Your Required Pension Contributions - Decisions Required

✓ Complete and return the blue “Election Form – Required Contribution Rate to the Academic Pension Plan” by June 30, 2011.

✓ On the form elect your irrevocable Required Contribution rate at either 1.5% or 5.5%.

✓ Sign and date the form and provide us with your email and contact information.

✓ Attend an information session and check the special website to obtain more information. You will find a link to the website on the Western Human Resources home page at www.uwo.ca/humanresources.

✓ Keep a copy of the Election Form with your important records.

✓ If you want to change, stop or start making Voluntary Contributions complete and return the pink Voluntary Contribution Change Form.

✓ Send completed forms to:
  
  HR Communication Centre
  The University of Western Ontario
  Room 5100, Support Services Building
  London ON N6A 3K7
  Fax: 519-661-4104    Email: hr-communication@uwo.ca

Remember, if you do not return the completed form by June 30th, 2011 you will have been deemed to have irrevocably elected the current contribution levels shown on the Election Form, Part I.
Considerations

- Consider the income you require at retirement, and the savings you will need to achieve that desired income. This will help you decide your level for Required Contributions and whether you should make Voluntary Contributions to increase your savings. Currently, Western pension plan members contribute at a relatively low level in comparison to other pension plans. Increasing your contributions can have a significant impact on your retirement income.

- At the same time you consider your level of Required Contributions, you should also consider voluntary contributions. Voluntary Contributions can help you save more for your retirement, and they can also be used in conjunction with your Required Contributions to achieve flexibility or other goals. Here are some things you should know about Voluntary Contributions.
  - Unlike Required Contributions, Voluntary Contributions are not locked in, so funds can be withdrawn before retirement if needed.
  - While the rate of your Required Contributions will remain unchanged after you have made your election, Voluntary Contributions can be increased or decreased in any month. They can also be stopped or started as you wish.

- Be clear about the impact of the Canada Revenue Agency (CRA) limit for contributions to a registered pension plan. This is the annual maximum amount you and the University can contribute in your name into the pension plan by tax law. In combination with the Employer Contribution, in 2011, an employee cannot contribute more than the lesser of:
  a) 18% of your earnings for the year and
  b) A dollar limit set by CRA ($22,970 in 2011) into a pension plan

  Please refer to your most recent Notice of Assessment to determine your RRSP contribution room.

- Members who are high earners or who may become high earners in the future (for example earning approximately $165,000 or more in 2011) should be aware of the Supplemental Pension Arrangement (SPA). The SPA is designed for pension plan members whose combined Required Contributions and University contributions exceed the Canada Revenue Agency Tax limit for the year in question. The portion of the employer contribution that would normally be put into the plan on your behalf, but is in excess of the limits, is instead deposited to an SPA account where it grows. The limit set by Canada Revenue Agency is different each year, but in 2011, you may be affected if:
  - You are earning approximately $165,000 or more and making Required Contributions at the 5.5% rate or:
  - You are earning $229,700 or more and making Required Contributions at the rate of 1.5%.

Resources: To obtain information about these topics or receive assistance in completing your form please attend an information session – additional information on these topics and the session dates can be found on the website link located on the HR Main page under “What’s New?”