



# EMPLOYER BULLETIN

March 2012

## New Enrolment Process – Your Quick and Easy Guide

The Public Employees Pension Plan (PEPP) is making member enrolment in the Plan the easiest it's ever been. Beginning April 1, you won't provide enrolment kits to employees; all you have to do is pass along the information to PEPP that we need to enrol the employee.

### *What Do I Have to Do?*

For employees with the option to join, you need to provide some information to help them decide. Attached is *It Pays to Belong*, a new document that gives new and potential members a simple overview of PEPP. Along with this is a form you can use to record whether the employee chooses to enrol or to decline membership. If the employee chooses to join, enrol them like you would an employee who is required to join the Plan.

If an employee is required to join the Plan (a permanent employee, or when enrolment is a condition of employment), all you have to do is give the employee a copy of *It Pays to Belong* and send PEPP the employee's information as you normally would. Some employers send e-mail notices to PEPP, others mail or fax the *Notice of Member Enrolment form*. Either way, once you send the information to PEPP (authorizing the employee to enrol in the Plan), your job is done - we'll handle the rest.

### *What About the Other Pension Information/Forms I Used to Collect?*

The new process means PEPP will contact the employee directly to get their beneficiary designation and investment option, so you no longer need to collect additional information.

### *What About the Old Kits?*

You may want keep some Member Booklets, in case an employee would like a copy, but you no longer need any of the other materials. Please recycle!

## CFC Coming to a Desk Near You

Helen Thull will be contacting all employers to discuss the new enrolment process before April 1. If you haven't heard from her before the new process is in place, feel free to call with any questions.

## Farewell Kelly

Kelly Snowden, one of PEPP's original Customer Focus Coordinators (CFCs) is moving to a new position within the Public Employees Benefits Agency after February 23. If you have been working with Kelly, don't worry, Helen Thull is here to help if you have questions. Please join us in wishing Kelly all the best in her new position.

The *Employer Bulletin* is published as a service for the employers of PEPP.  
For further information or clarification, contact PEPP's Customer Focus Coordinators:

Phone: 787-5442 • Toll free: 1-877-275-7377 • E-mail: [cfc.pepp@peba.gov.sk.ca](mailto:cfc.pepp@peba.gov.sk.ca)



Public  
Employees  
Pension  
Plan

# IT PAYS TO BELONG



New to the Public Employees' Pension Plan (PEPP)? Have the opportunity to join the Plan? Here are some things you should know - about pensions in general and PEPP specifically.

PEPP is a defined contribution (DC) pension plan serving members since 1977. Today, PEPP is the largest DC plan in Canada.

## RETIREMENT INCOME SOURCES

Canadians have three basic sources of retirement income: Employment pensions, government programs and personal savings. Less than half of Canadians are members of an employer-sponsored pension plan. By joining PEPP, you earn a pension on top of the government sources (Canada Pension Plan and Old Age Security) and personal savings like Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSA).

## CONTRIBUTIONS

Contributions to PEPP come off each paycheque, so saving for retirement is easy. As a member of PEPP, you don't shoulder the burden of saving for your retirement yourself. Your employer also contributes every time you get paid. Your employer can tell you your contribution rates.

Another way to build your retirement savings with PEPP is by making voluntary contributions. Voluntary contributions also come off every paycheque.

## MEMBERS-ONLY SAVINGS

### SAVE EACH PAY PERIOD

When you contribute to PEPP, your taxable income on each paycheque drops immediately by the amount you contribute to the Plan-including voluntary contributions. This is different from personal RRSPs, in which your taxable income is not reduced until tax time.

### SAVE ON FEES

PEPP charges low fees because the Plan does not make a profit. As a member of the largest DC plan in the country, your fees would be far lower than what you'd pay at a bank or other financial institutions.

Lower fees means more money in your PEPP account. For example, if you invested \$10,000 in the PEPP Balanced Fund for 10 years with a six per cent rate of return you would pay \$547 in fees. In a mutual fund, the same investment with the same return you could end up paying \$1,294 to \$3,528 in fees.

## RETIREMENT AND MORE

The most obvious benefit to a pension plan is income at retirement. As a member of PEPP, you can also get a benefit from the Plan if you leave your job before you retire, or in case of terminal illness or your death before retirement.

## YOUR CHOICE

PEPP members get to decide how they wish to invest their contributions - conservatively, aggressively or with a more hands-off approach. PEPP has seven investment options and plenty of help to choose the option that's right for you.

Your choice of investment option is important because in a DC plan, your retirement income is determined by two things: how much you and your employer contribute; and how much those contributions earn over the years.

### INVESTING WITH PEPP

PEPP has seven investment options.

- PEPP Steps Fund (hands of approach\*, default option)
- Aggressive Growth Fund (Most aggressive)
- Growth Fund
- Balanced Fund
- Moderate Fund
- Conservative Fund
- Short-term Bond Fund (Most conservative)

\* The PEPP Steps Fund automatically changes your investments, becoming more conservative as you age.

If you are curious about investing with PEPP you may want to:

- visit the Investments section on the PEPP website;
- attend an Invest*WithEase* presentation;
- fill out a PEPP Member Investor Profile;
- review the Fund Fact Sheets for each of the seven investment options; or
- schedule an appointment with PEPP staff for a one-on-one consultation.

When you retire, you have choices for your account with multiple retirement income options. You can open a Variable Pension Benefit account so your money continues to work for you in retirement while you receive pension benefits or purchase an annuity to receive lifetime benefits. You can also use a combination of the two options.

## WANT TO KNOW MORE?

There are many ways to answer your questions, and experience PEPP's dedicated customer service.

- Phone or e-mail our staff with questions or to schedule an appointment for a personal consultation.
- Visit our website, perhaps to review the PEPP Member Booklet, where you will find more information about the Plan.

If you choose to join PEPP, you can also:

- attend a Ready, Set, PEPP presentation to learn the basics about PEPP;
- learn more about investing in general, and with PEPP at an Invest*WithEase* presentation;
- view your PEPP account, through PEPP Access, our secure online website; and
- test out some "what if" scenarios with Retire@Ease™, our online retirement planning tool.

### HERE TO SERVE

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You can contact us Monday to Friday  
8:00 a.m. to 5:00 p.m.

Web: [www.peba.gov.sk.ca](http://www.peba.gov.sk.ca)

## Non-permanent Pension Choice

The Public Employees Pension Plan (PEPP) is a defined contribution pension plan. In this Plan, the employee's contributions and employer's contributions, plus any return on investment, will be used to provide the employee with income upon retirement.

As a non-permanent employee with this employer you have the opportunity to enrol in PEPP when you begin working. If you instead decline at this time, the option to join PEPP continues to be available to you; however if you decide to enrol at a later date your membership will not be retroactive. Once you join the Plan, you remain a member until your employment with a PEPP participating employer ends.

Please complete and sign the section below. Your employer's Human Resource or Payroll division will retain this declaration.

I, \_\_\_\_\_ hereby declare that I am a non-permanent employee and  
(Please Print)

that I choose:  to participate; or

to **not** participate at this time

in the Public Employees Pension Plan (PEPP) as an employee at \_\_\_\_\_.  
(Employer Name)

\_\_\_\_\_  
Employee's signature

\_\_\_\_\_  
Employee's Phone Number

\_\_\_\_\_  
Date (day/month/year)

February 2012

**Please return this form to your employer.**

**If you choose to participate in PEPP, this form must be returned for your contributions to begin.**