

CONTRIBUTIONS

OCTOBER 2020



**SASKATCHEWAN
PENSION PLAN**

YOUR RETIREMENT
GROWS HERE



We're celebrating - Variable Benefit is here!

Saskatchewan Pension Plan (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 (RRRIF) 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, RRRIFs 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, RRRIF 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.

ANNOUNCEMENTS

Future deadlines

Transfers to SPP - the deadline for 2020 is December 31. Funds must be in the SPP office on or before this date.

2020 contribution deadline is March 1, 2021.

2021 contribution limit - The 2021 contribution limit will be announced on SPP's website in December 2020.

Blogs

Check out savewithspp.com for interesting articles, book reviews, financial results and celebrity interviews.

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

Visit saskpension.com for a complete list of returns and further information on investment performance

30 is halfway to retirement

Have you thought about managing your retirement money? Learning at an early age is the perfect time. Thirty is halfway to retirement and it's scary how quickly your 60's and retirement decisions stare you in the face.



We all talk about a budget and sticking to it, setting career goals, paying yourself first or saving from your paycheck but there are many different ways to help yourself save money. Think outside the box. Simple things you can do around your home:

- Use programmable thermostats or keep your house at a constant temperature year round.
- Use your ceiling fans correctly - counter clockwise in the summer and clockwise in the winter.
- Replace faucets that drip; fix toilets

that leak. Less water equals smaller bills.

- Most providers recommend that you change furnace filters every 90 days. Help reduce your repair costs and allow your furnace to operate at maximum capacity.
- Weather stripping and window coverings help to hold heat in your home.

On the money side of things think about these points:

- Establish a retirement goal so you know what you are working toward. Review your plan regularly.
- Stick to your budget, speak to a financial advisor and build your portfolio.
- Educate yourself on different tools that will help you reduce your tax. Ask questions.

If you are receiving this newsletter, you have already started to save for retirement with SPP. Thanks for continuing your journey with us.

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.*

Saskatoon office



We are pleased to introduce Jody Thoen. 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 - 5:00 and Tuesday and Thursday mornings 8:00 - 12:00, Call Gail or Jody at 306-249-0047 to discuss a presentation or refresher for your business.



NEW WEBSITE, NEW LOOK!

Saskpension.com has a new look. We invite you to check it out today. You will find the same information as always and we are ready to assist you with navigating the new layout.

WHAT'S ON OUR WEBSITE

- We've compiled forms necessary for members or their representatives in one place:
 - Transfer funds into SPP
 - Pre-authorized contribution forms
 - Change in PAC/PCC form, and
 - Designation of Beneficiary form
- Short videos about SPP and other key information
- Newsletters
- Access to MySPP to view contribution history, account information and view and print tax slips and statements.

MISSING MEMBERS

If you know these members, please contact our office.

- Stanley Davies
- Lucienne Raymond
- Kuanren Yang
- June M Waldner
- Lois A Renner
- Lesley B Stuhr
- Ella Sum
- Phillip Ng
- Barbara E Smith



**SASKATCHEWAN
PENSION PLAN**

SaskPension.com

Publication mail agreement No - 40065736

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f/SaskatchewanPensionPlan **in**/company/saskatchewan-pension-plan/

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TELETYPE 1-888-213-1311

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.