

Cremasco's Corner

Quarterly Journal of Group Benefits & Retirement

Fall Issue - 2019

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Last Quarter Trivia winner

No Winner

What was Richard Bach's best-selling adult fairy tale?

Answer:

Jonathon Livingston Seagull

NEW Trivia

QUESTION:

Who sang the 1963 hit
"It's My Party"?

Answer:???

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

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Synopsis of the Service Offering at CREMASCO PARTNERS INC.!

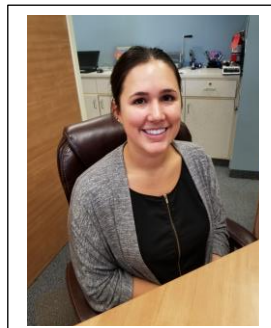
SINGLE POINT OF CONTACT – CREMASCO PARTNERS

At Cremasco Partners we don't consider ourselves just your broker. We pride ourselves in the ability to assist you, your Plan Administrator and your employees in all matter of group benefits. Whether they are your regular services or something totally unique to you and your company, we can help. We want to be your source for solutions. Our goal is to delight you with our services. Below are Additional Products that we can assist with.

- ❖ Group Retirement Plans
- ❖ Retirement Compensation Agreements (RCA)
- ❖ Individual Pension Plan (IPPs)
- ❖ Critical Illness
- ❖ Employee & Family Assistance Plan (EFAP)
- ❖ HealthCare Spending Account (HSA)
- ❖ Taxable Spending Account (TSA)
- ❖ Group Tax Free Savings Account (TFSA)
- ❖ Medical Second Opinion Service (AKA Best Doctors Type Plan)
- ❖ Optional Life Insurance
- ❖ Trip Cancellation & Lost Luggage
- ❖ Executive Medicals
- ❖ Medpoint Medical Membership
- ❖ Office Perk Programs
- ❖ Companies Specializing in Wellness Programs
- ❖ Group Based "Individual" Disability Plans
- ❖ Best Doctors Global Medical Care Coverage
- ❖ International SOS
- ❖ Key Person Life, Disability and Critical Illness
- ❖ Special Risk Coverage to Offset War & Terror Exclusions
- ❖ Kidnap & Ransom Coverage
- ❖ Business Travel AD&D
- ❖ Single Point of Entry Software Solutions
- ❖ Medical Reimbursement Plan (Cost Plus) for Executives

If you would like additional information please feel free to reach out to one of our Team Members.

Meet the newest member of our Team



Likes: My dog Winston, tutoring high school math & entertaining family and friends

Dislikes: Being disorganized

Favorite Food: Homemade pasta

Status: Married this past summer

Hire Date: September 3rd, 2019

Experience: 6 years working in Finance

Job Title: Administrative Assistance

Danielle Di Gioacchino

WSIB changing how employer premium rates are calculated

Ontario's Workplace Safety and Insurance Board is changing how premium rates are calculated for almost 300,000 registered businesses across the province.

The WSIB hasn't changed its rate setting scheme for more than 20 years, says Pamela Steer, the board's chief financial officer. "We really looked at how we could change the offering to our customers, such that it would make more sense for the modern day. So, leveraging technology, big data and risk analytics in order to more transparently provide employers with their premium rates and also to base it more on the risk they present."

The board is changing the system so the rate an employer pays "is the rate that the employer pays, and they don't get a negative or positive surprise a year and a half after the fact," says Steer. "So, in the new scheme, we have 34 rate classes instead of 155 rate groups, but then within each class has employers based on their size, which tells us what we call predictability. But their size, their number of employees and their own risk will dictate how far from the median of that class' average rate they will go."

For example, a large employer that takes health and safety seriously and has very few accidents will pay a much lower rate in its class than the average, she adds.

"Consequently, if you're a very large employer who doesn't really take health and safety as seriously as your competitors, and you have a higher risk, which means more accidents, more people getting injured or ill, you're going to pay a higher rate. And because of the collective liability concept of employer insurance at WSIB, if you're a very small company, you're going to be protected, which means your own risk or your own accident history will have a bit of an effect because we wanted to give that positive incentive to those who have really good health and safety records."

The WSIB is working with employer associations and trade organizations, hosting direct consultations and providing technical seminars and webinars because each industry has different workplace risks, says Steer.

"The rate framework landing page [on the WSIB website] has a lot of interesting information, but it's also digestible. We are trying to make it as accessible to all of our clients as possible."

The premium rates will take effect in September. "When we release premium rates . . . we have a lot of information that will come out with that, including the letters that we will send — as we always do — to our employers with the rates. This time, they'll get an individual rate as opposed to just the class rate." WSIB will also be providing employers with a projected rate, says Steer. "That is really important for those customers, and there are a number of them whose rates will eventually go up under this — they are representing more risk or they're in a risk-adjusted classification."

"We're going to provide them the rates they would eventually pay based on their current risk and experience to make it easier for all employers to get into this new system because we realize it's a really big change."

Cremasco Comment: -

The WSIB Website has all of their forms and details but also some great information. It is worth taking a few minutes and looking around.

<https://www.wsib.ca/en>

Source: *BenefitsCanada* | *Alethea Spiridon* | April 29, 2019

Millennials vs. Retirement Stereotypes

A new study seems to dispel a couple of stereotypes about Millennials, retirement savings and technology. It turns out nearly three-fifths of Millennials are saving for retirement and, prefer a human touch over technology when it comes to financial advice. Though only a fifth of respondents use a financial advisor, 89% of those who do say it is worth the price, and overall 65% would prefer a human advisor over a robo-advisor. The survey of 1,000 people age 23-38 also revealed that income levels show very little disparity in the amount saved. The average retirement savings is \$26,475, with just \$188 separating the average savings for those making less than \$49,999 (\$26,450 in savings) and those making \$100,00 or more (\$26,638 in savings). Age, likely with a boost from compound interest, makes a big difference, with those age 33-38 saving an average of \$39,787.

Millennials saving for retirement - 58%
Average retirement savings - \$26,475

Average retirement savings by income:

<i>\$49,999 or less</i>	<i>\$26,450</i>
<i>\$50,000 - \$99,999</i>	<i>\$26,523</i>
<i>\$100,000 or more</i>	<i>\$26, 638</i>

Average retirement savings by age:

<i>23 – 27</i>	<i>\$ 7,796</i>
<i>28 – 32</i>	<i>\$21,375</i>
<i>33 – 38</i>	<i>\$39,787</i>

Currently use a Financial Advisor:

YES – 21%
NO – 79%

Preference for Human Advisor or Robo-Advisor:

Robo-Advisor – 16%
No Preference – 19%
Human Advisor – 65%

Top Five Things to Consider when Dismissing an Employee

Paul Willetts | First Reference Talks | June 18, 2019

The decision to terminate an individual's employment is not an easy one. At times, however, whether due to economic pressures, or poor performance, it may nevertheless be necessary.

The process your organization follows when carrying out a termination of employment is important. It can have a big impact on the affected individual and, if done carefully, can reduce the potential risk of liability to your organization.

Here are our top five things that any employer should take into consideration when looking to dismiss an employee.[1]

1. Consider whether termination is appropriate

Prior to moving ahead with an employee dismissal, it is important to consider the surrounding context. Generally speaking, employers should avoid dismissing an employee immediately before, during or after a leave of absence. For example, it may be imprudent to fire an individual immediately following a physician-approved absence for illness, or a parental leave, taken in accordance with statutory entitlements.

In both cases, it may be perceived that the decision to dismiss the individual was made, at least in part, due to his/her absence from the workplace, as well as reflecting a potential violation of statutory requirements. As such, if it is necessary to dismiss an individual immediately following his/her return from an approved leave, be sure that you can clearly demonstrate, with sufficient evidence, that the decision to dismiss was solely for a legitimate work-related reason wholly unrelated to the employee's absence from the workplace.

In many cases, this can be difficult for employers to prove. Moreover, the *Employment Standards Act, 2000* only permits the termination of employment following a return from leave in limited and carefully prescribed circumstances. Accordingly, if the decision to terminate is being made in close proximity to an approved leave, it is best practice to seek guidance from your legal counsel.

2. Understand obligations to the employee upon termination

Prior to setting up the termination meeting, ensure that you have a clear understanding of the employee's statutory and contractual entitlements, and that the company will be complying with the same. In addition, put together a clear termination letter informing the individual of the payments and entitlements they will receive (both mandatory and those additional amounts that would be provided in exchange for the execution of a release agreement).

3. How and when to tell the employee that he/she is being dismissed

The importance of the manner, and timing, of a termination cannot be overstated.

Termination should never come as a surprise. Ideally, even in the case of economic lay-offs, the employee should have a good idea that the decision is coming.

We regularly speak with former employees that are surprised and hurt at being let go and frequently take issue with the way that the decision was communicated to them. As such, the termination meeting presents an opportunity for an employer to present information in a respectful and courteous manner. Think carefully about which person within your organization is best positioned to deliver the message. In addition, it is always best practice to have two company representatives present for this meeting (i.e. a manager and a representative from HR), have the termination letter in hand and agree beforehand what reasons, if any, will be provided to the individual.

Beyond that, consider where the termination meeting will take place. Ideally, you will want the meeting to occur in relative privacy (i.e. in a private meeting room), thus reducing the risk of embarrassment and awkward questions from interested co-workers.

Finally, when an employee is fired is as important as the process itself. Organizations should avoid letting go employees on a Friday afternoon (or right before a holiday period). It leaves the dismissed employee with extra time to sit and stew on things, which can lead to feelings of anger and resentment. Instead, consider carrying out the dismissal mid-week, so that the individual can immediately look to apply for Employment Insurance benefits and begin reaching out to people within their network for support.

4. The information that you should share with the employee

As mentioned above, individuals (especially those that are surprised to learn they are being dismissed) may ask why they are being dismissed. Have an answer prepared to this question. While provincially regulated employers in Ontario are not required to provide any reasons, explaining to an employee, in a respectful way, why their employment is ending, can help the individual come to terms with the unwelcome news.

That said, ensure that any answer you do provide is truthful. Employers can accrue unintended liability by misstating the reasons for a termination (i.e. the employer states that the position is being eliminated and then 2 weeks later the dismissed employee sees a job posting for their former role).

Cont'd on next page

Top Five Things to Consider when Dismissing an Employee...cont'd

Beyond that, share practical information with the dismissed employee, such as when their benefits coverage will end, how to convert benefits coverage (and timelines for the same) and, if a severance offer is being made, encourage the individual to take time to review and receive whatever advice they may feel necessary in this regard prior to responding.

5. Steps following the dismissal meeting

It is best practice for your organization to have a plan in place for what happens following the termination meeting. You may want to provide the dismissed employee with a point person at the organization to whom they can direct any enquiries following the dismissal (often this may be a former manager or HR representative). Another option to consider is retaining a career transition provider to be available to the individual immediately following dismissal and for a period of time thereafter to offer assistance in moving forward.

In addition, you will want to make sure that the individual is provided with an opportunity to retrieve their personal items (including those that may be stored electronically on work assets), as well as securing the return of any company property, including keys, parking passes and electronic devices.

The key takeaway for employers, is to navigate the termination process carefully. Do your homework, have a clear plan in place, then follow through.

Vey Willetts LLP is an Ottawa-based employment and labour law boutique that provides timely and cost-effective legal advice to help employees and employers resolve workplace issues in the National Capital Region and across Ontario. To speak with an employment lawyer, contact us at: 613-238-4430 or info@vwlawyers.ca

[1] Note: this article is specific to without cause dismissals. Where an organization believes that an individual has engaged in serious misconduct justify causing for dismissal, different considerations and requirements come into play.

Cremasco Comments:

Two additional points:

1. Remember when contemplating a severance package, it is critical to “ASK” the carrier for leave to extend the benefit prior to making the “OFFER” to the employee. (Note: carriers will not extend Long Term Disability.) You do not want to have a severance offer accepted and not have the carrier support the benefit extension.
2. If the disability coverage is important to the employee i.e., they want “All Benefits” for the Severance period Cremasco Partners can access special transition disability just for those cases.

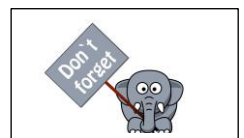


FRIENDLY REMINDERS...

1. Update your eligibility records for over age dependents
2. Look for employees turning 65 and changes to their Life & Disability Coverage
3. Watch for employees turning 71 (must start pension payments from RPP, RRSP & DPSP)
4. In order to have December contributions reflected on December 31st member statements and RRSP tax receipts, contribution must be received in the head office of your plan provider (the financial institution that does the recordkeeping for your plan) before their yearend cut off time/date. In most cases, this will be noon on December 30, but if you have any concerns at all, we recommend contacting either your provider or our office for more information
5. The following table outlines the annual money purchase(MP), defined benefit(DB), registered retirement savings plan(RRSP), deferred profit-sharing plan(DPSP) and the tax-free savings account(TFSA) limits, as well as the year's maximum pensionable earnings(YMPE)

Year	MP limit	DB limit	RRSP dollar limit	DPSP limit (1/2 MP limit)	YMPE
2020		1/9 the money purchase limit	\$27,230		
2019	\$27,230	\$3,025.56	\$26,500	\$13,615	\$57,400
2018	\$26,500	\$2,944.44	\$26,230	\$13,250	\$55,900
2017	\$26,230	\$2,914.44	\$26,010	\$13,115	\$55,300

Year	TFSA Dollar limit
2019	\$6,000 to maximum \$63,500
2018	\$5,500
2017	\$5,500



**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.”**

From our Kitchen to yours:

Here is a great Fall main dish that will take 1 hour and 30 minutes total to make (includes cooling time). I was watching the food network and saw them making it. Tried it myself, shared with the family and they absolutely love it. I hope that you enjoy it as much as we did.

Butternut Squash-Stuffed Shells

What you need – for 4 to 6 servings:

Ingredients

- 10 oz diced butternut squash (about 2 ½ cups)
- 1 small shallot, halved
- 1 clove garlic, unpeeled
- 2 teaspoons olive oil
- ¼ teaspoon fresh thyme leaves, finely chopped
- 1 large leaf fresh sage, finely chopped, plus more for serving
- Kosher salt and freshly ground black pepper
- 30 jumbo pasta shells (about 10 ounces)
- ¼ cup vegetable broth or water
- Two 10 oz packages frozen chopped spinach, thawed, drained and squeezed dry
- 1-pound cream cheese, at room temperature
- 2 cups whole-milk ricotta
- 2 teaspoons red pepper flakes
- 2 cups grated parmesan, plus more for serving
- 2 cups heavy cream
- 2 tablespoons unsalted butter
- Pinch freshly grated nutmeg
- 1 cup freshly grated mozzarella



Preparation

1. Preheat the oven to 425 degrees F.
2. Add the squash, shallot and garlic to a baking sheet. Drizzle with the olive oil and toss to combine. Sprinkle with the thyme, sage, ¼ teaspoon salt and a few grinds of black pepper and toss again. Roast until the squash is tender and light golden, about 30 minutes. Let cool.
3. Meanwhile, bring a large pot of water to a boil; add salt. Add the pasta shells and cook until al dente according to the package directions. Drain and let cool.
4. Squeeze the roasted garlic into a small food processor or blender, add the squash, shallot and vegetable broth and puree until smooth.
5. Mix together the spinach, cream cheese, ricotta, red pepper flakes, 2/3 cup of the Parmesan and 1 tablespoon salt in a large bowl. Stuff about 2 tablespoons of the spinach mixture into each shell; set aside.
6. Add the pureed squash mixture, heavy cream and butter to a large skillet over medium heat. Cook, whisking frequently, until thickened, about 5 minutes. Remove from the heat and whisk in the nutmeg, 1 ½ teaspoons salt and the remaining 1 1/3 cups parmesan.
7. Spread the cheese sauce into the bottom of a 9-by-13 inch baking dish. Arrange the stuffed shells in the baking dish seam-side up, shingling them so they all fit (you should have 5 shells along the short side and 6 shells along the long side). Top with the mozzarella. Bake until the cheese is melted and bubbling, 15 to 20 minutes. Top with more Parmesan and sage before serving.

Buon Appetito

Lina's Thoughts:

“Climb the mountain so you can see the world, not so the world can see you:” So, do things for your own enjoyment and for the right reasons – not to get noticed.

Cremasco Financial
Financial & Estate Planning
Phone: 519-836-1791

**We appreciate
YOUR BUSINESS!**

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