



STRP UPDATE

RETROACTIVE PAY AND YOUR PENSION

The new 2023-2026 Provincial Collective Bargaining Agreement includes raises that will positively impact your pension. Teachers will receive a retroactive salary adjustment of four percent on September 1, 2023, and three percent on September 1, 2024. Retroactive earnings will be remitted to the STRP as a one-time lump sum payment once employers have time to make the adjustments.

For members who were active on September 1, 2023, and are still active, retroactive earnings will be pensionable in the year they are paid. Members will earn pension based on the retroactive earnings and will pay pension contributions of 10 percent on those earnings. Additional pension on retroactive earnings will be reflected in members' annual statements for the year they are paid.

For members who were active on September 1, 2023, but who have since retired, terminated, or are on a leave on the date that the retroactive salary is paid, their earnings will not be pensionable. STRP pension contributions are not pensionable for any teacher not on payroll at the time the retroactive salary is paid. This includes teachers on leave. Therefore, these members will not have a pension contribution deducted from their retroactive earnings.



I WANT TO RETIRE IN A YEAR: WHAT DO I NEED TO DO?

Are you about to enter your last year of teaching, with plans of retirement in sight? Here are some steps to help you prepare:

- 1** Choose your retirement date. The [STRP Pension Estimator](#) can help you determine when you may want to retire.
- 2** Request a [formal pension estimate](#) and retirement application package from the STRP. We recommend you request this about a year prior to retirement.
- 3** Complete the required forms and mail them, along with all required documents, to the STRP approximately two months prior to retirement.
- 4** At least 30 days prior to your chosen retirement date submit your letter of resignation to your school board. You can find sample letters of resignation on the STF [website](#).
- 5** Once your completed retirement package has been received and your school board has remitted your final pension information to the STRP, your final retirement calculation will be completed. Your monthly pension will be paid on the last banking day of each month.
- 6** Sit back, relax and enjoy your retirement!

Visit the [Planning for Retirement](#) section of the website for more information on how to prepare for retirement.

STRP STATS

(AS OF JUNE 30, 2024)

MEMBERSHIP TOTAL **30,273**

INACTIVE MEMBERS

9,427
TOTAL

952
prior plan
deferred

256
deferred

8,219
inactives

ACTIVE MEMBERS

15,713
TOTAL

41.68
YEARS
average age

RETIRED MEMBERS/
SURVIVORS

5,133
TOTAL

58.16
YEARS
average
retirement
age

\$3,586
average
monthly
pension

STRP PLAN HEALTH

Earlier this year, the STRP finalized a valuation to determine its financial position as of July 1, 2024. The Plan's financial position remains strong, and the Plan remains fully funded. The Plan was able to grant conditional upgrades and conditional cost-of-living allowance upgrades of 2.6 percent in 2025 for both eligible active and retired members.



ARE YOU CONCERNED ABOUT THE TRADE WAR'S IMPACT ON YOUR PENSION? **NO NEED TO WORRY!**

Members who are concerned about market fluctuations and their impact on the Plan should not worry. An advantage to being part of the Plan is that the funds are managed by a team of professionals who are able to ensure the overall returns are stable, despite some day-to-day losses and gains. Also, when you retire, the Plan is designed to provide you with a predictable monthly pension paid for the rest of your life based on a formula that uses your earnings and years of contributory service.

DESIGNATE YOUR BENEFICIARY

Most people don't like to think about death while they're still working, but from a pension perspective, it's important to have your paperwork in order in case you pass away before you retire. If that happens, pension legislation dictates a specific order of entitlement for who might receive your STRP death benefit. It looks like this:

- 1 Spouse at date of death
- 2 Designated beneficiary(ies) (if you have no legal spouse, or your spouse has waived entitlement)
- 3 Your estate

Whether you have a spouse or not, it's important that you have named beneficiaries for your STRP pension. If you don't have one or more beneficiaries designated, then any pre-retirement death benefit not paid to a spouse will be paid to your estate. Settling an estate can be time-consuming and costly, reducing the benefit your beneficiaries may get from your STRP death benefits. If you designate beneficiaries with the STRP, any death benefit would automatically be paid to them directly by the Plan, avoiding your estate all together. This ensures your benefit goes to the people you choose faster and with less hassle, and reduces probate and estate fees.

Designating your beneficiaries is easy. Simply complete the [STRP Beneficiary Designation form](#) available on our website and send it in to our office. You can update your designation as often as you'd like and can designate anyone you'd like to receive the benefit, including charitable organizations.

Contact the STRP by phone at 1-800-667-7762 or by email at stp@stf.sk.ca if you have any questions or need help filling out the form.

WHO IS YOUR SPOUSE?

That may seem like a silly question to which you know the answer, but pension legislation has a very specific definition of spouse. A spouse is:

- 1 A person who is married to you; or
- 2 If you are not married, a person with whom you are cohabiting with as spouses and who has been cohabiting continuously with you as your spouse for at least one year.

This means that a legal spouse will always take precedence over a common-law spouse, even if you and your legal spouse having been living separate and apart, and you have been living with a new common-law spouse.



FINANCIAL LITERACY FOR RETIREMENT: HOW CAN INFLATION AFFECT YOUR RETIREMENT INCOME?

Inflation is the rising cost of goods and services. In Canada, it's measured by the Consumer Price Index, which measures changes in prices of over 600 goods and services over time.

Inflation can be felt in two ways. It increases the costs of the goods and services you buy, and it reduces the purchasing power of your money. Basically, it causes money to lose value over time. For example, if inflation is two percent annually, \$50,000 today would only be worth \$41,000 in 10 years and just \$27,600 in 30 years.

What does this mean for your retirement?

It means that you may have to save more money than you initially planned.

Having different avenues of retirement savings can be helpful. In addition to your STRP pension, you may want to save money in an RRSP, in a tax-free savings account or through [voluntary contributions](#) to the STRP. The sooner you can start saving, the sooner the money you invest will grow through compound interest.

The good news is that when the STRP is healthy, the Plan can grant conditional upgrades for eligible active members and conditional cost-of-living allowances (COLAs) in addition to the guaranteed COLA for retired members, which means that your monthly pension may be increased to account for inflation. The Canadian Pension Plan and Old Age Security are also designed to increase according to changes in the cost of living.

We don't know what inflation will be from year to year, but what we do know is that it's never too early to start saving for retirement.



WHAT WOULD YOU LIKE TO SEE IN THE UPDATE?

Have suggestions for content in this newsletter? Our communications team wants to know!
Send them a message at stfcommunications@stf.sk.ca.



SASKATCHEWAN
TEACHERS'
FEDERATION

STRP UPDATE

Need more information? Contact us at:

Saskatchewan Teachers' Retirement Plan
2317 Arlington Avenue, Saskatoon SK S7J 2H8
T: 306-373-1660 in Saskatoon or 1-800-667-7762
F: 306-955-1157 E: stfp@stf.sk.ca
www.stf.sk.ca @ [f](#) [X](#) [in](#) @SaskTeachersFed

This publication contains general information only. In the event of any discrepancy in interpretation, error or omission, the applicable legislation and Plan Text are the final authority.

STF-00114A / 20250609 / 9110-99