



Frequently Asked Questions (FAQ) - NFT Members in the Firefighter and Paramedic Sector

We encourage all non-full-time (NFT) employees to review the Member Handbook and OMERS.com for information about the OMERS Plan benefit before making an enrolment decision. You can use these resources to learn about the OMERS Plan benefit, contribution rates, and what the OMERS Plan can offer at different points in your career, during life events and after retirement. This will help you make an informed decision about whether joining the OMERS Plan is right for you.

We also know that the first responder sector is unique, especially for part-time or on-call employees whose work and earnings can fluctuate. As a result, we have put together this comprehensive and dedicated FAQ as a quick reference guide.¹ If you have further questions, please contact OMERS Member Experience.

1. Why am I receiving an offer of enrolment?

OMERS is running a special project focused on “volunteer” or “on-call” firefighters and paramedics who may be considered non-full-time (“NFT”) employees for OMERS purposes to make sure all eligible employees receive an offer of enrolment. As noted above, your sector is unique, and we know the title “volunteer” is sometimes used for part-time or on-call employees. As part of the project, your OMERS employer has determined that you are eligible to join the OMERS Plan.

Important! You must submit your election by December 6, 2024.

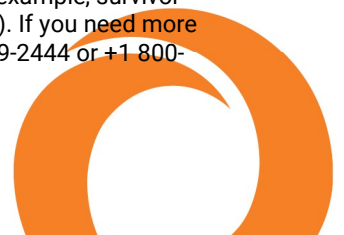
2. Do all employees of OMERS employers have to join the OMERS Plan?

No. OMERS membership in your case is voluntary while you remain an NFT employee. However, once you join the OMERS Plan, you cannot opt out of membership while you are working for your OMERS employer even if your work hours or income decreases, or if your work status changes.

This is why it is important that you review your options carefully before deciding if enrolment in the OMERS Plan is right for you.

If you are already an active OMERS member, please also review Question 13.

¹ Remember that this is a quick reference guide of summary information only and is current as of the date it was prepared (September 2024). This summary does not address all features of the OMERS Plan (for example, survivor benefits and the OMERS Additional Voluntary Contributions option are topics that are not covered). If you need more detailed information, you can refer to omers.com for more information or contact us at +1 416-369-2444 or +1 800-387-0813.



3. When can I start my membership?

As part of the special project, your employer provided us with the date that you first became eligible to enrol (this is the earlier of your hire date as an employee and January 1, 2023). You can elect to enrol as of that eligibility date or a current date. If you elect an earlier date, you will need to make OMERS contributions back to that date. Talk to your employer for more details about your earliest enrolment opportunity. Also refer to Question 8 regarding the potential impacts to your RRSP contribution room.

4. What do I have to contribute if I join?

If you elect to enrol, OMERS Plan contributions are deducted in each pay period that you receive contributory earnings (your employer also pays the same amount). OMERS contribution rates are available on omers.com. For ease of reference, the current contributions are provided below. Please note that the rates are being adjusted in 2027.

Normal retirement age 65 members (NRA 65)	On contributory earnings up to year's maximum pensionable earnings (YMPE)*	9.0%
	On contributory earnings over YMPE*	14.6%
Normal retirement age 60 members (NRA 60)	On contributory earnings up to YMPE*	9.2%
	On contributory earnings over YMPE*	15.8%

** The year's maximum pensionable earnings (YMPE) changes each year. The YMPE in 2024 is \$68,500.*

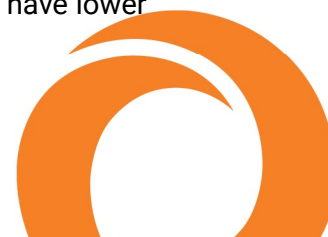
See www.omers.com/contribution-rates-review for more details regarding the adjustment to contribution rates taking effect in 2027.

5. Do all firefighters have a normal retirement age ("NRA") of 60?

No. NRA 60 benefits for police officers, firefighters and paramedics are formally elected by employers and this is often subject to bargaining. Talk to your employer about whether they have elected NRA 60 for some or all firefighter employees.

6. Will I get the same OMERS benefit as full-time employees?

No. While the OMERS Plan benefit is based on a defined benefit formula that is the same for all members, the OMERS pension grows based on each member's contributory earnings and credited service. This means that those who work less and have lower contributory earnings have a smaller OMERS Plan pension.





This can be an important consideration for some casual and on-call workers. For example, for some on-call workers who work only a few shifts a year, their benefit for the year can be quite small and they may not wish to contribute when they are working on a casual basis. For employees who work more regularly, they will contribute more and can earn a higher pension. See Question 15 for more information about small benefits.

Remember that every member is different and the pension they receive from the OMERS Plan will depend on a number of factors – including their contributory earnings, how long they work for OMERS employers, and when they choose to start collecting their OMERS pension. You will need to make a decision that fits within your own career and retirement savings goals. You may also want to consult with an independent financial advisor.

7. Can I get my OMERS contributions back?

No. Contributions by members and employers (along with investment returns) fund the OMERS pension that members receive. This is based on the OMERS Plan formula and not the contributions you make. If you elect to join the OMERS Plan, you cannot access any part of your benefit while you are an active member.

When you stop working with an OMERS employer and your membership ends, a test is applied to make sure that your contributions do not exceed 50% of the commuted value of your pension over the same period. Any **excess contributions** will be refunded (this is called a “50% rule refund”).

A **commuted value (“CV”)** is the present-day value of a future pension benefit and is calculated using a number of actuarial assumptions and interest rates that are in effect at the date of calculation. See Question 15 for more information about your options when you leave your OMERS employer.

8. Are my taxes and RRSP room impacted by joining the OMERS Plan?

Yes. In each year that you accrue a pension benefit, a Pension Adjustment (“PA”) is calculated and reported to the Canada Revenue Agency on your T4 slip. The PA reduces your RRSP contribution room for the following year to account for the pension that you accrued.

Contributions that you make to the OMERS Plan are deducted from your gross income each pay period, which reduces your taxable income at source.

Please also remember that if you are eligible to start your membership retroactively to a date in 2023 and choose to do so, this will impact your 2023 tax return by reducing your RRSP room. Contributions to the OMERS Plan (including retroactive contributions) are deductible in the year they are made.





9. If I waive this offer of enrolment now, can I join the OMERS Plan at a later date?

Yes, as long as you remain employed with an OMERS employer.

If you decide to decline enrolment now, you must complete the *Offer of Enrolment Form 104* (indicating “No”) and return it to your employer. If you want to enrol at a later date, you will have to contact your employer to elect enrolment and your OMERS Plan membership will start on a go-forward basis.

If you enrol later, you can have your prior employment service recognized on your OMERS membership record as **eligible service**. It will also be purchasable through the OMERS buy-back process at your own cost. Buying-back service later in your career is typically more expensive. Review Questions 12 and 14 as well.

10. What are the different types of OMERS service?

Eligible service is service with any OMERS employer that isn’t credited service. It can help bring you closer to an unreduced early retirement pension; however, it does not change the credited service used in the OMERS Plan pension formula.

Credited service is the paid service (years and months) you have in the OMERS Plan and it is used to calculate your pension. It can include service that you purchased through a buy-back or transferred into the OMERS Plan from another pension plan.

If you become an NFT member, any period that you are working and contributing to the OMERS Plan will be recognized as credited service. While you are employed with an OMERS employer but are not called in to work (i.e., unscheduled time), you will have eligible service. This means that each calendar year that you are an NFT member and employed by an OMERS employer will result in you having 12 months of service on your OMERS membership record (credited service + eligible service).

11. What does service mean for early retirement?

Service in the OMERS Plan is a key component of determining eligibility for an unreduced early retirement pension.

Eligibility for an unreduced *early* retirement pension occurs when an NRA 65 member is over the age of 55 and reaches either 30 years of service (credited service + eligible service) or the “90 Factor” (member’s age + eligible service + credited service). For NRA 60 members, eligibility for an unreduced *early* retirement pension occurs when they are over the age of 50 and reach either 30 years of service (credited service + eligible service) or the “85 Factor” (member’s age + eligible service + credited service).





12. Can I purchase previous time with my OMERS employer prior to this offer of enrolment?

The key factor OMERS relies on when including service is dependent on whether an employment relationship exists between the individual and the OMERS employer. Time that you were working as an employee and did not participate in the OMERS Plan may be purchased (note that this does not include unscheduled time, which will remain as eligible service).

In cases where it has been determined that an individual is a volunteer rather than an employee prior to this offer of enrolment, the OMERS Plan is unable to recognize the volunteer service as eligible service and also cannot be purchased.

13. I am currently an OMERS member based on a different position. Will my earnings and service be recognized on that other membership? Can I be enrolled twice?

An NFT employee may have multiple memberships within the OMERS Plan. This is called dual membership.

It is important to remember that your pension is calculated separately for each membership record and cannot be combined – this means that you will have two different pension amounts (one for each membership based on the contributory earnings and credited service on each membership record).

Eligible service with all of your OMERS employers may be taken into account when determining your early retirement pension (up to a maximum of 12 months per year on each record). See Question 10 as well.

In the fire sector, it is also possible that you might have an NRA 65 for one membership and NRA 60 for another, depending on if your employer(s) have elected NRA 60 for some or all firefighter employees. See Question 5 for more information about NRA 60 benefits.

14. What happens if I have an old OMERS membership that is no longer active?

If you were previously an OMERS member who left your benefit in the OMERS Plan (in other words, you are a “deferred member”), you may have the option of combining your OMERS membership records and this can help grow your OMERS pension benefit depending on your circumstances.

For more information, visit: <https://members.omers.com/getting-started#combining-previous-and-current-omers-service>.





15. What happens if I leave my OMERS employer?

Your options will depend on your age at that time you leave employment with your OMERS employer and whether you have a “small benefit”.

Options

Members who terminate employment before their early retirement birthday (age 55 for NRA 65 members and age 50 for NRA 60 members), can choose to transfer the CV of their pension on a locked-in basis to another retirement savings vehicle (such as a Locked-In Retirement Account), transfer the value of the OMERS pension to another pension plan, or leave it with OMERS to start later between the ages of 55 and 65.

Small Benefits

The option to transfer a CV is not available to members who terminate after their early retirement birthday. However, one exception is if you have a small pension. The small pension test is based on whether the annual pension a member has earned is less than 4% of the YMPE in the year they leave employment. For example, in 2024, 4% of \$68,500 is \$2,740. If a member terminates employment in 2024, their annual OMERS pension must be less than \$2,740 to be offered a cash refund (less taxes) or a transfer to their unlocked RRSP account.

It is important to remember that CVs can change significantly depending on the date that they are calculated. In particular, the calculation is very sensitive to prevailing interest rates. In a higher interest rate environment, CVs are lower and in a lower interest rate environment, they are higher.

Remember that for casual or on-call employees, CVs can be quite low if the member has not worked very many hours and/or if their contributory earnings are low. If the CV is less than your total required contributions plus interest (not including any refund of your excess contributions, additional voluntary contributions, or contributions made towards certain supplementary benefits), you will receive your contributions back with interest instead of the CV.

For more information, visit: <https://members.omers.com/employment-changes>.

