

# CONNECTIONS

OCTOBER 2020



## Message from Gail

Fall is here – again! 2020 is slipping away and there are only 4 months left to tuck away savings for this year's tax receipt. We are excited to offer a two minute video on YouTube, <https://youtu.be/SmKiC8OvUN4> called 'Business Plan Highlights'. Use this video to introduce SPP to your new employees and as a refresher for your existing employees. It will help them understand how they can save more if they choose, transfer in if they desire and recommend Saskatchewan Pension Plan (SPP) to their family and friends who are able to join.

Have your employees thought of giving their future self a raise as well? Even a dollar or two increase per week or month makes a difference.

It's a time to be thankful and your employees are fortunate that you are helping them by offering SPP. You are a part of making a more financially secure future. For that SPP says "Thank you very much!"

Warm regards - Gail

## Introducing Jody



We are pleased to introduce Jody Thoen. Born and raised in Saskatoon, she gained her client service experience through working at the airport with WestJet. Jody loves working with people and helping them find the required service they're looking for.

Jody recently started in our Saskatoon office located in the Norplex Business Center. She is busy learning about the uniqueness of SPP so she can work with Gail to help you with your business pension needs.

Saskatoon office hours are Monday 8:00 - 4:30; Tuesday and Thursday mornings 8:00 - 12:00. Call Gail or Jody at 306-249-0047 to discuss a virtual presentation or refresher for your business.

## ANNOUNCEMENTS

### TRANSFERS TO SPP

The deadline for 2020 is December 31, 2020. Funds must be in the SPP office on or before this date. Start your paperwork today. It may take 4 - 6 weeks to process your transfer.

### CONTRIBUTION DEADLINE

The deadline for 2020 is March 1, 2021. Contributions must be received by SPP on or before March 1 in order to receive a tax receipt for the 2020 income tax return. Contributions received March 2 or later will be applied to the 2021 tax year.

### 2021 CONTRIBUTION LIMIT

The 2021 contribution limit will be announced on SPP's website in December 2020. You may contribute any amount up to the maximum per tax year within your unused RRSP contribution room.

## BLOGS

Check out [savewithspp.com](http://savewithspp.com) for the latest interesting articles, book reviews, financial results and celebrity interviews.

## We're celebrating - Variable Benefit is here!

SPP received approval to offer the variable benefit (VB) to Saskatchewan residents at the end of September. We are looking forward to retiring the first group of members under this option on January 1, 2021.

To recap from previous updates, VB is a retirement income option with no maximum withdrawal restriction and the option to withdraw part or all of the balance at any time. It has many similarities to prescribed Registered Retirement Income Funds (RRIF) which are available from other financial institutions. The VB provides you with flexibility and control over when and how much retirement income you withdraw. Investment earnings continue to grow tax-sheltered and will allow you to stay actively invested with SPP while drawing income from your account. You will have access to the current Balanced Fund (BF) and Diversified Income Fund (DIF) for investing.

Interfund transfers will be allowed and the same processing deadlines and fees will apply. It is important to note that members who qualify for the small pension amount at retirement will not be eligible for the VB. Once in the VB, the member makes an election at the beginning of each year to use their own or their spouse's age for the minimum payment. There are no minimum payments required from the VB until age 72. Participants may choose to receive funds

monthly or to take lump sum payments throughout the year. There is a fee schedule for changes to payment schedules and multiple lump sum payments.

Payments from the VB are subject to withholding tax and, if the receiving member is 65 years of age, these payments are eligible for the pension income credit. VB members will be able to transfer in up to \$10,000 per year from existing RRSPs, RRIFs and unlocked RPPs; however, other contributions are not permitted.

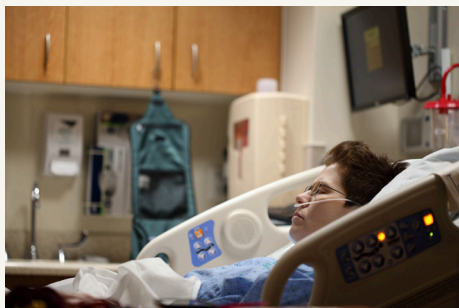
Subsequent to the VB election, members will be able to convert all of their remaining balance to an SPP annuity or transfer out to another VB, PRRIF or LIRA. When the VB starts, members can expect to receive an annual statement and an annual letter to determine their plans for the following year. When the funds in the VB account are depleted payments will stop.

The SPP Board and staff are excited to offer this enhancement to our retirement income options.

## Documents for young adults

I follow the Estate Connection newsletter from the Estate Connection Law Firm. Although they are Alberta based, the information in their newsletter relates to anyone.

A recent article that caught my eye was about the importance of an enduring power of attorney (POA) and a personal care directive for someone over the age of 18. This age group is daring and think they are invincible but injury is not out of the question. If injured, a POA can give quick access to a bank account, a WCB claim or their SPP account. Personal care directives ensure which family member can make medical decisions for them.



This is an excellent reminder that regardless of age, our personal affairs need to be in order.

*Submitted by Mary Ann, SPP Client Service Officer.*

## WELCOME TO THE WEALTHCARE REVOLUTION



### OFFICE REFRESH

Spend more time with Gail by booking a "Refresh". This can be done virtually. It is an excellent lunch time filler and no one has to leave their desk. We will set up a meeting and invite everyone.

Employees feel better about their workplace benefits when they know and understand them. We are here to help you with that! Call Jody and book your refresh today.

### SASKATOON OFFICE

#### Address

#206 Norplex Business Centre

#### Phone

1-306-249-0047

### KINDERSLEY OFFICE

#### Address

608 Main St PO Box 5555

#### Phone

1-800-667-7153

Visit [saskpension.com](https://saskpension.com) for a complete list of returns and further information on investment performance

### 2020 returns

	Q1	Q2	Q3	YTD
BF	-10.1%	8.4%	3.5%	0.9%
DIF	0.0%	3.5%	0.5%	3.9%

### Legend

BF - Balanced Fund  
DIF - Diversified Income Fund  
Q1 - First quarter  
Q2 - Second quarter  
Q3 - Third quarter  
YTD - Year to date



[SaskPension.com](https://SaskPension.com)

Publication mail agreement No - 40065736

CALL 1-800-667-7153

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WRITE Box 5555, 608 Main St Kindersley, SK Canada S0L 1S0

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[f/SaskatchewanPensionPlan](https://f/SaskatchewanPensionPlan)

EMAIL [info@saskpension.com](mailto:info@saskpension.com)

TELETYPE 1-888-213-1311

[in/company/saskatchewan-pension-plan/](https://in/company/saskatchewan-pension-plan/)

The SPP Contributions Newsletter is issued three times a year to provide members with general information about current issues affecting SPP. If any discrepancy arises between the information contained in this newsletter and the Act, the Act will prevail.