

OMERS Enrolment for Non-Full-Time (NFT) Employees in the Fire Sector

Sukhvinder Dulay

Vice President, Pension Legal and
Plan Administration

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Agenda

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This presentation contains summary information that has been prepared solely for discussion purposes. The information is current to October 24, 2024 and is subject to change. Questions regarding the OMERS Plan should be directed to OMERS directly.

Overview of special project: NFT employees in fire and paramedic sectors



Volunteer firefighters as NFT employees

- This is a unique sector where the term “volunteer” may be used even if an employment relationship exists.
- Employment results in eligibility for OMERS Plan membership.
- With NFT expansion removing the minimum eligibility requirements to join the OMERS Plan, OMERS has received an increase in questions from municipal employers and individuals about whether volunteer firefighters can enrol as NFT members.

While it will remain the employer’s responsibility to determine and report any employment relationship to OMERS, **OMERS is providing extra support to municipal employers in 2024 to ensure that all NFT offers of Plan enrolment are made.**

Background: NFT expansion and volunteer firefighters

- Volunteer firefighters who are municipal employees have always been eligible for OMERS enrolment but they did not always meet the eligibility requirements for enrolment.
 - Prior to NFT expansion, NFT employees could enrol if they met the minimum eligibility rules (i.e., 2 years of service + either 700 hours or earnings equal to 35% of the YMPE in each year).
 - OMERS also has existing processes in place to record any **eligible service** with an OMERS employer that took place prior to enrolment. This can help members reach the milestones for early retirement benefits and increase the OMERS Plan benefit if members buy it back.
- In addition to the NFT expansion, OMERS has observed that there are changes in the fire sector that are driving enrolment questions (including increased agreement that this group resemble “traditional” employees in many cases).
- As a result of these changes, OMERS has identified that additional supports are required to ensure NFT offers of enrolment are offered to all eligible employees.
- For 2024, the OMERS Pensions team has put together a special working team dedicated to assisting municipal employers in offering NFT enrolment packages in this sector as outlined on the next slide.

Enhanced administration process for enrolment

OMERS has launched a special project to assist municipalities with offering enrolment to NFT employees in the fire and paramedic sectors

To ensure all enrolment opportunities have been administered correctly, support back to January 1, 2023 is being offered



Employer sends attestation

Employer completes attestation on whether they utilized volunteer firefighters as of January 1, 2023



Employer reports eligible employees to OMERS

Employer submits a list of impacted individuals to OMERS for review via spreadsheet



OMERS sends enrolment offers to eligible employees

OMERS will manage all offers of enrolment for impacted individuals with customized cover letter



Member returns election to join OMERS

Members return enrolment offers to their employers, including elections to waive enrolment



Employer submits enrolment in e-access

Employer submits electronic 102 form through e-access as normal course



OMERS processes enrolments and eligible service

OMERS will process incoming elections including adding eligible service, prior service will be managed on case-by-case basis

Special project: Key facts



A dedicated team has been working to provide support to employers as they work through the process – almost 70 dedicated conference calls have been booked to provide individual support

~400+

Municipalities have returned their attestations – thank you!

~41

Municipalities will participate in the special project

- ~1000 packages will be sent in the fall for eligible employees to make a choice about whether they would like to enrol or not
- Dedicated resources will continue to be available to help NFT employees make an informed choice about enrolment



Next steps

Municipalities that are not participating

- **Special project ends – no further action for the municipality**
 - Some municipalities already did their offers or do not have anyone eligible for the special project
 - If there are missed enrolments discovered in the future, the regular OMERS omission process, including interest, will apply
 - During the omissions process, members can make up their contributions and employers must match them and pay interest for both
- **Continue to report NFT employees**
 - If the municipality employs NFT employees in the firefighter or paramedic sectors, they must report NFT enrolment eligibility to OMERS
 - This is the same process that is in place for reporting all NFT employees
- **Recording eligible service**
 - Eligible service is employment service with an OMERS employer that can help bring members closer to an unreduced early retirement pension and may also be purchasable by the member to increase their pension

Periods of employment can be recorded as eligible service but not periods where a volunteer is not considered an employee

Municipalities that are participating

- **Special project continues – information provided to OMERS to issue enrolment packages**
 - If there are missed enrolments discovered in the future, the regular OMERS omission process, including interest, will apply (this is the same for all employers)
- **Continue to report NFT employees**
 - If the municipality employs NFT employees in the firefighter or paramedic sectors, they must report NFT enrolment eligibility to OMERS
 - This is the same process that is in place for reporting all NFT employees your municipality employs
- **Normal Retirement Age**
 - Based on the municipality's current OMERS participation by-law, firefighter employees have an NRA 65 or NRA 60 in the OMERS Plan when they enrol and start making contributions

Earliest enrolment – earliest of date of hire as an employee and January 1, 2023



Impact on retirement opportunities

Early retirement and unreduced pension

	NRA 60	NRA 65
Earliest age members can retire	50	55
Normal unreduced retirement date	60	65
Factor for unreduced early retirement (age and service)	85	90
Qualifying service for unreduced early retirement	30	30

What is credited service?

Credited service is the paid service (years and months) a member has in the OMERS Plan and it is used to calculate the OMERS pension.

What is eligible service?

Eligible service is employment service with any OMERS employer that is not credited service. Eligible service does not include any periods where an employment relationship does not exist (for example, a purely volunteer relationship or an independent contractor relationship).

Why is eligible service important?

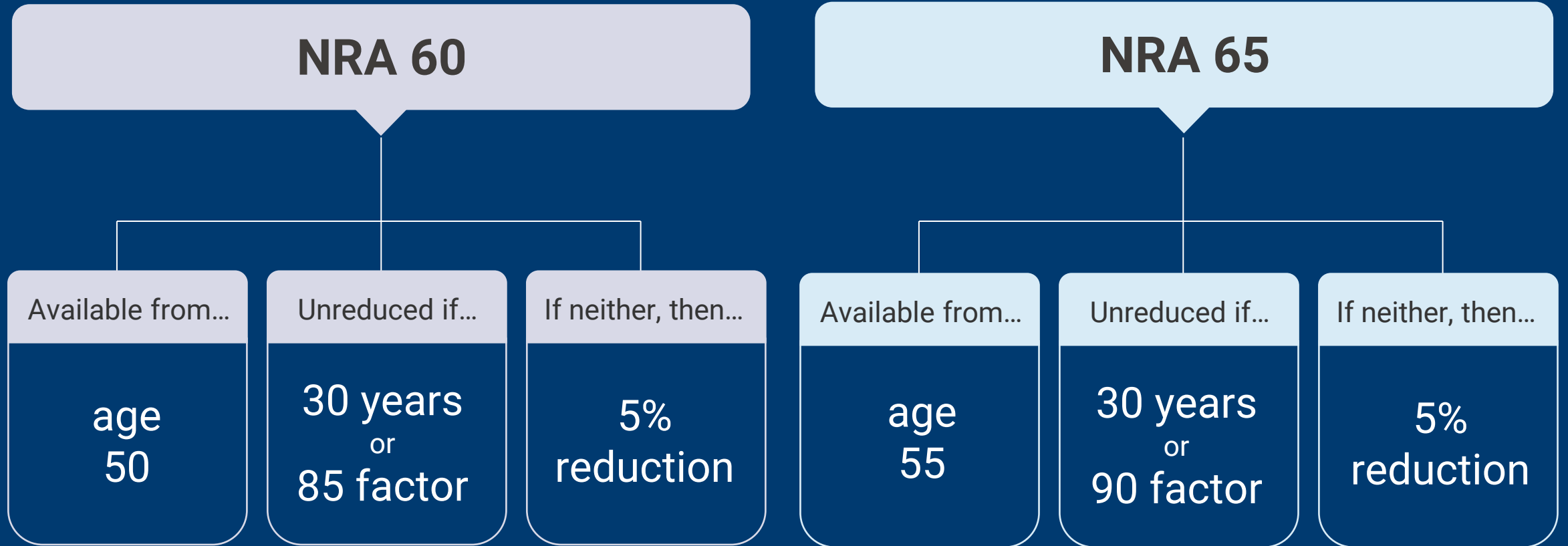
Eligible service can help bring the member closer to an unreduced early retirement pension. However, it does not change the credited service used in the OMERS Plan pension formula.



Note

Benefit calculation changes for early retirement where a member terminates employment before their earliest retirement age are calculated differently on pre-2013 and post-2012 credited service. Visit omers.com for more information or contact OMERS.

Retirement milestones



Recording Eligible Service



Current and former employees may ask employers to fill out:

1. OMERS Form 168 – Proof of Eligible Service
or
2. OMERS Form 170 – Confirmation of eligible service for firefighters

Employment service reported to OMERS

- Only employment service can be reported
- Only employer staff who have authorized reporting status to OMERS complete these forms
- These forms must be filled out consistently with the information on the Attestation



FAQs

Frequently asked questions

The OMERS Plan terms are the same for all NFT employees. However, to better assist eligible employees, OMERS has prepared a custom document to assist NFT employees in the fire sector.

To ensure all enrolment opportunities have been administered correctly, support back to January 1, 2023 is being offered.

Proportional accrual

Members will contribute and accrue benefits based on amount worked and earned.

This is a key consideration for on-call workers.

Dual membership

OMERS pensions are calculated separately based on the credited service and earnings on each record.

Taxes and RRSP room

Contributions are deductible at source and OMERS Plan accrual reduces available RRSP contribution room.

Deadline to enrol

Some municipalities have completed the process and all enrolment elections are expected to OMERS by mid-December 2024.

Later Enrolment

Eligible employees can enrol later if they remain with an OMERS employer. They can have eligible service on their record. Past service can be purchased by the member through a buy-back.

Contributions and locking in

Contributions remain with OMERS as long as the member is with an OMERS employer and most benefits are locked-in for retirement purposes (i.e., may not be taken in cash).

A scenic landscape featuring a calm lake in the foreground, reflecting the sky and surrounding trees. On the left, tall evergreen trees stand prominently. In the background, a dense forest of deciduous trees displays vibrant autumn colors in shades of orange, red, and yellow. The sky is a bright blue with scattered white clouds. A dark blue rectangular box is overlaid on the right side of the image, containing the text "Thank you" in white.

Thank you