
Subject: MROO MEMBERS and OMERS PENSIONERS HELP NEEDED!

From: Municipal Retirees Organization Ontario (mroo@istar.ca)

To: indyns2000@yahoo.com;

Date: Tuesday, April 16, 2013 1:34 PM

MROO needs your help to enable OMERS to provide its members the option of receiving an income stream from their AVC account after the age of 71.

Since 2011, OMERS has offered members of its pension plan the opportunity to voluntarily contribute additional amounts to the OMERS fund and earn the OMERS rate of return. This program, called Additional Voluntary Contributions (AVCs), is something that MROO advocated for several years. Many MROO members have transferred funds from their RRSPs into the AVC program. In 2012, the net rate of return on OMERS AVCs was 9.5%.

AVCs are separate from the OMERS defined benefit pension. You must be a member of the OMERS Plan to open an AVC account.

As an OMERS pensioner under the age of 71, you can transfer funds from a registered retirement savings vehicle (such as an RRSP) to an AVC account.

But here's the catch. By the end of the year in which you turn 71, OMERS members must withdraw all the funds from their AVC accounts and transfer them to a different vehicle such as a RRIF (Registered Retirement Income Fund) or purchase an annuity.

OMERS pensioners, who transferred their RRSP funds to the OMERS AVC program and are turning 71, are asking if they can keep their AVC funds invested with OMERS and receive an income stream just as they would with a RRIF. Until an enabling provision of the Ontario Pension Benefits Act is proclaimed and associated regulations are filed, the answer is no.

Unfortunately, the Ontario Government has not yet taken the necessary steps to put that enabling amendment and associated regulations into effect. So, the answer is still no.

As OMERS pensioners and MROO members, that's where you can help. Please send a note to the Honourable Charles Sousa, new Ontario Minister of Finance at charles.sousa@ontario.ca. All you have to say is:

"Please encourage the proclamation of section 39.1 of the Pension Benefits Act and help ensure that the associated regulations allow OMERS members the option to receive an income stream from the Additional Voluntary Contribution provision of the OMERS Primary Pension Plan."

We hope you will send the same message to your MPP. You can get a list of all Ontario MPPs and their contact information at;
<http://www.ontla.on.ca/web/members/memberaddresses.do>

Please copy us at, mroo@istar.ca, as you send a note to the Minister and your local MPP so we can track the progress of this important effort.