



To: Toronto Public Library Board – January 8, 2001

From: City Librarian

Subject: **OMERS Participation Policy and Supplementary Agreements**

Purpose:

To request approval of an OMERS participatory policy as required under the OMERS Act and authorization to enter into supplementary agreements with OMERS to supply certain benefits to employees who are members of OMERS.

Funding Implications and Impact Statement:

None.

Recommendations:

It is recommended that:

- (1) The Toronto Public Library Board authorize participation in the Ontario Municipal Employee's Retirement System (OMERS) as outlined in the *OMERS Participation Policy and Supplementary Agreements* report;
- (2) The City Librarian be authorized to send a certified copy to OMERS;
- (3) The City Librarian be authorized to make deductions from members' earnings and remit them to OMERS;
- (4) The City Librarian be authorized as the Agent for OMERS and have the authority to sign all required documents; and
- (5) Authority be given to enter into the Supplementary agreement as outlined in the *OMERS Participation Policy and Supplementary Agreements* report subject to the City Solicitor's approval of the form.

Background:

Prior to amalgamation, all former library systems had elected to participate in OMERS for permanent employees. In order for the new Library to continue to participate for these employees, the Library Board is required to pass a participatory policy. This policy authorizes

the participation of the Library in OMERS for certain classes of employees and authorizes a designated official to be responsible for the remittance of contributions and reporting to OMERS.

With the help of OMERS and City Legal, the participatory policy has been drafted for submission to the Board. This policy will continue membership in OMERS for all permanent employees who are members of OMERS as at December 31, 1997. It further extends, as a condition of employment, that all permanent employees hired after January 1, 1998 shall be members of OMERS. It designates the City Librarian as the Agent for OMERS and delegates that position the authorization to deduct the required contributions for employees and to execute all necessary documents for the proper administration of OMERS.

All the above rules for participation are consistent with those of the former libraries and ensure that no employee loses any pension rights due to amalgamation.

Comments:

Supplementary Agreements

Supplementary agreements are agreements with OMERS to supply certain additional benefits to employees with the cost being paid by either the employee, the employer or sharing. These supplementary agreements cover two different benefits.

Supplementary Type 1

These supplementary benefits established credited service for employees in the former libraries in regards to service prior to their participation in OMERS. The former libraries paid for the cost of these benefits at the time the original agreements were entered into. There is no future cost to the new Library in regards to these benefits.

Optional Service

These agreements are entered into to allow employees to purchase service with the previous employer at a cost to be determined by OMERS and to amortize the cost over a maximum of 15 years. The Library is responsible for the collection of the required premium from the employee and remittance to OMERS on a monthly basis. There is no cost to the Library other than the administration of the premium payments.

Conclusion:

The passing of the OMERS participatory policy is required by the OMERS Act. The supplementary agreements are necessary under the recent collective agreement settlement. Appropriate officials should be authorized to enter into these agreements subject to approval to form by the City Solicitor.

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City Librarian

List of Attachments:

OMERS Participation Policy