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 (or 24.5-24.9 years in the month of June only).

(c) After completing 30 years of worked service* (or 29.5-29.9 years in the month of June only), regardless of age.

(d) After completing 29 years of worked service (or 28.5-28.9 years in the month of June only) and at least 30 years of pensionable service (or 29.5-29.9 in the month of June only). 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 by logging into myPENSION available on 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 at memberservices@tppcnl.ca.
- ☐ Submit your resignation to your employer (**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 31 if retiring June 30) 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 with the TPPC for pension by completing and submitting the appropriate "Teachers' Pension" application and "Direct Deposit" form prior to the effective date of your resignation.
- ☐ If you still have funds in the substitute pension plan, call Canada Life at 1-800-724-3402 to access these funds.
- ☐ Apply for severance pay (if applicable) by completing the "Severance Payment Request" form.
- ☐ Most of your current Group Insurance benefits will automatically continue through deductions on your pension cheques. Long Term Disability and the $10,000 Basic Critical Illness benefit, however, will terminate at retirement. Your current Basic Group Life and Accident Insurance coverage of two times annual earnings will reduce to two times annual pension. If you would like to convert your Group Life Insurance coverage that is being lost (reduced) to an individual Life Insurance program, make certain to contact belairdirect to arrange to do so within 31 days of retirement/reduction of coverage to avoid the necessity of a medical application/underwriting. For further details please consult the Group Insurance website at groupinsurance.nlta.ca or contact belairdirect at 1-800-563-1528.
- ☐ Consider joining the Retired Teachers' Association by completing the application form at www.nlta.ca/rtanl-membership-application/.
- ☐ 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).

Inquiries can be directed to Programs and Services at the NLTA. Tel: 709-726-3223 or 1-800-563-3599 to Deana Hatcher, dhatcher@nlta.ca, ext. 270 or to Dave Locke, dlocke@nlta.ca, ext. 224.