



The Teachers' Pension Plan & Retirement Tips 2019

Information from the Nova Scotia Teachers Union

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Please note: This information pertains to a teacher retiring under the Nova Scotia Teachers' Pension Plan. NSTU members belonging to government pension plans may want to verify what information pertains to their pension plan.

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Your Teachers' Pension Plan

Retirement Checklist

- 1. Decide when you wish to retire.

- 2.
 - (a) Check with the Nova Scotia Pension Services Corporation to ensure that you are indeed eligible for retirement on the date you have chosen to retire.

 - (b) Have the Nova Scotia Pension Services Corporation provide you with an estimate of how much your pension will be, both before and after integration (age 65).

 - (c) Ask the Nova Scotia Pension Services Corporation to send you an application package. (If leaving at the end of June, request this in January or February.)
NB. Always try to return your application at least three (3) months in advance of your retirement date. (eg. If retiring at the end of June, apply by April 1st if possible.)

 - (d) Be sure to provide a copy of your birth certificate or passport with your application and, if married, a copy of a marriage certificate or other evidence of relationship and copy of spouse's birth certificate or passport.

- 3. Decide whether you are interested in the Early Retirement Incentive Plan (see Appendix A in the Teachers' Provincial Agreement or Appendix C in this booklet). You must apply to your employer by no later than December 31st of the school year in which you plan to retire if leaving at end of school year.

- 4. Notify your employer by April 1st in writing of your intent to retire:
 - (a) specify the date that your resignation will be effective;
and
 - (b) If you did not select the early service payout, request that your Service Award/Retirement Allowance be transferred to an RRSP or give other instructions to the employer as to the payment of this Award.

- 5. If placing your Service Award/Retirement Allowance in an RRSP, it is important to make arrangements with a financial institution. The bank, trust company, credit union, investment firm, etc. will then undertake the necessary steps so that the amount is deposited directly into an RRSP without going through your hands.

- 6. You may be able to use your Service Award/Retirement Allowance to purchase pension service.

Contact the Nova Scotia Pension Services Corporation for more information on purchases of service.

- 7. If you have not been contacted by Johnson Inc. one (1) month before your retirement date, call Johnson Inc. to make arrangements to continue your insurance benefits.

- 8. Apply for your CPP (can apply at age 60 for a reduced CPP) and apply for your OAS at least 6 months before age 65.

- 9. *Enjoy your retirement!*

Plan Design

Your Teachers' Pension Plan (TPP) is an integrated pension program. As such, both the contribution rates and service pension benefits of the Plan are structured to take into account the existence of the Canada Pension Plan (CPP).

- All teachers except retired teachers contribute to the Plan, regardless of whether they teach for a day, a month, a year.
- Teacher contributions are matched, dollar for dollar, by Government.
- Contributions are placed in a fund, the Teachers' Pension Fund. The custodian of the Fund is a joint, nine member Trustee Board, called Teachers' Pension Plan Trustee Inc.
- Administration of the Teachers' Pension Plan is the responsibility of the Nova Scotia Pension Services Corporation which works under the direction of Teachers' Pension Plan Trustee Inc. Information can be obtained at www.nstpp.ca or the NSTU website, www.nstu.ca.
- The governance of the plan including changes to the Regulations is the responsibility of an eight member Board, called the Teachers' Pension Board.
- If a teacher receives a decision from the Nova Scotia Pension Services Corporation which the teacher disputes, the matter may be appealed to the Teachers' Pension Plan Appeals Committee. The appeal must be made within 90 days of the notification of the decision. The NSTU may be contacted for assistance.

Contribution Rates

As of August 1, 2019, the integrated contribution formula is as follows:

A. To the Teachers' Plan:

- (1) On earnings up to \$57,400. – 11.3%
- (2) On earnings in excess of \$57,400. – 12.9%

B. To the Canada Pension Plan (2019):

5.10% of (\$57,400. – \$3,500.);

which is 5.10% of \$53,900.

Maximum contributions to CPP – \$2,748.90.

Note:

1. *The upper salary limit used to determine CPP contributions is called the Year's Maximum Pensionable Earnings (YMPE).*
2. *The YMPE is indexed each year by Canada Revenue Agency according to changes in Canadian wages.*

Integration at Age 65

(TPP coordinated with CPP)

When a service pensioner under TPP becomes entitled by age (i.e. age 65) to receive benefits under CPP, their previous pension under TPP is recalculated and adjusted. In some instances, total income from the two pensions will be greater than the original from TPP. **However, if you opt for early CPP benefits, at age 65 the total of the TPP and the CPP may be less than the original TPP.** Upon integration, the teacher receives two (2) payments, one from TPP and one from CPP.

Benefits Available under the Teachers' Pension Plan

1. **Service Pensions**
 - (a) Unreduced pension
 - (b) Reduced pension
 2. **Survivor's Pensions**
 3. **Flexible Pension Options**
 4. **Deferred Pension**
 5. **Escalation / Indexing**
-

1. (a) **Unreduced Pension**

Conditions

Under TPP, a teacher is eligible to receive an unreduced pension with no reduction in any of the following retirement situations:

- A. When the teacher has thirty-five (35) or more years of service regardless of age.
- B. When the teacher's age is at least fifty-five (55) and age plus service combined total of at least eighty-five (85).
- C. When the teacher has ten (10) or more years of service and reaches age sixty (60).
- D. When the teacher has two (2) or more years of service and reaches age sixty-five (65).

Benefits

An unreduced pension under TPP means the teacher is eligible for a pension based on two percent (2%) of salary for each year of pensionable service.

The salary used to determine pension is the average of the five (5) highest years of pensionable income. (See Appendix A)

The maximum unreduced pension is seventy percent (70%), and is attainable only if the teacher has thirty-five (35) or more years of pensionable service.

(b) Reduced Pension

Conditions

- A.** Fifty (50) years of age with thirty (30) of more years of pensionable service two percent (2%) of salary for each year of pensionable service with pension reduced by five percent (5%) for each year or part thereof, calculated to three decimal places, by which
- (1) the teacher's age is less than 55,
- or*
- (2) the teacher's pensionable service is less than 35; whichever is less.
- B.** A teacher is eligible to retire on a reduced pension when the teacher:
- (1) is at least fifty-five (55) years of age; and
 - (2) has twenty (20) or more years of pensionable service; and
 - (3) does not qualify for an unreduced pension.

Benefits

A teacher retiring on a reduced pension will receive pension based on two percent (2%) of salary for each year of pensionable service, **reduced** by:

4/10 of 1% for each of the first 24 months; and

3/10 of 1% for each of the next 36 months;

in respect of the number of months that would elapse between the date of retirement from teaching and the first day on which the teacher could retire and receive a pension not subject to any reduction. (See Appendix B)

C. Actuarial Based Pensions (Annuities)

Teachers who have left teaching or will leave teaching prior to becoming eligible for a full or reduced pension, may apply for an actuarial based pension. The teacher must be at least fifty-five (55) years of age and have two (2) or more years of service but less than twenty (20) years of service.

All calculations of actuarial based pensions are performed by the Nova Scotia Pension Services Corporation so teachers must contact that office for a quote.

2. Survivor Pensions

(Pensions Payable Upon Teacher's Death)

A. Spousal Pension (TPP)

Conditions: Effective January, 1988, the deceased contributor must have been a pensioner or, at the time of death, have taught for two (2) or more years in the province.

Benefits: Effective January, 1988, the benefit is sixty percent (60%) for the spouse and ten percent (10%) for each dependent child under eighteen (18) years of age or, up to age twenty-five (25) if the child is in school or university. (N.B. Total benefit not to exceed 100% of original pension.) For teachers who retired prior to 1988, the spousal benefit is 50%.

Note: Under CPP, the pension is determined by a rather complicated formula based on the age of the spouse. Call Service Canada for details.

B. Survivor Pension Options

Effective May 1, 2003, teachers at the time of retirement may choose to accept a slightly reduced lifetime pension in order to guarantee or enhance survivor's pension. The teacher may choose one or both of the following:

an 80% or 100% survivor pension

and/or

a guarantee period of 5, 10, or 15, years for which your pension will be paid.

The teacher will make their choice within the three (3) months immediately prior to their retirement. It will be part of the application process. Once the teacher retires, the chosen survivor option cannot be changed.

C. Child's Benefit (CPP)

Conditions: There must be a minimum of three (3) years contribution to the Plan.

Benefit: The benefit is \$250.27 (2019) per month for each dependent child.

D. Death Benefit (CPP)

Conditions: Deceased must have contributed one-third (1/3) of the years since 1966, or since age eighteen (18). [minimum of three (3) years, maximum of ten (10) years]

Benefit: The maximum benefit is \$2,500.

3. Flexible Pension Option

Part-Time Employment – Full-Time Service

Teachers may elect to work part-time and make pension contributions to earn pension service equal to that earned in the previous school year. The maximum period that a teacher may participate in this arrangement is a total of two (2) years in a lifetime. The teacher must work at least 40% of the year and earn less money than in the year prior to entering this arrangement. The agreement to work less time must be arranged between the teacher and the employer.

NOTE: If a teacher takes a part year leave of absence and will be without pay for any part of that school year, the teacher must pay the teacher's own insurance premiums.

4. Deferred Pension

A teacher with two (2) or more years of pensionable service and who has ceased to teach before becoming eligible for a pension may elect a deferred pension. The teacher would apply for one of the options previously described at the point in time when eligibility requirements are met.

5. Escalation/Indexing

A. Indexing is calculated on July 1st, using the average of the Consumer Price Index (CPI) for each month in the 12 month period ending on the previous April 30th.

- B. Teachers in their first year of retirement receive an escalation pro-rated to the number of months they were actually retired in the preceding year.

Pensions have been indexed at various levels since 1972. The table below shows the applicable indexing paid for each year since 1993:

January 1, 1993	1.8%		January 1, 2000	0.6%
January 1, 1994	1.6%		January 1, 2001	1.5%
January 1, 1995	0.0%		January 1, 2002	2.0%
January 1, 1996	0.8%		January 1, 2003	0.6%
January 1, 1997	0.5%		January 1, 2004	2.2%
January 1, 1998	0.9%		January 1, 2005	0.7%
January 1, 1999	0.0%		January 1, 2006	1.3%

Date	CPI – 1%	New Rules
July 1, 2006	1.0%	1.0%
July 1, 2007	0.5%	0.7%
July 1, 2008	1.1%	1.0%
July 1, 2009	1.1%	0.0%
July 1, 2010	0.0%	0.0%
July 1, 2011	1.1%	0.0%
July 1, 2012	1.8%	0.0%
July 1, 2013	0.0%	0.0%
July 1, 2014	0.0%	0.0%
July 1, 2015	0.7%	0.0%
July 1, 2016	0.3%	0.0%
July 1, 2017	0.6%	0.0%
July 1, 2018	0.6%	0.0%
July 1, 2019	1.1%	0.0%

- C. Pensions will be indexed on July 1st of each year according to the following new rules:
- a. For those who retire prior to August 1, 2006, indexing will be calculated using CPI – 1% to a maximum of 6% unless the retired teacher elected before July 31, 2006 to adopt the new rules under (b) below.
 - b. For those teachers who retire after July 31, 2006, the following calculation of indexing shall apply:

- i. If the funded level of the Plan, based on the previous December 31st Valuation, is below 90%, no indexing will be paid; or
- ii. If the funded level of the Plan is between 90 and 100% funded, 50% of the CPI may be paid at the discretion of the Pension Trustee Board; or
- iii. If the funded level of the Plan is over 100% funded, full CPI, to a maximum of 6%, will be paid to the extent that it does not bring the Plan below 100% funded.

Purchasing Years of Pensionable Service

Subject to certain conditions and Income Tax Regulations limits, a teacher may purchase the following service:

1. Absence from duty because of ill-health (no limit)
2. Absence from duty for study (limit 2 years)
3. Sabbatical or Educational Leave (limit 2 years)
- * 4. Maternity (limit 85 days)
5. Absence from duty for parental leave (max. 175 days)
6. Absences due to lay-off (max. 2 years)
7. Adoption leave (max. 195 days)
8. Unpaid leave of absence
9. Compassionate Care Leave (maximum period permitted under the Employment Insurance Act for compassionate care benefits)

Leaves that are purchased within one year of the date that the leave ended can be purchased by paying the contributions that would have been paid, plus interest. Leaves purchased after this one year period are charged the actuarial cost. For full details, contact the Nova Scotia Pension Services Corporation.

Portability/Transfer of Service

1. Teaching service in other provinces of Canada is transferable to Nova Scotia:
 - (a) If pension funds are still in the other plan, an application to transfer should be sent to the pension plan of that province;

or,

- (b) If pension funds have been withdrawn, some participating provinces may allow teachers to return contributions to their fund, then transfer to Nova Scotia.
2. There is currently no reciprocal pension transfer agreement in place between our Plan and the Federal Superannuation Plan.
3. Application forms for reciprocal transfer (interprovincial) are available from the Nova Scotia Pension Services Corporation or on-line at www.nstpp.ca.

* **Maternity**

As of August 1, 1993, pension contributions should be deducted automatically by the employer during a teacher's maternity leave. Teachers who took their maternity leave(s) prior to this date must make application to purchase this service if they have not already done so.

Reinstating Past Service

Teachers who left teaching in Nova Scotia and withdrew their contributions may reinstate this service. Contact the Nova Scotia Pension Services Corporation for an estimate.

Purchasing Pensionable Years of Service with RRSPs

RRSPs may be rolled directly into the Teachers' Pension Fund to purchase allowable years for pensionable service. A Canada Revenue Agency form must be completed to qualify for such roll over, which is available from the Nova Scotia Pension Services Corporation.

Other Options

Service Awards/Retirement Allowances can usually be rolled over to the Teachers' Pension Plan to purchase past service. Check the Teachers' Provincial Agreement, then contact the Nova Scotia Pension Services Corporation.

“So I’m Retiring...”

Q. When should I submit my application for a service pension?

- A. The formal application for a pension should be submitted at least three (3) months in advance of the actual retirement date.

Q. Will I receive confirmation of my application?

- A. You will receive a Certificate of Pension as confirmation of your application. If you have not received the Certificate of Pension one (1) month prior to your retirement date, you should contact the Nova Scotia Pension Services Corporation to avoid any possible delays.

Q. Where do I obtain the application package?

- A. The package should be requested from —
Nova Scotia Pension Services Corporation,
By phone:
local: 902-424-5070 or toll-free: 1-800-774-5070
or by e-mail PensionsInfo@nspension.ca.

Q. When will I receive my pension payments?

- A. Pension payments are electronically transferred to your bank account approximately three (3) business days prior to the end of each month.

Q. If I retire at the end of the school year, will I receive my first pension payment the end of July or August?

- A. That depends on a number of items:
- 1) The time you applied. (Eligible teachers who resign as of the end of June are entitled to a July pension.)
 - 2) Whether or not all documents were submitted and accurately and fully completed.
 - 3) The number of applications being processed.

Under normal circumstances, you should receive your first pension payment the end of the month following eligibility if application was submitted at least 3 months in advance.

Q. If I retire at some time during the school year, when will I receive my first pension payment?

A. Unless the pension is a deferred pension, the first pension payment is normally payable at the end of the month following the month an eligible teacher ceased to be employed. The teacher, of course, should apply sufficiently early to allow for processing by the Nova Scotia Pension Services Corporation.

Q. What documents should I submit when applying for a teacher's pension?

A. 1) The application form;
2) A copy of your birth certificate or passport;
3) If married, copies of your marriage certificate and your spouse's birth certificate or passport.

Q. On what salary is the pension calculated?

A. A pension is calculated on the average of the five (5) highest years. The salary is annualized and you are advised that by substituting in the final years when working part time it will reduce the pension.

Q. Is my pension increased each year to assist in offsetting the increase in the cost of living?

A. Please see the rules on page 13.

Q. Now that I'm on pension, can I teach?

A. If you are on a disability pension, the answer is definitely NO!
If you are on a service pension, the answer is YES up to 69.5 days.
For the 2019-2020 school year, you may substitute teach up to 99.5 days.

Q. Will teaching after retirement affect my pension?

- A. A pensioner, other than for disability, can teach up to and including 69.5 days without affecting the pension. The Teachers' Pension Regulations require a teacher to contact the Nova Scotia Pension Services Corporation to have the pension stopped when the teacher exceeds the 69.5 days. A pension cannot be stopped after age 71.

For the 2019-2020 school year, you may substitute teach up to 99.5 days.

Q. What happens if I teach more than 69.5 days?

- A. In this case, your pension will cease to be paid. Because your insurance benefits are tied to receiving a Teacher's pension, you will end up paying the full costs of your medical plan and risk losing coverage under the life and dental plan. You should call the NSTU or Johnson Inc. to discuss this before going over 69.5 days.

For the 2019-2020 school year, you may substitute teach up to 99.5 days.

Q. If I teach, must I pay pension contributions?

- A. NO. You should advise the employer's payroll office that you are already in receipt of a teachers' pension.

Q. Should pension contributions inadvertently be deducted while substituting, how should I obtain a refund?

- A. You should contact the employer for which you substituted.

Q. Must I apply for Canada Pension or is it automatic?

- A. You must apply. It is not automatic.

Q. When do CPP benefits become available?

- A. As of January, 1987, CPP benefits are available as early as age 60. The normal amount of CPP is payable to those who wait until age 65 to receive the CPP pension. However, if you elect to receive CPP before age 65, your benefits will be less because you will be getting the benefits for a longer period of time.

Or if you choose not to start to collect CPP until after age 65 (up to age 70) your monthly CPP benefit will be greater.

For each month between the date you actually receive CPP and the month of your 65th birthday, the CPP benefit is reduced by 0.6%.

Q. Is my teachers' pension integrated with Canada Pension when I receive the Canada Pension or when I reach age 65?

A. Your teachers' pension, is integrated with Canada Pension at age 65.

Note: This is whether or not you apply for, or are receiving, Canada Pension.

Q. If I elect early CPP, say at age 60, will my CPP be integrated with or added to teacher's pension?

A. Until age 65, CPP benefits will be additional to teacher's pension. At age 65, regardless of when you have applied for CPP, your teachers' pension will be integrated.

Q. When CPP becomes payable, do I then get two pension payments or one?

A. You would then receive two pension payments; one from Teachers' Pension and one from Canada Pension.

Q. Must I have my teachers' pension payment deposited directly to my bank or credit union account or can I receive it in the form of a cheque?

A. All pension payments are now done by direct transfer to your bank or credit union account.

Q. Can I have insurance premiums for NSTU insurance deducted from my teachers' pension payment?

A. Yes, contact and advise Johnson Incorporated, if they have not contacted you by your retirement date.

Q. Do I have to apply for my pension at a certain age?

A. Yes, you have to apply for a pension and put the pension in to pay no later than December 1st of the year you turn 71 according to the Income Tax Act. You are not required to resign your position to receive your pension at age 71.

Q. Do I contact the Nova Scotia Pension Services Corporation for Canada Pension information?

A. No. Canada Pension inquiries must be made to:

Mailing Address: Service Canada
P.O. Box 1687, Station Central
Halifax, NS B3J 3J4

Or visit your local Service Canada office.

Toll Free Telephone: 1-800-277-9914

Q. When should a teacher contact the Canada Pension Office?

A. Contact should be made about four (4) months prior to the date you expect to receive CPP, but not sooner than six (6) months.

Q. As a retired teacher, do I pay Union dues?

A. Not unless you substitute or work under term contract for less than 70 days.

For the 2019-2020 school year, you may substitute teach up to 99.5 days.

Q. As a retired member of the NSTU, can I participate in the Teachers Plus Credit Union?

A. Yes, refer to section on the Teachers Plus Credit Union.

Q. As a retired teacher, can I participate in the NSTU Group Insurance Program?

A. Yes, refer to section on Retiring and Insurance.

Q. If I travel out of the province, should I carry any additional insurance?

A. Out of province travel was deleted from the NSTU Group Insurance Plan, effective August 1, 1994.

- Medical Service Insurance (MSI) only pays for physician services in the case of an emergency; and
- The Nova Scotia Department of Health only provides coverage for ward room accommodations, to residents of Nova Scotia.

It is strongly recommended to carry additional insurance.

Q. What happens if I travel out of the country?

- A. The government payments are made in Canadian Funds, based on the Nova Scotia Fee Schedule. The remaining balance and difference in exchange rate can be substantial and is **YOUR RESPONSIBILITY**.

If you are planning to travel outside of Nova Scotia or Canada, we recommend you purchase the MEDOC® Travel Plan. It is easy to enroll! You can also purchase Trip Cancellation if you purchase the Medoc® Travel Plan. Just call Johnson Incorporated at 902-453-9543 or toll-free 1-800-453-9543 for further information.

Q. When do people receive Old Age Security (OAS)?

- A. You may apply at age 65 or you can delay until age 70. If your total income exceeds \$77,580.00, a portion of the OAS will be clawed back. Effective July 1, 1996, the government will begin holding back a portion of the OAS at source when income exceeds the above amount. As of July 1, 2019 OAS was set at \$607.46 per month. OAS is adjusted quarterly to changes in the Consumer Price Index.

Retiring & Insurance

*So you're retiring! **Congratulations!***

Have you taken care of all your insurance options?

Optional Life Insurance

Underwritten by Manulife Financial

If a member retires on a Nova Scotia Teachers' Pension under age 65, upon written notification of retirement within 31 days, the insurance remains in effect at the same coverage and premium but cancels at age 65. The monthly premium is deducted from the teacher's pension.

Conversion – Providing application is made within 31 days of you ceasing to be a member, your insurance may be converted, without medical evidence, to a nonconvertible term plan maturing at age 65 or 70; or a non-renewable 1-year convertible term plan (provided the member is under age 65); or any permanent plan issued by Manulife Financial at the date of conversion.

Provincial Master Life Policy

Underwritten by Manulife Financial

Public School Teachers

If a member retires on a Nova Scotia Teachers' Pension under age 65 after August 1, 2000 and gives written notification of retirement within 31 days, they can request to continue coverage of \$50,000 Life and \$50,000 Accidental Death and Dismemberment at the same coverage and premium to age 65. The monthly premium is deducted from the teachers' pension.

APSEA

If a member retires on a Nova Scotia Teachers' Pension under age 65 after July 31, 2003 and gives written notification of retirement within 31 days, they can request to continue coverage of \$50,000 Life and \$50,000 Accidental Death and Dismemberment at the same coverage and premium to age 65. The monthly premium is deducted from the teachers' pension.

At age 65, the policy cancels. (*See Retiree Life*)

Conversion Option – You may convert the policy at age 65, or when you retire, and have coverage continue under an Ordinary Life Plan, One Year Term Plan, or a Term-to-age-65-Plan. This conversion is at standard rates and does not require evidence of insurability providing application is made within 31 days of you ceasing to be a member.

Retiree Life

If you retire after age 65, or when you reach age 65, you will automatically be given the option of purchasing Retiree Life insurance. **Effective August 1, 2009 the coverage is in the amount of \$10,000. Prior to this date, the coverage was \$3,000 and members were able to opt for the \$10,000 coverage.** In order to be eligible for retiree life insurance, you must have been insured under the Provincial Master Life Insurance Policy immediately prior to age 65.

Retirement

If you retire on Nova Scotia Teachers' Pension prior to age 75, your insurance remains in force at the same premium rates, limitations and coverage up to age 70.

Retirees age 70 to 74 inclusive will have the same rates, limitations and coverages as retirees under age 69, except for the following; the maximum amount of Principal Sum available is \$100,000 and there is no coverage for Permanent Total Disability, Home-Maker Weekly Indemnity, and Hospital Indemnity.

Coverage ceases the end of the month of your 75th birthday.

The monthly premium is 100% paid by the member and is deducted from your Nova Scotia Teachers' Pension.

This change was effective April 1, 1998.

Conversion Provision

You may convert to an individual plan of insurance, similar to this plan, subject to the terms and conditions of the Company's individual program and the rates will be those in effect at the time of conversion. This conversion must take place within 90 days of termination of coverage under the group policy.

Total Care Medical or Retired Teachers' Health Care Plan

Underwritten by Atlantic Blue Cross Care

The premium charge is paid by the Province of Nova Scotia by contractual arrangement with the Nova Scotia Teachers Union.

The Health Plan for Retired Teachers is divided into two categories:

1) Retirement under age 65:

Teachers who retire on a Nova Scotia Teachers' Pension prior to age 65 will be permitted to continue membership in the Total Care Medical Plan with the same benefits. At age 65, the teacher will be eligible to transfer to the Retired Teachers' Health Care Plan. A brochure giving the details of the plan is available from Johnson Inc.

2) Retirement at or after age 65 or when the retired member attains the age of 65:

A member who retires at or after age 65, or when the retired member attains the age of 65, is eligible for enrolment in the Retired Teachers' Health Care Plan.

Eligibility:

- a) A retired teacher must enroll in the plan within 60 days of retirement, or within 60 days of receipt of first pension cheque, or age 65 if retired and holding a Total Care policy.
- b) If at the time of retirement, the teacher is insured under the spouse's plan, the 60 day time limit shall apply from the date the individual is no longer eligible for membership under the spouse's plan, except when the spouse's plan is cancelled by individual choice.

Total Care Dental

Coverage is available to Retired Members in receipt of a Nova Scotia Teachers' Pension, providing the member was insured under the dental plan up to the date of retirement. The premium is deducted from your teachers' pension.

Long Term Disability

Coverage cancels the end of the month following the last month in which salary is received.

Medoc® Travel Plan and Trip Cancellation

The Medoc® travel plan and trip cancellation continues after retirement with premiums deducted from your teachers' pension.

Automobile Insurance/Home Insurance

Underwritten by Unifund Assurance

If you were insured under either or both of these plans prior to retirement, coverage would continue with the deduction from your pension.

If you are not presently insured, you may request a quotation for coverage by contacting Johnson Incorporated at 902-453-1010 or Toll Free 1-800-588-3885.

The NSTU Group Insurance Plan is administered for the Nova Scotia Teachers Union by:

JOHNSON INC.
137 Venture Run
Suite 200
Dartmouth, N.S.
B3B 0L9

The Retired Teachers Organization

Membership

Active Member: To qualify as an active member of the Organization, a person must pay the annual fee and meet one of the following criteria:

- i) be in receipt of a pension pursuant to the Nova Scotia Teachers' Pension Act;
- ii) been in the Faculty or Professional Support bargaining unit of the Nova Scotia Community College and be in receipt of a pension pursuant to the Public Service Superannuation Plan;

- iii) been employed as a teacher pursuant to the Teachers' Provincial Agreement and be in receipt of a pension pursuant to the Public Service Superannuation Plan.

Affiliate: A retired teacher shall be eligible if in receipt of a pension from outside Nova Scotia.

Associate:

- (a) Be a surviving spouse/partner of a retired teacher.
- (b) A teacher shall be eligible subject to the approval of the RTO Executive.

Membership Fees

Membership fees will be deducted from the first pension payment subject to prior authorization by the retiree. The prospective retiree will receive an RTO Membership Authorization form as part of their retirement package which is sent from the Nova Scotia Pension Services Corporation. The completed form is to be returned to the NSTU building and the retiree will receive an RTO card permitting the retiree to continue receiving the Deals and Discounts as regular NSTU members.

Retired Teachers Organization
3106 Joseph Howe Drive
Halifax, Nova Scotia B3L 4L7

Rights, Privileges & Responsibilities

- (a) Active members – the full rights, privileges and responsibilities of membership;
- (b) Affiliate members – the full rights, privileges and responsibilities of membership except the right to hold provincial office;
- (c) Associate members – the full rights, privileges and responsibilities of membership except in matters of voting and holding office.

Role of the Retired Teachers Organization Provincially/ Nationally

- (a) Acts as a watchdog on all issues that may impact on retired teachers;
- (b) Exercises leadership in constitutional changes;

- (c) Represents the views of retired teachers during bargaining, i.e. health, pensions, etc;
- (d) Directs input into discussions affecting retired teachers;
- (e) Meets tri-annually with the NSTU President, Executive Director and Liaison Officer;
- (f) Meets annually with Insurance Trustees;
- (g) Conducts tri-annual Branch Presidents' meetings;
- (h) Administers the Retired Teachers' Legacy Foundation Fund;
- (i) Represents Nova Scotia as a member of the Canadian Association of Retired Teachers (ACER-CART).
- (j) Work (collaborate) with like minded provincial organization such as the Senior Advisory Council of Nova Scotia and Community Transportation – Nova Scotia on important seniors' issues.

The chair of the RTO Pension and Benefits Committee is a member of the NSTU Pension Committee.

The President of the RTO is invited to attend the NSTU Annual Council as observer.

RTO Branches

There are 23 Branches of the RTO throughout the province. The branches are: Annapolis, Antigonish/Guysborough, AER – Baie Sainte-Marie, Cumberland, Colchester-East Hants, Glace Bay District, Dartmouth, Halifax County, Halifax CPX, Halifax City, Inverness, Kings, Lunenburg County, New Waterford, Northside-Victoria, Pictou, Queens, Richmond, Shelburne County, Sydney and Area District, West Hants, Yarmouth/Argyle and Digby.

N.B. Must be a member of the Provincial RTO in order to take membership in a local branch.

Annual Meeting

The Annual General Meeting of the RTO is held each year in late May or early June.

The Retired Teachers Legacy Foundation

The RTO established a Legacy Foundation to honour the life and work of former teachers in the province of Nova Scotia. Among the many objects of the Legacy Foundation are the following:

- (a) The annual disbursement of interest on deposits is to benefit sick and/or challenged children younger than the age of 21 years;
- (b) The annual disbursement may benefit institutes which are defined as a society or organization funded for an educational, medical, social or similar purpose.

Retirement Award and Taxes

If you are retiring at the end of the school year, or in the near future, here are a few things to think about.

Retirement Award (*Service Award, Retirement Allowance*)

1. Retirement Awards are considered income by Canada Revenue Agency. Consequently, any money received in this way is subject to taxation.
2. Probably the best way to get a tax break on a retirement award is to use the Registered Retirement Savings Plan roll-over provision. This provision allows an individual to have their retirement award deposited directly into their RRSP account, free of taxation. This is known as a roll-over. Taxes are paid the year in which it is removed from the RRSP. Under the roll-over provision, the amount is not subject to the dollar limitation placed on regular RRSP deposits. It is important for the individual not to receive the cheque, it should be rolled-over directly to the RRSP.

Section 60 (j.1) Income Tax Act

This section allows individuals to transfer service awards/retirement allowances/severance pay directly into a registered pension plan (RPP) or registered retirement savings plan (RRSP) without attracting income tax. This is in addition to normal RRSP limits.

RRSP Service Award Limit

\$2,000.00 X each year of employment with the employer (or related employer) who pays the award for service prior to January 1, 1996;

PLUS

\$1,500.00 X each year of employment before 1989 while not a pension plan contributor.

No additional credits can be accrued after January 1, 1996.

HOWEVER

One can still roll over service awards after January 1, 1996 up to the amount of credit earned prior to 1996.

EXAMPLE:

Assume:

Teacher retired in June, 2018

Service at that time = 33 years

Years of rollover credit = 1985-1995 = 10 years

1996-2018 = no credit

TOTAL CREDIT YEARS = 10

RPP and/or RRSP Limit

10 years X \$2,000 = \$20,000

As long as service award does not exceed \$20,000, total may still be rolled over.

** You may also use any available RRSP contribution room as noted on your most recent CRA Notice of Assessment.

Working in an NSTU Position After Retirement

Some points to keep in mind:

1. As noted previously, teachers who retire on a service pension may teach for up to 69.5 days without negatively affecting their pensions. If a retired teacher chooses to teach for more than 69.5 days, the teacher's pension will cease to be paid. Please contact the NSTU or Johnson Inc. to discuss the implications for insurance coverage.
2. Retired teachers who teach up to 69.5 days will not make contributions to the Teachers' Pension Plan. If contributions are inadvertently taken from the teacher's pay, the retired teacher should contact the employer for which they substituted to arrange for a refund.
3. For the 2019-2020 school year, retired teachers may substitute up to 99.5 days without negatively affecting their pensions nor making contributions to the Teacher's Pension Plan.

Contacts

Nova Scotia Pension Services Corporation

Physical Address

400-1949 Upper Water Street
Halifax, NS B3J 3N3

Mailing Address

PO Box 371
Halifax, NS B3J 2P8
Phone: 902-424-5070 Local
Toll Free: 1-800-774-5070
Fax: 902-424-0662
pensionsinfo@nspension.ca
www.nstpp.ca

Nova Scotia Teachers Union

Jack MacLeod, Coordinator, Pension Services, or
Tim MacLeod, Staff Officer
Phone: 902-477-5621 Toll Free: 1-800-565-6788
E-mail: pension@nstu.ca

Insurance

Johnson Inc.
137 Venture Run, Suite 200
Dartmouth, NS B3B 0L9
Phone: 902-453-9543 Local
Toll Free: 1-800-453-9543

Retired Teachers Organization

Simon Wilkin, Nova Scotia Teachers Union
3106 Joseph Howe Drive
Halifax, NS B3L 4L7
Phone: 902-477-5621 Toll Free: 1-800-565-6788

Teachers PLUS Credit Union

Dale Roode
Manager of Financial Services, Teachers Plus Credit Union
36 Brookshire Court
Bedford, NS B4A 4E9
Phone: 902-477-5664 Toll Free: 1-800-565-3103
www.teachersplus.ca

Employment Insurance

Human Resources Development Canada

Canada Pension

Mailing Address: Service Canada
P.O. Box 1687, Station Central
Halifax, NS B3J 3J4

Or visit your local Service Canada Office.

Toll Free Telephone: 1-800-277-9914

Teacher Pension Plans

Province

AB	Alberta Teachers' Retirement Fund Board www.atrf.com
BC	British Columbia Pension Corporation tpp.pensionsbc.ca
MB	Manitoba Teachers' Retirement Allowances Fund www.traf.mb.ca
NB	Vestcor vestcor.org/en/plans/nbteacherpensionplan/
NF	Teachers' Pension Plan Corporation Newfoundland and Labrador www.tppcnl.ca/
NS	Nova Scotia Pension Services Corporation www.nstpp.ca
ON	Ontario Teachers' Pension Plan www.otpp.com
PE	PEI Teachers' Superannuation Commission www.peitsf.ca/
PQ	Retraite Québec Régimes de retraite du secteur public www.carra.gouv.qc.ca
SK	Saskatchewan Teachers' Federation www.stf.sk.ca/pension-benefits/pension-plan



CREDIT UNION

TEACHERS *PLUS*

We invite you...

We invite you to join Teachers *Plus* Credit Union with more than 6,000 members.

We offer many of the same services as Banks and Trust Companies. Some of the services we offer are as follows:

- Term Deposits
- Telpay Bill Payment
- Personal Loans
- Lines of Credit
- Mortgages
- Student Loans
- Travellers' Cheques
- Chequing Accounts
- Money Orders (Cdn. & U.S.)
- RRSPs, RRIFFs, RESPs
- Automatic Payments
- Mutual Funds
- Direct Deposit – Automatic Deductions
- Financial Counselling
- Payroll Deduction
- Joint Membership
- MasterCard Global Payment Card
- MasterCard Credit Card

However, even though we offer the same services as other Credit Agencies, a Credit Union is the only financial institution which adapts itself so thoroughly to the needs and problems of its members.

Service is a guaranteed commodity. We are proud that this Credit Union was built on service and understanding.

We invite you to become an owner/member of a successful enterprise!

Teachers *Plus* Credit Union

Appendix A

Average salaries for teachers retiring in June 2020

VTPA MAXIMUM	
2015-2016	\$56,970.00
2016-2017	\$56,970.00
2017-2018	\$57,540.00
2018-2019	\$58,403.00
2019-2020	\$58,695.00
Total	\$288,578.00
Average	\$57,715.60

TCM/TC1/TC2 MAXIMUM	
2015-2016	\$46,921.00
2016-2017	\$46,921.00
2017-2018	\$47,390.00
2018-2019	\$48,101.00
2019-2020	\$48,342.00
Total	\$237,675.00
Average	\$47,535.00

TC3 MAXIMUM	
2015-2016	\$51,000.00
2016-2017	\$51,000.00
2017-2018	\$51,510.00
2018-2019	\$52,283.00
2019-2020	\$52,544.00
Total	\$258,337.00
Average	\$51,667.40

VTCI/TC4 MAXIMUM	
2015-2016	\$58,143.00
2016-2017	\$58,143.00
2017-2018	\$59,734.00
2018-2019	\$60,630.00
2019-2020	\$60,933.00
Total	\$297,583.00
Average	\$59,516.60

VTCII/TC5/ITC MAXIMUM	
2014-2015	\$73,804.00
2015-2016	\$73,804.00
2016-2017	\$74,542.00
2017-2018	\$75,660.00
2018-2019	\$76,038.00
Total	\$373,848.00
Average	\$74,769.60

VTCIII/TC6/ATC1 MAXIMUM	
2014-2015	\$82,335.00
2015-2016	\$82,335.00
2016-2017	\$83,158.00
2017-2018	\$84,405.00
2018-2019	\$84,827.00
Total	\$417,060.00
Average	\$83,412.00

VTCIV/TC7/ATC2 MAXIMUM	
2014-2015	\$87,440.00
2015-2016	\$87,440.00
2016-2017	\$88,314.00
2017-2018	\$89,639.00
2018-2019	\$90,087.00
Total	\$442,920.00
Average	\$88,584.00

TC8/ATC3 MAXIMUM	
2014-2015	\$92,286.00
2015-2016	\$92,286.00
2016-2017	\$93,209.00
2017-2018	\$94,607.00
2018-2019	\$95,080.00
Total	\$467,468.00
Average	\$93,493.60

Appendix B

TPP Reduced Service Pension

THE REDUCTION FACTOR (RULE OF 75)

Step 1: Assume for the present that your retirement month and your month of birth are the same.

Complete Years of Service

AGE	29	28	27	26	25	24	23	22	21	20
55	4.8	9.6	13.2	16.8	20.4	20.4	20.4	20.4	20.4	20.4
56		4.8	9.6	13.2	16.8	16.8	16.8	16.8	16.8	16.8
57			4.8	9.6	13.2	13.2	13.2	13.2	13.2	13.2
58				4.8	9.6	9.6	9.6	9.6	9.6	9.6
59					4.8	4.8	4.8	4.8	4.8	4.8

Step 2: For each month your birth month occurs before the retirement month, subtract 0.4.

e.g. Age 58 years —————> 9.6
 Service 24 years —————>

Birth month April and
retirement June subtract $\frac{0.8}{8.8}$

Appendix C

Reprinted from the Teachers' Provincial Agreement

Appendix A Early Retirement Incentive Plan

Purpose

- .01 The purpose of the Early Retirement Incentive Plan is to enable teachers, during the period of declining enrolment, to retire earlier than they might otherwise decide.

The Plan will provide the teacher with an opportunity to earn money, following retirement, which may help reduce the impact of financial loss incurred under the terms of the *Teachers' Pension Act* by electing early retirement.

Eligibility Requirements

- .02 A teacher must be eligible for a pension under the *Nova Scotia Teachers' Pension Act*.

Application

- .03 A teacher who plans to retire at the end of the school year and wishes to participate in the Plan must make application, in writing, to the Superintendent of Schools on or before December 31st of the school year in which the teacher plans to retire.
- .04 A teacher who plans to retire during the school year and wishes to participate in the Plan must make application, in writing, to the Superintendent of Schools at least three (3) months prior to the date the teacher plans to retire.
- .05 Approval of individual request to participate in the Plan shall be at the discretion of the School Board subject to the approval of the Employer, and a refusal by a School Board to approve an application is final and non grievable.
- .06 Written acceptance, or denial, of the teacher's request, with explanation, shall be forwarded to the teacher within two (2) months from the closing date for application.

Conditions

- .07 During each year of participation in the Early Retirement Incentive Plan, the teacher shall agree to work for the School Board in an assignment mutually agreed upon by the teacher and the Board for a minimum period of twenty one (21) days, such period need not be consecutive.
- .08 A teacher may participate in the Early Retirement Incentive Plan for a maximum of five (5) years or until age 65, whichever is first.
- .09 A teacher participating in the Plan shall be paid in accordance with the salary provisions of the *Teachers' Provincial Agreement* with the calculation for the daily rate to be based on one hundred and ninety five (195).
- .10 The Early Retirement Incentive Plan shall not affect any of the provisions of the Service Award.
- .11 The teacher must resign the teacher's position.

Contract

- .12 A participating teacher, the School Board and the Minister of Education, or designate, shall jointly sign the approved contract before final approval for participation in the Plan is considered granted.

Duration

- .13 The Early Retirement Incentive Plan shall remain in effect until mutually agreed otherwise by the parties to this Agreement.

Information

- .14 Effective the academic school year August 1, 1999, the Minister shall provide the Union or designate with the following information:
 - (i) the number of applications submitted pursuant to .03 by School Board and
 - (ii) the names of approved applicants by School Board, on or before July 31st of the academic school year.

Special Circumstances

- .15 When it is determined, pursuant to Article 21, that an Early Retirement Incentive plan is to be offered the provisions of this Article shall apply except as noted below.
- .16 Notwithstanding .07 the teacher shall be guaranteed a period of 69.5 days of substitute service or other work as determined by the School Board which need not be consecutive.
- .17 A teacher may participate in the Special Circumstances provision for a maximum of five (5) years or until age 65, whichever is first.
- .18 The number of participants eligible for the Special Circumstances provision shall be limited by the provisions of Article 21.

Early Retirement Incentive Plan Contract

SECTION I:

Having read the terms and conditions of the Early Retirement Incentive Plan related to Article 38 of the Teachers' Provincial Agreement, I hereby advise that I wish to participate in the Plan, and if approved by the School Board and the Minister will therefore retire from my current teaching position effective the _____ day of _____, 20_____.

SIGNATURE

WITNESS

DATE

SECTION II:

In accordance with the terms and conditions of the aforementioned Early Retirement Incentive Plan, approval is given the above-named teacher to participate in the Plan, for a period of _____ years commencing the _____ day of _____, 20_____ and terminating the _____ day of _____, 20_____.

SIGNATURE

On behalf of the School Board

WITNESS

DATE

SIGNATURE

On behalf of the Minister of Education

WITNESS

DATE



Nova Scotia Teachers Union
1-800-565-NSTU (6788) | (902) 477-5621
nstu@nstu.ca | www.nstu.ca

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