



SHEPPNews

2019

RETIRED MEMBER NEWSLETTER

Is 2019 the Year You Create or Update Your Estate Plan?

Having your affairs in order not only gives you peace of mind; it'll help your loved ones if they ever have to deal with the unexpected

Kathy, age 63, is a SHEPP pensioner who retired almost 10 years ago. She worked as a registered nurse for over 30 years. These days, Kathy enjoys spending time with family and friends, especially her five grandkids, and volunteering in her community.

Kathy recently started preparing an estate plan. After hearing too many stories of others who've passed away without having their financial affairs in order, she's motivated to get hers done in 2019. Kathy doesn't want her family to bear the burden nor unexpected costs at a very difficult time. "As a nurse, I've seen people's lives change so unexpectedly. I want to have my affairs in order just in case," she said.

In her work, Kathy often saw families struggle when a loved one required a medical intervention. Often nobody was certain what their loved one wanted since a health care directive had never been considered. As well, these family members were struggling to manage the financial affairs of their loved one, since no one had the legal authority to deal with these matters.

Let's face it, none of us are keen on dealing with the inevitable – our eventual passing. To help you tackle your estate plan, or update the one you already have, here is a basic estate planning checklist. It can be as simple or detailed as you want. The key take away: your estate plan gives you and your loved ones peace of mind by outlining your wishes when you are no longer able to voice them for yourself.

1 Create/Update Your Will

A will is the cornerstone of any estate plan. While you can handwrite your own will, using a lawyer to prepare your will may help avoid any confusion or problems later on. Most lawyers and notaries offer a low-cost service for simple wills.

2 Prepare an Inventory of Your Assets and Debts

Create a list of everything in your home (inside and out) that is worth \$200 or more. Also, add non-physical assets you own, such as bank accounts, investments, pensions and insurance policies.

Continued on page 2



FUNDED STATUS IMPROVES

SHEPP recently completed a valuation which showed an improvement in the Plan's funded status. The highlights of the valuation as at December 31, 2017, include:

- The going-concern funded ratio improved to 95% (from 91% in 2015); and
- The unfunded liability was reduced to \$385 million (from \$594 million in 2015) – a difference of \$209 million.



SHEPP's Board of Trustees regularly monitors the funded status of the Plan and performs an actuarial valuation at least every three years. You can access SHEPP's *2017 Valuation Results* at www.shepp.ca.

T4A FOR FILING INCOME TAX

When it's time to file your income tax, you will need a T4A for your SHEPP pension (retirement or survivor), which indicates taxable income paid and the amount of tax withheld.

By the end of February, SHEPP will mail your T4A to the address we have on file. Once the T4As have been mailed, a copy will also be accessible online through **SHEPPWeb**.

To change the amount of income tax withheld from your SHEPP pension, you can submit the required TD1 forms or send a signed letter to SHEPP indicating the amount you would like deducted.



SHEPP
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Continued from page 1

Next, list all of your current outstanding debts, which may include a mortgage, auto loans, credit card balances, or a line of credit.

3 Review and Update Your Beneficiaries

Be sure to review the beneficiaries listed on any of your registered accounts, such as RRSPs, RRIFs and insurance policies. Make changes if your personal circumstances have changed. By having your beneficiaries up-to-date, your beneficiaries will receive their money in a timely manner and without paying the costs associated with probate.

As for your SHEPP pension, updating your beneficiaries will depend on the form of pension you chose at retirement. Log in to [SHEPPWeb](#) and select *Pension Details* from the web SERVICES menu to review your pension details, including your beneficiary or beneficiaries. Or, feel free to contact SHEPP by email or phone.

4 Set-up a Power of Attorney

As part of your estate plan, a power of attorney (POA) is a document that allows you to appoint someone else to handle your financial affairs and property on your behalf, if you're unable to do so. In Saskatchewan, a power of attorney must be in writing and signed by you. For more information, refer to SHEPP's *Power of Attorney Information Sheet* at www.shepp.ca.

5 Create a Health Care Directive/Living Will

Another important document that all adults should have is

a health care directive or living will. This allows you to make your health care treatment choices known in advance if you're not able to express them directly. An important part of a health care directive is appointing a *proxy* – someone you legally appoint to be your health care decision maker when you're not able to make or communicate those decisions for yourself. Like a POA, you must sign and date this document for it to be valid. You can access a health care directive form from the Saskatchewan Healthcare Authority in your region.

6 List of Important Documents

Create a contact list that includes the names and contact information of your executor(s), lawyer(s) and the beneficiaries of your will. Also include the details of your financial planner, investment advisors and any other professionals who may handle your assets.

Next, be sure to specify where to find your financial records, will, power of attorney, health care directive, income tax returns, bank accounts, pension information, safe deposit box, and insurance policies. Some people assemble a binder with all the information in one easy-to-access spot.

Hopefully, this estate plan checklist will help you move forward with either creating your plan or updating the one you already have. Plus, be sure to let your loved ones know where they can access the information, if it's ever needed. It will truly be appreciated – especially at a time that's often filled with grief and uncertainty.



IMPORTANT REMINDERS

Keep your personal information up to date

Changing your address

Update your address online through [SHEPPWeb](#) or contact SHEPP by email, phone or letter mail to ensure you receive your T4A and other SHEPP information in a timely manner.

Changing your account or financial institution

Let SHEPP know if your banking information changes. For security reasons, we require your new account information and your signature by fax or letter mail.

Changing your marital status or beneficiaries

Contact SHEPP with changes to your spousal information and beneficiaries. Depending on the form of pension you chose at retirement, a benefit may be payable upon your death. You can review your pension details, including the form of pension you chose by logging into [SHEPPWeb](#).

2019 Pension Payment Schedule

Thursday, January 31	Wednesday, July 31
Thursday, February 28	Friday, August 30
Friday, March 29	Monday, September 30
Tuesday, April 30	Thursday, October 31
Friday, May 31	Friday, November 29
Friday, June 28	Tuesday, December 31

