

TORONTO DISTRICT SCHOOL BOARD

# Retirement



## Planning Guide






If you are thinking of retirement, this Retirement Planning Guide is designed to help you organize and plan so that you can make an informed decision.

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The transition from employment to retirement requires detailed planning. This guide offers some tools and reminders in an effort to provide you with as much information as possible before you choose to retire with the ultimate goal of a smooth transition.

Every effort has been made to ensure that the information contained below is accurate and up-to-date. However, if there are questions of interpretation, the terms as listed in the applicable Collective Agreement and/or Terms & Conditions, government agency, Insured and/or Board policy will apply.

## STEP 1: Be Prepared

 **Vacation/Lieu Time Balance (as applicable)** – Speak to your supervisor and/or your appropriate Staffing area to determine your current vacation and/or lieu time balance (if applicable) as well as how much vacation you will accrue from now until your anticipated retirement date.

- ◆ Employee services can be reached by calling:
  - **416-397-3364** (Elementary Teaching);
  - **416-397-3580** (Secondary Teaching);
  - **416-397-3121** (Support Staff); or,
  - On **TDSBweb** under **Directories > Department Directories > Employee Services**.
- ◆ For Schedule II employees, vacation balance and/or lieu time (if applicable) must be used prior to your retirement date.
- ◆ For all other employee groups, use of vacation and/or lieu time (if applicable) will be based on current Board practices, Collective Agreements or Terms & Conditions.

 **Ontario Municipal Employees Retirement System (OMERS) and Ontario Teachers' Pension Plan (OTPP) Pension Information** – Review your annual pension statement to understand what you may be eligible for upon retirement.


To obtain more information or if you have specific questions regarding your pension benefit including advice regarding the effective date, please contact OMERS and/or OTPP directly.

- ◆ Please note that **June, August** and **December** are peak periods for retirements and there may be delays due to the volume of employees who are submitting paperwork.
- ◆ **OMERS**
  - Contact Information: **1-800-387-0813** or **www.omers.com**
  - Consider registering for a 'myOMERS' account online – this is a secure service for OMERS members which gives you convenient access to your personal pension information, as well as a variety of tools and resources to assist with your retirement financial planning.
  - You may wish to receive a pension estimate if your anticipated retirement date is different than your normal retirement age (age 65). This request can be submitted directly to OMERS via phone or online.
  - OMERS also offers an 'Advance Election Option' which helps OMERS process your pension more quickly. Please be aware that by choosing this option, you will not get any information about your pension benefit before it starts. You are waiving your right to receive a retirement election form, and giving OMERS permission to process your pension benefit right away, based on your earnings and service they have on record.

- The Benefit/Pension Administration Department will process your retirement notice and submit your financial information for the current year to OMERS after your last pay has been processed. This will generate a retirement package (including your pension calculation) which will be mailed to you directly (if no Advance Election is selected). You will then need to make the appropriate selections and return your form to OMERS. Please note that as a result, this process could delay payment by one month (which will be paid retroactively). However, this is recommended as it will allow you to review your earnings and service before receiving your pension.
- It is recommended that you review the OMERS—Planning for Retirement Information document which provides additional information and tools to assist with your retirement planning which can be viewed online at: **[www.omers.com/pension/Planning\\_for\\_Retirement.aspx](http://www.omers.com/pension/Planning_for_Retirement.aspx)**
- Pension payments are payable from the first of the month following the date of your retirement.

#### ◆ **Ontario Teacher's Pension Plan (OTPP)**

- Contact Information: **1-800-668-0105** or **[www.otpp.com](http://www.otpp.com)**
- You may wish to review Your Retirement section of the OTPP site which provides additional information regarding the OTPP plan at: **[www.otpp.com/members/your-working-years/getting-ready-to-retain](http://www.otpp.com/members/your-working-years/getting-ready-to-retain)**
- Pension payments are payable from the month following the date of your retirement and are paid normally on the last business day of the month.
- Ensure you provide your intent to retire with ample notice (up to 4 months) to avoid any lost pension payments; OTPP will not accept backdated resignation.

 **Gratuity Payment**—A gratuity payment, if applicable, is payable upon retirement and is based upon your annual salary, vested sick days and full years of permanent service with the TDSB and legacy boards as of August 31, 2012. Any part of a gratuity paid directly to an employee is subject to the deduction of income tax at the applicable lump-sum rates. There are situations when a person can contribute all or part of a retiring allowance to a registered retirement savings plan (RRSP) or a registered pension plan (RPP) subject to Canada Revenue Agency (CRA) regulations. In addition, a portion of the payment can be delayed until the year following retirement as a strategy to reduce or defer the payment of income tax.

- ◆ Gratuity payments will be processed the first available pay date of the month following your retirement, provided your forms are received by the **15th of your retirement month**.
- ◆ For forms received after the 15th of your retirement month, your payout and RRSP cheque will be processed on the next available pay date in the following month.
- ◆ Additional information will be included in your Gratuity Package, including payment dates, which will be sent to you by the Payroll Department. Further details can also be found in your applicable Collective Agreement and/or Terms & Conditions.
- ◆ Inquiries on your gratuity eligibility can be directed to the Payroll Remittance area at **416-395-9642** or on the **TDSBweb** under **Employee Services > Payroll Services**.
- ◆ You may wish to contact a financial consultant for more information on RRSP contributions and CRA regulations.



It is recommended that you review the OMERS and OTTP websites which provides additional information and tools.

**Benefits**—As benefit coverage is provided through a provincial Employee Life & Health Trust (ELHT); please contact your plan administrator with questions on benefits after retirement.

Employee Group/ELHT	Plan Administrator	Contact Information
Secondary Teachers (OSSTF)	Ontario Teacher's Insurance Plan (OTIP)	1-866-783-6847 or via email at <a href="http://www.otip.com/contactus">www.otip.com/contactus</a>
Professional Student Services Personnel (PSSP/Unit A)	Ontario Teacher's Insurance Plan (OTIP)	1-866-783-6847 or via email at <a href="http://www.otip.com/contactus">www.otip.com/contactus</a>
Elementary Teachers (ETFO)	Ontario Teacher's Insurance Plan (OTIP)	1-866-783-6847 or via email at <a href="http://www.otip.com/contactus">www.otip.com/contactus</a>
CUPE (Units B, C & D)	Ontario Teacher's Insurance Plan (OTIP)	1-866-783-6847 or via email at <a href="http://www.otip.com/contactus">www.otip.com/contactus</a>
MCSTC (Unit E)	Ontario Teacher's Insurance Plan (OTIP)	1-866-783-6847 or via email at <a href="http://www.otip.com/contactus">www.otip.com/contactus</a>
Principals & Vice-Principals	Cowan Insurance Group	1-888-330-4010 or via email at <a href="mailto:one-t@cowangroup.ca">one-t@cowangroup.ca</a>
Schedule II & Senior Team	Cowan Insurance Group	1-888-330-4010 or via email at <a href="mailto:one-t@cowangroup.ca">one-t@cowangroup.ca</a>

You may also want to contact other insurance providers (i.e. Manulife Financial, Sun Life Financial, Retired Teachers of Ontario (RTO), Ontario Secondary School Teachers' Federation (OSSTF), Ontario Teachers Insurance Plan (OTIP), Great West Life) to compare the options they have available for employees transitioning into retirement and their applicable costs. Please note that the TDSB does not endorse or recommend any products or services; this list is meant to provide examples of companies that offer individual insurance.

#### **Canada Pension Plan (CPP) & Old Age Security**

- ◆ You may apply for and receive a full CPP retirement pension at age 65, or receive CPP pension benefits as early as age 60 with a reduction or as late as age 70 with an increase.
- ◆ For more information or to obtain an application kit containing the information and instructions you need to apply for CPP you can contact Service Canada at **1-800-277-9914** or visit: <https://www.canada.ca/en/services/benefits/publicpensions/cpp.html>
- ◆ At the same time, you can request information about Old Age Security, which is payable after age 65. CRA regulations require that a pension commence no later than the end of the calendar year during which age 71 is attained.

#### *Things to Consider*

Some of the things you need to consider when thinking of retirement are:

- your current financial situation;
- your sources of retirement income (i.e., Board pension plan, government pension plans and other income);
- estate planning; and,
- your insurance needs.

## *Helpful Reminders*

- Consider meeting with a financial planner to determine your sources of retirement income and review your post-retirement living costs (i.e., mortgage).
- Ensure your personal information is up-to-date with the Board. It is important to notify Employee Services of any change in your address, telephone number, banking information or marital status so as not to interrupt or delay the receipt of your pension benefits.
- Review your beneficiary information and make any updates if necessary. To update your beneficiary information for pension purposes please contact OMERS or OTPP (contact information is listed on previous page).
- Consider reviewing your will and make any updates if necessary.
- As per pension guidelines, all active assignments must be severed with the employer. No pre-arranged employment should be place until after Retirement.

## **STEP 2: You've Made A Decision!**

Now that you have made a decision to retire, you must submit confirmation of your retirement in writing. Remember, you must send one copy to your direct supervisor and one copy to the appropriate Staffing area. Please see the attached sample letter on the next page for your reference.

**It is important to provide 3 to 4 months' notice of retirement as it allows your department/school to arrange for appropriate procedures to be put into place. If due to unforeseen circumstances this cannot be done, please know that this may cause a delay in the retirement process and could also delay the start of your pension payout.**

If you have decided to retire, the TDSB's retirement process will begin. Please see the attached Retirement Roadmap for more information on next steps and timelines.



**Sample Retirement Letter:**

[ Today's Date ]

[ Supervisor/Manager's Name ]  
Toronto District School Board  
5050 Yonge Street  
Toronto, ON M2N 5N8

Dear [ Supervisor/Manager's Name ] ,

Please accept this letter of retirement from my position of [ Job Title ]. My last day worked will be [ Date ].  
(\*Note: Do not include your vacation days. Example: If your first day of retirement/resignation is May 1, 2018, your last day worked would be April 30, 2018.)

[ You may wish to add personal comments. ]

Best Regards,

[ Your Signature ]

[ Your Typed Name ], [Your Employee Number]

**Retirement Letter Example:**

May 1, 2018

Jane Smith  
Toronto District School Board  
5050 Yonge Street  
Toronto, ON M2N 5N8

Dear Jane,

Please accept this letter of retirement from my position as Caretaker. My last day worked will be August 31, 2018.

It has been a pleasure working with you and our colleagues.

Best Regards,

*John Doe*

John Doe, #123456



**CONGRATULATIONS!**  
You've decided to retire!



**STAFFING**

Submit two copies of your retirement letter (one to the appropriate Staffing area, one to your supervisor). TDSB recommends that you provide notice of retirement 3 to 4 months in advance. Staffing will then notify the Payroll and Benefit/Pension Administration Departments.



**PAYROLL**

Once Payroll is notified of your retirement by Staffing, you will be sent a gratuity package (3 months prior to your retirement date), which includes a Calculation Sheet, Payment Option Form and a Contribution to RRSP Form. This will also allow you time to discuss your plans for retirement with a Financial Planner (i.e. in regards to RRSP contributions, CRA regulations).

Note: If your notification of retirement is received less than 3 to 4 months in advance, it could delay the processing of the gratuity package. The earliest that the gratuity is payable is the month following your retirement date, via direct deposit for cash payments and cheque for RRSP payments; provided your forms are received by the 15th of your retirement month.



Make your selections and return the forms to the TDSB.



**PENSION (if eligible)**

\*Note for Teachers and/or those enrolled in OTPP  
-Please contact OTPP directly to initiate the process to receive your monthly pension.



**BENEFITS & PENSION**

TDSB will notify your benefit plan administrator of your retirement and will process your submission to OMERS (if applicable) after your last pay has been processed.

**PAYMENT**

OMERS will process a payment within 15 days of receiving all relevant information (regardless of whether or not you have chosen to submit an Advance Elections Form).



**OPTIONAL:**

If interested, you may contact OMERS for an Advance Election Form within 60 days (only) of retirement. This helps OMERS process pension payments more quickly.

**Caution:** By electing this option, you are acknowledging and waiving your right to receive information about your pension payments before they start (i.e. pension calculations, option packages, etc.).

