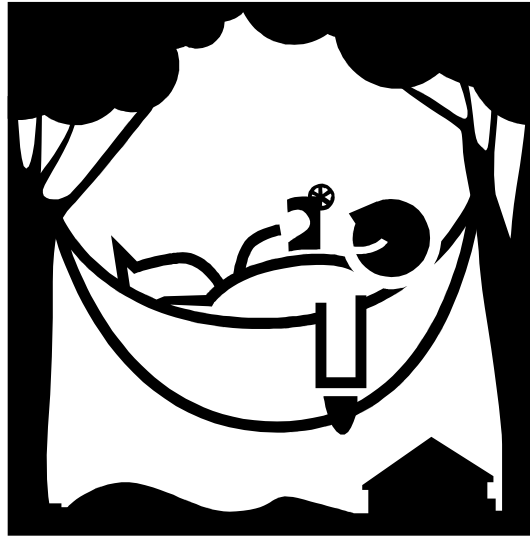


OSSTF DISTRICT 21 TEACHERS' UNIT

Retirement Information Booklet



February 2008

Introduction

Congratulations--you are going to retire!!

This booklet is intended to answer some very basic questions that should make the process of retiring easier. It will be updated every school year so that the information remains current.

Please note that this booklet does not contain advice on the financial decisions that you will have to make upon entering retirement. It is intended to provide basic information only. We recommend that you consult the Ontario Teachers' Pension Plan and your financial advisor for advice, well before you plan to retire. In addition, we recommend that you attend one of our yearly OSSTF Retirement Planning workshops. The District 21 Office cannot provide financial and pension advice.

We wish you all the best for a wonderful retirement.

Contact Information

Ontario Teachers' Pension Plan (www.otpp.on.ca)

1-800-668-0105
(have SIN# handy)

HWDSB

905-527-5092
Pensions...ext. 2607
Benefits...ext. 2215

District 21 Office

905-574-8285

Ontario Teachers' Insurance Plan (OTIP)

1-800-267-6847

Retired Teachers of Ontario (RTO)

1-800-361-9888

Retirement Letters

When to send it:

You are required by law to give your employer ***two weeks notice*** of your retirement. We do not have provisions in our collective agreement that state any other requirement.

Always retire on the last day of the month. This will ensure that you will get full pension for the following month.

Who to send it to:

Your letter should go to Darlene Steele in Human Resources at the HWDSB. (Please see the end of this booklet for a sample letter.) It can be sent in the Board Courier.

It should include the following:

1. Date of your retirement
2. Request that you receive your retirement gratuity
3. Request for information on the HWDSB Benefit Package
4. Request for information on how to roll your gratuity into an RRSP.

If you wish, you can provide a copy to your Principal.

The Board will send you a package of information on Benefits and other options once your letter is received.

Gratuity

Upon retirement, many teachers are eligible to receive up to one-half of their yearly salary as a retirement gratuity.

Those who meet Collective Agreement eligibility requirements and the eligibility requirements under the terms of the Teachers' Pension Plan Act will be eligible to receive a gratuity. If a teacher dies while in service with the Board, the gratuity will be paid to the teacher's estate, provided that they had met all eligibility requirements at the time of death.

The amount of gratuity you will receive upon retirement is dependent upon the number of sick days you have.

Calculation of Retirement Gratuity

The basic calculation for determining your gratuity amount is as follows:

$$\text{Annual Earnings} \div 194 \text{ (annual school days)} \times (\text{number of sick days} \div 2) =$$
$$\text{Gratuity (maximum of } \frac{1}{2} \text{ annual earnings)}$$

Eligibility Requirements

It is understood between District 21 and the HWDSB that in order to receive payment of the retirement gratuity the teacher must be 48 years of age, have the required years of eligibility for a retirement gratuity, and must submit proof from the Teacher’s Pension Plan that the teacher is either in receipt of a pension, of a commuted value pension, or has obtained a deferred pension statement.

The required years of eligibility vary depending on if you were originally hired by the current Hamilton-Wentworth District School Board, or the former Wentworth County or Hamilton School Boards. Our Collective Agreement outlines these requirements.

Hamilton-Wentworth District School Board

- Must have worked twenty (20) years with the Board.

Former Wentworth County Board

- Must have worked ten (10) years with the Board ***OR***
- Has worked 10 years with the Board and is retiring due to a permanent disability that prevents the teacher from working.

Former Hamilton Board

- Must have worked twenty (20) years with the Board ***OR*** be sixty (60) years of age.

Special note:

- A teacher who is on LTD (Long Term Disability) at the time of retirement will have their gratuity based on the salary earned prior to their date of disability.

Benefits

When do my benefits terminate?

If you retire in June, your health and dental benefits terminate on **August 31** of the same year. This is because you have paid for July and August in advance. If you retire at another time during the school year, your benefits end at the end of the month in which you retire.

What choices do I have?

You can choose to retain all or part the Board's Benefit Plan within **31 days** of your retirement date. You can request information from the Board upon your retirement. (You will note that it is very expensive and has a \$15,000 lifetime maximum.) Many of our members choose benefit plans with OTIP (Ontario Teachers' Insurance Plan) or RTO (Retired Teachers of Ontario.) For these plans, you have **60 days** to enroll. After 60 days, a medical questionnaire is required. Ultimately, you will have to decide what Benefit plan is best for you.

Life Insurance

When does my Life Insurance with the Board terminate?

The Board's Basic Life Insurance plan terminates at the same time as health and dental benefits.

Retiring teachers have the option of maintaining a \$50,000 basic life insurance policy with the Board until age 65. Teachers who elect to do this have to pay the full amount of the premium.

Teachers also have the option of rolling their life insurance policy into an individual one with Great West Life. Please call the HWDSB for more information.

OTIP Long-Term Disability (LTD)

When does my LTD with OTIP terminate?

You are no longer eligible to collect LTD benefits when you reach **age 65** or are eligible for a **66% unreduced pension**.

Even if retirement is several years away, it pays to contact the Ontario Teachers' Pension Plan if you have taught for over 30 years with the Board. Finding out when you will be eligible for 66% of your pension could save you money in needless LTD premiums.

ALL ABOUT A.R.M. (ACTIVE RETIRED MEMBERS)

In 1996, OSSTF/FEESO established a new type of membership specifically for **Active Retired Members (ARM)**. This allows retired members of OSSTF/FEESO who wish to remain actively involved with their colleagues politically or socially to rejoin OSSTF/FEESO. There are a number of ARM Chapters across the province.

ARM Chapter 21 would like congratulate you on your forthcoming retirement. The following is a brief description of the ways ARM may be of benefit to you. ARM is a multipurpose group that makes it easy for everyone to profit from membership.

ARM is a great source of helpful information geared specifically to retirees. At our monthly breakfasts/luncheons, we often invite locally determined speakers to help us with issues such as financial advice e.g. RRSPS, legal advice e.g. power of attorney, fitness e.g. active release therapy, travel advice e.g. shared discussions of where to go this winter. Charlie Connor often comes in to help all the gardeners solve their plant problems. We also include informative articles in our bimonthly newsletter. We keep you up to date on our pension plan and how any changes to the plan or tax laws might affect your pension. We have a very good social activity schedule. From simple gatherings for breakfast or lunch so everyone can chat with fellow retirees, hikes on our local trails to tours of historical sights, we keep try to keep everyone as active as possible. ARM allows you to stay in touch with the educational system which absorbed so much of your time and passion. We often have District executive members in to clarify issues for us and to seek our help and advice. We have a similar relationship with the provincial office. ARM has its own province wide ARM council which elects members from all active chapters. They meet regularly to share helpful information and activities from the various chapters and bring our concerns to Provincial Executive. ARM also belongs to the Congress of Union Retirees of Canada (CURC) which allows us a voice in a significant national body that speaks to retiree issues.

In addition to the social and political benefits, there are other advantages to joining ARM. ARM offers the **ARM Health Plan** administered by **Ontario Teachers' Insurance Plan (OTIP)**. This is a highly competitive plan that can provide excellent coverage to meet your individual needs. Membership in the ARM plan can even cover an annual membership in ARM. You continue to receive, with your membership, the editions of *Update* and your monthly planner, to which most of us are addicted. You still maintain the use of the *Edvantage card*. As one retiree put it, 'by using the card for my annual stay in Montreal I pay for my membership three times over'. You also can take advantage of **OTG (Ontario Teacher's Group)** FREE financial counseling.

When you retire ARM offers you free membership from the date of retirement until the next year. That means that, if you retire in June, your membership is free until January of the next year. If you retire in January you would get the benefit of that entire year. This gives you the opportunity to try us out. After that you can pay an annual fee of \$50 or become a member by joining the ARM benefits plan.

I hope that you will give us a try and let us help make your retirement a happy one.

Chester Faulknor
ARM Chapter 21 President

P.S. You can contact ARM by calling the District 21 Office at 905-574-8285.

RETIREMENT CHECKLIST

1. Begin your preparations **AT LEAST** six months in advance of your scheduled retirement date.
 2. Attend an OSSTF Retirement Planning Workshop when available.
 3. Request a sample letter of retirement from the OSSTF District 21 Office.
 4. If necessary, make an appointment with a counselor at the Ontario Teachers Pension Plan Board. When you meet the counselor bring with you:
 - a) your birth certificate
 - b) your spouse's birth certificate
 - c) your social insurance number
 - d) your marriage certificate
 - e) the birth certificate of the person named as eligible for a survivor's pension should you plan to take a reduced pension.
- N.B. Make sure you have copies of all documents and letters.***
5. The Ontario Teachers' Pension Plan Board instituted a Phone-a-memo service. If you have a touch-tone telephone, many of your questions may be answered by calling 1-800-387-0945.
 6. Register to iAccess for information regarding your own pension. Registration for iAccess can be done through the Teachers' Pension Plan Board website.
 7. You can contact the Pension Board by phone and ask for a statement of contribution print-out. You will be required to give your social insurance number.
 8. The Pension Board will also provide you with a pension estimate. If you provide up-to-date salary information, the Pension Board can give you a fairly accurate estimate of your retirement pension. The basic pension is calculated by multiplying your total credited service by two percent times the average of your best (usually the last) rates of pay. This statement will also give you information on how your basic pension is affected when you become eligible for a Canada Pension Plan and also information if you elect to have a higher rate of survivor pension, ranging from 55 to 75 percent for a surviving spouse. A waiver must be signed by you and your spouse to reduce the survivor pension from the standard 60% to the minimum of 50%. At 50% survivor pension rate, no reduction in your basic pension occurs.
 9. Determine whether you will opt for the 10-year pension guarantee.
 10. If you have past service that may be purchased, make arrangements to do so with the Pension Board well before retirement.
 11. A retirement pension kit is available through the Teachers' Pension Plan website or by calling the Teachers' Pension Plan Board.
 12. Determine whether you need Benefit coverage. In addition to the available plans available in the pension kit, obtain a Trillium Benefit Package from your local Pharmacist.
 13. Obtain information on teaching after retirement.
 14. You can transfer your Retirement Gratuity directly to an RRSP without paying tax on it. The amount that you can transfer is \$2000 for every year of service prior to 1996. No amount can be transferred to an RRSP unless you have allowable RRSP contribution room available.

This document was adapted from one produced by District 1. It is intended to be a guideline only.

SAMPLE LETTER OF RETIREMENT

Date: _____

**Ms. Darlene Steele
Human Resources Department
Hamilton-Wentworth District School Board
P.O. Box 2558
100 Main Street West
Hamilton, Ontario
L8N 3L1**

Dear Ms. Steele:

This letter is to inform the Board that I will retire from teaching effective _____ subject to approval of my receiving the retirement gratuity.

Please forward me information on the benefit package available for purchase from the Hamilton-Wentworth District School Board.

In addition, please include information on how to roll my retirement gratuity into an RRSP.

Sincerely,

(Your signature)

Your name and school

Note that this letter can be sent through the Board Courier to the Human Resources Department at the Hamilton-Wentworth District School Board.