

Are You Thinking About Retiring?

INFORMATION YOU NEED TO KNOW

Under the *Teachers' Pensions Act*, a teacher is eligible for pension benefit:

- (a) At age 60, with at least five years of pensionable service. **Note:** teachers who retire **prior to age 60** with between 5 and 24 years of pensionable service will not be eligible for a pension until the month following their 62nd birthday.
- (b) At age 55 or after, with at least 25 years of pensionable service.
- (c) After completing 30 years of worked service* (or 29.5 years by June), regardless of age.
- (d) After completing 29 years of worked service (or 28.5 years by June) and at least 30 years of pensionable service. Pension will be reduced based on the number of months a teacher will be retired prior to reaching age 55. Reduction ceases after age 55.
- (e) At age 55, with between 5 and 24.4 years of pension service, an actuarially reduced pension can be payable.

(*worked service refers to all pensionable service, except university study buy-back that was purchased prior to 1991.)

Regardless of which retirement eligibility trigger applies, **pension is only payable in the month following resignation and application for a pension.** For example, a teacher who retires effective June 30 and a teacher who retires effective June 5 will both be eligible to start receiving a pension in July. This holds true no matter when or in which month a teacher chooses to retire.

Access to Pension Estimator

Teachers have access to a pension estimator through the Teachers' Pension Plan Corporation website at www.tppcnl.ca.

Checklist for Retiring Teachers

The following checklist is designed to assist teachers as they participate and plan for this upcoming life phase change.

- Apply to the NLTA to attend a pre-retirement seminar up to two years prior to your year of retirement;
- Confirm the eligible date of your retirement with the TPPC at the pre-retirement seminar or by contacting the TPPC directly.
- Submit your resignation to the School Board (**do not** resign until eligibility has been confirmed): one month notice is required if retirement is to occur anytime prior to Christmas; three months notice (March 31st) is required if retirement is to occur after Christmas. If you are retiring at the end of the school year, it's imperative that you submit your resignation and paperwork before the end of

June. Otherwise, you will not be eligible for your pension until at least **August 1**. Applications can no longer be backdated. This is a Canada Revenue Agency (CRA) regulation.

- Apply for pension by completing and submitting the appropriate "Teachers' Pension" application prior to the effective date of your resignation.
- Complete and submit the "Direct Deposit" form to the TPPC if there is a change to your current "Direct Deposit" information.
- Apply for severance pay (if applicable) by completing the "Severance Payment Request" form.
- Confirm/consult with Johnson Inc. on Group Insurance coverage: 1-800-563-1528. Arrange for deductions to come out of your pension. It's vital to do this immediately so that your coverage **does not lapse**. If you wait more than 31 days, the Group Insurance benefit carriers could require you to have a medical. Depending on the outcome of the medical, they could refuse to cover you.
- Consider joining the Retired Teachers' Association by completing the application form and submitting it to the NLTA.
- Consider seeking personal financial advice regarding financial decisions related to retirement.
- Keep your mind active and your body healthy. Enjoy life!

Changes Effective Upon Retirement

- NLTA Membership status changes from Active Membership to Life or Associate Membership.
- Access to the services and benefits of the Employee Assistance Program (EAP) terminates.
- Basic Life Insurance coverage reduces to twice annual pension from twice annual salary (provided coverage is maintained and premiums paid); coverage terminates at age 65 and is replaced by a members only \$15,000 benefit after age 65.
- Basic Critical Illness Insurance terminates.
- Eligibility for EI ceases (unless a person becomes a "re-established worker" or is on a forced medical retirement).

Any questions or comments can be directed to Deana Hatcher, Administrative Officer in Programs and Services at the NLTA at dhatcher@nlta.nl.ca, Tel: 726-3223 or 1-800-563-3599, ext. 270.