Happy 2010! The first issue of P & B Times was a success and we have received a ton of positive feedback. This newsletter is designed to present York employees, former employees and retirees with useful general information pertaining to their pension & benefits. Please keep in mind that since this newsletter is distributed to different groups with different entitlements, for example former employees no longer have benefits, that all articles may not pertain to you and your situation.

Unpaid Leaves and Your Benefits

Whether you are planning an unpaid leave of absence or it is unplanned, there are several implications to your pension and benefits that must be considered. The type, length of the leave and your affiliation will determine what you will need to do.

There are various unpaid leaves some of which may be Compassionate Care Leave, Educational, Parental, Sessional, Sick Leave, Union Duty Leave, Personal Leave and Other.

For all types of unpaid leaves of absences, the employee may elect to continue paying the benefits that require employee paid premiums, such as group life insurance (GLI), family vision, and voluntary accidental death & dismemberment insurance (VADD).

For some affiliations, benefit coverage for extended health, dental, single vision and long term disability (LTD) will continue as normal for the full duration of the leave.

When it comes to unpaid leaves and the York University Pension Plan, the employee may elect to continue contributing to the plan during the leave by paying both the employee and employer portions. Again the exception is Parental leave. If the employee elects to contribute during the parental leave, they will only need to pay the employee portion and the employer will pay theirs.

The Pension & Benefits Office contacts each employee, once your department has notified us of your leave, to provide the options available and the required forms to complete. Should you require more information please refer to your collective agreement, if applicable, or contact your Pension & Benefits Counsellor.
Benefit Adjudication

Most active full-time, some part-time employees as well as some retirees of York University have some form of extended health and/or dental benefits. These benefits are intended to subsidize the benefits which are provided by the provincial government. The Pension & Benefits office receives queries as to why a benefit was not paid in part or in full. We have access to the same benefit details as each employee/retiree. We do not have the ability to obtain individual information from Sun Life due to confidentiality unless the employee/retiree signs a consent form. The Sun Life member website provides benefit information, shows when you are able to next purchase prescription glasses (if applicable) and provides the ability to set up direct deposit of benefit payments. No more finding time to get to a bank or ATM to deposit the cheque. The Sun Life member website can be accessed at: https://www.sunnet.sunlife.com/member/signin/index.aspx?

Too often the Pension & Benefits office hears that an employee/retiree would not have purchased an item or received a service had they known some or all of the expense would not be covered. For example, some plans have a $200 per family per calendar year maximum for vaccines. An employee will have their daughter(s) vaccinated to help protect them from four types of Human Papillomavirus (HPV) – two types of cervical cancer and two types of genital warts however the vaccination is approximately $600 per person therefore the employee/retiree is responsible for any amount above $200. The employee/retiree has indicated they would not have had their daughter(s) vaccinated had they known the full cost was not covered.

Major restorative dental work can cost thousands of dollars and the entire cost will not be covered unless the employee/retiree has additional coverage with their spouse or another employer. There are also other reasons as to why the entire cost is not covered such as:

Each dental claim is assessed based on what is covered by the applicable York dental plan, using the following criteria to determine the amount of eligible reimbursement:

- Dental procedure codes that have been established by the Canadian Dental Association along with the Ontario Dental Association (ODA) fee guide. Some dentists charge more than the ODA fee guide; however the maximum amount that is eligible for reimbursement under the York dental plans is based on the current ODA fee guide
- Dental services and supplies which represent reasonable treatment. Treatment is considered reasonable if it is recognized by the Canadian Dental Association, and it is proven to be effective

Upcoming Events

February 23 to 26
Financial Services Tribunal Hearing

Late February
2009 Fund Rate of Return announced and accounts updated

February 28
T4s to be mailed out

April 16
Annual Pension Meeting

May
2009 Annual Pension Statements mailed out
Meet a Pension & Benefits Team Member

Peter Chakonza, Pension & Benefit Counsellor

Peter is a Pension & Benefits Counselor in the Department of Human Resources at York University, managing Pension & Benefits issues for faculty and staff who's last name starts with F and S-Z.

Peter has 15 years experience in the Pension & Benefits field and holds a Bachelor of Arts in Business Communications. Since arriving at York in May 2007 Peter has enrolled in a number of courses and is currently working towards a Bachelor of Human Resources Management (BHRM).

When Peter is not at work or studying, he enjoys spending time with his family.

Questions & Answers

Q: How are my contributions used to calculate my Money Purchase Pension?

A: The starting Money Purchase Pension is calculated as follows:

- Money Purchase Account balance for conversion*
  
  Divided by
  
  Annuity cost of $1 annual lifetime pension**

* The amount of the Money Purchase Account available for conversion is the account balance at the prior December 31st plus the contributions made in the current year less the additional 3% the University has contributed to the Non-Reduction Reserve (NRR) less a further Non-Reduction Charge (NRC) of 2% on both employee and employer contributions made after 1991. The NRC was communicated in a memo dated December 11, 2007. The NRR and NRC are associated with the pension plan provision which guarantee the pension in pay will never be reduced, even when the pension increment is negative. The remaining balance is the Money Purchase Account balance available for conversion.

**The annuity cost is based on a set of mortality tables and is based on the member’s age and gender, spouse’s age and gender, if applicable, at the date of retirement. Mortality tables are actuarial tables which show, for each age, what the probability is that a person of that age will die before their next birthday. As of January 1, 2010, the mortality table used in the administration of the Pension Plan is referred to as the “GAM 1994” table; the Pension Plan currently uses a 70%/30% male/female ratio.

Here is an example of the calculation:

- Member’s date of hire: July 1, 1995
- Member’s retirement age: 62
- Annuity cost: 11.845
- Marital Status: single
- Form of Pension: single life (normal form)

Money Purchase Account Balances at February 1, 2010

- Member Contributions: $125,000.00
- University Contribution: $128,750.00
- Total Contributions: $253,750.00

Money Purchase account balance available for conversion =

Total contributions – NRR – NRC

$253,750. – $3,750 – $5,000 = $245,000

Where

- NRR = $ 3,750
- NRC = 2% x ($125,000+$125,000)

Annual Money Purchase pension at retirement =

$245,000/11.845 = $20,683.83

Or monthly $1,723.64 per month

If you have a comment, question or a suggestion for P&B times, please email pbtimes@yorku.ca. Please ensure your question or comment is of a general nature. For more specific questions, please contact your Pension & Benefits counsellor.
Need More Information?

Information provided in this newsletter is of a general nature, should you require further information that specifically pertains to you please contact your Pension & Benefits Counsellor as listed in the chart below.

In the event the information contained herein conflicts with the applicable contract, policy or guideline, the terms of the contract, policy or guideline will prevail.

<table>
<thead>
<tr>
<th>Employee's Last Name Initial</th>
<th>Counsellor</th>
<th>Extension</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>A to E</td>
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<td>F, S to Z</td>
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</tr>
</tbody>
</table>

Here are just a few websites you can access to gain more information:

York’s Pension & Benefits Office: [www.yorku.ca/hr/units/cpb/pensionbenefits.html](http://www.yorku.ca/hr/units/cpb/pensionbenefits.html)
York’s Employee Self Service: [www.yorku.ca/hr/services/employees/yesss/index.html](http://www.yorku.ca/hr/services/employees/yesss/index.html)
York’s Retirement Planning Centre: [www.yorku.ca/retire](http://www.yorku.ca/retire)
Sun Life’s Plan Member services: [www.sunlife.ca/member](http://www.sunlife.ca/member)
York University Retirement Planner: [www.york-u-ret.ca](http://www.york-u-ret.ca)