

THE SASKATCHEWAN TEACHERS' FEDERATION RETIREMENT GUIDE:

A STEP-BY-STEP PROCESS



SASKATCHEWAN
TEACHERS'
FEDERATION

TABLE OF CONTENTS

- Introduction1
- Your Retirement Checklist2
- 1. Get prepared3
- 2. Apply for other sources of income and coverage5
- 3. Put your affairs in order7
- 4. Apply for your STF pension8
- Resources10



INTRODUCTION

There's a lot to consider when you're planning to retire. Each person's situation, dreams and expectations are unique, but everyone can take a few steps in the years and months leading up to the last day of work to make sure their transition into retirement goes smoothly.

If you are preparing to retire with the Saskatchewan Teachers' Retirement Plan (STRP), this guide is for you – it serves as a roadmap for what you need to do.

Note: This document applies only to the STRP. Members of the Saskatchewan Teachers' Superannuation Plan should contact the Commission (1-877-364-8202 or mail@stsc.gov.sk.ca) or visit their website at www.stsc.gov.sk.ca for more information about their plan.

YOUR RETIREMENT CHECKLIST

1. GET PREPARED

3 – 5 years before retirement

- Consider your desired retirement lifestyle and attend a Planning for Retirement seminar (offered in October each year)
- Use the STRP Pension Estimator on MySTF to estimate how much income you may receive from the STRP at various potential retirement dates

1 year before retirement

- Estimate how much money you will need during retirement
- Review all your potential sources of income
- Contact the STRP to request a pension estimate and confirm any outstanding items
- Confirm you are ready and that your estimated income meets your needs
- Choose a retirement date

Some school divisions offer an early retirement declaration incentive. Check with your school division to see if this applies to you.

2. APPLY FOR OTHER SOURCES OF INCOME AND COVERAGE

6-12 months before retirement

You should apply for these benefits approximately six months before the date that you wish to start payments. This may or may not be the same date as your retirement from the STRP.

- Apply for government benefits (CPP & OAS)
- Apply for your pension with previous employers (if applicable)
- Consider purchasing health and dental and/or life insurance coverage

3. PUT YOUR AFFAIRS IN ORDER

6 months before retirement

- Make or update your will
- Review and update your beneficiaries for all your teacher benefits
- Arrange for a power of attorney in case of incapacity

4. APPLY FOR YOUR STF PENSION

6 months before retirement

- Complete STRP's Pension Estimate Request Form (available online) and send to STRP to request a formal retirement application package
- Gather all necessary documents
- Complete required forms

No later than 2 months before retirement

- Hand in your formal resignation to your school board (note: time frame is dictated by your school board)
- Mail your application forms and necessary documents to the STRP

5. CELEBRATE!

1 day before retirement

- Enjoy a slice of cake. You deserve it!

A LIFETIME PENSION AND MORE

Your STRP pension provides you with a lifetime monthly pension, as well as these potential enhancements:

Bridge benefit*: if you retire before age 65, you will get a bridge benefit in addition to your monthly pension. This benefit is intended to supplement your monthly pension and is payable up to your 65th birthday, which is when most government benefits start.

Income smoothing: a payment option that increases your monthly payments before age 65 and reduces payments after age 65 to help even out the income members receive from different sources throughout retirement.

Conditional enhancements: increases to your lifetime monthly pension. These enhancements are granted when the Plan can afford it, and can be granted as conditional upgrades (before retirement) or conditional cost of living adjustments (after retirement).

Cost of living adjustments (COLA)*: an annual increase to your pension to offset the rising cost of living after you retire. Pension benefits earned before July 1, 2015 receive an increase equal to 80 percent of inflation each year.

* These benefits are only applicable to pension benefits earned prior to July 1, 2015. Visit the STF website to learn more.

1. GET PREPARED

Before you can choose your retirement date, there is some homework to do.

CONSIDER YOUR DESIRED RETIREMENT LIFESTYLE AND ATTEND A PLANNING FOR RETIREMENT SEMINAR

The psychological and social aspects of retiring are just as important to consider as financial elements when you prepare for retirement. Before deciding to retire, ask yourself, “Am I really ready?” Sign up for the Planning for Retirement Seminar, offered every October, to learn about your STRP pension and the steps you need to take to finalize your retirement. Also, consider attending a Retirement Lifestyles session put on by the Superannuated Teachers of Saskatchewan. Membership in the STS is a way to continue your connections with colleagues and the teaching profession.

USE THE STRP'S PENSION ESTIMATOR ON MYSTF

Log in to MySTF to access the STRP's online [pension estimator tool](#). It allows you to run as many estimates as you like, using different variables and retirement dates to estimate how much pension income you can expect to receive from the STRP. You can also visit the STRP's [e-Guide](#) to learn more about your plan.

ESTIMATE HOW MUCH MONEY YOU WILL NEED

First, think about the lifestyle you would like to have in retirement. If you want to do some travelling or be generous with gifts to grandchildren, you may consider saving more than if you're looking to wind down and spend more time relaxing at the cabin. Also, consider that it's likely your expenses will be lower. For example, you will no longer contribute to certain government plans, and you will typically pay less income tax because your income is lower. Alternatively, there are also some instances where expenses will increase, such as paying for your own health benefits during retirement.

So, how much will you need? A retirement budget can help you answer this question. You can learn more about creating a retirement budget by watching the STRP's [“Are You Financially Healthy?”](#) video available on the STF website. A financial planner can also help you determine how much retirement income will be necessary to meet your anticipated needs.

REVIEW ALL YOUR POTENTIAL SOURCES OF INCOME AND REQUEST A PENSION ESTIMATE

There are three main sources of retirement income: workplace pensions, government programs and personal savings.

WORKPLACE PENSIONS

Your STF pension

If you are within a year of retiring, we recommend you contact the STRP to request a pension estimate. This will also provide you with an opportunity to review any additional outstanding items such as service available for purchase.

If you are more than one year away from retirement, you can use the STRP Pension Estimator to estimate your pension at your anticipated retirement date.

Pension plans with previous employers

If you have a pension with a previous employer, review your annual statement from that plan to get a sense of how much you can expect. If you need more information, contact the plan's administrator.

Note: If you taught elsewhere in Canada, you may be eligible to combine your pension benefits in a single plan. This may allow you to retire sooner with a combined pension.

GOVERNMENT PROGRAMS

Canada Pension Plan (CPP) and Old Age Security (OAS) are the two main government retirement benefits provided to Canadians. For an estimate of how much you could receive from CPP, refer to your "Statement of Contributions," accessible via the Service Canada website. You can use the Canadian Retirement Income Calculator, also available on the Service Canada website, for an estimate of how much you could receive from OAS. You can also use this tool to factor in all sources of retirement income.

PERSONAL SAVINGS

Personal savings typically include things like a registered retirement savings plan (RRSP), tax-free savings account (TFSA), property, or other investments. Your financial planner can help you determine how these savings fit into your retirement plan.

MAXIMIZE YOUR PENSION WITH VOLUNTARY CONTRIBUTIONS

If you made voluntary contributions to your personal voluntary contribution account with the STRP, you can choose to transfer these funds to a personal RRSP or receive them as a taxable lump sum when you retire. Voluntary contributions must be withdrawn from the Plan at the time you retire. Find out more about voluntary contributions in the e-guide available on our website.

CONSIDER PURCHASING SERVICE TO TOP UP YOUR PENSION

You can purchase service for periods of time when you were away from work and not earning service, like a leave of absence for a parental leave. Purchasing service increases your monthly pension and may help you retire earlier with an unreduced pension. The Pension Estimator can show you an estimate on how purchasing service could increase the monthly pension you receive when you retire.

Eligibility service: determines when you're eligible to retire and receive an unreduced pension. It's credited for every month you work in a school year.

CONFIRM YOU ARE READY AND CHOOSE A RETIREMENT DATE

Choosing your retirement date is a personal choice – how early or late you choose to retire depends on many factors including your financial status and retirement lifestyle goals. When it comes to your STRP pension, you may or may not have a reduction applied to your pension depending on your age and years of service at your retirement date.

YOU CAN RETIRE WITH AN UNREDUCED PENSION AT AGE 65 OR AT...



Visit the STF website for more information about retirement dates and the impact on your pension.

2. APPLY FOR OTHER SOURCES OF INCOME AND COVERAGE

Decide when you want to start receiving any additional sources of retirement income. This may or may not align with the retirement date that you've chosen for your STRP pension.

APPLY FOR GOVERNMENT BENEFITS (CPP AND OAS)

You must apply for government benefits; they are not automatically paid out. The minimum age to receive government benefits is age 60 for the Canada Pension Plan and 65 for Old Age Security. A financial planner can help you determine the optimal age for you to receive these government benefits.

CANADA PENSION PLAN/ OLD AGE SECURITY

- Submit your application 6 to 12 months before the date you want to receive your first payment
- For more information about applying for CPP or OAS, visit the Government of Canada website

APPLY FOR YOUR PENSION WITH PREVIOUS EMPLOYERS (IF APPLICABLE)

If you were part of a pension plan with a previous employer, and you chose to defer that pension, you must take steps to get your payments started. Contact your former employer and ask to speak to the plan administrator. They will be able to advise you on the timeline for submitting an application for your pension.

Please note: If you taught elsewhere in Canada, you may be eligible to combine your pension benefits in a single plan. This may allow you to retire sooner with a combined pension.

CONSIDER PURCHASING HEALTH, DENTAL AND/OR LIFE INSURANCE COVERAGE

HEALTH AND DENTAL

You can choose to purchase health and dental coverage under a group benefits plan offered by the Superannuated Teachers of Saskatchewan or through a private plan. The STS group benefits plan also offers extensive travel coverage, and the ability to suspend benefits and premiums if you return to teaching under contract. Visit the STS website for more information.

Note: Coverage under both the Teachers' Dental Plan and the Members' Health Plan ends at midnight on your last day of employment, but is re-instated if you return to teaching under contract after retirement.

LIFE INSURANCE

Retired teachers will automatically continue their life and accident coverage through the Teachers' Group Life Insurance Plan until age 65, at which time coverage will be reduced by 90%. Coverage remains at that reduced level until age 85 and then ends completely. If you wish to discontinue coverage after retirement, you must contact the Teachers' Superannuation Commission in writing. Visit the Commission's website for more information.

PORTAPLAN (OPTIONAL TERM LIFE INSURANCE)

Portaplan is an optional term life insurance plan offering life, accident and dependant life insurance to Saskatchewan teachers and their family members at group rates. You're not required to be employed under contract with a school board to purchase or maintain this insurance. However, you must apply for new or additional Portaplan coverage before your 65th birthday. It's important to note that your children can also join Portaplan if they are between the ages of 16 and 25. Visit the STF website to learn more about Portaplan.

DISABILITY INSURANCE

Your disability coverage under the Teachers' Long-Term Disability Plan ends when you retire. If you return to teach after you retire, you will not be eligible for disability coverage.

3. PUT YOUR AFFAIRS IN ORDER

While you are preparing for your retirement, it's also a good time to put your affairs in order.

MAKE OR UPDATE YOUR WILL

Ensure your will is up-to-date so your estate can be distributed according to your wishes when you pass away. Make sure you give the executor of your estate an up-to-date copy of your will with all the relevant information.

REVIEW AND UPDATE YOUR BENEFICIARIES FOR ALL YOUR TEACHER BENEFITS

It's important to make sure your beneficiaries are up to date before you retire, so that the right person or people will receive your pension benefits or other assets when you pass away.

You can check your current beneficiary for your STRP pension by reviewing your last Annual STRP Pension Statement, which is available online on MySTF. To update your pension beneficiary, you must complete and send a beneficiary designation form to the STRP.

We also encourage you to check your beneficiaries for all other insurance policies or financial accounts. Contact each provider for more information.

ARRANGE FOR A POWER OF ATTORNEY IN CASE OF INCAPACITY

Have you planned for a possible loss of independence? A power of attorney (also called a mandate) is a legal document by which you name the person who will represent you if you become incapacitated. This person is able to manage your financial affairs and/or make decisions about your personal care. Each province and territory has its own laws relating to powers of attorney. Consult your legal advisor (lawyer or notary) for more information.

4. APPLY FOR YOUR STF PENSION

You're almost there! Complete these last few steps and you can start enjoying your retirement.

STEP 1 REQUEST AN APPLICATION PACKAGE

We recommend that you request a formal pension estimate and application package six months before your anticipated retirement date to allow time for the completion and collection of all documents required. To do so, complete a Pension Estimate Request form (available online) and send it to the STRP. Please allow up to three weeks to process your request.

STEP 2 GATHER NECESSARY DOCUMENTS

Before you submit your completed application, be sure you have included the following:

- Proof of age for you, and your spouse (if applicable). Proof of age can be any government-issued identification indicating your birthdate (eg. birth certificate, passport, driver's license).

STEP 3 COMPLETE REQUIRED FORMS

Please ensure you carefully review the forms in your application package and ensure all are complete before sending them for processing. If you have any questions or need assistance, contact the STRP.

EMAIL	MAIL	PHONE
strp@stf.sk.ca	Saskatchewan Teachers' Retirement Plan 2317 Arlington Avenue Saskatoon, SK S7J 2H8	306.373.1660 Toll-Free: 1.800.667.7762

Be sure to keep a copy of your completed application and documents for your personal records.

A TIMELINE OF WHAT YOU NEED TO DO

Six months before retirement:

- Request a formal STRP pension estimate and application package
- Gather all necessary documents
- Complete required forms

Two months before you retire:

- Hand in your formal resignation to your school board (note: time frame is dictated by your school board)
- Mail your application forms and necessary documents to the STRP

STEP 4 HAND IN YOUR FORMAL RESIGNATION TO YOUR SCHOOL BOARD

You must submit a letter of resignation to your school board to inform them of your intention to retire. In return, you should receive a signed letter from your school board accepting your resignation and indicating the effective date. A copy of this letter is required to be submitted to the STRP to complete your retirement application. We strongly encourage you to send all other completed forms and documents while waiting to receive this letter (if it is not available two months before your retirement date) so we can begin processing your application.

Note: The timeline for submitting your letter of resignation is dictated by your school board. However, as a general rule, the STRP recommends you submit your letter two months before your planned retirement date.

For more information on submitting your letter of resignation, and letter templates you can use, visit the STF website.

STEP 5 MAIL YOUR COMPLETED FORMS AND NECESSARY DOCUMENTS

Mail in the completed forms and the necessary documents at least two months before your retirement date. When the Plan has received your documentation and the confirmation of your resignation acceptance from your school board, your pension will be calculated. Your lifetime monthly pension will be paid on the last banking day of each month.

Note: If you return to teaching in retirement, it's important that you inform your employing school board that you're receiving a pension to ensure that only the applicable deductions are made from your salary.

TEACHING AFTER RETIREMENT

If you're considering teaching after you retire, you should know that:

- No break is required between retirement and returning to teach
 - Your coverage under the Teachers' Dental Plan and the Members' Health Plan will be reinstated if you return to teaching under contract
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RESOURCES

FOR INQUIRIES ABOUT...	CONTACT
Saskatchewan Teachers' Retirement Plan	<p>Saskatchewan Teachers' Retirement Plan c/o Saskatchewan Teachers' Federation 2317 Arlington Avenue Saskatoon SK S7J 2H8</p> <p>306-373-1660 or 1-800-667-7762</p> <p>strp@stf.sk.ca</p> <p>www.stf.sk.ca</p>
Members' Health Plan	<p>Members' Health Plan c/o Saskatchewan Teachers' Federation 2317 Arlington Avenue Saskatoon SK S7J 2H8</p> <p>306-373-1660 or 1-800-667-7762</p> <p>health@stf.sk.ca</p> <p>www.stf.sk.ca</p>
Optional Life Insurance (Portaplan)	<p>Optional Life Insurance (Portaplan) c/o Saskatchewan Teachers' Federation 2317 Arlington Avenue Saskatoon SK S7J 2H8</p> <p>306-373-1660 or 1-800-667-7762</p> <p>portaplan@stf.sk.ca</p> <p>www.stf.sk.ca</p>
Teachers' Dental Plan Teachers' Group Life Insurance Plan	<p>Saskatchewan Teachers' Superannuation Commission 129 - 3085 Albert Street Regina SK S4S 0B1</p> <p>306-787-6440 or 1-877-364-8202</p> <p>www.stsc.gov.sk.ca</p>
Superannuated Teachers of Saskatchewan (STS)	<p>Superannuated Teachers of Saskatchewan 2311 Arlington Avenue Saskatoon SK S7J 2H8</p> <p>306-373-3879</p> <p>sts@sts.sk.ca</p> <p>www.sts.sk.ca</p>
Canada Pension Plan and Old Age Security	<p>Service Canada 1-800-277-9914</p> <p>www.canada.ca</p>



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