



TOWNSHIP OF EDWARDSBURGH CARDINAL INFORMATION ITEM

Committee: Combined A/F & PW/ES/F

Date: June 20, 2022

Department: Finance

Topic: Expansion of OMERS Pension to Part Time Employees

Background: The OMERS Sponsors Corporation approved a change to the OMERS Primary Pension Plan that will allow Plan eligibility for all existing and newly hired non-full-time (NFT) employees who are not currently members of OMERS. The effective date of this change is January 1, 2023.

Non-full-time (NFT) employees are referred to as “other than continuous full-time” (OTCFT) employees under the Plan.

An OTCFT employee is any employee who is working for and paid directly by an OMERS employer on a less than continuous full-time (CFT) basis. Examples of OTCFT employees include those who:

- Work less than the employer’s normal full work week;
- Work a full work week, but less than 12 months per year (e.g., employed in seasonal employment);
- Are hired on contract for less than a year;
- Work as temporary replacements for CFT employees who are on leave from their permanent positions;
- Summer students

Volunteering fire fighters are not considered employees of the Township and, therefore, are not eligible to participate in the OMERS plan.

Starting on January 1, 2023, when the current eligibility requirements will no longer apply, employers will be required to offer enrolment to all existing NFT employees and all NFT employees hired on or after January 1, 2023.

The Township is obligated to offer enrolment and provide an explanation of plan benefits 60 days before January 1, 2023. The process will be the same as it is now, where an enrolment form and a copy of the OMERS member booklet is provided to the NFT employee, however the expansion of the eligibility will increase the administrative work required to meet this requirement. Providing an electronic version of the member

handbook will be acceptable if the employee consents to receiving the information electronically.

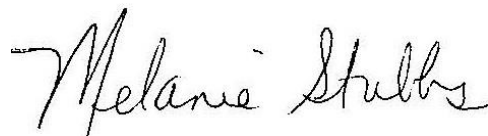
It is strongly recommended that the Township demonstrate that an offer was provided (and rejected) in writing. This helps prevent future misunderstandings and disputes regarding enrolment opportunities.

It is possible that not all NFT employees will return their election forms or an opt out election. A record of when the offer to join was made should be retained to protect the Township against claims that the opportunity to enroll was not offered. Once the NFT employee is offered enrolment in the OMERS plan, the Township is not required to offer enrolment again but may choose to provide a periodic reminder of the opportunity.

Contribution rates for CFT and NFT members are the same and depend on the member's normal retirement age or "NRA." All members of the plan contribute a percentage of their earnings per pay period. The Township would contribute an equal amount. This contribution requirement will have an impact on the 2023 operating budget.

Currently the Township employees 2 part time and up to 25 seasonal employees that would be eligible to join the OMERS pension plan. The potential cost to the Township's 2023 is approximately \$14,000 to \$15,000.

This expansion of OMERS would apply to Library staff and the Port of Johnstown. The impact to the Library Board 2023 budget could be approximately \$7,000, which would also impact the Township's budget with an increase in the annual municipal grant to the library. The potential impact to the Port's 2023 budget could be approximately \$10,000.

A handwritten signature in black ink that reads "Melanie Stubbs". The signature is written in a cursive, flowing style. Below the signature is a solid horizontal line.

Treasurer