan as it was governed by the Ontario Municipal Employees Retirement System Act immediately before that Act was repeated, and those terms and conditions have not been amended by the Sponsors Corporation; or (b) the only reason that the total amount of the contributions payable by the employer does	
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	pension plan as it was governed by the <i>Ontario Municipal Employees Retirement System Act</i> immediately before that Act was repealed, and those terms and conditions have not been amended by the Sponsors Corporation; or (b) the only reason that the total amount of the contributions payable by the employer does not equal the total amount of the contributions payable by the employer's employees is because one or more employees made contributions to a supplemental plan in respect of pensionable service described in paragraph 8 of subsection 11 (3). 2006, c. 2, s. 12 (3).	not equal the total amount of the contributions payable by the employer's employees is because one or more employees made contributions to a supplemental plan in respect of pensionable service described in paragraph 8 of subsection 11 (3).	
Section 15(1)	Reserve to stabilize contribution rates 15 (1) The Sponsors Corporation shall not amend the primary pension plan in a manner which reduces contributions or increases going concern liabilities unless, after the amendment, the ratio of the market value of the assets of the pension fund to the going concern liabilities is not less than 1.05 and the ratio of the solvency assets to the solvency	Reserve to stabilize contribution rates 15 (1) The Sponsors Corporation Council shall not amend the primary pension plan in a manner which reduces contributions or increases going concern liabilities unless, after the amendment, the ratio of the market value of the assets of the pension fund to the going concern liabilities is not less than 1.05 and the ratio of the solvency assets to the solvency liabilities is not less than 1.00. Exception (2) Subsection (1) does not apply with respect to an amendment that is required to comply with a federal or provincial law or an amendment that	

	liabilities is not less than 1.00. 2006, c. 2, s. 15 (1). Exception (2) Subsection (1) does not apply with respect to an amendment that is required to comply with a federal or provincial law or an amendment that does not increase going concern liabilities by more than 1 per cent. 2006, c. 2, s. 15 (2).	does not increase going concern liabilities by more than 1 per cent.	
Section 16	Pension plan governance 16 (1) The Sponsors Corporation shall determine the terms and conditions of the OMERS pension plans, subject to the restrictions set out in this Act. 2006, c. 2, s. 16 (1). Information (2) The Administration Corporation shall give the Sponsors Corporation such information as the Sponsors Corporation may reasonably request for the purpose of carrying out its objects under this Act. 2006, c. 2, s. 16 (2).	Pension plan governance 16 (1) The Sponsors Corporation Council shall determine the terms and conditions of the OMERS pension plans, subject to the restrictions set out in this Act. Information (2) The Administration Corporation shall give the Sponsors Corporation Council such information as the Sponsors Corporation Council may reasonably request for the purpose of carrying out its objects under this Act.	
Section 18	Pension plan amendments 18 The Sponsors Corporation may amend the OMERS pension plans, including the contribution rates for employees, subject to the restrictions set out in this Act. 2006, c. 2, s. 18.	Pension plan amendments 18 The Sponsors Corporation Council may amend the OMERS pension plans, including the contribution rates for employees, subject to the restrictions set out in this Act.	[NTD: See Section 36 for provisions relating to the dissolution of Sponsors Corporation.]

Section 22	Sponsors Corporation established 22 (1) A corporation to be known in English as the OMERS Sponsors Corporation and in French as Société de promotion d'OMERS is established as a corporation without share capital and is composed of its members. 2006, c. 2, s. 22 (1). Status (2) The Sponsors Corporation is not a Crown agency and it is not a local board as defined in subsection 1 (1) of the <i>Municipal Act, 2001</i>. 2006, c. 2, s. 22 (2). Corporate matters (3) Section 132 (conflict of interest), subsection 134 (1) (standard of care) and section 136 (indemnification) of the <i>Business Corporations Act</i> apply, with necessary modifications, to the Sponsors Corporation and its members. 2006, c. 2, s. 22 (3). Same (4) The <i>Not-for-Profit Corporations Act, 2010</i> and the <i>Corporations Information Act</i> do not apply to the Sponsors Corporation. 2017, c. 20, Sched. 8, s. 114 (1).	Section 22 is deleted in its entirety and replaced by the following: Sponsors Council 22(1) There is hereby established a Sponsors Council to be known as the OMERS Sponsors Council. Charter (2) The Sponsors Council will have a Charter and may pass resolutions regulating its proceedings and for the conduct and management of its affairs. The Charter must be consistent with this Act. Meetings (3) The Sponsors Council will meet no less than twice per calendar year. Initial Charter (4) The initial Charter will be in a form prepared by the Administration Corporation and approved by a vote of two-thirds of the members of the Administration Corporation. The Sponsors Council may from time to time amend the Charter in accordance with the provisions of section 26. Plan Amendments (5) The Sponsors Council will at least every three years, review and consider amendments to the terms and conditions of the OMERS pension plans and set the contribution rates under the pension plans. Report	
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		(6) The Sponsors Council will provide a report to the plan members and participating employers on the outcome of any review provided for in subsection 22(5). Review (7) Commencing January 1, 2028 and every five years thereafter, the Sponsors Council will review and consider whether there should be changes to the following: (a) the identity and number of Plan Sponsors and which Plan Sponsors are entitled to appoint members to the Sponsors Council in accordance with subsection 23(1); (b) whether any particular Plan Sponsor is entitled to appoint more than one member to the Sponsors Council; (c) the number of members of the Sponsors Council within the range provided in subsection 23(1); (d) whether the member appointed to the Sponsors Council by a particular Plan Sponsor will be entitled to more than one vote; (e) the identity of stakeholders that may appoint observers to the Sponsors Council; (f) which Plan Sponsors will be Employee Plan Sponsors and Employer Plan Sponsors entitled to appoint members to the Administration Corporation; (g) whether any particular Employee Plan Sponsor or Employer Plan Sponsor is entitled to appoint more than one member to the Administration Corporation;	
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		(h) the organizations that constitute the Retiree Group; and (i) the organizations that constitute the Manager Organizations; to ensure they reflect then current circumstances. The Sponsors Council will follow the process and procedures and apply the principles and guidelines set out in the Charter in conducting such review. Any change to the matters listed in paragraphs (a) to (i) above will be made by way of an amendment to the Charter pursuant to section 26. The Sponsors Council will provide a report to the plan members and participating employers within twelve months of: (i) January 1, 2028, or (ii) each such 3 year anniversary of that date, as the case may be, on determinations made by the Sponsors Council as part of the review provided for in this subsection (7) detailing any changes to be made and a summary of the reasoning therefor. The determination of the Sponsors Council implemented by an amendment to the Charter will be conclusive and binding.	
Section 23	Composition 23 (1) The composition of the Sponsors Corporation and the method of choosing its members is as specified by by-law. 2006, c. 2, s. 23 (1). (2) REPEALED: 2006, c. 2, s. 55. Eligibility (3) A person who is a member of the Administration Corporation is not eligible to hold office as a member of	Composition 23 (1) The composition of the Sponsors Corporation and the method of choosing its members is as specified by by-law. 2006, c. 2, s. 23 (1). (2) REPEALED: 2006, c. 2, s. 55. (1) The Sponsors Council will consist of a minimum of 12 members and a maximum of 18 members. On the date of coming into force of this Act and until changed in accordance with the provisions of	

	the Sponsors Corporation or to be appointed to any committee established for the purpose of advising the Sponsors Corporation. 2006, c. 2, s. 23 (3). Term of office (4) The term of office of each member of the Sponsors Corporation is as determined by by-law. 2006, c. 2, s. 23 (4). Remuneration and expenses (5) Members of the Sponsors Corporation are to be paid such remuneration and expenses as may be authorized by by-law. 2006, c. 2, s. 23 (5).	subsection 22(7), the Sponsors Council will consist of 14 members. Each Employee Plan Sponsor and each Employer Plan Sponsor will be entitled to appoint one member to the Sponsors Council except that, unless changed in accordance with the provisions of subsection 22(7) Association of Municipalities of Ontario (“AMO”) will be entitled to appoint 2 members. There will be an equal aggregate number of votes allocated to the members appointed by the Employer Plan Sponsors and to the members appointed by the Employee Plan Sponsors. A Plan Sponsor that is entitled to appoint a member to the Sponsors Council will do so by giving written notice to the Administration Corporation. The Sponsors Council will have two co-chairs, who will be elected by the members of the Sponsors Council from among the members of the Sponsors Council. One co-chair will be elected by the members of the Sponsors Council appointed by the Employee Plan Sponsors from among the members appointed by the Employee Plan Sponsors and one co-chair will be elected by the members of the Sponsors Council appointed by the Employer Plan Sponsors from among the members appointed by the Employee Plan Sponsors. Such appointment will be by a majority vote of the members entitled to vote on such appointment, as the case may	[NTD: There is no term of office for the Sponsors Council members as they represent Plan Sponsors. It would be up to each of the Plan Sponsors to determine how to appoint such person and if there were any term to such appointment.]
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		be. A co-chair's term will be for two years and may be renewed for so long as such person remains a member of the Sponsors Council. Eligibility (3) (2) A person who is or has been a member of the Administration Corporation is not eligible to hold office as a member of the Sponsors Council. Corporation or to be appointed to any committee established for the purpose of advising the Sponsors Corporation. 2006, c. 2, s. 23 (3). Term of office (4) (3) The term of office of each member of the Sponsors Corporation is as determined by by-law. 2006, c. 2, s. 23 There is no specified term of office for a member of the Sponsors Council. CUPE Locals (4) Until changed in accordance with the provisions of subsection 22(7), CUPE local 79 of the Canadian Union of Public Employees ("CUPE Local 79") and CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees ("CUPE Local 416") together constitute a Plan Sponsor and they will, as between them, appoint a member to the Sponsors Council on an alternating basis; provided that for the period from the date this Act comes into force to April 14, 2029, the member shall be appointed by CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees ("CUPE Local 416") School Boards	
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		(5) Until changed in accordance with the provisions of subsection 22(7), Ontario Catholic School Trustees' Association ("OCSTA") and Ontario Public School Boards' Association ("OPSBA") together constitute a Plan Sponsor and they will, as between them, appoint a member to the Sponsors Council on an alternating basis. Retiree Group (6) The Retiree Group, collectively, constitute a Plan Sponsor and they will, as between them, appoint a member to the Sponsors Council on a basis to be agreed by the Retiree Group. The Retiree Group will be considered an Employee Plan Sponsor. If the Retiree Group is unable, collectively, to agree a basis for the appointment of a member, the Administration Corporation will select one organization that is part of the Retiree Group to appoint a member and such organization will have the power to appoint the member for a three year period, following which the provisions of this subsection (6) will again apply. Remuneration and expenses (5 7) Members of the Sponsors Corporation are to Council may be paid by the Administration Corporation such remuneration and expenses as may be authorized by by-law the Charter and which in the opinion of the Administration Corporation are reasonable and may lawfully be paid out of the fund. Indemnity	
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		(8) The Administration Corporation may indemnify a present or former member of the Sponsors Council against costs, charges and expenses, including any amount paid to settle any action or satisfy a judgment, reasonably incurred by that person with respect to a civil, criminal or administrative action or other proceeding to which such person is a party by reason of holding such position if that person acted honestly and in good faith, such indemnity to be on such terms and conditions as the Administration Corporation may determine. Observers (9) For the period from the date of the coming into force of the Act until changed in accordance with the provisions of subsection 22(7), the following will be entitled to appoint one person to attend Sponsors Council meetings as an observer: (a) the Manager Organizations, as a group, (b) either CUPE local 79 of the Canadian Union of Public Employees (“CUPE Local 79”) or CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (“CUPE Local 416”) that at such time is not entitled to appoint a member to the Sponsors Council; (c) Metrolinx; (d) Amalgamated Transit Union Ontario (“ATU”); and (e) Ontario Catholic School Trustees’ Association (“OCSTA”) and Ontario Public School Boards’ Association (“OPSBA”) together. An observer will be entitled to notice of the meeting, copies of all materials provided to	
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		members of the Sponsors Council, but will not be entitled to vote on any matters brought before a Sponsors Council meeting. Voting (10) Each member of the Sponsors Council will be entitled to one vote except that, for the period from the date of the coming into force of the Act until changed in accordance with the provisions of subsection 22(7): (i) each of the members appointed by Association of Municipalities of Ontario (“AMO”) will be entitled to 2 votes; and (ii) the member appointed by Canadian Union of Public Employees (Ontario) (“Ontario CUPE”) will be entitled to 3 votes. Quorum (11) Unless otherwise provided in the Charter, a quorum for a meeting of the Sponsors Council will be members present representing a majority of the votes of the Sponsors Council. A meeting may be conducted if a majority of the members of the Sponsors Council are present representing a majority of the votes of the Sponsors Council, but the number of votes required to pass a resolution will be a majority of all eligible votes that may be cast by its members and the number of votes required to approve a specified change in accordance with section 26 requires the affirmative vote of two-thirds of all eligible votes that may be cast by its members.	
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		Calling of Meeting (12) The Administration Corporation may call a meeting of the Sponsors Council in accordance with the provisions of the Charter. A majority of the members of the Sponsors Council may call a meeting on notice to the Administration Corporation and to each member of the Sponsors Council. A notice to call a meeting shall include the general nature of the business to be transacted at the meeting. Subject to the Charter, notice of the time and place of the meeting shall be given to every member of the Sponsors Council and to the Administration Corporation at least 20 days in advance of the meeting; provided that if the purpose of the meeting is to consider a “specified change”, as defined in subsection 26(2), notice of the time and place of the meeting must be given at least 60 days in advance of the meeting; and further provided that neither such 20 day period or 60 day period may be increased in the Charter. A member of the Sponsors Council may in any manner and at any time waive notice of a meeting of the Sponsors Council, and attendance of any such person at a meeting of the Sponsors Council is waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Attending Meeting by electronic means	
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		(13) A member of the Sponsors Council may attend a meeting by telephonic or electronic means and the notice for the meeting must include instructions for attending and participating in the meeting by telephonic or electronic means. Meeting Summaries (14) The Sponsors Council will make available to Plan Sponsors and other stakeholders a summary of the business transacted at a meeting of the Sponsors Council within 30 days of the completion of such meeting.	
Section 24	Objects 24 The following are objects of the Sponsors Corporation: 1. To make decisions about the design of benefits to be provided by, and contributions to be made to, the OMERS pension plans. 2. To perform such other duties as may be provided under this Act. 2006, c. 2, s. 24.	Sponsors Council 24(1) The following are objects and powers of the Sponsors Council Corporation: (a) To make decisions about the design of benefits to be provided by, and contributions to be made to, the OMERS pension plans. (b) To perform such other duties as may be provided under this Act. 25 (1) The Sponsors Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, subject to the restrictions set out in this Act. 2006, c. 2, s. 25 (1). Same (2) For furthering its objects and without limiting the generality of subsection (1), the Sponsors Corporation Council may: (a) make decisions about the design of the OMERS pension plans and make amendments to the OMERS pension plans;	[NTD: This moves the language from S 25(2) in the existing OMERS Act to become S 24(2)]

		(b) set contribution rates under the pension plans; (c) decide whether to file a valuation more frequently than is required under the Pension Benefits Act; and (d) receive reports from the Administration Corporation. (3) The Sponsors Council only has the objects, powers and responsibilities set out in this Act.	
Section 25	Powers 25 (1) The Sponsors Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, subject to the restrictions set out in this Act. 2006, c. 2, s. 25 (1). Same (2) For furthering its objects and without limiting the generality of subsection (1), the Sponsors Corporation may, (a) make decisions about the design of the OMERS pension plans and make amendments to the OMERS pension plans; (b) set contribution rates under the pension plans; (c) decide whether to file a valuation more frequently than is required under the <i>Pension Benefits Act</i>;	Same 25 (1) The Sponsors Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, subject to the restrictions set out in this Act. 2006, c. 2, s. 25 (1). Same (2) For furthering its objects and without limiting the generality of subsection (1), the Sponsors Corporation may, —(a) make decisions about the design of the OMERS pension plans and make amendments to the OMERS pension plans; —(b) set contribution rates under the pension plans; —(c) decide whether to file a valuation more frequently than is required under the <i>Pension Benefits Act</i>; —(d) receive reports from the Administration Corporation. 2006, c. 2, s. 25 (2). By-laws (3) The Sponsors Corporation may pass by-laws and resolutions regulating its proceedings and for the conduct and management of its affairs. 2006, c. 2, s. 25 (3).	[NTD: The listed Plan Sponsors represent the organizations currently entitled to appoint members to the Sponsors Corporation]

	(d) receive reports from the Administration Corporation. 2006, c. 2, s. 25 (2). By-laws (3) The Sponsors Corporation may pass by-laws and resolutions regulating its proceedings and for the conduct and management of its affairs. 2006, c. 2, s. 25 (3).	On the date of coming into force of this Act and until changed in accordance with the provisions of subsection 22(7), the Plan Sponsors will be as follows: Employee Plan Sponsors: (i) Canadian Union of Public Employees (Ontario) (“Ontario CUPE”); (ii) CUPE local 79 of the Canadian Union of Public Employees (“CUPE Local 79”) and CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (“CUPE Local 416”), together; (iii) Ontario Professional Fire Fighters Association (“OPFFA”); (iv) Ontario Public Service Employees Union (“OPSEU”); (v) Ontario Secondary School Teachers Federation (“OSSTF”); (vi) Police Association of Ontario (“PAO”); and (vii) Retiree Group. Employer Plan Sponsors: (i) Association of Municipalities of Ontario (“AMO”); (ii) Electricity Distributors Association (“EDA”); (iii) Ontario Association of Police Services Boards (“OAPSB”); (iv) Ontario Catholic School Trustees’ Association (“OCSTA”) and Ontario Public School Boards’ Association (“OPSBA”), together;	
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		(v) City of Toronto; and (vi) Ontario Association of Children's Aid Societies ("OACAS"). Manager Organizations (2) Until changed in accordance with the provisions of subsection 22(7), the Manager Organizations will be as follows: (i) The City of Toronto Administrative, Professional, Supervisory Association ("COTAPSA"); (ii) The Association of Municipal Managers, Clerks and Treasurers of Ontario ("AMCTO"); and (iii) The Ontario Municipal Human Resources Association ("OMHRA"). Same (3) The Manager Organizations, as a group, may appoint an observer to the Sponsors Council as provided in subsection 23(9). If the Manager Organizations are unable collectively to agree upon a person, the Administration Corporation will select one Manager Organization to appoint the observer and such Manager Organization will have the power to appoint the observer for a three year period, following which the provisions of this subsection (3) will again apply.	
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Section 26	Procedural and other requirements for decisions 26 (1) A decision of the Sponsors Corporation requires an affirmative vote of a majority of its members. 2006, c. 2, s. 26 (1). Specified change (2) In subsections (3) and (6), “specified change” means, (a) a change in benefits for members of any of the OMERS pension plans, (b) a change in the contribution rate for members or participating employers, or (c) the establishment of, or a change to, a reserve to stabilize contribution rates. 2006, c. 2, s. 26 (2). Decision about a specified change (3) Despite subsection (1), a decision respecting a specified change is not valid unless it is made in one of the following ways: 1. At a meeting called for the purpose of considering the matter, the Sponsors Corporation decides to make the specified change and passes a by-law providing for the specified change by an affirmative vote of two-thirds of its members.	Procedural and other requirements for decisions 26 (1) A decision of the Sponsors Council Corporation requires an affirmative vote of a majority of all eligible votes that may be cast by its members. Specified change (2) In subsections (4), (6) and (7), “specified change” means, (a) a change in benefits for members of any of the OMERS pension plans, (b) other than a change in contribution rate for a supplemental plan made pursuant to subsection (3)(c), a change in the contribution rate for members or participating employers, or (c) the establishment of, or a change to, a reserve to stabilize contribution rates, (d) any amendment to the Charter, or (e) the establishment of a supplemental plan in accordance with subsection 4(1). A “specified change” excludes a change that is an administration change as defined in subsection (3). Administration change (3) In subsections (5) and (6), “administration change” means a change to the OMERS pension plans that the Administration Corporation considers is necessary or appropriate: (a) to resolve a critical issue that does not involve material changes in contribution levels of, or materially affect the funding of, any OMERS pension plan other than a supplemental plan;	
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	2. At a meeting called for the purpose of considering the matter, the Sponsors Corporation decides on an affirmative vote of a majority of its members to refer the matter for consideration under the supplementary decision-making mechanisms described in subsection (4) or (5) and, using those mechanisms, the decision is made with respect to the specified change. 2006, c. 2, s. 26 (3). Supplementary decision-making mechanisms (4) The Sponsors Corporation may, by by-law, establish supplementary mechanisms for making decisions about matters that are considered during its meetings. 2006, c. 2, s. 26 (4). Initial mechanisms (5) Despite subsection (4), on the day this section comes into force, the supplementary decision-making mechanisms are those set out in section 42. 2006, c. 2, s. 26 (5). Rules for arbitration (6) If the by-law establishing supplementary decision-making mechanisms provides for arbitration,	(b) for the proper administration of the pension plan, including to comply with the Pension Benefits Act or any other provincial law or any federal law; or (c) to amend the terms of any supplemental plan or to establish or amend contribution rates for any supplemental plan. Decision about a specified change (4) Despite subsection (1), a decision respecting a specified change is not valid unless it is made in one of the following ways: 1. At a meeting called for the purpose of considering the matter, the Sponsors Corporation Council decides to make the specified change and passes a resolution by-law resolution providing for the specified change by an affirmative vote of two-thirds of its members all eligible votes that may be cast by its members. 2. At a meeting called for the purpose of considering the matter, the Sponsors Corporation Council decides on an affirmative vote of a majority of all eligible votes that may be cast by its members to refer the matter for consideration under the supplementary decision-making mechanisms established in the Charter as described in subsection (5) and, using those mechanisms, the decision is made with respect to the specified change.	
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	the following rules apply with respect to the arbitration: 1. The arbitrator shall conduct the arbitration in accordance with the <i>Arbitration Act, 1991</i> and for that purpose the matter referred to the arbitrator shall be deemed to have been submitted for arbitration under an agreement and the members of the Sponsors Corporation shall be deemed to be parties to the agreement. 2. When deciding a matter relating to a specified change, the arbitrator shall consider the following matters: i. The legal requirements relating to the pension plans and their administration. ii. The actuarial valuation of each of the OMERS pension plans prepared by the actuary for the purposes of the <i>Pension Benefits Act</i>. iii. The advice of the Administration Corporation to the Sponsors Corporation and to the arbitrator concerning the cost of the specified change. iv. The economy of Ontario, the prevailing economic	Prior to a meeting called for the purposes of considering a specified change, the Sponsors Council will undertake consultation with the Plan Sponsors and stakeholders as provided in subsection (8). Supplementary decision-making mechanisms (5) The Sponsors Corporation may Charter may by-law, establish supplementary mechanisms for making decisions about matters that are considered during Sponsors Council meetings, other than decisions respecting an administration change. Initial mechanisms (1) Despite subsection (4), on the day this section comes into force, the supplementary decision-making mechanisms are those set out in section 42. 2006, c. 2, s. 26 (5). Meetings at the request of the Administration Corporation (6) If requested by the Administration Corporation, the Sponsors Council shall meet within: (i) 20 days to consider an administration change and at such meeting shall make a decision respecting the administration change in accordance with subsection (1) and, if applicable, pass a resolution providing for the administration change; and (ii) 60 days to consider a specified change and at such meeting shall make a decision respecting the specified change in accordance with subsection (4). Rules for arbitration (7) If the provisions of the Charter by-law establishing supplementary decision-making mechanisms provides for arbitration, the following rules apply with respect to the arbitration:	
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	conditions and the overall financial state of the employers participating in the OMERS plans. 3. The arbitrator may make reasonable requests for information and advice from the Administration Corporation and the Administration Corporation shall comply with the requests. 4. The arbitrator shall not make a decision to increase benefits under an OMERS pension plan if the decision, combined with all other decisions made by an arbitrator in the previous 36 months to increase benefits under the plan, would result in a total increase to the contribution rate for the plan for members or participating employers of more than 0.5 per cent. 5. The arbitrator's decision with respect to the terms and conditions of any of the OMERS pension plans shall be deemed to be a decision of the Sponsors Corporation to amend the pension plan, or a decision not to amend the plan, as the case may be. 2006, c. 2, s. 26 (6).	1. The arbitrator shall conduct the arbitration in accordance with the <i>Arbitration Act, 1991</i> and for that purpose the matter referred to the arbitrator shall be deemed to have been submitted for arbitration under an agreement and the members of the Sponsors Council Corporation shall be deemed to be parties to the agreement. 2. When deciding a matter relating to a specified change, the arbitrator shall consider the following matters: i. The legal requirements relating to the pension plans and their administration. ii. The actuarial valuation of each of the OMERS pension plans prepared by the actuary for the purposes of the <i>Pension Benefits Act</i>. iii. The advice of the Administration Corporation to the Sponsors Council Corporation and to the arbitrator concerning the cost of the specified change. iv. The economy of Ontario, the prevailing economic conditions and the overall financial state of the employers participating in the OMERS plans. 3. The arbitrator may make reasonable requests for information and advice from the Administration Corporation and the Administration Corporation shall comply with the requests. 4. The arbitrator shall not make a decision to increase benefits under an OMERS pension plan if the decision, combined with all other decisions made by an arbitrator in the previous 36 months to increase benefits under the plan, would result in a total increase to the contribution rate for the	
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		plan for members or participating employers of more than 0.5 per cent. 5. The arbitrator's decision with respect to the terms and conditions of any of the OMERS pension plans shall be deemed to be a decision of the Sponsors Council Corporation to amend the pension plan, or a decision not to amend the plan, as the case may be. Consultation (8) At least 90 days prior to a Sponsors Council meeting to consider a specified change, the Administration Corporation will provide a summary of the proposed specified change and the rational for the specified change to Plan Sponsors and other stakeholders and will make the proposed change available to the members of the plan. The Administration Corporation and the Sponsors Council will facilitate consultation among the Plan Sponsors and other stakeholders in accordance with a process and procedure set out in the Charter. Such process shall include at least one meeting to discuss the proposed specified changes to which members of the Sponsors Council, Plan Sponsors and representatives of stakeholders will be invited. Reporting (9) The Sponsors Council will provide a report to the plan members and participating employers detailing any specified changes made in accordance with subsection (4) and a summary of the reasoning therefor.	
Section 27	Recovery of costs	Recovery of costs	

	27 The Sponsors Corporation may require the Administration Corporation to reimburse it from any pension or other fund for any of its costs that in the opinion of the Administration Corporation may lawfully be paid out of the fund. 2006, c. 2, s. 27.	27 The Sponsors Council Corporation may require the Administration Corporation to reimburse it from any pension or other fund for any of its costs that in the opinion of the Administration Corporation, are reasonable and may lawfully be paid out of the fund.	
Section 28	Fees to fund other activities 28 (1) The Sponsors Corporation may, by by-law, require the employers who participate in an OMERS pension plan and the members of an OMERS pension plan to pay a fee for the purpose of funding any of the Sponsors Corporation's costs that may not lawfully be paid out of a pension fund. 2006, c. 2, s. 28 (1). Same (2) The types of costs that the Sponsors Corporation may require funding for include, but are not limited to, (a) its expenses incurred in connection with the use of supplementary decision-making mechanisms referred to in section 26, including actuarial or consulting fees necessary for those purposes; and (b) the expenses incurred for collecting or administering the	Fees to fund other activities 28 (1) The Sponsors Council Corporation may, by by-law, resolution require the employers who participate in an OMERS pension plan and the members of an OMERS pension plan Plan Sponsors to pay a fee for the purpose of funding any of the Sponsors Council's Corporation's costs that in the opinion of the Administration Corporation are not reasonable or may not lawfully be paid out of a pension fund. 2006, c. 2, s. 28 (1). Same (2) The types of costs that the Sponsors Council Corporation may require funding for include, but are not limited to, (a) its expenses incurred in connection with the use of supplementary decision-making mechanisms referred to in section 26, including actuarial or consulting fees necessary for those purposes; and (b) the expenses incurred for collecting or administering the fees required under subsection (1). Amount of fee (3) The amount of the fee payable by each employer or member Plan Sponsors is determined by the Sponsors	

	fees required under subsection (1). 2006, c. 2, s. 28 (2). Amount of fee (3) The amount of the fee payable by each employer or member is determined by the Sponsors Corporation and is a debt due to it on the date specified by the Sponsors Corporation. 2006, c. 2, s. 28 (3). Collection (4) The Sponsors Corporation may ask the Administration Corporation to collect the fees on its behalf and remit them to the Sponsors Corporation at the times and in the manner specified by the Sponsors Corporation. 2006, c. 2, s. 28 (4). Same (5) The Sponsors Corporation shall reimburse the Administration Corporation for its costs of complying with a request under subsection (4). 2006, c. 2, s. 28 (5). Separate fund (6) The Sponsors Corporation shall establish a separate fund for fees required under subsection (1) and shall pay the fees into the fund. 2006, c. 2, s. 28 (6). Same (7) The money in the fund may be spent for the purpose described in	Council Corporation and is a debt due to it on the date specified by the Sponsors Council Corporation. Collection (4) The Sponsors Council Corporation may ask the Administration Corporation to collect the fees on its behalf and remit them to the Sponsors Council Corporation or as it may otherwise direct at the times and in the manner specified by the Sponsors Council Corporation. The costs incurred by the Administration Corporation in complying with such a request by the Sponsors Council shall be deemed to be reasonable and may lawfully be paid out of the fund 2006, c. 2, s. 28 (4). Same (5) The Sponsors Council Corporation shall reimburse the Administration Corporation for its costs of complying with a request under subsection (4). Separate fund (6) (5) The Sponsors Council Corporation shall establish a separate fund for fees required under subsection (1) and shall pay the fees into the fund. Same (7) (6) The money in the fund may be spent for the purpose described in subsection (1) and for no other purpose.	
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	subsection (1) and for no other purpose. 2006, c. 2, s. 28 (7).		
Section 30	Annual audit 30 The Sponsors Corporation shall appoint one or more persons licensed under the <i>Public Accounting Act, 2004</i> to audit its accounts and transactions each year and to express an opinion on its financial statements based on the audit. 2006, c. 2, s. 30.	30 The Sponsors Corporation shall appoint one or more persons licensed under the <i>Public Accounting Act, 2004</i> to audit its accounts and transactions each year and to express an opinion on its financial statements based on the audit. 2006, c. 2, s. 30: [intentionally deleted]	
Section 31	Annual report 31 (1) Every year, the Sponsors Corporation shall prepare a report on its affairs during the preceding year and the report must contain a copy of its financial statements as certified by the auditor. 2006, c. 2, s. 31 (1). Same (2) The Sponsors Corporation shall give a copy of the annual report to every employer participating in the OMERS pension plans and to any member, former member or retired member of the plans who requests it. 2006, c. 2, s. 31 (2); 2012, c. 8, Sched. 42, s. 5.	Annual report 31 (1) Every year, the Sponsors Corporation Council Corporation shall prepare a report on its affairs during the preceding year as part of the Administration Corporations annual reporting under subsection 21(1). and the report must contain a copy of its financial statements as certified by the auditor. 2006, c. 2, s. 31 (1). Same (2) The Sponsors Corporation shall give a copy of the annual report to every employer participating in the OMERS pension plans and to any member, former member or retired member of the plans who requests it.	

Section 32	Administration Corporation continued 32 (1) The Ontario Municipal Employees Retirement Board is continued as a corporation without share capital under the name OMERS Administration Corporation and in French as Société d'administration d'OMERS and is composed of its members. 2006, c. 2, s. 32 (1). Status (2) The Administration Corporation is not a Crown agency and it is not a local board as defined in subsection 1 (1) of the <i>Municipal Act, 2001</i>. 2006, c. 2, s. 32 (2). Corporate matters (3) Section 132 (conflict of interest), subsection 134 (1) (standard of care) and section 136 (indemnification) of the <i>Business Corporations Act</i> apply, with necessary modifications, to the Administration Corporation and its members. 2006, c. 2, s. 32 (3). Same (4) The <i>Not-for-Profit Corporations Act, 2010</i> and the <i>Corporations Information Act</i> do not apply to the Administration Corporation. 2017, c. 20, Sched. 8, s. 114 (2).	Administration Corporation continued 32 (1) The Ontario Municipal Employees Retirement Board is continued as a corporation without share capital under the name OMERS Administration Corporation and in French as Société d'administration d'OMERS and is composed of its members. 2006, c. 2, s. 32 (1) Status (2) The Administration Corporation is not a Crown agency and it is not a local board as defined in subsection 1 (1) of the <i>Municipal Act, 2001</i>. Corporate matters (3) Section 132 (conflict of interest), subsection 134 (1) (standard of care) and section 136 (indemnification) of the <i>Business Corporations Act</i> apply, with necessary modifications, to the Administration Corporation and its members. Same (4) The <i>Not-for-Profit Corporations Act, 2010</i> and the <i>Corporations Information Act</i> do not apply to the Administration Corporation.	
Section 33	Composition	Composition	

	33 (1) The composition of the Administration Corporation and the method of choosing its members is as specified by by-law of the Sponsors Corporation. 2006, c. 2, s. 33 (1). Same (2) Despite subsection 26 (1), a decision of the Sponsors Corporation to pass a by-law under subsection (1) requires an affirmative vote of two-thirds of its members. 2006, c. 2, s. 33 (2). (3) REPEALED: 2006, c. 2, s. 55. Eligibility (4) A person who is a member of the Sponsors Corporation is not eligible to hold office as a member of the Administration Corporation or to be appointed to any committee established for the purpose of advising the Administration Corporation. 2006, c. 2, s. 33 (4). Term of office (5) The term of office of each member of the Administration Corporation is as determined by by-law of the Sponsors Corporation. 2006, c. 2, s. 33 (5). Remuneration and expenses (6) Members of the Administration Corporation are to be paid such remuneration and expenses as may be authorized by by-law of the	33 (1) The composition of the Administration Corporation and the method of choosing its members is as specified by this Act and by by-law of the Sponsors Administration Corporation, provided the by-laws may not be inconsistent with the Act. 2006, c. 2, s. 33 (1). Same (2) Despite subsection 26 (1), A decision of the Sponsors Administration Corporation to pass a by-law under subsection (1) requires an affirmative vote of two-thirds of its members. 2006, c. 2, s. 33 (2). (3) REPEALED: 2006, c. 2, s. 55. Eligibility (4) A person who is or has been a member of the Sponsors Council Corporation or a member of the Sponsors Corporation is not eligible to hold office as a member of the Administration Corporation or to be appointed to any committee established for the purpose of advising the Administration Corporation. Term of office Appointing Plan Sponsors [(5) The term of office of each member of the Administration Corporation is as determined by law of the Sponsors Corporation.] (5) On the date of coming into force of this Act and until changed in accordance with the provisions of subsection 22(7), the Plan Sponsors entitled to appoint members to the Administration Corporation will be: Employee Plan Sponsors: (i) Canadian Union of Public Employees (Ontario) (“Ontario CUPE”); (ii) Ontario Professional Fire Fighters Association (“OPFFA”);	[NTD: The listed Plan Sponsors represent the organizations currently entitled to nominate members to the Administration Corporation.]
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	Sponsors Corporation. 2006, c. 2, s. 33 (6).	(iii) Ontario Public Service Employees Union (“OPSEU”); (iv) Ontario Secondary School Teachers Federation (“OSSTF”); (v) Police Association of Ontario (“PAO”); and (vi) Retiree Group; Employer Plan Sponsors; (i) Association of Municipalities of Ontario (“AMO”); (ii) Ontario Association of Police Services Boards (“OAPSB”); (iii) Electricity Distributors Association (“EDA”); (iv) Ontario Catholic School Trustees’ Association (“OCSTA”) and Ontario Public School Boards’ Association (“OPSBA”), together; (v) City of Toronto; and (vi) Ontario Association of Children’s Aid Societies (“OACAS”). Number of Members (6) On the date of coming into force of this Act and until changed in accordance with the provisions of subsection 22(7), each Plan Sponsor entitled to appoint a member to the Administration Corporation will be entitled to appoint one person except that: (i) Association of Municipalities of Ontario (“AMO”) will be entitled to appoint 2 members; and (ii) Canadian Union of Public Employees (Ontario) (“Ontario CUPE”) will be entitled to appoint 2 members.	
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		Remuneration and expenses (7) Members of the Administration Corporation are to be paid such remuneration and expenses as may be authorized by by-law of the Administration Sponsors Corporation. Membership (8) The Administration Corporation will consist of 15 members. There shall be an equal number of members appointed by Employee Plan Sponsors who are entitled to appoint one or more members to the Administration Corporation and by Employer Plan Sponsors who are entitled to appoint one or more members to the Administration Corporation. Each Employee Plan Sponsor who is entitled to appoint a member to the Administration Corporation and each Employer Plan Sponsor who is entitled to appoint a member to the Administration Corporation will be entitled to appoint one person or more persons if provided in subsection (6) or if determined in accordance with the provisions of subsection 22(7) in the manner provided in this section 33. The other member will be an independent Chair. Members, other than the independent Chair, will be appointed for a three year term and may, subject to subsection (13) be reappointed by the appointing Employee Plan Sponsor or Employer Plan Sponsor for up to a maximum of 4 terms. A member of the Administration Corporation may be withdrawn as a member by the Plan Sponsor who appointed such member to the Administration Corporation at any time on notice to the Administration Corporation and a successor will be appointed in accordance with the provisions of this section 33.	
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		Governance & Risk Committee (9) The Administration Corporation shall have a Governance & Risk Committee made up of 6 or 8 persons, such number to be set forth in the by-laws of the Administration Corporation, with equal representation of Employee Plan Sponsor appointed members and Employer Plan Sponsor appointed members. The members of the Governance & Risk Committee will be selected by the members of the Administration Corporation from time to time from the members of the Administration Corporation. The independent Chair of the Administration Corporation will serve as an ex officio member of the Governance & Risk Committee. Same (10) The Administration Corporation will adopt a competency framework for membership in the Administration Corporation. The Administration Corporation may by resolution amend such framework from time to time. Same (11) Prior to the appointment of any person as a member of the Administration Corporation after the adoption of the competency framework provided for in subsection (10), the Governance & Risk Committee will assess the competencies of the then members of the Administration Corporation as against the then current competency framework adopted by the Administration Corporation pursuant to subsection (10) and identify any competency gaps in the then current membership. Same	
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		(12) The Governance & Risk Committee will advise the Employer Plan Sponsors and Employee Plan Sponsors entitled to appoint members to the Administration Corporation at such time as to the competencies that the Administration Corporation then requires to best meet the competency framework. The Employer Plan Sponsors and Employee Plan Sponsors entitled to appoint members to the Administration Corporation at such time will nominate a person who in such Plan Sponsor's assessment meets some or all of the competencies identified by the Governance & Risk Committee as being needed. The members of the Administration Corporation will either appoint such person as a member or by a vote of two-thirds of the members of the Administration Corporation veto the membership of such person if the members of the Administration Corporation determine that the appointed person does not sufficiently address the competency gaps identified by the Governance & Risk Committee at such time. If the members of the Administration Corporation veto an appointment as provided in this subsection (12), then the appointing Plan Sponsor may nominate another person, and the provisions of this subsection (12) will again apply to such appointment. Same (13) At the end of the then current term of a member of the Administration Corporation who may serve an additional term, the Governance & Risk Committee will advise the appointing Plan Sponsor whether or not the Governance & Risk Committee would like the appointing Plan Sponsor to reappoint such person. If	
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		the Governance & Risk Committee advises the appointing Plan Sponsor that it would like the person to be reappointed and the appointing Plan Sponsor wishes to reappoint such member, the Administration Corporation will readmit such person as a member. If the Governance & Risk Committee does not recommend the reappointment of such person or the appointing Plan Sponsor does not wish to reappoint such member, then the process provided for in subsection (12) will apply to the reappointment of such member or the appointment of a new member. Chair (14) The Governance & Risk Committee will make a recommendation to the Administration Corporation members as to candidates for the independent Chair. The independent Chair will be independent of the Administration Corporation and the Plan Sponsors as determined by the members of the Administration Corporation. The independent Chair will be selected by resolution of the members of the Administration Corporation passed by an affirmative vote of two-thirds of its members and may be renewed on the same basis. The independent Chair will have a term of three years and may serve a maximum of four terms. The independent Chair may be removed by a vote of two-thirds of the members of the Administration Corporation. Despite the foregoing, the person acting as the independent Chair on the date that this Act comes into force may serve a maximum of sixteen years. Same	
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		(15) The Governance & Risk Committee will, in connection with a search for a new independent Chair, engage an independent executive search firm to assist it in identifying suitable candidates to be the independent Chair of the Administration Corporation that meet the competency skills then being sought. The costs incurred by the Administration Corporation in engaging the independent executive search firm referred to in this subsection shall be deemed to be reasonable and may lawfully be paid out of the fund. Regulations (NEW) (16) Despite subsections (8) and (14), the Lieutenant Governor in Council may make regulations prescribing term limits for members of the Administration Corporation.	
Section 34	Objects 34 The following are the objects of the Administration Corporation: 1. To act as administrator of the OMERS pension plans and as trustee of the pension funds. 2. To advise and assist the Sponsors Corporation. 3. To exercise such other powers and perform such other duties as may be provided under sections 35.1 and 35.2. 2006, c. 2, s. 34; 2009, c. 18, Sched. 22, s. 2.	Objects 34 The following are the objects of the Administration Corporation: 1. To act as administrator of the OMERS pension plans and as trustee of the pension funds. 2. To advise and assist the Sponsors Council, including providing or arranging for all support, services, advice or administrative support required by the Sponsors Council for the purpose of carrying out the roles, responsibilities and authorities assigned to the Sponsors Council Corporation. 3. To exercise such other powers and perform such other duties as may be provided under sections 35.1 and 35.2.	

Section 35	Powers 35 (1) The Administration Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, subject to the restrictions set out in this Act. 2006, c. 2, s. 35 (1). Same (2) For furthering its objects and without limiting the generality of subsection (1), the Administration Corporation may, (a) administer the OMERS pension plans, including paying pensions, making payments under retirement compensation arrangements, establishing investment policies and managing and allocating the assets of the pension plans and the assets of the Administration Corporation; (b) provide for the actuarial valuation of the OMERS pension plans, including determining the actuarial methods and assumptions and the funding policy for the plans; (c) provide reasonable technical support to the Sponsors Corporation, including, without limitation, providing actuarial advice and cost estimates,	Powers 35 (1) The Administration Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, subject to the restrictions set out in this Act. 2006, c. 2, s. 35 (1). Same (2) For furthering its objects and without limiting the generality of subsection (1), the Administration Corporation may, (a) administer the OMERS pension plans, including paying pensions, making payments under retirement compensation arrangements, establishing investment policies and managing and allocating the assets of the pension plans and the assets of the Administration Corporation; (b) provide for the actuarial valuation of the OMERS pension plans, including determining the actuarial methods and assumptions and the funding policy for the plans; (c) provide reasonable technical support to the Sponsors Council Corporation, including, without limitation, providing actuarial advice and cost estimates, estimates of the impact of changes to the OMERS pension plans or other changes on contribution rates and advice with respect to any administrative or other issues arising out of proposed changes to the pension plans; (d) provide reasonable administrative support to the Sponsors Council Corporation. By-laws (3) The Administration Corporation may pass by-laws and resolutions regulating its proceedings and for the	
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	estimates of the impact of changes to the OMERS pension plans or other changes on contribution rates and advice with respect to any administrative or other issues arising out of proposed changes to the pension plans; (d) provide reasonable administrative support to the Sponsors Corporation. 2006, c. 2, s. 35 (2). By-laws (3) The Administration Corporation may pass by-laws and resolutions regulating its proceedings and for the conduct and management of its affairs. 2006, c. 2, s. 35 (3).	conduct and management of its affairs. 2006, c. 2, s. 35 (3).	
Section 35.2	Authorization to provide eligible services 35.2 (1) Expressions used in this section have the same meaning as in section 35.1. 2009, c. 18, Sched. 22, s. 3. Agreements (2) If authorized by the Sponsors Corporation, the Administration Corporation may enter into agreements under which authorized subsidiaries of the Administration Corporation provide eligible services to clients. 2009, c. 18, Sched. 22, s. 3.	Authorization to provide eligible services 35.2 (1) Expressions used in this section have the same meaning as in section 35.1. Agreements (2) If authorized by the Sponsors Council Corporation, the Administration Corporation may enter into agreements under which authorized subsidiaries of the Administration Corporation provide eligible services to clients. Transitional matters (3) The Administration Corporation itself may continue to provide eligible services to clients under agreements that were authorized by Orders in Council 808/80, 2211/95 and 368/2003, as those agreements read on the day this section comes into force and, for that	

	Transitional matters (3) The Administration Corporation itself may continue to provide eligible services to clients under agreements that were authorized by Orders in Council 808/80, 2211/95 and 368/2003, as those agreements read on the day this section comes into force and, for that purpose, the Administration Corporation has the powers of an authorized subsidiary under subsections 35.1 (4), (5) and (7). 2009, c. 18, Sched. 22, s. 3.	purpose, the Administration Corporation has the powers of an authorized subsidiary under subsections 35.1 (4), (5) and (7).	
Section 36 (NEW)		Sponsors Corporation 36 The Sponsors Corporation will be dissolved by way of a voluntary winding up to be undertaken in accordance with the provisions of Part XVI of the Business Corporations Act, with such necessary modifications so as to apply to the Sponsors Corporation and its members.	

Section 37 (NEW)		Transitional Matters 37 (1) Notwithstanding any other provision of this Act, on the date this Act comes into force, an individual who was a member of the Administration Corporation immediately before the coming into force of the Act shall continue as a member of the Administration Corporation until the earlier of: (a) the resignation of such member; (b) the removal of such member by the Plan Sponsor who such member represents; and (c) the end of the term of the member as specified in section 33, including any period that such member served as a member of the Administration Corporation prior to the Act coming into force. Same (2) All decisions and determinations made by the Sponsors Corporation in its capacity under the former Act prior to the coming into force of this Act are binding on, and carry forward to, the Administration Corporation and the Sponsors Council in their respective capacities, except to the extent that they are inconsistent with the provisions of this Act or the Charter. Same (3) Subsection (2) does not preclude the reconsideration of any prior decisions or determinations after the date of the coming into force of this Act.	
Section 38 (NEW)		Police, Fire and Paramedic Sectors 38 (1) The primary pension plan shall contain terms and conditions for employers of members in the police, fire and paramedic sectors to consent to a change	[NTD: This new provision includes an override of any conflicting

		from a normal retirement age of 60 years to a normal retirement age of 65 years or a change from a normal retirement age of 65 years to a normal retirement age of 60 years in respect of a class of such members, including terms and conditions to provide for a member who is part of a class of members affected by such a change in normal retirement age to elect not to change their normal retirement age and, where applicable, for a refund of contributions, as determined by the Administration Corporation, and notwithstanding any provision in the Pension Benefits Act, as of and from July 29, 1987, no such terms and conditions in the primary pension plan governing, permitting or prescribing the consequences of a change from a normal retirement age of 60 years to a normal retirement age of 65 years or a change from a normal retirement age of 65 years to a normal retirement age of 60 years shall be treated as void, ineffective or otherwise not able to be administered by reason of any provision in the Pension Benefits Act. Supplemental plan (2) Any supplemental plan established pursuant to subsection 4(1) to provide optional benefits to members, former members and retired members employed in the police, fire and paramedic sectors will contain provisions such that such plan will not begin to accept contributions or accrue and administer any benefits until such time as the contribution rates therefor have been established by the Sponsors Council in accordance with the provisions of subsection 4(2) and 26(6) and any required enrolment thresholds have been met.	requirements of the <i>Pension Benefits Act</i> (PBA), as permitted under s. 114 (Conflict) of the PBA.]
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Section 39 (NEW)		Review of Governance 39 (1) The Minister shall, beginning no later than June 30, 2031, and every 10 years thereafter, undertake a review of the governance structure implemented for OMERS as provided in the Act. Same (2) Upon completion of the review, the person appointed to conduct the review shall submit to the Minister a report, including any recommendations for changes to the governance model of OMERS.	
Section 40 (NEW)		Report to the Minister 40 The Administration Corporation will provide the Minister a report by no later than June 30, 2027 outlining the steps that have been taken to implement the changes to the OMERS governance model provided for in the Act.	