



FEDERAL SUPERANNUATES NATIONAL ASSOCIATION

North Vancouver Island Branch

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Representing retired employees and spouses from the Public Service of Canada, the Canadian Forces and the Royal Canadian Mounted Police

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From the Editor's Desk

Editors Message

Welcome to the first edition of 2008. I know you were expecting a new editor, however no one has stepped forward as yet so I have agreed to carry on for a while yet. Any of you interested in the editor position or in becoming a Director of the branch, please don't hesitate to contact me or any of the other executive members. Check out the list of executive members as there have been some changes resulting from the election held at the December General Membership meeting.

MEETING DATES

March 12 2008
June 11 2008
17 September 2008
10 December 2008

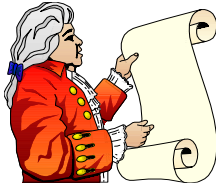
In this edition you will find a message from the new president, a very interesting article on income splitting to consider when doing your income taxes this year. The guest speaker at the General Meeting on March 14th is from the Canada Revenue Agency so further information and questions can be covered at the meeting.

Note the message from the Treasurer about membership renewals and the increase in FSNA fees and the message concerning the luncheon on March 14th.

I hope you find this edition interesting.

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Bill McSeveney

PRESIDENT'S CORNER

I along with our immediate Past President Ian Sibbald and Steve Bunyan our membership chairman attended a District meeting in Duncan on Feb. 5th. At that time we submitted the name of John Finn, Branch Vice President for the position of Regional Service Officer. At this time John's name has been the only one nominated. The election will take place at a district meeting on April 15th. Should John be successful he will have to resign his position as Vice President.

So we should be giving some thought to a replacement. The position of Regional Director will be eliminated and replaced by one (1) National Director from each Province. Currently the only name nominated for that position is Julie Spenser from Kelowna.

We also discussed the decision made at the last convention to have weighted voting at future National Conventions. This is a very contentious issue especially with the branches outside the National Region, Toronto, Montreal and Vancouver who will essentially control all decisions made at any convention.

The new Governance model will reduce Branch delegates to convention to one (1) member per branch. No alternates will be allowed to attend. Each delegate will carry the votes for his/her branch. Our branch will have two (2) votes. The convention will be held in Ottawa on July 6 - 10.

Jim Cotter, our Provincial Advocacy Officer (the liaison for F.S.N.A between the various provincial seniors' advisory groups and the various Provincial ministries responsible for seniors) outlined his thoughts on Income Splitting and advised those present that before you decide to go that route to look very carefully at the possible consequences. It is hoped that we can find a speaker for our March General meeting to speak on the subject.

Guest speaker at the meeting was our National First Vice President Stan Hrabarchuk who gave an enlightening talk on the goings on at the National level.

I look forward to seeing you at our luncheon in March.

Bill McSeveney, President

Our Branch Web Site:
<http://www.fsna-nvi.com>

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Membership renewals

All cash and cheque paying members are reminded that 2008 memberships are now due. The 2008 convention raised dues for the first time in many years. New rates are \$34.20 single, \$44.40 double and \$15.00 for associates.

If you haven't renewed yet, please do so soon. If you do not plan to renew, please let the Treasurer know so he can stop sending reminders.

Luncheon News 2008

Well, a New Year has come and with it more FSNA quarterly Luncheon/Meetings for 2008.

The dates for the Luncheon/Meetings for this year are as follows:

March 12, 2008

June 11, 2008

September 17, 2008 (Third week)

December 10, 2008

A reminder that the luncheon cost will be **\$15.00 per person**. This includes a hot and cold Chef's Buffet with dessert, tea, coffee, the room rental, gratuity and tax. It will be payable at the door, except for the Christmas Luncheon.

Tickets for the Christmas Luncheon will be sold in advance again this year. The tickets will be sold at the June and September meetings and after that the tickets will be available from the executive. Please buy your Christmas Tickets early, as we can accommodate no more than 300 members.

Hope to see everyone at the March Meeting.

Barb Schneider
Programs

A Reminder.

If you agree to attend a General Meeting Luncheon and subsequently change your mind.

You must inform Barbara Schneider (250) 703-2504.

If you don't**you will be billed for the cost of the meal !!!**

MEMBERSHIP UP-DATE

Do we have the correct information on you as a member?

It is important to us and to you that our records are up to date. If the label on this newsletter has your INITIALS instead of your given name, we may not have all the information we need to ensure that you get all the updates from your branch or National Office.

Please fill in the following and send it to us (address on Page 1).

Surname Given names:.....

Mailing address:

City/town Postal Code Phone

Pension is from: CF PS RCMP Other I receive a survivor's benefit Yes..... No

It is important to let the branch know of any changes in the above information

NEW HEALTH BENEFITS OFFICER

All good things must come to an end. Unfortunately, due to my new position within the FSNA I must turn over my responsibilities as Health Benefits Officer to Bill Turnbull effective Mar 1, 2008. I have enjoyed working with many of you, answering your queries and in helping to resolve some the issues you faced in dealing with the bureaucracy that administers many of our health and benefit plans. I look forward to serving you within the FSNA in other capacities in the future.

For assistance on Health and Benefit issues, effective Mar 1, 2008, please contact:

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John Finn
VPresident
FSNA
North Vancouver Island Branch

Get out of the car

(This is supposedly a true account recorded in the Police Log of Sarasota, Florida)

An elderly Florida lady did her shopping and upon returning to her car found four males in the act of leaving with her vehicle. She dropped her shopping bags and drew her handgun, proceeding to scream at the top of her lungs "I have a gun and I know how to use it! Get out of the car!" The four men didn't wait for a second threat. They got out and ran like mad.

The lady, somewhat shaken, then proceeded to load her shopping bags into the back of the car and got into the driver's seat. She was so shaken that she could not get her key into the ignition.

She tried and tried and then realized why. It was for the same reason she wondered why there was a football, a Frisbee and two 12-packs of beer in the front seat.

A few minutes later she found her own car parked four or five spaces farther down. She loaded her bags into the car and drove to the police station to report her mistake.

The sergeant to whom she told the story couldn't stop laughing. He pointed to the other end of the counter where four pale men were reporting a carjacking by a mad, elderly woman described as white, less than five feet tall, glasses, curly white hair and carrying a large handgun. No charges were filed.

Moral of the story? If you are going to have a senior moment...make it memorable

A makeover that doesn't cost an arm and a leg

Article By: Katherine Griggs

Ways to save a few bucks while making your home look like a million.

If you are looking to makeover a room in your home and it's just not in your budget at the moment, here are a few ways to save a few bucks, while making your home look like a million.

Paint, paint and then paint some more

You know the saying 'a simple coat of paint goes a long way'? Well it is more than true, especially if you are looking to save some money during your renovation. Changing the paint colour in a room, or accenting a certain wall can make your home look drastically different for a fraction of the price of a major renovation.

Bring home various paint chips and take a look at them in sunlight, lamplight and candlelight to ensure you get the full effect of the colour you are choosing. Stay away from whites and beiges, especially if you are going for something different and your furniture is currently a neutral colour.

Choose a colour that will compliment the furniture and fabric that you currently have. This way you won't be tempted to purchase all new sofas and tables simply because of the colour you painted the room.

Slip it on

If you decide that you really don't like that bright green sofa or that the armchair with the hideous pattern just isn't cutting it anymore, you might want to consider slip covers. Covers can be an inexpensive way to spruce up your old sofa set without spending a fortune on new furniture.

If you do decide a furniture set might be within your budget, but you still don't want it to cost an arm and a leg, consider visiting the 'as is' section in a big box store. Stores like the Brick, Leons and Ikea all have a section devoted to furniture that may have a slight marking or stain on it, usually from being in the showroom. Most of the time, you can find drastically reduced furniture that may just need a little love from you (i.e. painting or stain removing).

If you decide to purchase new furniture, keep an eye out for the weekly flyers from local stores. They tend to have large-scale sales on a regular basis that may even allow you to 'don't pay a cent for a year.' Just be sure that when it comes time to pay, you have the money due to the fact that the interest rates can be up to \$300 per day.

If you want your furniture to last you for quite some time, choose neutral colours, like beige or tan, that never go out of style. Save the colour for your paint job and accessories.

Accessories don't have to cost a fortune

For unique decorations and home accents that won't set you back, check out stores such as [Homesense](#), [Winners](#), [Home Outfitters](#) and [Pier 1](#). These stores carry beautiful accessories, furniture, bathroom necessities and much more at a fraction of a price. Were you to go to a designer store, you may pay \$100 more than you would for something at Homesense. Another great place to find fun accessories such as flower pots, pictures, and candles is the Marketplace at [Ikea](#).

Income Tax Time – a little happier this year!
Pension Income Splitting.

Once again we are entering that time of year we all love to hate when we start contemplating the completion of our income tax. It is not that we mind paying our fair share of taxes it is just that after a life time of working and saving for our retirement the last thing we want to do is give even more of our hard earned dollars to spend thrift politicians. That said at least some of our politicians have taken pity on us poor retired folk by allowing us to keep more of what we have earned over the years by introducing pension income splitting.

Commencing in the 2007 taxation year, Canadian residents who receive income that qualifies for the existing pension income tax credit will be permitted to allocate to their resident spouse (or common-law partner) up to one-half of that income.

How it will work

According to the Canadian Revenue Agency “for income tax purposes, the amount allocated will be deducted in determining the income of the person who actually received the pension income and included in computing the income of the person to whom some or all of the pension income is allocated. Since it will in many cases increase the transferee’s tax payable, both persons must agree to the allocation in their tax returns for the year in question. The pension income that is allocated will retain its character and be treated as income of the lower-income spouse for all purposes under federal income tax rules.” In plainer English – normally the spouse with the higher income may transfer up to 50 percent of his/her pension, thereby reducing income and taxes, to his/her spouse who will then pay a lower rate of income tax on that amount.

Eligible pension income

For individuals under 65 years of age, the major type of qualifying income that can be allocated to a spouse or common law partner is income from a registered pension plan. Therefore, all people receiving a pension from the Public Service, RCMP or Canadian Forces’ pension plans are eligible to split their pension with their spouse or common law partner.

For individuals aged 65 years and over, the major types of qualifying income that can be allocated to a spouse or common law partner are a pension from a registered pension plan plus income from a registered retirement savings plan (RRSP) annuity, and payments out of or under a registered retirement income fund (RRIF).

Some types of income that could be considered pension income do not qualify for the pension income credit. For example, Old Age Security payments, Canada or Québec Pension Plan payments and payments from certain supplemental retirement compensations arrangements (RCAs) do not qualify.

What does this mean to you?

Pension splitting can have the advantage, due to Canada’s progressive income tax system, of transferring income from a spouse in a higher income bracket and therefore tax burden to a lower income spouse at a lower tax bracket. This also means that some couples may now receive a second pension income tax credit (\$2,000) where previously only one was available. Moreover, I believe that as long as you are a resident of BC you can claim the BC non-refundable tax credit for the pension amount (\$1,000). In addition, splitting pension income could mean higher Old Age Security (OAS) entitlements for some couples as it can reduce the amount of potential claw back. For 2007, OAS is clawed back at 15 percent of income over \$63,511.

Notwithstanding, many pensioners and their spouses can benefit from pension splitting. There are a number of issues that must be taken into consideration when determining what if and by what amount the pension should be split. Given that every tax payers situation is different the pensioner

should be aware that they can lose part or all the spousal deduction and if the spouse's taxable income increases due to the pension splitting that this could have an impact on the 3 percent medical deduction threshold limit for the family. Further negatives are loss or reduction in Guarantee Income Supplement (GIS), claw back of recipient spouse's OAS, reduction in age credit of recipient spouse and if you are involved in Long Term Care (LTC) or Home Care then the net income of the patient is critical. If the high income spouse is going to receive Home Care or going into LTC then you should attempt to reduce their income as much as possible. If the low income spouse is the patient then you want to keep their income again as low as possible. Remember in BC it is the income of the patient not family income that counts.

Needless to say, in determining the exact portion of pension to transfer the pensioner and spouse should run through several "what if" scenarios to determine what is best for them. Remember also that the determination of how much pension to be split is done on an annual basis on your income tax form.

Conclusion

There is no doubt that for the majority of pensioners that pension splitting can save you taxes. However, as many of our benefits are income based it is incumbent upon you to review your particular income and tax situation on an annual basis to ensure that you are maximizing the benefit to you and your family.

Join us at the Mar 12th general meeting and listen to Cathy Minto, a representative of Canadian Revenue Agency, give a presentation on pension splitting as well as other tax topics.

John Finn
Health Benefits Officer

Telephone Committee and General Membership

Hello, to all members of the FSNA for 2008. It will soon be time for the volunteers of the Telephone Committee to call the General Membership in regards to our Quarterly Luncheon/Meetings. The Telephoners will be calling 3 times this year for our March, June and September Meetings. They will **not be calling for the December Meeting** as you will have to purchase your ticket in advance for that meeting.

The job that the telephoners do is essential to all members as it keeps the lines of communication open between the membership and the executive with news of address changes, sickness, deaths, phone number corrections and also if you will be attending the Luncheons. The telephoners will only call each person on their list up to three times or leave a message, if possible. If you missed their call and want to attend the Luncheon, please call Cecile Turnbull @ 250-338-1857 or Barb Schneider @ 250-703-2504. You do not have to call back if you are not attending the luncheon unless you are cancelling your reservation.



If you find that you are not being called at all, by a member of the Telephone Committee, your name may be on the *Do Not Call List* or on the *Whereabouts Unknown* List. We will be glad to put your name back on the calling list. Like wise, if you are on our *Calling List* and do not want to be called now for any number of reasons, we will be glad to remove your name until further notice.

We are looking for one or two Volunteer people to make some calls in the Campbell River area. So if you can spare an hour or two – 3 time a year I would love to hear from you.

We are always looking for volunteers to either make calls or on an as needed basis in the Courtenay/Comox area, so if you are available please let me know.

See you at the meetings. **Cecile Turnbull, Telephone Coordinator 338-1857**

An Alzheimer's breakthrough? Article By: Peter Muggeridge

Researchers are amazed by the effectiveness of a new drug.

A drug originally developed to treat arthritis has shown promise in reversing the symptoms of Alzheimer's disease. In a study published in the January 2008 *Journal of Neuroinflammation*, researchers found that a drug called Enbrel, which was originally intended to counter arthritis symptoms, may in fact have a highly beneficial effect on those suffering from Alzheimer's.

The drug, which is injected into the spine, appears to deactivate a person's tumour necrosis factor, a chemical found in the brain fluid that is present in those who suffer from Alzheimer's. U.S. researchers say one patient who took the drug, had his symptoms reversed in minutes.

And other patients showed improvements in various Alzheimer's symptoms, which include loss of memory, judgment and reasoning, and changes in mood, behaviour and communication abilities.

"It is unprecedented to see cognitive and behavioural improvement in a patient with established dementia – within minutes of therapeutic intervention," Dr. Sue Griffen, a researcher at the University of Arkansas, told the *London Evening Standard*. "This gives all of us in Alzheimer research a tremendous new clue about new avenues of research.

Although the study was only carried out on a few patients, researchers hope it may finally provide some clues in unlocking the puzzle of Alzheimer's, a goal which has proven so far frustratingly elusive. Successful treatment would be a long-awaited boon for the millions of people worldwide who suffer from this debilitating disease.

"It is of significant scientific interest because of the potential insight it may give into the processes involved in the brain dysfunction of Alzheimer's," said Griffin. Her colleagues on the study seem equally positive. "[The drug] has a very rapid effect that's never been reported in a human being before," said Edward Tobinick, the study's lead author who works out of the University of California. "It makes practical changes that are significant and perceptible, making a difference in daily living."

Alzheimer's disease is a progressive degenerative disease affecting the brain, causing memory loss, poor reasoning, communication difficulties and erratic behaviour. In its early stages, it renders the person unable to perform the functions of daily living. As it slowly progresses, the person may completely lose their ability to talk, recognize loved ones or think rationally.

It's estimated that it affects 450,000 Canadians over the age of 65 and takes a tremendous toll on their families, who are often thrust into a care giving role. The Alzheimer Society of Canada projects that as the population ages, we're likely to see a skyrocketing number of new cases. By 2011, it predicts that the number of new cases will reach over 100,000 a year.