



● HOW TO MAKE THE MOST OF YOUR NEW WSA

What is a WSA?

A WSA (Wellness Spending Account) is a dedicated spending account designed to support your health and wellness. This account can be used to pay for items or services that promote a healthy and active lifestyle. Eligible employees receive \$400 in their WSA each calendar year, and all eligible expenses are fully reimbursed. Your WSA is for you only (spouses and dependants are not eligible).

How to use it?

Wellness is personal. Your WSA gives you the freedom to spend your funds as you like, choosing from a wide range of eligible expenses. Make the most of it by following these simple steps.

1. Check if the service or equipment you want is within eligible categories (see the list on the next page).
2. If it is, pay for it and save the receipt.
3. Submit your claim to ClaimSecure along with a request to deduct the charges from your WSA account. You have until March 31 of the following year to submit expenses you incur during the current year.

IMPORTANT!

Your WSA is a taxable benefit. Reimbursements will be reported on your T4. This means that while the income tax related to this benefit will not be deducted from your pay, it will be payable when you file your annual income tax return.

YOUR CHURCH BENEFITS AS AN ANCHOR IN A WORLD OF ECONOMIC UNCERTAINTY

In these times of economic uncertainty, it's natural to feel a sense of unease about the future. As you continue to serve the Church, we want to assure you that we are here to support your well-being – both during your working years and into retirement.

YOUR CHURCH PENSION AT A GLANCE

The Church is committed to promoting your long-term financial security. We understand that retirement planning is a key part of your future, which is why we're proud to offer you a defined benefit (DB) pension.

How it works

- ✓ Your DB pension provides you with guaranteed monthly payments, starting upon your retirement.
- ✓ The amount you receive each month is based on a set formula that considers the Pension Factor, your Benefit Rate Factor and Credited Service.
- ✓ Your DB pension will provide you with a portion of your total retirement income. Other sources include government benefits and personal savings/income.

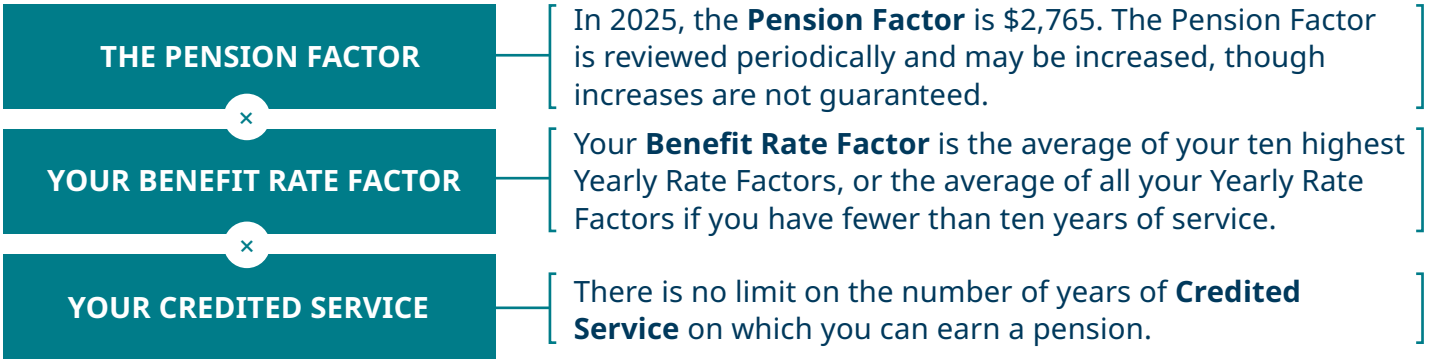
The uniqueness of this benefit

With a DB pension, you are promised guaranteed payments for life once you retire. What's more, the Church pays the full cost of your pension. The Church is responsible for the funding, investment and management of the pension fund, ensuring you receive your promised pension benefit. You do not have to make any contributions to the plan or bear any investment risk.

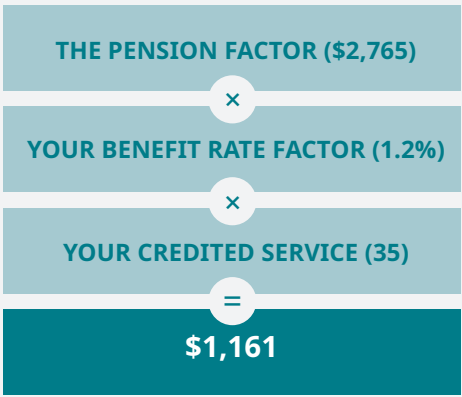
This is an increasingly rare benefit in Canada. Unlike most Canadians working in the private sector who earn a defined contribution (DC) pension, you do not need to worry about market volatility or outliving your company pension, as your Church DB pension guarantees a steady stream of income regardless of circumstances.

Calculating your pension

We use the following formula to determine your pension (assuming you retire on your Normal Retirement Date):



Let's consider Claire as an example. She has been employed full-time with the Church in Canada for 35 years and chooses to retire at age 65 (her normal retirement date). If her Benefit Rate Factor is 1.2% and the Pension Factor is \$2,765, her monthly life-only pension will be calculated as:



This is Claire's life-only pension, which means she will receive \$1,161 every month for her lifetime, regardless of the number of payments made. Payments stop at the time of her death (i.e., no continuing payments to a surviving spouse).

Note that if you choose to retire before your normal retirement date of age 65 and your age plus years of Service Credit is less than 95 at the time, you will receive a reduced pension. The reduction is 0.5% for each month (or 6% for each year) that you retire before age 65. Find out more in our retirement plan booklet: www.adventist.ca/retirement.

DID YOU KNOW?

We also offer a Group Registered Retirement Savings Plan (GRRSP) and a Tax-Free Savings Account (TFSA) as additional ways to help you save for retirement. Participation is voluntary, but the Program comes with matching employer contributions (certain conditions apply). Refer to the Supplemental Group Savings Program booklet for full details: www.adventist.ca/retirement.



ELIGIBLE WSA EXPENSES

Fitness-related services such as:

- Fitness club memberships
- Registration fees for fitness programs, classes and lessons
- Sports team memberships and registration fees
- Court fees, green fees, ski passes, lift tickets, league/ tournament fees and race registrations
- Personal trainers, fitness consultants and lifestyle consultants

Fitness equipment such as:

- Skates, roller blades, bicycles, specialized athletic footwear, tennis racquets, golf clubs, safety helmets and specialized sports equipment
- Treadmills, exercise bikes or universal gyms

Health-related services such as:

- Weight management programs (excluding food)
- Nutrition programs and counselling
- Services of eligible alternative health practitioners
- Stress management programs
- Cholesterol and hypertension screening
- Health assessments
- Allergy tests
- Vitamins and supplements, including herbal products

Use it or lose it!

Unused WSA balances cannot be carried forward. Any funds remaining will be forfeited by December 31 of the year in which they are granted.

Check your available WSA balance today and make sure you're not missing out. Visit your e-profile on the ClaimSecure website or app, or contact Health Benefits Administration for full details.



SEE THE FULL PICTURE WITH THE SDACC RETIREMENT PLANNER

The online SDACC Retirement Planner offers detailed pension information and planning tools that allow you to make financial projections of your retirement savings. You can also access your latest annual pension statement to see how much pension you have earned.

- ✓ Visit <https://eepoint.willistowerswatson.ca/sites/sdacc/ess> to access this tool any time on your cell phone, tablet or computer!
- ✓ We recommend using the planner's **Model My Retirement Income** tool. This tool provides an estimate of your monthly pension benefit from the Church and allows you to add other sources of income, including government benefits, your GRRSP, TFSA and personal savings. It is a helpful tool for viewing your overall retirement savings and modelling different income scenarios depending on when you choose to retire and the form of pension you would like to collect.

PROTECT YOUR FUTURE WITH THE RIGHT INSURANCE

In the realm of financial planning, insurance plays a key role in safeguarding against financial hardship. By understanding the types of insurance available and making informed choices for your retirement, you can help ensure a peaceful future for yourself and your family.

You receive Life Insurance coverage automatically as an active employee of the Church. It is important to know that **this coverage will reduce by 50% at age 70 and cease when your Church employment ends** (at any age and for any reason, including retirement). However, you have the option of converting your group coverage to individual coverage within 31 days of ending Church employment. The advantage with this approach is that you experience no interruption in coverage and you can convert to an individual policy without having to provide proof of good health.

You may also be eligible for post-retirement benefits from the Church, including a Health Allowance that provides an annual amount you can put toward medical and dental expenses (refer to page 9 of our retirement booklet to determine your eligibility). Even with government healthcare and the possibility of medical and dental coverage from the Church, you should consider supplemental coverage based on your needs.

Listed below are the most common types of private insurance to consider for your retirement years:

- ▶ **Life Insurance** pays a sum of money to your chosen beneficiaries in the event of your death. This money can help your family cover expenses and maintain their financial stability after you pass away.
- ▶ **Medical and Dental Insurance** ensures access to a broad range of care by helping to cover healthcare costs that aren't fully paid for by provincial healthcare systems. These include costs for medical equipment and supplies, dental care, vision, private or semi-private hospital stays, and paramedical services.
- ▶ **Travel Insurance** is designed to protect against unexpected events and financial losses that can occur while travelling, such as medical emergencies, trip cancellations or lost luggage. This type of insurance is relatively inexpensive and can be a good idea when you travel.

Tips for making the right choice

1. **Start by assessing your specific needs and priorities.** Determine the areas of your life that require protection, such as health or income. Consider your current financial situation, including your assets, liabilities and dependants, to identify potential vulnerabilities.
2. **Next, research the different types of insurance policies available** to address your identified needs. Compare the coverage options, premiums, deductibles and policy terms offered by various insurance providers. Consider the reputation and financial stability of the insurance companies.
3. **Regularly review your insurance coverage** to ensure it remains adequate and up to date. Life circumstances change over time and your insurance policies should adapt accordingly. Don't forget to adjust your coverage limits, deductibles and beneficiaries as needed, to maintain optimal protection.

It is highly recommended that you consult with a qualified financial advisor or insurance broker who can provide personalized guidance based on your unique circumstances.

TELL US WHAT YOU THINK!

If you have any questions, comments or suggestions about this newsletter, please don't hesitate to contact the Retirement Department:

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NEXT ISSUE

Topic idea?

Let us know.
We welcome suggestions.