

Retirement Package – Secondary Teachers

In this Package, you will find several pieces of information for your consideration if you are planning to retire:

1. Notification to the Board
2. Final Paycheques and Retirement Date
3. Gratuity (if you are getting one)
4. DDSB Software and Portal
5. LTD Premium Termination
6. Ontario Teachers' Pension Plan
7. Starting your Canada Pension Plan (CPP)
8. Health Insurance after Retirement

APPENDICES

- Article L12 of our Collective Agreement (regarding gratuity)
- LTD Premium Termination Instructions
- LTD Premium Termination Form

1. Notification to the Board:

The Board has recently moved to an online retirement submission format in lieu of a retirement letter. You will submit your request like a leave of absence. You apply for the leave on the Portal under Employee Self-Serve → HRP Link (Forms Online) (centre of screen) → Forms Online (left of screen) → Retirement Form. Our Collective Agreement says that a teacher retiring needs to give the Board **4 weeks' notice**. If this time frame will not work for you, call the District Office for advice.

Next Steps after your Retirement Form has been submitted:

1. Human Resource Services will review your form. If additional information is required, you will be notified via your ddsb.ca email account.
2. Once Human Resource Services has validated your information, you will receive an email APPROVING your Retirement.
3. If any further information is required from you to process your retirement, you will receive an email from hr.services@ddsb.ca.

Before your last day of work:

- School-Based Staff: Return all your DDSB materials (keys/key cards, badges, phones, laptops, etc) to your School Administration.
- Education Centre Staff: Make an appointment with IT Services to return all your DDSB materials (keys/key cards, badges, phones, laptops, etc).

2. Final Paycheques, “Summer Pay” and Retirement Date

While we are now paid IN the summer, we are not paid FOR the summer. Our salary is simply smoothed out in regular payments over the whole year including the summer for convenience. We are only actually paid for the exact days that we work. Once you submit your retirement date, the Board will do a true-up of whatever money they owe you for the days you have worked that year. Based on the pay cheques you have received until that point (3.846% each pay), they would determine how much more you are owed.

You do not want to miss out on pension payments during the summer. If you will be retiring effective the last day of school, you will have worked ALL of the working days that year and therefore you will be entitled to ALL of your salary, even the money set to be paid out during the summer. They will pay that out to you in a lump sum and then remove you from payroll. That is how you will start your pension effective July 1st and collect pension payments during the summer.

3. Gratuity (if you are getting one):

Article L12 of the Collective Agreement describes the Retirement Gratuity (see appendix below). The pay-out for those who have vested Retirement Gratuities was amended by legislation in 2012. Your accumulated retirement gratuity credits and salary used in the calculation were frozen as of August 31, 2012. You would have been notified of the amount of your frozen gratuity back in 2012. If you cannot locate this info, you can contact Michelle.Chassels@ddsb.ca.

Once you submit your retirement request, the Board will send you a gratuity option selection form. You will need to decide what you will do with your gratuity. Will you collect it all in cash, direct it all to a tax-sheltered RRSP, or collect some in cash and direct some to an RRSP? For every year of service with the DDSB pre-1996, you can have the Board deposit \$2,000 directly into your RRSP regardless of whether you have RRSP deduction limit room available. Above that amount, you can only direct to your RRSP the portion of your gratuity for which you have deduction limit room available. You should consider seeking advice from a financial planner.

4. DDSB Software and Portal:

It is important to be aware that once you have retired, you will no longer be on the DDSB email system or have access to the Portal or the Employee Self-Serve system. You will also no longer have access to any programs through Microsoft O365 or Google applications. If you wish to retrieve copies of pay stubs, T-4 slips or email contacts you will need to do so before your retirement date.

5. LTD Premium Termination

At some point late in your career - perhaps even before your retirement - it may be possible to stop paying your monthly LTD premiums. In order to stop your premiums, you need to meet one of three possible criteria. See LTD Premium Termination Instructions and Form attached and/or contact the district office for details and to see if you qualify.

6. Ontario Teachers' Pension Plan:

Contact the [Ontario Teachers' Pension Plan](#) or use their online system and make sure that they have all of the documents they need to process your pension. It is recommended that you make these inquiries at least six months before retirement. You may not realize all of the official documents which are required. These can include items such as:

- TD1 Form (Ontario Personal Tax Credits Return)
- Voided Cheque (for direct deposit)
- Photocopy of Birth Certificate
- Photocopy of your Marriage Certificate (if married) or Affidavit of Relationship
- Photocopy of your spouse's Birth Certificate and SIN number
- Photocopy of Certificate of Divorce or Decree Absolute, if applicable

You cannot receive both salary and pension in the same month. So it is advisable not to retire on the

***first day of a month as you will not receive your pension cheque until the end of the following month.
(Note that pensions are paid on the last day of each month.)***

Ontario Teachers' Pension Plan - OTPP

Office Hours: 8:00am to 5:30pm Monday to Friday

Phone: (416) 226-2700

Toll Free: 1 (800) 668-0105

Fax: (416) 730-7807

Fax Toll Free: 1 (800) 949-8208

Email: Inquiry@otpp.com

www.otpp.com

7. Starting Your Canada Pension Plan (CPP)

CPP is integrated with your Teachers' pension

As with most pension plans in the country, the Ontario Teachers' Pension Plan is designed to work with the Canada Pension Plan (CPP). Each year, the CPP establishes a maximum amount of earnings on which to base your contributions (for example, in 2023 the maximum is \$66,600). While you were working, you contributed less to the Teachers' pension plan on earnings below the CPP maximum, and you contributed more on that portion of your earnings above the CPP maximum.

As a result, when you turn 65 (or when you begin receiving a CPP disability pension), your Teachers' pension is reduced to partially recognize the benefits payable from CPP. The reduction is based on a formula, not what you will receive from CPP. Generally, the reduction equals about two-thirds of the unreduced CPP pension you would qualify to receive at 65.

You can begin to collect a reduced CPP pension any time between the ages of 60 and 65. Regardless of when you decide to take your CPP pension, your Teachers' pension will be reduced at age 65.

How the CPP reduction formula works

The CPP reduction factor is determined by the Ontario Teachers' Federation and the Ontario government, the plan's partners.

OTPP determines your CPP reduction at the time of your retirement by using the following formula:

CPP reduction factor (currently 0.45%)	x Years of service in Teachers' plan during which you also contributed to CPP	x Year's Maximum Pensionable Earnings average or best-five salary (if less)	= CPP reduction
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When should you begin taking your CPP pension?

While this very personal decision is in your hands, we can offer some advice and point you in the right direction for additional information.

If your expenses will be high during your early retirement years, consider collecting CPP early. By starting a reduced CPP pension early, you may receive it for a longer period of time. However, by waiting until you are age 65, you will receive more each month.

To obtain more details about the factors that might help you make a decision, contact your local Service Canada office or visit their website at www.servicecanada.gc.ca. They can provide you with estimates of your reduced and unreduced CPP pension.

Old Age Security is not integrated with your Teachers' pension

Unlike the CPP, Old Age Security (OAS) is not integrated with the Teachers' pension plan.

You are currently eligible to begin receiving OAS payments at age 65. Full OAS benefits usually are available to seniors who have lived in Canada for at least 40 years after age 18. Partial pensions may be available if residency requirements are not met.

Most retired education workers qualify for the maximum pension from OAS. The maximum is about \$691 a month. The federal government begins clawing back OAS when total net income reaches \$86,912 for 2023.

8. Health Insurance after Retirement

Your eligibility for the OSSTF ELHT Medical, Dental and Life insurance plan ends effective your retirement date.

Retired educational employees remain covered by OHIP. Additional health insurance coverage upon retirement needs to be carefully considered.

Some questions to think about:

1. Does Extended Health Care become my financial responsibility when I retire or do I have coverage through my spouse?
2. Do I want protection against expensive medical costs?
3. Do I want similar benefits to those I enjoyed as an educational employee?
4. Do I want Semi-Private or Private Room coverage?
5. Will I be travelling? Will I need a comprehensive travel plan?
6. What is my family status? Do I need single, couple or family coverage?
7. Does it cover 80% or 100% of prescriptions? What are the different maximums?
8. Will I need a dental plan?
9. What is the monthly premium?
10. Is medical evidence required?
11. What are the payment methods?
12. Is there a waiting period?
13. Will my survivor be eligible to remain in the plan?
14. Is the Ontario Drug Benefit Plan going to be there when I retire?

Currently, your OSSTF ELHT Medical, Dental and Life insurance plan is run by OTIP. You may have coverage through OTIP for car and home insurance as well. OTIP also offers retiree benefits for education workers called RTIP (or ARM for OSSTF members). OTIP is an insurance company which is wholly owned by the Education Sector affiliates (OSSTF, ETFO, OECTA, AEFO).

RTIP (Retired Teachers Insurance Plan)
Affiliated with ARM (Active Retired Members of OSSTF)
Run by OTIP
www.rtip.com

Below is a brief summary of RTIP for your consideration:

Why choose RTIP?

- Three health care plans to choose from.
- Deluxe travel insurance is included in every RTIP plan and provides coverage for trips up to **95 consecutive days!**
- Option to add dental coverage at any time, without penalty.
- Complimentary access to these important services:
 - CAREpath – the Cancer Assistance Program
 - Express Scripts Canada Pharmacy – a home delivery program that covers 100% of your generic maintenance prescription drug expenses
 - Edvantage – savings, contests and special events
 - The Seniors' Care Assistance Program™ – provided by Bayshore HealthCare

Visit www.rtip.com to learn more!

APPENDICES

ARTICLE L12 - RETIREMENT GRATUITY PLAN

- 12.1** A teacher with a minimum of ten (10) consecutive years of service as a teacher with the Board or a predecessor thereof, to the date of retirement shall be granted a gratuity based on the accumulated yearly credits and the highest annual salary during the five (5) years prior to retirement.
- 12.2** Only credits earned by the teacher during employment with the Board or a predecessor thereof shall be used in the calculation of the gratuity.
- 12.3** Credits will be accumulated as follows:
- (a)** Each teacher will be given a credit of two (2) percent for each year of service with the Board or predecessor thereof prior to September 1973.
 - (b)** Commencing in September 1973, a teacher will be given a percentage credit for each year of service with the Board or a predecessor thereof based on the following table:

<u>Sick Leave Credits Unused at the End of Each Individual Year</u>	<u>Percentage Credits to be Added to an Employee's Accumulated Credits at the End of Each Individual Year</u>
20	2.0 percent
19	2.0
18	2.0
17	2.0
16	2.0
15	2.0
14	1.9
13	1.8
12	1.7
11	1.6
10	1.5
9	1.4
8	1.3
7	1.2
6	1.1
5	1.0
4	0.8
3	0.6
2	0.4
1	0.2
0	0.0

The teacher's accumulated credits at the end of each year shall not be reduced.

- (c)** A teacher can accumulate a maximum credit of 50% for service with the Board or a predecessor thereof.
- (d)** Teachers who have been absent ten (10) or more consecutive school days in any one (1) year shall be granted a gratuity credit of up to 2 percent in any one (1) year to a maximum of 5 percent at retirement.
- (e)** On each occasion where a pregnancy and parental leave has been extended or where a parental leave without a pregnancy leave has been extended, there will be no loss of accumulated retirement gratuity credits.

- 12.4** The retirement gratuity plan calculation is based on:
- (a)** The total percentage credit in any teacher's account.
 - (b)** The highest annual salary during the five (5) years prior to retirement.
 - (c)** Example:
 - (i)** Teacher with fifty percent credit accumulation and salary of \$16,000 at retirement:
$$\frac{\$16,000 \times 50}{100} = \$8,000$$
 - (ii)** Teacher with 16.5 percent credit accumulation and salary of \$16,000 at retirement:
$$\frac{\$16,000 \times 16.5}{100} = \$2,640$$
- 12.5** The Director shall keep or cause to be kept, a record in which shall be entered the credits for each year and the accumulated credits to date. In September of every year each teacher shall receive a statement of that teacher's accumulated credits in the plan as of the previous June 30.
- 12.6** It is the responsibility of the teacher to make written application for the retirement gratuity and to submit evidence that that teacher has made application for, and is eligible to receive, a pension from the Ontario Teachers' Pension Plan Board.
- 12.7** A part year will be pro-rated.
- 12.8** The gratuity will be paid in one (1) sum in the month following retirement if the Board is so advised with two (2) months notice prior to the retirement date, or no later than two (2) calendar months following late notice to the Board. The teacher may request deferment of the gratuity payment to the next calendar year, subject to CCRA legislation, regulations and rulings.
- 12.9** In the event of the death of a teacher, either before or after retirement, but before receiving the benefits as provided in this plan, such benefits shall be paid to that teacher's estate.
- 12.10** A retiring teacher, as referred to in this plan, is interpreted as being: one who ceased to be employed by the Board, and has made application for, and is eligible to receive a pension from the Ontario Teachers' Pension Plan Board.
- 12.11** The Employee Relations Committee of the Board will give consideration to requests by O.S.S.T.F. on behalf of their individual members who are on Long-Term Disability.
- 12.12** A teacher who retires having received a retirement gratuity from the Board, and who is re-hired to a probationary position with the Board, must re-qualify for retirement gratuity pursuant to paragraph 12.01. Once eligible, the teacher is entitled only to a gratuity credit up to the difference between the maximum 50% gratuity and the percentage gratuity previously paid.

LTD Premium Termination

When approaching retirement, there comes a point when members are no longer eligible to claim LTD. At that point, the member can terminate their LTD premiums, as there is no longer a benefit in paying into the plan.

LTD plan eligibility ends when one of the following conditions is met:

1. You have reached your 85 factor and 30 credit years (i.e. 60% unreduced pension),
2. You will retire before you serve the 110-day qualifying period,
3. You have reached the age of 65.

Each of these scenarios is explained in more detail below.

Scenario 1: Pension Credit


To qualify, **both** of the following need to be met:

1. You are within 110 working days of reaching your 85 Factor AND
2. You have 30 credited years (60% credit) in the pension plan.

Anyone that meets both above criteria is eligible to collect their full pension, and thus cannot access LTD anyway.

To terminate LTD, you will need to provide the following documents and email them to Richard McCormack at richard.mccormack@d13.osstf.ca:

1. Documents from OTPP (please note that **BOTH** documents are needed):
 - a) A statement from the OTPP website indicating the day on which you hit your 85 factor. If you are already past your 85 Factor, please review **prior statements** to find one that clearly indicates that date. See the example below.
 - b) The most recent statement from the OTPP website indicating your name and proof of 30 credited years you have in the plan. See the example below.
2. Your completed LTD Termination form



Account number:
Have a question? Contact us
Phone: 416-226-2700
Toll Free: 1-800-668-0105
Fax: 416-730-7807
Email: inquiry@otpp.com

Name & Address
Statement indicating the day on which 85 factor would be reached

STATEMENT OF PENSION BENEFITS
Here's an overview of what you've accumulated toward your pension to the end of the **2017/2018** school year.

Key information
For the 2017/2018 school year:

Pensionable earnings	\$97,503
Credit (years)	1.0000
Annualized salary	\$97,503
Qualifying service (years)	1.0000

Since you joined the plan:

Average of your best five-years' salary	\$98,307
Credit (years)	29.5129

Qualifying factor: **84.5288**
Your age plus qualifying service determines your qualifying factor. You're eligible for an unreduced retirement pension at your 85 factor or age 65.


Dec. 1, 2018
Earliest unreduced pension start date, assuming you keep working (85 factor)

This is the date that we require to confirm the date you reached or will reach your 85 factor.

About you
Date of birth: _____ Date you joined the plan: _____
Normal retirement date (age 65): _____
Marital status: _____ Spouse's date of birth: _____
Spouse's name: _____
Beneficiary(ies): _____

When reviewing your statement please note:

- All pension values have been reduced to reflect a 60% survivor pension option.
- The date you joined the plan reflects the first day of the period you began working as reported by your first employer.



Account number:
To learn more about your pension plan, visit: www.otpp.com

Name and Address
Statement indicating your name and credited years

STATEMENT OF PENSION BENEFITS
Here's an overview of what you've accumulated toward your pension to the end of the **2022/2023** school year.

Key Information
For the 2022/2023 school year:

Pensionable earnings	\$106,873
Credit (years)	1.0000
Annualized salary	\$106,873
Qualifying service (years)	1.0000

Since you joined the plan:

Average of your best five-years' salary	\$105,401
Credit (years)	30.5549

Qualifying factor: **85.8521**
Your age plus qualifying service determines your qualifying factor. You're eligible for an unreduced retirement pension at your 85 factor or age 65.

Apply anytime
You already qualify for an unreduced pension
\$63,944
Annual pension earned to date

credited years

About you
Date of birth: _____ Date you joined the plan: _____
Normal retirement date (age 65): _____
Marital status: _____ Spouse's date of birth: _____
Spouse's name: _____
Beneficiary(ies): _____

When reviewing your statement please note:

- All pension values have been reduced to reflect a 60% survivor pension option.
- The date you joined the plan reflects the first day of the period you began working as reported by your first employer.

Scenario 2: Upcoming Retirement

For this option, you need to confirm your credited years in the pension plan when you hit your 85 Factor and provide a copy of your retirement letter.

To terminate LTD, you will need to provide the following documents and email them to Richard McCormack at richard.mccormack@d13.osstf.ca:

1. Documents from OTPP (please note that **BOTH** documents are needed):
 - a. A statement from the OTPP website indicating the day on which you hit your 85 factor. If you are already past your 85 Factor, please review **prior statements** to find one that clearly indicates that date. See examples provided in Scenario 1.
 - b. The most recent statement from the OTPP website indicating your name and proof of 30 credited years you have in the plan as of the most recent statement. See examples provided in Scenario 1.
2. Completed LTD Termination Form
3. A copy of your approved retirement letter/email

The premiums will be eligible for termination effective up to 110 working days from your retirement date, subject to payroll deadlines.

Scenario 3: Proximity to Age 65

If your eligibility relates to your age, you will need to provide the following documents and email them to Richard McCormack at richard.mccormack@d13.osstf.ca:

1. A copy of your driver's licence (or another government ID confirming your date of birth)
2. A completed LTD Termination Form.



OTIP RAEO®

Application for Long Term Disability (LTD) Coverage Termination OSSTF Provincial LTD Plan

Teachers Bargaining Unit Members

Basic Personal Information *(Must be completed)*

Name (Last, First and Middle Initial)

Address (Number, Street and Apt.)

City	Province	Postal Code
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Home Telephone Number	Work Telephone Number	Employee Number
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Email Address	Date of Birth <i>(mm/dd/yyyy)</i>
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Employer	Plan number 50183 – 213A
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This form should be completed to terminate your LTD coverage and discontinue your LTD contribution deductions. Canceling your LTD coverage due to an upcoming retirement (Scenario 2) should only be done after serious consideration of potential consequences. There are **three** scenarios under which your LTD coverage can be terminated. Please check off the situation that applies to you and submit the required information as detailed below.

<input type="checkbox"/> Scenario 1	<input type="checkbox"/> Scenario 2	<input type="checkbox"/> Scenario 3
You are eligible for a 60% unreduced service pension now. OR You are eligible for a 60% unreduced service pension within the later of the next 110 working days or expiration of your sick leave to a maximum of 24 months.	Your scheduled retirement date is within the next 110 working days and you have notified your employer.	You have reached the end of the month in which you turned age 65. OR You will reach the end of the month in which you turn age 65 within the later of the next 110 working days or expiration of your sick leave to a maximum of 24 months.
<i>A copy of your Ontario Teachers' Pension Plan statement is required, plus your current absence balance, if greater than 110 working days.</i>	<i>A copy of your employer's acceptance of your retirement, plus a copy of your Ontario Teachers' Pension Plan statement is required.</i>	<i>A copy of your current absence balance, if greater than 110 working days.</i>

NOTE for Scenario 2:

- If your application is received **by** the 15th of the month, coverage will be cancelled effective on the 1st day of the following month.
- If your application is received **after** the 15th of the month, coverage will be cancelled effective the 1st day of the second month (subject to your board's payroll deadlines).

Authorization

In recognition of the documentation attached, I waive all rights of benefit or redress against the LTD plan, my employer, federation, or its officers, should I become ill or disabled after the effective date of this coverage termination and prior to my retirement from the board. I acknowledge that retroactive reinstatement of my LTD coverage is not permitted.

Member Signature X _____ Date *(mm/dd/yyyy)* _____

*** Return your completed form to your local OSSTF district office ***

c/o Richard McCormack