

IN FOCUS

OUR
commitment to
YOU

OMERS

2012 Report to Members



Our commitment to you.

Our performance is built on professional expertise and experience in client services and investments, innovative corporate strategies, sound global relationships and strong governance.

Our strategy is not simply about targets; it's about building a sustainable business model whose foundation is value creation and whose goal is delivering on the pension promise.

Our clients – members, employers and other stakeholders – count on us to navigate a world of disruptive change to provide a secure pension plan. They entrust us with their contributions so that they can focus on serving citizens, saving lives, caring for the elderly – shouldering the important work that gets done every day across Ontario's communities.

Our people, some of whom are featured in this report, are passionate about delivering on the pension promise and making a difference in the communities in which our members live and work.



Fifty Years of OMERS

Half a century ago, we made a promise to provide the people who support Ontario's communities with a secure retirement. Before OMERS, many municipal employers across the province did not participate in a pension plan to support their employees' retirement. By bringing municipalities and local boards together into a single defined benefit pension plan, OMERS brought strength in numbers through a strong and stable pooled investment fund whose investment income has generated about 2/3 of the capital flowing into the Fund over the past 20 years, the remainder funded by contributions equally provided by employers and active members. This supports a slate of defined benefits that can be relied upon by OMERS retirees regardless of fluctuations in the economy.

Since then, OMERS has grown into one of Canada's largest pension plans with more than \$60 billion in net assets and 429,000 members. Close to one in 20 people employed in Ontario is an OMERS member, setting them up for retirement with reduced reliance on government assistance in their retirement years.

Today, OMERS is an active, diversified investor and has become a major engine of economic growth in Ontario and Canada, with over \$30 billion invested in Canada and approximately 25,000 people with jobs in companies in which OMERS has a major ownership stake.

OMERS In Focus

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“We have more than one million points of contact with Plan members and employers every year, including 2,100 face-to-face meetings reaching over 30,000 clients. We take our job very seriously to make sure they have all the information they need to make the right decisions for themselves and their families.”

Fotini Eliopoulos

Specialist, Education and Training
OMERS Administration Corporation

Introduction

OMERS ended 2012 in a strong financial position with a solid asset base, prudent debt financing with a Triple A credit rating, the capacity to generate growing investment cash flows and more than ample liquidity to withstand market shocks under stressed financial conditions. Investment performance in 2012 further fortified OMERS financial foundations with a 10.03 per cent total fund return. Investment performance contributed \$5.2 billion in net investment income, resulting in OMERS ending 2012 with \$60.8 billion in net assets.

The net assets will underpin the retirement income of 429,000 Plan members for decades to come, despite the fact that liabilities will progressively grow as the baby boom generation retires over the next 15 years. The present value of the defined benefit accrued pension obligation was \$69.1 billion at the end of 2012, leaving a funding deficit of \$9.9 billion at December 31, 2012.

The outlook for the Plan is strong. If we continue to make our 20-year average annual return of 8.64 per cent during the next decade, OMERS will return to surplus ahead of schedule. Further, strong cash flows generated from contributions from employers and members, coupled with cash flows from dividends, interest payments and income distributions, are expected to exceed benefit payments for at least 20 years.

The bedrock of the Plan is OMERS fortress balance sheet that rests on four core investment platforms. Three platforms – Oxford Properties Group, Borealis Infrastructure and OMERS Private Equity – along with OMERS Strategic Investments invest in private markets and collectively these Investment Entities generated a return of 13.79 per cent in 2012. The fourth core investment platform – OMERS Capital Markets – invests in public markets and generated a 7.50 per cent return in 2012.

In 2003, OMERS adopted its current strategic plan including an investment strategy designed to provide balance between public and private market assets and to generate long-term, stable cash flows while maintaining liquidity under stressed financial conditions. The strategy has evolved to incorporate a “direct drive” ownership model providing OMERS with greater control of its investments at a lower cost. Enterprise-wide programs have also been developed to promote employee engagement and participation in the execution of the strategy.

The strategy is achieving results on all fronts and, in 2012, OMERS marked the fifth consecutive year as one of AON Hewitt's Best Employers in Canada and the third year as Pension Fund of the Year: Canada (*World Finance* magazine).

Strong Governance

OMERS Sponsors Corporation (SC)

The SC Board is the Plan sponsor and has 14 members: seven Plan member representatives and seven employer representatives.

The SC Board is responsible for:

- Designing the benefits to be provided by the Plans
- Setting contribution rates for members and participating employers
- Establishing or changing a reserve to stabilize contribution rates
- Setting compensation levels and appointment protocols for SC and OAC Board members

OMERS Administration Corporation (OAC)

The OAC Board has 14 members: seven Plan member representatives and seven employer representatives and is the administrator of the Plan and trustee of the Plan assets.

The OAC Board is responsible for:

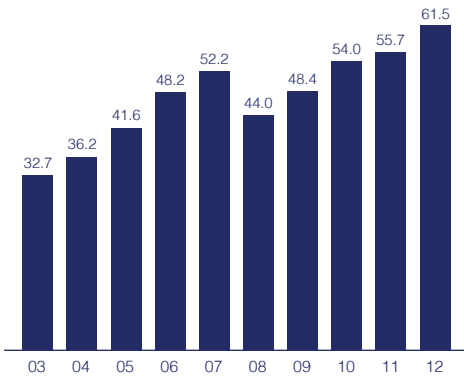
- Appointing and overseeing the OAC management team
- Establishing investment and funding policies, asset allocation and investment management of the Plan assets
- Overseeing pension services, administration and Plan valuation
- Appointing the OAC independent auditors and the independent actuary for the Plan

Governance Review

OMERS current governance model was established in 2006 by the OMERS Act. At that time, a process for reviewing the new model in 2012 was defined in the companion OMERS Review Act. The Review was to focus on the actual governance and administration of OMERS since the 2006 OMERS legislation was proclaimed.

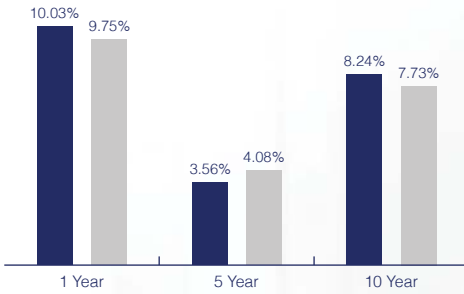
On May 15, 2012, Mr. Tony Dean was appointed by the Minister of Municipal Affairs and Housing to undertake the Review on the Province's behalf. Mr. Dean consulted widely during the course of the Review and on January 25, 2013, his Report was released to the public by the Ontario government. The Co-Chairs of the SC and Chair of the OAC immediately responded to the release of Mr. Dean's report with a letter thanking him for his tireless effort to balance the interests of all OMERS members, sponsors and other stakeholders. The Chairs' letter stated that "We agree with Mr. Dean's observation that OMERS has been a success story, both in Canada and internationally, and we welcome his suggestions to enhance OMERS governance to ensure its continued strength."

As noted in the Report, the OAC and SC have already collaboratively addressed some of the issues raised by Mr. Dean. OMERS will provide updates on its progress towards addressing the recommendations through a variety of mechanisms, including our website and the spring and fall information meetings.



Net Investment Asset Growth

As at December 31,
Market Value (\$ billions)



Rate of Return and Benchmark (%)

For the period ended December 31, 2012

- Annual Average Rate of Return
- Benchmark

Global Reach

“One of the great things about Oxford and OMERS is that we are encouraged to apply our international experience to our roles as we expand our global presence. Our people, our quality assets and our customer service are the foundation of our strong reputation.”

Maud Chaudhary

*Director, Real Estate Management
Oxford Properties Group*



Capital Acquisition & Management

“Borealis is an infrastructure investing pioneer, which has grown into an entity that sources, transacts and manages a diversified portfolio of large-scale infrastructure assets. We have \$18 billion in assets under management and provide stable and strong cash flows to pay pensions.”

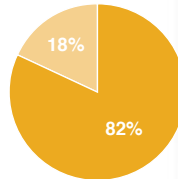
Annesley Wallace

Vice-President
Borealis Infrastructure

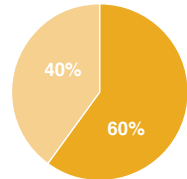
Asset Mix

As at December 31,

- Public Markets
- Private Markets
(real estate, infrastructure, private equity)



2003



2012



2012 Highlights

Borealis

- Signed an agreement to purchase Midland Cogeneration Venture
- Sold its interest in Enwave Energy Corporation
- Completed restarts of Bruce Power Units 1 and 2

Oxford

- Completed 28 asset transactions and 18 refinancings
- Development projects all on time, on budget and leasing as per forecast
- Continued leadership in sustainability, customer service and operations

OMERS Strategic Investments

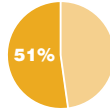
- Launched the Global Strategic Investment Alliance (GSIA) with the Pension Fund Association and a Mitsubishi Corporation-led consortium, both of Japan, joining OMERS to pursue high-quality, large-scale infrastructure investments

Members have put their trust in OMERS, with accumulated contributions and investment earnings of

\$170 million
in Additional
Voluntary
Contributions
(AVCs)

since we launched the program in 2011

Nearly **1** in **20**
employed Ontarians is an OMERS member



About 51% of the Fund,
over \$31 billion,
is invested in Canada

Over 25,000 Canadians

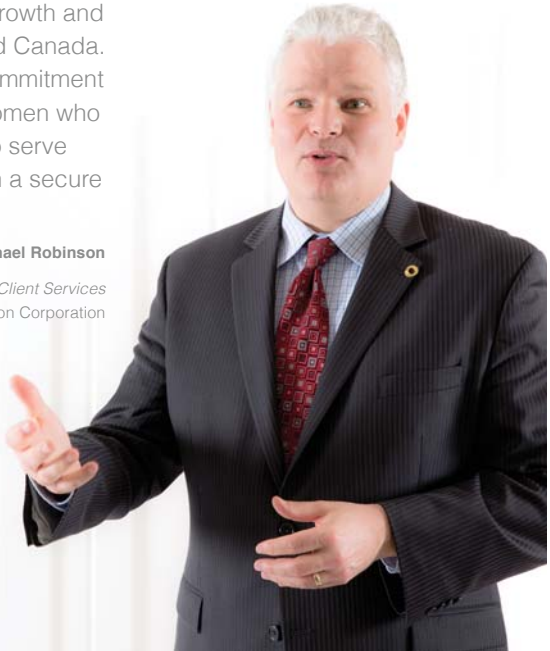
are employed at OMERS and the companies in which it has significant ownership share

Client Focus

“Over the years, OMERS has grown into a global, diversified investor and engine of economic growth and employment in Ontario and Canada. This all comes from our commitment to provide the men and women who have served or continue to serve Ontario’s communities with a secure retirement.”

Michael Robinson

Manager, Client Services
OMERS Administration Corporation



190,000 incoming and outgoing calls handled by Client Services.

Client satisfaction continues to be high at **89% satisfied or very satisfied.**

94% of calls are answered within 100 seconds

and resolved at first point of contact.

“Everything we do is about helping our members succeed – putting them at the centre. The ongoing modernization of our pension services system is critical because it will help us deliver better service as well as innovative offerings – like our Additional Voluntary Contributions or AVCs – which can help members maximize their retirement income.”

Adam Nasser

Director, Pension Operations
OMERS Administration Corporation



2012 Highlights

OMERS Sponsors Corporation (SC)

- Joint OAC and SC sessions demonstrated collaborative approach to strategic planning
- Participated in the governance review required by the OMERS Review Act
- Initiated our own review of composition and the appointment process of the Boards
- Implemented final phase of strategy to address the funding deficit and established principles to guide allocation of future contribution rates
- Participated in pension reform discussions to ensure OMERS is well represented

Plan Design

“Our focus is on OMERS future and long-term stability. This is why we ensure our stakeholders have the information they need to appreciate the Plan design decisions made by the Board as well as the ability to communicate their views to the Board.”

Susan Porter

*Board Secretary & Office Manager
OMERS Sponsors Corporation*



OMERS Ventures invested over \$110 million in:

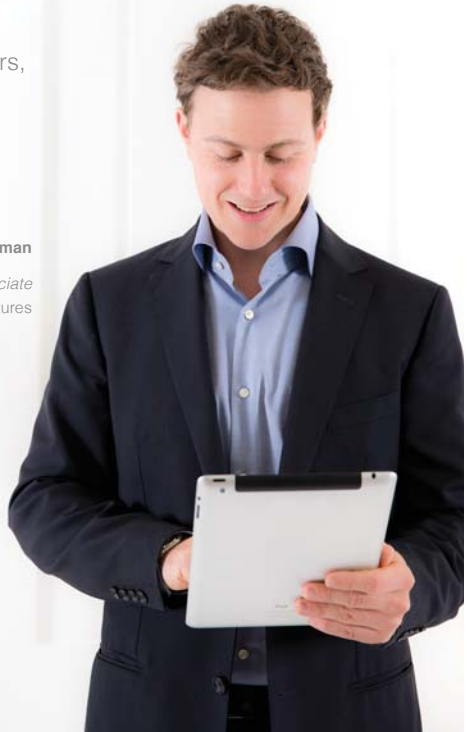


Innovation

“OMERS gives me the opportunity to be at the forefront of identifying and supporting great entrepreneurs, growing companies and new technologies that we believe have the potential to become global leaders in their fields.”

Bram Sugarman

Senior Associate
OMERS Ventures



A key strategic priority is for OMERS to directly own and actively manage our investments. We ended the year with **88%** of the portfolio now managed in-house, up from **70%** at the end of 2008.

Our long-term goal
95% portfolio managed internally.

2012 Highlights

OMERS Private Equity

- Acquired Golfsmith International, a U.S.-based specialty golf retailer. Golfsmith has been combined with Golf Town, our Canadian market leading golf retailer, creating the largest golf specialty retail business in the world
- Direct investment in Lifeways, a leading provider of supported living services for adults with learning disabilities in the U.K.

Direct Drive

“We are strongly committed to directly owning and managing our investments. Doing so creates the best long-term value opportunity which goes into paying pensions for OMERS Plan members.”

Chantal Thibault

*Managing Director and General Counsel, Legal
OMERS Private Equity*

Named one of Lexpert's Rising Stars:
Leading Lawyers Under 40





2013
Best Employers
in the GTA
TORONTO STAR
By Aon Hewitt



CANADA'S | **SUSTAINABILITY**
PASSION + **INTENSITY**
CAPITALISTS | **COURAGE**
CULTURE
2012 WINNER



Great People

“At OMERS, I get challenging work in a fast-paced and rewarding environment where our core values and important mission makes my work meaningful. The financial, investment and global expertise in our capital markets group is incredibly strong – we have a deep bench of talent that allows us to better negotiate today’s complex economic environment.”

Helen Rattee

Principal
OMERS Capital Markets

Our Investment Entities



Our Investment Entities – OMERS Capital Markets, OMERS Private Equity, Borealis Infrastructure, Oxford Properties Group and OMERS Strategic Investments – fall under the OMERS Worldwide brand.

Under the OMERS Worldwide brand, our team of investment professionals uses a direct drive active management investment strategy to invest in private and public markets.



OMERS Capital Markets

OMERS Capital Markets manages OMERS public market investments of bonds, currencies and other interest-bearing assets, as well as publicly traded equities in Canadian and global financial markets.

With a team of more than 70 dedicated investment professionals, OMERS Capital Markets strives to achieve superior returns.

Rate of Return and Benchmark

For the year ended December 31,	2012	2011	2010
Rate of Return	7.50%	-0.22%	11.04%
Benchmark	8.74%	1.26%	10.11%



OMERS Private Equity

OMERS Private Equity manages private equity investments through direct investments in private companies and through third-party funds.

OMERS Private Equity is building a diverse portfolio around the world. Its investment strategy involves establishing long-term, active partnerships with talented management teams.

Rate of Return and Benchmark

For the year ended December 31,	2012	2011	2010
Rate of Return	19.17%	7.23%	22.21%
Benchmark	22.09%	-5.58%	28.05%



BOREALIS

Infrastructure

Borealis Infrastructure (Borealis) manages infrastructure investments for OMERS and ranks as one of the world's largest infrastructure investors. Borealis has a proven track record in identifying, investing and managing infrastructure investments and continues to deliver solid returns.

Borealis targets investments in large-scale, world-class infrastructure opportunities with strong, like-minded operating partners.

Rate of Return and Benchmark

For the year ended December 31,	2012	2011	2010
Rate of Return	12.68%	8.79%	10.10%
Benchmark	8.60%	8.00%	8.50%



OXFORD

Established in 1960, Oxford is one of North America's largest commercial real estate investment, property management and development organizations.

Oxford employs more than 1,300 talented individuals with a wide range of professional skills, a shared focus on real estate and a passion for service.

Rate of Return and Benchmark

For the year ended December 31,	2012	2011	2010
Rate of Return	16.91%	8.40%	7.51%
Benchmark	7.15%	6.83%	6.65%



OMERS

Strategic Investments

OMERS Strategic Investments (OSI) is a multi-purpose strategic platform. Its broad mandate is to lead certain corporate strategic objectives and to build strategic investment assets which will position OMERS as a leading global pension-based investment enterprise.

Rate of Return and Benchmark

For the year ended December 31,	2012	2011	2010
Rate of Return	-10.13%	7.24%	7.65%
Benchmark	8.70%	6.90%	7.00%

2012 Financial Overview

Investment Performance

Our investment return of 10.03 per cent was driven by strong performance in our private market portfolio coupled with solid public market performance in line with expectations and current market conditions. OMERS total net assets grew by \$5.7 billion to reach \$60.8 billion at December 31, 2012. With these results, OMERS net assets have grown by over \$17 billion since the 2008 global credit crisis. This growth demonstrates the strength and robustness of OMERS business model with the capacity to generate growing investment cash yields and more than ample liquidity to withstand market shocks under stressed financial conditions. In 2003, OMERS adopted its current strategic plan including an investment strategy designed to provide balance between public and private market assets and to generate long-term, stable cash flows while maintaining liquidity. The strategy has evolved to incorporate avenues for growth and a "direct drive" ownership model providing OMERS with greater control of its investments at a lower cost.

In 2012, OMERS private market portfolio had a combined 13.79 per cent investment return. Long-term strong and stable returns in these private assets attest to OMERS foresight in beginning to shift assets to improve diversification in its portfolio through these investments. The commercial real estate managed by Oxford Properties represents \$9.1 billion of OMERS net investment assets and the reliable income stream from these assets reflects long-term leases with creditworthy tenants and an occupancy rate of over 90 per cent across Oxford's properties. Borealis manages \$9.8 billion of OMERS net investment assets through its infrastructure portfolio and bases its success on long-term financial contracts that have built-in revenue guarantees and inflation protection. OMERS Private Equity has built a large directly owned and actively managed portfolio of private companies and since 2010 has been replacing expensive reliance on external fund managers. It currently manages \$6.0 billion of OMERS net investment assets. OMERS Strategic Investments manages \$1.5 billion of OMERS net assets, principally in the oil and gas sector in Western Canada.

OMERS Capital Markets, which manages the public market portfolio including public equities, fixed income and debt investments, generated a 7.50 per cent return with \$35.0 billion of OMERS net investment assets. OMERS Capital Markets continued to evolve its investing strategies to mitigate the impact of volatile stock markets buffeted by the persistent European sovereign debt crisis, difficulties in the U.S. economic recovery, slower growth in China and depressed commodity prices in Canada. With interest rates continuing at or near historical lows, fixed income indices posted much lower returns than the past few years. OMERS continued its overweight fixed income strategy to preserve capital in light of continuing global uncertainty and to maintain adequate liquidity to meet the funding requirements for private market investments.

OMERS Primary Plan

Rate of Return and Benchmark

For the period ended December 31,	2012		2011	
	Rate of Return	Benchmark	Rate of Return	Benchmark
OMERS Capital Markets	7.50%	8.74%	-0.22%	1.26%
OMERS Private Equity	19.17%	22.09%	7.23%	-5.58%
Borealis Infrastructure	12.68%	8.60%	8.79%	8.00%
Oxford Properties	16.91%	7.15%	8.40%	6.83%
OMERS Strategic Investments	-10.13%	8.70%	7.24%	6.90%
Total Private Markets	13.79%	11.38%	8.20%	4.50%
Total Primary Plan Fund	10.03%	9.75%	3.17%	2.52%

The annual average rate of return and benchmark over the last one, five and ten-year periods are shown in the table below:

For the period ended December 31, 2012	One Year	Five Years	Ten Years
Rate of Return	10.03%	3.56%	8.24%
Benchmark	9.75%	4.08%	7.73%

Plan Asset Mix

One of OMERS investment strategies is to maintain a long-term asset allocation weighted 53 per cent to public market investments and 47 per cent to private market investments. At the end of 2012, private market investments comprised 40.1 per cent of our asset mix compared with 42.4 per cent at the end of 2011. Given the inherent volatility and the related impact of the global equity markets on the value of our public market investments, our investment professionals constantly manage our asset mix exposure, monitoring our long-term targets in each asset class to position OMERS for future growth.

OAC Financial Information

Financial Position

(millions)

As at December 31,

	2012	2011
Net Assets Available For Benefits		
Public markets	\$ 37,472	\$ 32,154
Private equity	7,465	7,753
Infrastructure	11,572	9,635
Real estate	15,846	14,516
Total investments	72,355	64,058
Other investment related assets and liabilities	(10,888)	(8,356)
Net investment assets	61,467	55,702
Due to administered funds	(905)	(828)
Net non-investment related assets	205	209
Net Assets Available for Benefits	\$ 60,767	\$ 55,083
Accrued Pension Obligation And Deficit		
Primary Plan		
Defined benefit component		
Accrued pension obligation	\$ 69,122	\$ 64,548
Deficit		
Funding deficit	(9,924)	(7,290)
Actuarial value adjustment of net assets	1,321	(2,337)
	(8,603)	(9,627)
	60,519	54,921
Additional Voluntary Contributions component pension obligation	170	94
	60,689	55,015
Retirement Compensation Arrangement		
Accrued pension obligation	555	504
Deficit	(477)	(436)
	78	68
Accrued Pension Obligation and Deficit	\$ 60,767	\$ 55,083

Changes in Net Assets Available for Benefits

(millions)

For the year ended December 31,

	2012		2011
Net assets available for benefits, beginning of year	\$ 55,083	\$	53,349
Changes due to investment activities ⁽ⁱ⁾	5,200		1,363
Changes due to pension activities ⁽ⁱⁱ⁾	484		371
Net Assets Available for Benefits, End of Year	\$ 60,767	\$	55,083

(i) Includes AVC income 2012: \$13 million, 2011: \$2 million.

(ii) Includes AVC net pension activity 2012: \$63 million, 2011: \$92 million.

Changes in Pension Obligations

(millions)

For the year ended December 31,

	2012		2011
OMERS Primary Pension Plan			
Defined Benefit Component			
Accrued pension obligation, beginning of year	\$ 64,548	\$	60,035
Interest accrued on benefits	4,193		3,904
Benefits accrued	2,561		2,434
Benefits paid	(2,654)		(2,375)
Experience losses	474		560
Changes in actuarial assumptions and methods	-		(10)
Accrued pension obligation, end of year	69,122		64,548
Additional Voluntary Contributions Component			
Additional Voluntary Contributions obligation, beginning of year	94		-
Contributions	67		93
Withdrawals	(4)		(1)
Attributed net investment income	13		2
Additional Voluntary Contributions obligation, end of year	170		94
Accrued Pension Obligation, End of Year	\$ 69,292	\$	64,642
Retirement Compensation Arrangement			
Accrued pension obligation, beginning of year	\$ 504	\$	468
Interest accrued on benefits	16		15
Benefits accrued	24		24
Benefits paid	(12)		(7)
Experience losses	34		4
Change in RCA provisions	(11)		-
Accrued Pension Obligation, End of Year	\$ 555	\$	504

Plan Funding

Over time, defined benefit pension plans like OMERS will cycle through periods of surplus and deficit. When a plan's estimate of its long-term pension obligations is greater than the value of its net assets, it is considered to be in deficit.

Public and private sector pension plans around the world are reporting funding shortfalls, in most cases as a result of the 2008 global credit crisis and related stock market collapse. As with many pension plans, our investment losses coupled with increasing actuarial liabilities have put OMERS in a deficit position.

At December 31, 2012, the estimated long-term pension obligation for all current members of the Plan was a little over \$69 billion. The actuarial value of OMERS assets for the purpose of determining the funding position is \$9.9 billion less than that, which represents OMERS actuarial deficit.

What does this mean?

OMERS current actuarial deficit is based on a point-in-time projection reflecting benefit payment cash flows over the next 70 or 80 years to OMERS current members as compared to the value of our current assets. It is not an annual budget shortfall, nor does it accumulate year over year into a growing debt. As well, it does not impact OMERS ability to pay pensions in the short or medium term. In fact, in 2012, OMERS collected \$3.2 billion in contributions, paid out \$2.7 billion in pension benefits and has over \$60 billion in net assets.

In a sense, the actuarial deficit represents a very early recognition of a funding shortfall that would not otherwise be apparent for decades. Taking steps to proactively deal with the actuarial deficit provides the assurance, even to those members starting work today, that their pension is well managed and will be there for them when they retire.

What action has OMERS taken?

OMERS has implemented a strategy to return to a fully funded position consisting of three components:

1. contribution rate increases introduced over a three-year period (2011, 2012 and 2013)
2. a benefit reduction starting in 2013 impacting Plan members who leave their employment before they are eligible for retirement; and
3. an investment strategy designed to generate strong and stable investment returns over the long term.

The contribution rate and benefit measures are set and reviewed annually by the SC Board. Based on our current projections, with the above strategy in place, the actuarial deficit will gradually begin to shrink in 2013 until it is eliminated over the next 10 to 15 years. The SC Board decided to file the December 31, 2011 valuation report with the regulator, which means the next required filing will be December 31, 2014, providing some clarity on the minimum required contributions for the related period.

Pension Services

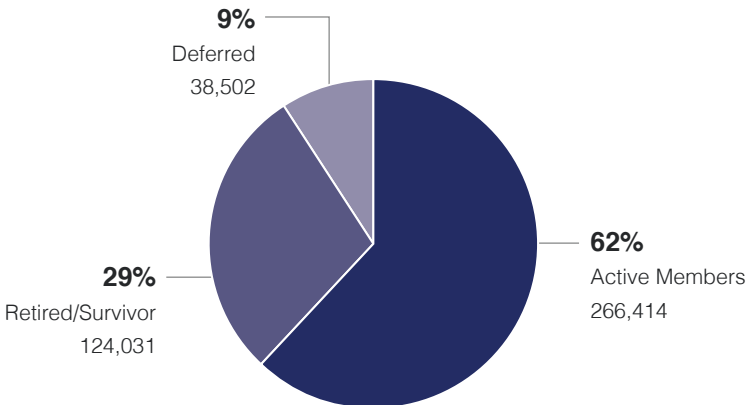
OMERS Pension Services provides frontline services to a growing number of members and employers. We believe in service quality, innovation and cost-effective solutions.

Service and Membership Highlights

- We now serve 968 employers and 429,000 members.
- We continue to provide a growing number of services to members: 190,000 telephone calls, 109,400 benefit claims and estimates, 4,300 transactions for buying employment service, 7,700 new pensions.
- 76,000 members have registered for the secure member site myOMERS.
- In 2012, there were 811,000 visits to OMERS website.
- The demographics of our membership are shifting: 48 retired members are over 100 years old and 58% of active members are age 45 or older.
- The accumulation of funds (including investment returns) in AVC accounts totalled \$170 million.

Membership Profile

As at December 31, 2012



Sponsors Corporation

Plan design and funding are critical to ensuring an affordable, sustainable and appropriately funded Plan that will fulfill the pension promise for the long term.

In 2010, the Sponsors Corporation established a strategy to address the funding deficit related to the losses incurred in 2008. Like most other pension plans, OMERS is currently dealing with a funding deficit that, as expected, continued to grow in 2012 as the last of the 2008 market losses were recognized. On January 1, 2013, we implemented the last phase of our strategy – increasing contributions to ensure the Fund received an additional 0.9 per cent in contributions from both members and employers as well as benefit changes for some members, effective January 1, 2013.

The SC Board conducted an independent actuarial review of contribution rate allocations to determine how contributions would be allocated in the future. Through this process the SC Board reached agreement on the 2013 contribution rates reflecting the last scheduled increase under the funding strategy, as well as agreement on how contributions would be allocated in the future.

In 2012, the SC Board made changes to the definition of contributory earnings, which limits earnings for pension purposes to seven times the Canada Pension Plan pensionable earnings limit. This change will have effect from January 1, 2016 for members enrolling prior to January 1, 2014. The change will have effect from January 1, 2014 for members enrolling on or after that date. The new limit will be in addition to the earnings limit which became effective January 1, 2011.

Governance was also an important focus for us this year. We participated with the OAC Board in the governance review that was defined in 2006 under the OMERS Review Act, at the inception of the current governance structure. Certain recommendations coming out of the Review will be addressed when the SC Board completes its review of the composition and appointment process for the OAC and SC Boards in 2013.

We will remain vigilant in assessing and responding to the pressures facing OMERS. As always, the SC Board works in partnership with the OAC Board to keep OMERS healthy and viable.

Financial Position

As at December 31,	2012	2011
Total Assets	\$ 2,627,770	\$ 2,580,334
Total liabilities	171,357	137,336
Net assets	2,456,413	2,442,998
Total Liabilities and Net Assets	\$ 2,627,770	\$ 2,580,334

Operations

For the year ended December 31,	2012	2011
OAC expense reimbursement and interest income	\$ 1,993,869	\$ 1,958,003
Expenses	1,980,454	1,948,458
Excess of Revenues Over Expenses from Operations	\$ 13,415	\$ 9,545

Maximize Your Retirement Income

SOURCES OF RETIREMENT INCOME



GOVERNMENT BENEFITS

CPP
OAS

PERSONAL SAVINGS

RRSPs
TFSA's
Other savings

OMERS PLAN

OMERS PENSION

A defined benefit pension

OMERS AVCs

An optional retirement savings opportunity

Increase your OMERS Pension

Increasing credited service in the Plan increases your retirement pension and survivor benefits, and it may allow you to retire sooner.

Ways to increase your credited service:

- 1 Transfer service from another registered pension plan
- 2 Buy past service with a former employer
- 3 Purchase a leave period with your current employer
- 4 Purchase OMERS eligible service

Learn more at www.omers.com/maxpension

AVCs

Invest in the success of OMERS with AVCs



DIVERSIFIED GLOBAL FUND

OMERS assets include **Golf Town, Bruce Power, Confederation Bridge** and **Associated British Ports**.



OMERS FUND NET RATE OF RETURN

Funds in an AVC account **earn the OMERS Fund rate of return** (less investment management expenses).

AVCs returned **9.5%** in 2012



COST-RECOVERY BASIS

OMERS AVCs operate on a **cost-recovery basis** – OMERS does not make any money from AVCs. This is why we're able to charge an administration fee of only \$35 (rate for 2013).

2 WAYS TO CONTRIBUTE TO AN AVC ACCOUNT



TRANSFER
funds from a registered retirement savings vehicle (e.g., an RRSP)



AUTOMATIC CONTRIBUTIONS
by pre-authorized debit (active members only)

Learn more at www.omers.com/avcs



OMERS

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