

Cremasco's Corner

Quarterly Journal of Group Benefits & Retirement

Winter Issue - 2014



Featured Client!!!

2nd Chance Employment Counselling!

2nd Chance Employment Counselling has been helping the people of Guelph and Wellington County for almost 40 years.

We are a not-for-profit, registered charity, with the goal of helping individuals with varied skills, experience and life history find employment. We work with individuals on their job search skills which include: resume & cover letter writing, succeeding at an interview and successfully using the internet and social media. We provide assistance in accessing training programs which help lead to a better job or maybe a more sustainable position.

Over the years, 2nd Chance has evolved to include resource centres with access to computers, photocopiers and job boards, but most importantly, staff who can provide information and assistance. In addition, we offer very specialized programs for individuals with disabilities, students and youth to ensure all aspects of an individual's life is considered when job searching and working.

For employers, we provide support in hiring, wage incentive programs and access to a strong pool of job seekers. We also look to employers for opportunities which can enhance their workplaces, provide newly trained individuals or give individuals with disabilities the opportunity to gain employment experience and be part of the working community.

All our services are fully funded through grants from the Provincial and Federal governments. We have two locations in Guelph, downtown at 177 Norfolk St and at the Youth Resource Centre, 2nd Floor of Stone Rd. mall as well as an office in Fergus at 160 St. David St. S. (beside the Brewhouse Restaurant).

***LET US KNOW WHEN YOUR COMPANY IS IN THE NEWS!!!**

Meet the Team

Name: Patricia Vergados -This Quarter's Guest Newsletter Editor

Likes: Cooking, traveling and spending time with family

Dislikes: Cleaning

Status: Married with an active little girl

Hire Date: January 6, 2014

Experience: Studied Financial Planning Management at George Brown College, followed by 5 years working at IPC's head office. Most, recently she spent 5 years at the Worldsource head office in Markham prior to joining Cremasco.

Job Title: Individual Product Specialist

Functions: Providing high level customer service and administrative support.



Patricia Vergados

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TRIVIA

Last quarter's winner

No winner

The Correct answer was;

The Lurch

Who was the first star to appear as Cosmopolitan magazine's centrefold?

- a) Ryan Reynolds
- b) Christian Bale
- c) Burt Reynolds
- d) Jason Statham

Enter the draw by emailing trish@cremasco.com with the correct answer for a chance to WIN a \$20 Tim's Card!

www.cremasco.com

Maximum Contributions and Benefits for 2014

In the fall, The Canada Revenue Agency (CRA) announced the maximum contributions and benefits for 2014 retirement savings plans as follows:

- Defined contribution pension plans – The maximum contribution increased from \$24,270 in 2013 to \$24,930 in 2014.
- Deferred Profit Sharing Plan – The maximum contribution increased from \$12,135 in 2013 to \$12,465 in 2014.
- RRSP – The maximum contribution increased from \$23,820 in 2013 to \$24,270 in 2014.
- Defined benefit pension plans – The maximum benefit per year of credited service increased from \$2,696.67 in 2013 to \$2,770 in 2014.
- Tax-Free Savings Account – The maximum contribution remains at \$5,500 in 2014.



The Yearly Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan increased from \$51,100 in 2013 to \$52,500 in 2014. The YMPE under the Quebec Pension Plan also increased from \$51,100 in 2013 to \$52,500 in 2014.

Ontario Ministry Economic Outlook & Fiscal Review 2013

On November 7, 2013 the Ontario government released its Economic Outlook and Fiscal Review 2013.

The Ontario Minister of Finance indicated that the Ontario government would engage with interested parties on how PRPPs (pooled registered pension plans) should be implemented in Ontario. On November 29, 2013, the Minister of Finance released a consultation paper to solicit the opinions of interested stakeholders on a framework to implement PRPPs in the province. All submissions to the Ontario government were to be received by January 20, 2014.

In addition, the Ontario Minister of Finance also indicated the Ontario government would continue working with provincial and the federal governments for an enhancement of CPP. If an agreement couldn't be reached, Ontario would then move forward with a "made in Ontario" solution.

The Ontario Minister of Finance proceeded to make several additional announcements with respect to retirement issues, such as the development of regulations that would allow DC pension plans to pay retirement income directly to retirees (RRIF-like payments) and the finalisation of new regulations on split pensions and asset transfers between pension plans. These new regulations, been finalized and came into effect on January 1, 2014.

Ontario makes changes to financial hardship unlocking

New rules came into effect on January 1, 2014, for individuals who would like to withdraw locked-in funds for financial hardship from Locked-In Retirement Accounts (LIRA), Life Income Funds (LIF) and Locked-In Retirement Income Funds (LRIF). As a result, the following changes took effect:

- Individuals have to apply directly to their financial institution for financial hardship withdrawals, rather than to the Superintendent of Financial Services.
- The financial institution is responsible for reviewing each application to determine if it meets the requirements. If the requirements are met payment or transfer from the account in accordance with the relevant section of the regulation will be completed.
- The financial institution is required to make the payment or transfer within 30 days after it receives the completed application and required documents.
- The number of categories of financial hardship has been reduced from seven to four:
 - medical expenses, including expenses for renovations or alterations to a principal residence made necessary by illness or physical disability;
 - rent or mortgage arrears on a principal residence;
 - first and last month's rent for a principal residence; and
 - low expected income.
- The financial institution cannot permit a withdrawal should the maximum amount requested of the applicant be less than \$500.
- An individual is not entitled to make more than one application under each of the four financial hardship criteria per calendar year.

For more information please refer to the CRA website.

Provincial Health Care Changes

We believe it is important to understand how other provinces are dealing with their health care issues. Here is quick update on the changes New Brunswick, Prince Edward Island and the Yukon Territory have and will be introducing.

On December 10, 2013, the government of New Brunswick tabled Bill 27, the Prescription and Catastrophic Drug Insurance Act, aiming to create a provincial prescription drug insurance plan to help citizens afford prescription drugs and prevent financial hardship due to the cost.

Effective immediately and continuing until March 31, 2015, the Act will prohibit private plans from amending or cancelling prescription drug coverage for the primary purpose of transferring costs to the New Brunswick Drug Plan. Coverage on approved drugs of the program will be rolled out in two phases with the drug plan being fully implemented on April 1, 2015 as follows:

Phase 1: Effective May 1, 2014 - Enrollment will be voluntary and individuals will not be subject to medical underwriting or waiting periods. New Brunswickers with a valid Medicare Card and no private prescription drug coverage will be eligible if they have reached their annual or lifetime drug coverage maximum or require a specific drug not covered by their private prescription drug plan. The drug plan will have a 30% co-payment, with a \$30 maximum per prescription. Annual premiums will range between \$800 and \$2,000 per adult, depending on individual or family income.



Phase 2: Effective April 1, 2015 - Prescription drug coverage will be mandatory in New Brunswick with the \$30 maximum per prescription remaining subsidized in a similar manner.

The Minimum Coverage Standard will be as follows:

1. All drugs listed as a minimum requirement on the New Brunswick Drug Plan must be covered by private drug plans.
2. All members of the family unit must be offered coverage.
3. Coverage cannot be refused on the basis of age, gender or state of health of any member of the family unit.
4. There must be no annual or lifetime limit on the amount of coverage for drugs listed on the drug plan.
5. To protect group plan members against high costs, a maximum out-of-pocket for each insured person no greater than \$2,000 per year, or no deductible/co-payment no greater than \$30 per prescription must be in place.
6. For a group plan that provides multiple options, at least one option must meet all of the above criteria, and group plan participants must be allowed to change to that option within one year, or after a life event (birth, death or marriage, etc.).
7. Drug insurance must be offered and must meet the minimum coverage standards if the group plan provides vision, dental, medical insurance and a health spending account.
8. Disability, life, accidental death or dismemberment, or critical illness insurance won't create the obligation to offer drug coverage under a group plan.

It is too early to indicate whether private group plans will be impacted and to what extent. More information on the New Brunswick program is available at <http://www2.gnb.ca/content/gnb/en/departments/health.html>.

As planned, the Prince Edward Island's Catastrophic Cost Drug Program came into effect on October 1, 2013. A private plan is always first payer and the program is a last-resort program. You may find more information on the New Prince Edward Island's Catastrophic Cost Drug Program at <http://healthpei.ca/catastrophic>

In the Yukon, amendments to the Health Care Insurance Plan Act were tabled in the Yukon Legislative Assembly on November 6 with Bill 65. The amendments will make it clear to Yukoners what the requirements will be for maintaining Yukon health care, including coverage when they are away from the territory. The regulations will be developed over the next few months and are anticipated to come into force in the spring of 2014. Please visit <http://www.hss.gov.yk.ca/> for more information.

Youth Employment Fund

Ontario's new Youth Employment Fund was introduced in September of 2013 to help employers offer four-to six-month job and training placements for young individuals seeking employment.

The Ontario government established the fund as part of the new Youth Jobs Strategy for youth not in school full-time and who are between the ages of 15-29. The fund will provide up to \$7,800 to cover a range of supports and services for each eligible young worker. This includes up to \$6,800 to help employers cover wages and training costs, and up to \$1,000 to help young workers pay for job-related costs like tools and transportation to work. The strategy is also aimed to help young people start their own businesses, and ensure that employers can find the skilled workers they need to grow their businesses as part of the Ontario government's plan to strengthen the economy and build a fair and prosperous society.

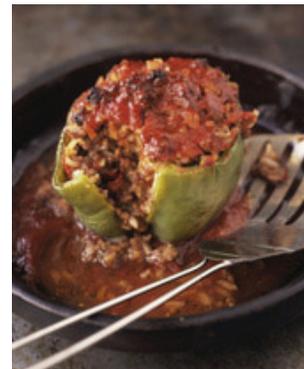
More information on the fund can be found at <http://www.tcu.gov.on.ca/eng/employmentontario/youthfund/>

Everyone needs a good main meal so try this mouth-watering recipe and let us know what you think...

Stuffed Peppers with Ground Beef & Rice

Ingredients

- ✿ 6 bell peppers
- ✿ 1 tablespoon butter
- ✿ 1 tablespoon olive oil
- ✿ 1/2 cup chopped onion
- ✿ 1/2 cup chopped celery
- ✿ 1 can (14.5 ounces) diced tomatoes
- ✿ 1 can (8 ounces) tomato sauce
- ✿ 1 clove garlic, crushed
- ✿ 1 teaspoon dried leaf oregano
- ✿ 1/2 teaspoon dried leaf basil
- ✿ 2 teaspoons salt, divided
- ✿ 1/2 teaspoon ground black pepper, divided
- ✿ 1 egg, lightly beaten
- ✿ 1 1/2 teaspoons Worcestershire sauce
- ✿ 1 1/2 pounds lean ground beef or chuck
- ✿ 1 1/2 cups cooked long-grain rice
- ✿ shredded mild Cheddar cheese, about 1/2 to 3/4 cup, optional



Preparation:

Directions for stuffed peppers with ground beef and rice.

Cut tops off peppers; remove seeds and membranes. Chop edible part of tops and set aside. Rinse peppers under cold water. Place peppers in a large pot; cover with salted water. Bring to a boil; reduce heat, cover, and simmer for 5 minutes. Drain peppers and set aside.

Heat olive oil and butter in a large skillet over medium heat until hot. Sauté chopped green pepper (from tops), chopped onion, and chopped celery for about 5 minutes, or until vegetables are tender. Add tomatoes, tomato sauce, crushed garlic, oregano, basil, 1 teaspoon salt, and 1/4 teaspoon of pepper. Simmer for about 10 minutes.

In a large mixing bowl, combine egg with remaining 1 teaspoon salt and 1/4 teaspoon pepper, and Worcestershire sauce. Gently stir to blend; add ground beef, cooked rice, and 1 cup of the tomato mixture. Mix well. Stuff peppers with meat mixture and place in a 3-quart baking dish. Pour remaining tomato mixture over the stuffed peppers. Bake at 350° for 55 to 65 minutes. If desired, top stuffed peppers with a little shredded Cheddar cheese just before peppers are done; bake until cheese is melted.

Buon Appetito!

Our Thoughts:

Looking forward to Lina returning back to work soon!

"Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time." Thomas A. Edison

**We appreciate
YOUR BUSINESS!**

Our motto "of common purpose"™ speaks to our belief; it is only in helping our clients to succeed that we too are able to succeed."

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