



# Heritage



## In this issue

Estate Preservation  
2

Planned Giving  
2008-2009  
Seminar Series  
4

2009 Travel Program  
4

Pack Your Bags  
4

## University of Ottawa Alumna Invests in the Future

### *How Claire Holmes is Making a Difference*

By Jennifer Thomas in collaboration with Claire Holmes



Claire Holmes and her husband John Tomczak, atop Mount Tolmie in the heart of Victoria, B.C.

Retired University of Ottawa employee Claire Holmes has had a long relationship with this institution. In the early sixties when she was Sister Claire-Alma, a Grey Nun from the Ottawa General Hospital, she enrolled in summer and evening commerce courses (then affiliated with the Faculty of Arts).

In May 1964 she left the order and pursued her studies full-time as Marie Claire Lucille Desjardins. This same year, she began working as a part-time clerk in the University's Department of Finance. In 1965, she was promoted as full-time assistant to Father Marcel Bélanger, OMI, the interim Vice-Rector of Administration and reverted back to part-time student status. In 1966 she graduated with a B.Com. and later married John Holmes.

It was an exciting time at the University of Ottawa. Under the rectorship of Father Roger Guindon, the University

made its transition from a small and private Oblate Catholic institution to a flourishing, provincially-assisted, public university. For several years Claire served as executive assistant to Allan Gillmore, the permanent Vice-Rector of Administration until the creation of "Budget Services." She then became its first director, a position she maintained until her retirement in July 1989.

After 25 years as an employee of the University of Ottawa, Claire continues to maintain her relationship with her *alma mater*. She has been an ongoing donor to the University for more than 10 years, providing support for student bursaries that she hopes will help students in their endeavor to become successful professionals. Claire also established a bequest in 1993 and continues to engage in alumni activities and events in Victoria, B.C. where she now lives.

Claire believes that contributions made in the form of bequests and annual gifts are important as they help to build a solid foundation for future alumni. Moreover, annual gifts donated on a monthly basis are easy to budget and facilitate increases as circumstances permit. Strongly committed to the importance of excellent education, Claire shares:

"I have wonderful memories of my time at the University of Ottawa, both as a student and an employee. (Con't p. 2)



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It was an important growth period in my life. At times it was a challenge to be a female director however I learned to overcome this cliché. Interacting with young students, deans and directors made my life very interesting. I was blessed with exceptional colleagues who supported me fully – especially during those extra hours required to meet tight deadlines and when budget cuts had to be implemented. We were friends then and still are. The lessons I learned during my years at the University continue to serve me well in my role as an active volunteer today.”

Claire has been a volunteer with the Victoria Hospice Society for the past 8 years where her husband John Holmes passed away just six months after she retired from the University of Ottawa. She now provides bereavement support to others who have lost loved ones. She met her second husband John Tomczak at the Hospice where he too lost his spouse and now volunteers. They have a happy life together and spend much time with the 8 darling grandchildren she inherited from their marriage.

Claire encourages students at the University of Ottawa to be the best they possibly can and to take advantage of any opportunities offered. Participating in activities and ongoing campus projects broadens one's horizon and stimulates confidence in preparation for the job market. She also encourages students to keep in contact with their *alma mater* by participating in alumni gatherings held in their area or at Homecoming where you can find familiar faces on campus.

If you would like to make an inspiring legacy that lives on for future generations at the University of Ottawa, contact **Marlene Scheel, Assistant Director of Gift Planning at 613-562-5800, ext. 3426 or at [mscheel@uOttawa.ca](mailto:mscheel@uOttawa.ca)**. Planned gifts such as securities, bequests or life insurance are a unique way in which to advance your own financial objectives while helping the University of Ottawa reach its educational goals. Marlene would be pleased to provide you with examples of different gift strategies that can benefit your income and tax situation.

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# Estate Preservation

## Brophy Financial Planning/Dundee Wealth

Article provided by Charles Brophy, CFP, RFP, CLU, CSA *He can be reached at 613-728-9573 or ([charlie@brophyfinancial.com](mailto:charlie@brophyfinancial.com)).*

**M**any individuals and couples have spent a lifetime accumulating wealth and now find themselves retired or approaching retirement.

The primary goals for these individuals are to maintain their lifestyle through retirement and conserve their Estate through proper planning to minimize tax and pass Estate assets to their heirs as tax-efficiently as possible.

By planning their Estate, these individuals achieve the added benefits of :

- avoiding family strife
- providing for spendthrift heirs

- helping their children and grandchildren
- contributing to a favourite charity
- reducing the impact of taxes

When planning your Estate there are basically three taxes to consider:

- Capital Gains on property and investments
- Income Tax on RSPs and RIFs
- Probate fees on assets not held jointly

It is interesting that of the three taxes outlined above, the least tax is “Probate” fees and yet this is the tax that many people try to eliminate without consideration of the more costly taxes on RSPs/RIFs and Capital Gains from property.

A simple example to illustrate would be a couple age 75 with three assets; a home worth \$500,000, a cottage worth \$300,000 and RSP/RIF assets of \$500,000. On the death of the second spouse, following are the “three taxes” payable:

**Couple Age 75**

	Market Value	Tax Bill
<b>Home</b>	\$500,000	0
<b>Cottage (cost \$100,000)</b>	$(\$300,000 - \$100,000 \div 50\%) \times 46\%$	\$46,000
<b>RRIF</b>	$\$500,000 \times 46\%$	\$230,000
<b>Probate Fees</b>		\$19,500

To pay these taxes, there are a number of options available:

- a) At time of death assets may be sold to pay taxes. However the executor may find it difficult to get a reasonable price for assets if real estate or the stock market is depressed or if the assets are not liquid.
- b) At the time of death, the executor may attempt to borrow money due for taxes until assets can be sold. However, banks are reluctant to loan money to an Estate until settled. If it were possible to borrow, the cost of borrowing would also be a consideration.

- c) A third option is to try and save enough capital to pay taxes when death occurs. However, we don't know our own time horizon (when we will die) and the savings growth will be taxable, thus reducing the after-tax capital available on death.
- d) A fourth option is to spend everything, then die right on schedule. Although very desirable, this option is very unrealistic. As well, usually our fear of poverty outweighs our dislike of taxes.
- e) The final and best option, in my opinion, is to reallocate a portion of your open money into a little known tax shelter to provide for these taxes and grow cash for your own use.

To preserve your Estate by minimizing taxes, the first step would be to assess the various taxes owing on your assets and determine the dollar value today and estimate the future value. Then discuss with your financial advisor options available that provide the least expensive means of paying these taxes.

A free consultation is available through our office to discuss the impact of these taxes on your Estate and possible options.

**Become a Member of the Heritage Circle**

If you have included the University of Ottawa in your estate plans through a bequest or deferred gift, you are entitled to membership in the Heritage Circle. Membership privileges include a special certificate, complimentary passes to campus activities and Tabaret Society events. To add your name to the Heritage Club, contact the **Gift Planning Office, University of Ottawa.**

## Planned Giving 2008-2009 Seminar Series

The Gift Planning Office continues to present a series of seminars in Fall 2008 and Spring 2009.

### FALL 2008 Schedule

Wednesday, October 8 **10 a.m. – noon**  
Charles Brophy, of Brophy Financial Planning, will present **Estate Preservation**. He will discuss strategies to minimize tax shrinkage in your estate, as well as using trusts to reduce tax to your heirs.

Wednesday, November 12 **10 a.m. – noon**  
**Establishing a Trust as Part of Your Estate Plan** will be presented by Brian Morrison of BMO Nesbitt Burns. This session will look at the use of trusts and various vehicles for protecting your estate and insuring that your wishes are honoured.

### SPRING 2009 Schedule

Wednesday, March 4 **10 a.m. – noon (E); 2 p.m. – 4 p.m. (F)**  
**The Tax Planned Will** will be presented by Linda Hancock from Investors Group Financial Services Inc. It will be presented in French in the afternoon by Allison White, also of Investors Group Financial Services Inc. Both sessions will discuss how to protect your assets for your heirs.

Wednesday, April 22 **10 a.m. – noon**  
**The Responsibilities of the Executor** will be presented by Anna Sundin, LL.B. She will discuss the responsibilities of an executor; helping you to choose the best executor for your estate. This information is also pertinent for any one who has agreed to be the executor of an estate for a family member or friend.

Wednesday, May 13 **10 a.m. – noon(E); 2 p.m. – 4 p.m. (F)**  
**Life Insurance strategies for Donating to your favorite Charities.** In this interactive presentation from Alain Lévesque of DeVimy Group, you will learn different strategies using life insurance in charitable giving. The morning session will be conducted in English, the afternoon session in French.

Wednesday, June 3 **10 a.m. – noon**  
**Travel and Health Insurance** will be the topic of a presentation by Shawn McCord and Bonita Oliver of Johnson, Inc. They will talk about the MEDOC travel insurance plan that has been endorsed by the University of Ottawa Alumni Association. Sylvie Laframboise, also of Johnson Inc., will be available for discussion in French.

To register, or if there are other topics you would like to learn more about, please let us know by e-mail at [heritage@uOttawa.ca](mailto:heritage@uOttawa.ca) or by calling **613-562-5800, ext. 3440**.



## 2009 Travel Program

Are you interested in travelling? Join the University of Ottawa Alumni Association and discover the wonders of the Galapagos Islands, the beauty of Tuscany, sail the waters of Tahiti and French Polynesia, and much more. For information contact the Alumni Relations Office at **613-562-5857** or visit our web site at [www.uOttawa.ca/alumni](http://www.uOttawa.ca/alumni).



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