



VARIABLE BENEFIT PAYMENT FLEXIBILITY

Canada's Food Price Report 2022, came out recently and warned Canadians to expect to pay even more for food in the next year. It forecasts that food prices will surge between five and seven per cent in 2022. That raises the annual food bill of a family of four to \$14,767, which is \$966 more than they paid in 2021.

With increasing costs as a result of the pandemic and ongoing supply chain issues, one needs to be even more mindful of their personal finances and make sure that their investments are at least matching inflation.

One of the benefits for variable benefit (VB) members is payment flexibility. If your financial needs have changed, you have the option to change your scheduled payments to fit your needs. Each year you can make changes to your monthly or lump sum payments. A \$50 fee is charged after the second lump sum payment request in the year. All payments are deposited directly to your bank account.

Beyond changing your benefit amount and frequency, you also have the ability to adjust how your money is invested within the VB by changing the amount allocated to the Balanced Fund (BF) and/or the Diversified Income Fund (DIF). These



choices allow you to experience investment growth and limit your downside risk. The objective of the BF is growth while the purpose of the DIF is to provide a lower risk option.

Now that you have had some time in the VB fund and you are aware of its features, you may want to review and consider how it works in your overall financial plan. It is important to note, CRA requires minimum payments to begin the year after you turn 71. You have a beneficiary associated with your VB account. For estate planning purposes, how will it be handled upon your passing and are you familiar with the rules surrounding the death benefit payout?

We are happy to answer all your questions and encourage you to contact us.

2022 SPP RESOLUTIONS

I will review my tax situation.

I will confirm my mailing address, phone number and email address.

I will update my VB beneficiary information.

I will set up MySPP access to monitor my VB account.

T4A AND GENERAL INFORMATION

Included with this newsletter is your 2021 T4A. This slip records any taxable benefit you received during the year and is required when you file your income tax return with Canada Revenue Agency (CRA).

- SPP income is taxable to the person named on the T4A.
- If you are 65 or older, amounts in Box 133 qualify for the Pension Income Amount.
- Payments from the VB are subject to tax based on your CRA TD1 forms.

INTRODUCING...



David Musisi, Retirement Information Officer

During my first four months with the Plan, I have had the pleasure of speaking to or

meeting with some Saskatchewan Pension Plan (SPP) members. I am a Finance graduate from the Sobey's School of Business and have worked in the financial services industry for over 15 years.

If you have any questions on topics related to your SPP account, investments or anything financial, I am interested in finding the information that will help you make an informed financial decision based on your unique circumstances and the options available to you.

Watch for articles written by me in each SPP newsletter where I hope to provide you with useful information to consider about investing and retirement.

KEEP SPP POSTED ABOUT LIFE CHANGES

SPP is with you every step of the way in your retirement. We know you worked hard to get here so we want to ensure you enjoy it – and for that reason, it's important you keep us posted on any changes in your personal information.

Here are some examples of the changes we need to know to keep your account up-to-date:

- Your address – let us know if you move, so that your SPP tax receipts and statements go to the correct address. Please provide new TD1 information based on your province of residency.
- Your contact information – let us know if your phone number or e-mail address changes.

- Beneficiary information – check your beneficiary designation regularly to ensure death benefits are directed according to your wishes.
- Payments – if you want to change your payment amount, schedule or tax withholding, please let us know.

You can reach us in several ways:

- By telephone: 1-800-667-7153
- By email: info@saskpension.com

Forms for making changes to your account are available on our website. MySPP offers “live” information on your account balance and you can check your personal information to see if it is current. Please keep us posted as we work together on building your retirement savings!

FROM THE BOARD TABLE...

Administration and trusteeship of SPP is assigned, by legislation, to a Board of Trustees. Currently there are six trustees: Tim Calibaba, ICD.D, Chairperson; Paul Jaspas, SVM, FCPA, FCA; Kimberly Enge, ICD.D; Rodney Trayhorne, MPAcc, CPA, CA; Rene Benoit, CFA, ICD.D; and Barbara Shourounis, LLB. These trustees bring legal, financial and accounting expertise to their role with SPP. The board meets at least quarterly to review investment performance and Plan operations.



SPP Board of Trustees: Back row L to R: Kimberly Enge, Paul Jaspas, Rene Benoit; Front row L to R: Tim Calibaba, Rodney Trayhorne, Barbara Shourounis.



PAYMENT UPDATE

Upon introduction of the variable benefit, payments were to be released on the last day of the month. We subsequently determined that operationally we should be able to release payments mid month, once earnings were allocated and your account balance was known. The target payment date of the 15th was set and communicated to you on that basis.

We have since determined that while we anticipate making the payments by the 15th in most months, there are a few months each year where we won't be able to meet that deadline. This is due to various factors such as when we get the fund information from our custodian and investment managers. Our processes are also impacted by how many business days are available to process the information. There will be a few months of the year where the payments are made between the 15th and the 20th. January and February are examples of that timing, particularly because we are also closing off year-end during this time. We will continue to work diligently to make enhancements to processes that are under our control.

MISSING MEMBERS

If you know these members please contact us:

Stanley Davies
Kuanren Yang
Lucienne Raymond
Joyce Shaw



**SASKATCHEWAN
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