

2024-2025

# PREPARING FOR YOUR RETIREMENT

SEMINAR

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**TRAF** 100  
2025



Welcome to the Teachers' Retirement Allowances Fund's *Preparing for Your Retirement* seminar. We thank The Manitoba Teachers' Society for organizing this seminar and providing us with an opportunity to meet with you today. The goal of this seminar is to provide you with information that will help you make informed retirement decisions.

If you are planning to retire within the next year, we encourage you to:

- **Visit [traf.mb.ca](http://traf.mb.ca)**  
Check our website for regular updates and to review important information and resources such as fact sheets, publications and forms.
- **Ensure your required documents are in order and settle any relationship breakdowns**  
Visit [traf.mb.ca](http://traf.mb.ca) or contact our office to understand what documents are required.
- **Register for or log in to Online Services and update your Account Profile**  
Registering for Online Services is mandatory prior to submitting your pension application, so register as early as possible to take advantage of the many available tools and information that can assist you with your retirement planning. Your account allows you to view your annual statements, other important correspondence and digital presentations, including one on the topic of *Preparing for Your Retirement*. You can also try out the pension estimator and update your beneficiary designation. Finally, you can easily share documents with TRAF through our secure online platform and apply for your pension online.
- **Contact our office**  
Set up a time to discuss your personal situation with one of our Member Services Specialists. If you are married or common-law, your partner should be invited to be a part of the discussion. Together, we will review your pension information, plan options and the process to apply for and receive your pension.

Our regular business hours are 8 a.m. to 5 p.m. Monday through Friday, and generally one Saturday a month during the school year. In July and August, our hours are 8 a.m. to 4 p.m. Please feel free to contact us by phone or email if you have any questions about this seminar or would like to discuss your pension.

We look forward to assisting you as you prepare for your retirement.

**SERVING TEACHERS**  
**PAST • PRESENT • FUTURE**

# Preparing for Your Retirement

2024 – 2025

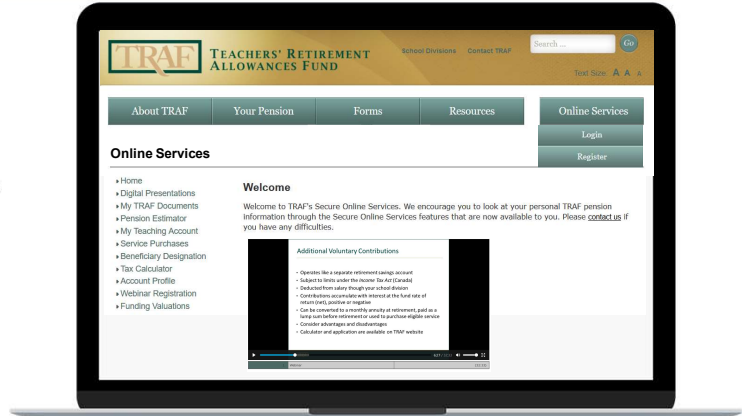
## Agenda

- The benefits of registering for Online Services
- Your pension
- Maximizing your pension
- Additional voluntary contributions
- Plan options and integration
- Applying for your pension
- Receiving your pension
- Key life events
- Teaching after retirement
- Will you be prepared?

# The benefits of registering for Online Services

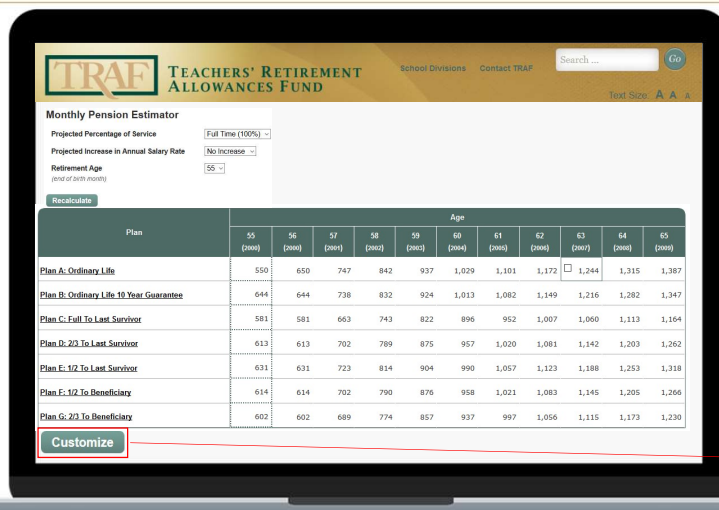
## Key features include:

- Annual statements
- Pension estimator
- Share documents with TRAF
- Apply for pension online
- Tax calculator
- Beneficiary designation(s)
- Digital presentations
- Pension details and T4A (after retirement)



Watch the digital presentation on "Preparing for Your Retirement"

# Pension estimator



Note, the Percentage of Time and Pensionable Salary are editable.

In the Percentage of Time, if you:

- work 50% time, key in .5
- work 4/5 time, key in .8
- take a leave of absence, key in 0

Year	Percentage of Time	Pensionable Service	Pensionable Salary	Term	
2019	1.0	1	80000	ST/FT	reset
2020	1.0	1	80000	ST/FT	reset
2021	1.0	1	80000	ST/FT	reset
2022	1.0	1	80000	ST/FT	reset
2023	1.0	1	80000	ST/FT	reset
2024	1.0	1	80000	ST/FT	reset

ST: Spring Term FT: Fall Term

Recalculate Reset All

# Your Pension

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## Calculating your pension

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- TRAF is a defined benefit pension plan, which means your pension is based on:
  - Average pensionable salary
  - Years of pensionable service
- The pension is not determined by your contributions and investment income

## Pensionable salary

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- Salary rate (full-time equivalent)
  - Includes administrative allowances
  - Excludes pre-tax benefits, car allowance, summer or night school earnings
  - Includes “deemed” salary while receiving disability benefits
- Average salary is based on the best five<sup>1</sup> years of salaries in the last 12 years prior to retirement

<sup>1</sup> Best seven years for service prior to July 1980. This can be converted to the best five-year average to increase your pension. Contact TRAF for more information.

## Pensionable service

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Pensionable service is credited for actual days worked.

### Service that counts

- Employment covered by TRAF. For example:
  - Teachers, clinicians, principals and superintendents
  - The Faculty of Education at a Manitoba university
  - The Manitoba Department of Education
  - The Manitoba Teachers’ Society (MTS)
  - Manitoba School Boards Association (MSBA)
- Personal business days with full or partial pay, or while receiving disability benefits
- **Purchased service**
- **Transferred service**

### Service that does not count

- Deferred salary leave
- Unpaid personal and sick leaves
- Leaves not provided for under *The Teachers’ Pensions Act*

## Eligibility

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- Depends on a number of variables:
  - The date your contract is terminated with your employer
  - Age
  - Qualifying service

## Pensionable vs. qualifying service

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### **Pensionable service**

- The actual time spent working (full time, part time, under a term contract, and substitute service for which you made contributions) or in receipt of certain group disability benefits
- Determines the amount of your pension before adjustments for early retirement or plan option

### **Qualifying service**

- Service as a TRAF member credited to the end of the last month in which there is pensionable service
- Determines entitlement to a reduced or unreduced pension and any applicable early retirement penalty (ERP) and offsetting bridging benefit

## Eligibility

- Normal retirement – age 65
  - Unreduced pension (no minimum qualifying service requirement)
- Early retirement – age 55 to 65
  - Less than 10 qualifying years – actuarially reduced
  - 10 or more qualifying years – may be subject to a lifetime ERP (if pension starts before age 60 and age and qualifying service total less than 80), plus offsetting bridging benefit, payable to the earlier of age 65 or death
- Postponed retirement – after age 65
  - Unreduced pension (no minimum qualifying service requirement)
  - Pension must start no later than the end of year member turns age 71

### July 2024 statistics

Average retirement age: **59.5**

Approximately **20.7%** retired at age 55

Approximately **39%** retired at age 60 or older

Average monthly gross pension: **\$3,423**

Average pensionable service: **25.5 years**

## Automatic pension commencement

### If you are at least 65 and have at least 15 years of qualifying service:

- Your pension will start automatically once both conditions are met
- No requirement to terminate your contract from your employer
- Contributions cease (and are no longer allowed)
- Pensionable service accrual ceases
- Not subject to teaching after retirement rules

### Unless you elect to continue contributing past age 65<sup>1</sup>, then:

- Contributions continue to be deducted from your salary
- Pensionable service continues to accrue
- Can start pension any time after age 65 without terminating your contract
- Pension paid is the greater of the accrued pension or the actuarial equivalent of the age 65 pension

<sup>1</sup> Mandatory election form required.



## Pension formula examples

- Assume a member:
  - Retired in June 2024
  - With 28 years of pensionable service
  - With 28 years of qualifying service
  - With a five-year average pensionable salary of \$95,000
- Based on the pension formula, the monthly base pension for this member would be \$3,548<sup>1</sup> (\$42,582 per year)
- The following examples show the impact of a change in average salary and pensionable service

<sup>1</sup> Reductions for relationship breakdown, early retirement and offsetting bridging benefit, if applicable, are applied at this stage; all plan options are calculated as a percentage of the base pension (Plan A).

## Pension formula examples

### Impact of higher average salary

Pensionable Service	5-Year Average Salary	Monthly Base Pension
28 years	\$95,000	\$3,548
28 years	\$97,000	\$3,641
Increase in pension		\$93

- Qualifying service would be 28 years

## Pension formula examples

### Impact of additional years of pensionable service

Pensionable Service	5-Year Average Salary	Monthly Base Pension
28 years	\$95,000	\$3,548
30 years	\$95,000	\$3,802
Change in pension		\$254

- Qualifying service would be 28 and 30 years, respectively

## Pension formula examples

### Impact of working part time (example at 50%)

Pensionable Service	5-Year Average Salary	Monthly Base Pension
28 years (full time)	\$95,000	\$3,548
14 years (50% part time)	\$95,000	\$1,774
Difference in pension		\$1,774

- A full-time equivalent salary is used to determine the pension for a part-time member
- This member will have 28 years of qualifying service for eligibility purposes (not 14 years)
- This member accumulates half of the pensionable service of a full-time member
- This member will be paid half the pension of a full-time member

# Maximizing Your Pension

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(Through service purchases and transfers)

Watch the “Maximizing Your Pension” digital presentation in your Online Services account to learn more

## Types of service purchases

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- Maternity/Parental/Adoption leave
- Substitute teaching service
- Educational leave
- Reinstatement of refunded service
- Other eligible past service

## Service purchases

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- Visit [traf.mb.ca](http://traf.mb.ca)
- Complete an application for cost information and an estimate of the increase to your pension
- Payments including interest (if applicable) can be made by:
  - RRSP transfer (in most instances)
  - Cheque (may be tax deductible)
  - Transfer of your additional voluntary contributions, if applicable
- **Don't delay:** Consider these options early in your career

## Service transfers

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- Combines service from pension plans for which TRAF has a reciprocal agreement (includes provincial teacher plans and certain other plans)
- Complete a Service Transfer Application available at [traf.mb.ca](http://traf.mb.ca) and forward a copy to both pension plans
- **Don't delay:** Service transfers generally take up to one year to complete

**Note:**

If you transfer your TRAF service to another plan, return to TRAF and then request a service transfer back to TRAF, you may not receive full credit for your original TRAF service.

# Additional Voluntary Contributions

Watch the “Making Additional Voluntary Contributions” digital presentation in your Online Services account to learn more

## Additional voluntary contributions (AVCs)

- Operates like a separate retirement savings account
- Subject to maximum limits under the *Income Tax Act* (Canada)
- Deducted from salary through your school division
- Contributions accumulate with interest at the fund rate of return (net), positive or negative
- Can be converted to a monthly annuity at retirement, paid as a lump sum before retirement or used to purchase eligible service
- Consider advantages and disadvantages
- Calculator and application are available at [traf.mb.ca](http://traf.mb.ca)

# Plan Options and Integration

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## When making your decision, consider...

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- Financial commitments
- Life expectancies for you and your partner
- Other sources of income
  - Employment income
  - CPP and/or OAS
  - Investments
  - Other pensions
- Life insurance
- Dependants
- Lifestyle

## Important to remember...

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- Selecting a plan option is a personal decision
- Cannot change a plan option once you receive your first payment
- Cannot change beneficiary under Plans C – H
- Single members: Plans A or B
- Married/common-law members: Plans A – H
  - Spouse/partner<sup>1</sup> must be beneficiary under Plans C – H
  - Common-law relationship is defined under legislation
    - Registered under *The Vital Statistics Act*
    - One year of cohabitation in a conjugal relationship if neither is married
    - Three years of cohabitation in a conjugal relationship if either is married

<sup>1</sup> The terms “spouse” and “partner” are used interchangeably.

## Minimum survivor pension for married or common-law members

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- Under *The Teachers’ Pensions Act*: Plan D – 2/3 to Last Survivor
  - You may select a different option, if your partner completes authorization on the pension application
- Under *The Pension Benefits Act*: 60% to partner
  - You may select an option that provides less than 60% to your partner (i.e., Plans A, B, E, F, or H, if applicable) if your partner completes and submits to TRAF Form 5A – *Waiver of 60% Joint Survivor*
  - Waiver must be completed and returned to TRAF within 60 days prior to your pension effective date
- Partner may revoke the authorization and waiver, if applicable, before the pension starts

## In our examples

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- Member and partner are age 55
- Base pension is \$3,500
- Your personal pension information will differ from our examples<sup>1</sup>

<sup>1</sup>These examples are for illustration purposes only. Always refer to your own personal pension information.

## Plan A: Ordinary Life

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- This is your base pension
- Pension paid to plan member for life
- Default for members without a partner
- Beneficiary(ies) can be anyone



## Plan A: Ordinary Life

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500		\$3,500	\$0
B 10-Year Guarantee				
B 15-Year Guarantee				
C Full to Last Survivor				
D 2/3 to Last Survivor				
E 1/2 to Last Survivor				
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

Excludes bridging benefit.

## Plan B: 10 or 15-Year Guarantee

- Pension paid to plan member for life
- Payment guaranteed for first 10 or 15 years of retirement
  - Regardless of date of death
  - Beneficiary(ies) can be anyone

## Plan B: 10-Year Guarantee

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500		\$3,500	\$0
<b>B 10-Year Guarantee</b>	<b>\$3,491</b>		<b>\$3,491</b>	<b>\$3,491*</b>
B 15-Year Guarantee				
C Full to Last Survivor				
D 2/3 to Last Survivor				
E 1/2 to Last Survivor				
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.



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## Plan B: 15-Year Guarantee

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500		\$3,500	\$0
B 10-Year Guarantee	\$3,491		\$3,491	\$3,491*
<b>B 15-Year Guarantee</b>	<b>\$3,471</b>		<b>\$3,471</b>	<b>\$3,471*</b>
C Full to Last Survivor				
D 2/3 to Last Survivor				
E 1/2 to Last Survivor				
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.



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## Plan C: Full to Last Survivor

- Pension paid to plan member for life
- At either death, pension continues to survivor for life
- Beneficiary must be partner

## Plan C: Full to Last Survivor

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500	\$3,500	\$3,500	\$0
B 10-Year Guarantee	\$3,491	\$3,491	\$3,491	\$3,491*
B 15-Year Guarantee	\$3,471	\$3,471	\$3,471	\$3,471*
<b>C Full to Last Survivor</b>	<b>\$3,300</b>	<b>\$3,300</b>	<b>\$3,300</b>	<b>\$3,300</b>
D 2/3 to Last Survivor				
E 1/2 to Last Survivor				
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.

## Plan D: 2/3 to Last Survivor

- Pension paid until death of either member or partner
- At either death, survivor receives 2/3 for life
- Default plan option for members with a partner
- Different plan may be chosen if the partner signs authorization and waiver at retirement
- Beneficiary must be partner

## Plan D: 2/3 to Last Survivor

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500	\$3,500	\$3,500	\$0
B 10-Year Guarantee	\$3,491	\$3,491	\$3,491	\$3,491*
B 15-Year Guarantee	\$3,471	\$3,471	\$3,471	\$3,471*
C Full to Last Survivor	\$3,300	\$3,300	\$3,300	\$3,300
<b>D 2/3 to Last Survivor</b>	<b>\$3,440</b>	<b>\$3,440</b>	<b>\$2,293</b>	<b>\$2,293</b>
E 1/2 to Last Survivor				
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.

## Plan E: 1/2 to Last Survivor

- Pension paid until death of either member or partner
- At either death, survivor receives half for life
- Beneficiary must be partner

## Plan E: 1/2 to Last Survivor

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500	\$3,500	\$3,500	\$0
B 10-Year Guarantee	\$3,491	\$3,491	\$3,491	\$3,491*
B 15-Year Guarantee	\$3,471	\$3,471	\$3,471	\$3,471*
C Full to Last Survivor	\$3,300	\$3,300	\$3,300	\$3,300
D 2/3 to Last Survivor	\$3,440	\$3,440	\$2,293	\$2,293
<b>E 1/2 to Last Survivor</b>	<b>\$3,514</b>	<b>\$3,514</b>	<b>\$1,757</b>	<b>\$1,757</b>
F 1/2 to Beneficiary				
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.

## Plan F: 1/2 to Beneficiary

- Pension paid to member for life
- At member's death, pension reduces to half for partner's life
- At partner's death, pension does not reduce
- Beneficiary must be partner

## Plan F: 1/2 to Beneficiary

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500	\$3,500	\$3,500	\$0
B 10-Year Guarantee	\$3,491	\$3,491	\$3,491	\$3,491*
B 15-Year Guarantee	\$3,471	\$3,471	\$3,471	\$3,471*
C Full to Last Survivor	\$3,300	\$3,300	\$3,300	\$3,300
D 2/3 to Last Survivor	\$3,440	\$3,440	\$2,293	\$2,293
E 1/2 to Last Survivor	\$3,514	\$3,514	\$1,757	\$1,757
<b>F 1/2 to Beneficiary</b>	<b>\$3,397</b>	<b>\$3,397</b>	<b>\$3,397</b>	<b>\$1,698</b>
G 2/3 to Beneficiary				

\* To end of guarantee period only.

Excludes bridging benefit.

## Plan G: 2/3 to Beneficiary

- Pension paid to member for life
- At member's death, pension reduces to 2/3 for partner's life
- At partner's death, pension does not reduce
- Beneficiary must be partner

## Plan G: 2/3 to Beneficiary

Assumes you and your partner are age 55 and your base pension is \$3,500 per month.

Plan Option	At retirement, payable to:		After first death, payable to:	
	Plan Member	Plan Member	Plan Member	Beneficiary
A Ordinary Life	\$3,500	\$3,500	\$3,500	\$0
B 10-Year Guarantee	\$3,491	\$3,491	\$3,491	\$3,491*
B 15-Year Guarantee	\$3,471	\$3,471	\$3,471	\$3,471*
C Full to Last Survivor	\$3,300	\$3,300	\$3,300	\$3,300
D 2/3 to Last Survivor	\$3,440	\$2,293	\$2,293	\$2,293
E 1/2 to Last Survivor	\$3,514	\$1,757	\$1,757	\$1,757
F 1/2 to Beneficiary	\$3,397	\$3,397	\$3,397	\$1,698
<b>G 2/3 to Beneficiary</b>	<b>\$3,364</b>	<b>\$3,364</b>	<b>\$3,364</b>	<b>\$2,242</b>

\* To end of guarantee period only.

Excludes bridging benefit.

## Plan H: Personalized

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- Customized plan more suitable to your needs
- Examples:
  - Change the percentage paid after the first death, e.g., 80% to last survivor
  - Add a guarantee to an existing option, e.g., full to last survivor with a 10-year guarantee

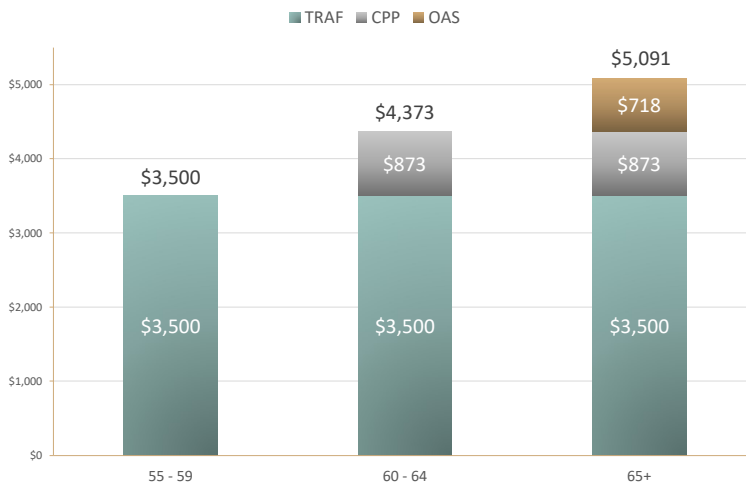
## Integration: An income option

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- Provides more uniform pension income throughout retirement
  - TRAF, CPP and OAS
- TRAF pension increases initially
- TRAF pension reduces
  - At age 60 for CPP
  - At age 65 for OAS



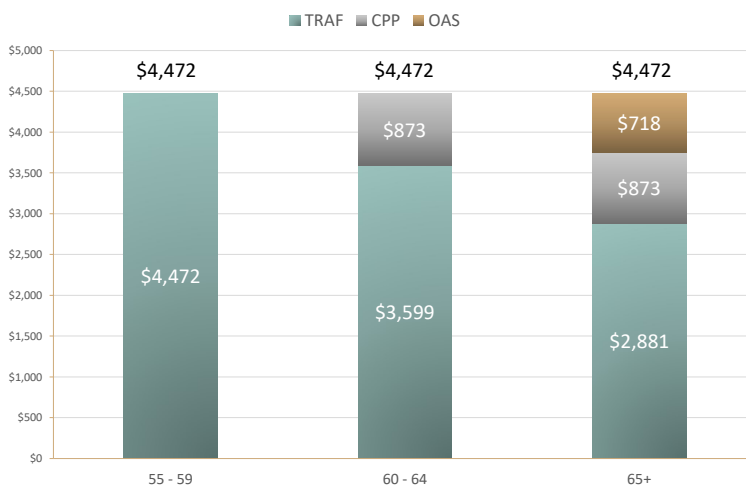
## Without integration



### Assumptions:

- You can choose to commence CPP between age 60 and age 70. This illustration assumes that the member elects to start CPP at age 60.
- You have the option to commence OAS from age 65 to age 70, and the actual OAS amount received may be different for various reasons such as OAS clawback. This illustration assumes the member elects to start OAS at age 65 and is eligible for the maximum OAS benefit.
- OAS recently changed to increase by 10% at age 75. This illustration does not include the impact of that increase.
- Any cost of living adjustments would increase future pension amounts. This illustration does not include the impact of any cost of living adjustments.

## With integration



### Assumptions:

- You can choose to commence CPP between age 60 and age 70. This illustration assumes that the member elects to start CPP at age 60.
- You have the option to commence OAS from age 65 to age 70, and the actual OAS amount received may be different for various reasons such as OAS clawback. This illustration assumes the member elects to start OAS at age 65 and is eligible for the maximum OAS benefit.
- OAS recently changed to increase by 10% at age 75. This illustration does not include the impact of that increase.
- Any cost of living adjustments would increase future pension amounts. This illustration does not include the impact of any cost of living adjustments.

## Integration

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- TRAF does not pay CPP or OAS
- TRAF reductions apply whether or not you apply or are eligible for CPP or OAS
  - Contact CPP and OAS directly at 1-800-277-9914 to confirm your eligibility
- With Plan D, option for joint-life (both lifetimes) or single-life (member's lifetime) integration; all other plans, option is single life only
  - May affect TRAF entitlement upon death of member or partner
- Partner must complete authorization on *Pension Application and Form 5B – Consent for Integrated Pension*
- Cannot change decision once you receive your first payment

## Applying for Pension

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## Applying for pension

**A late application results in lost income, since pensions are not paid retroactively.**

- Registering for Online Services is a prerequisite for anyone who applies for pension
- Contact TRAF for an updated pension estimate
- Terminate your contract with your employer (unless you are age 65 with at least 15 years qualifying service)
- Submit your pension application online and share all required documents with TRAF two to three months before pension starts

### Required documents include:

- Proof of age for you and your partner, if applicable
  - Copies of a birth, baptismal or citizenship certificate; or valid Canadian passport
- Banking information
- TD1 tax forms
- Spousal signatures/forms, if applicable

**Log in to Online Services to share these documents with TRAF through our secure online platform.**

## Deductions from your pension

- Income tax
- Discretionary deductions
  - Retired Teachers' Association of Manitoba (RTAM) membership fee
  - Extended Health
    - Johnson (available to members of RTAM)

# Receiving Your Pension

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## Receiving your pension

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- First month may include an adjustment for any shortage in contributions; any over-contribution will be refunded
- Changes after the pension starts may include:
  - Outstanding salary settlement
  - Income tax rates or extended health premiums
  - Marriage or common-law relationship breakdown
  - Death
  - Reductions for bridging benefit and integration
  - Cost of living adjustments

## Cost of living adjustments (COLA)

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- Based on a formula in *The Teachers' Pensions Act*
- Not guaranteed
- Actuary projects future COLA to average approximately 0.9% per year over the long term
- The Bank of Canada targets inflation in the 1%-3% per year range, and current inflation is much higher. As a result, COLA is not expected to provide full inflation protection and you should expect and plan to lose purchasing power over time.
- Based on Plan A pension (regardless of plan option selected)
- Beneficiary receives 2/3 of COLA

## Keep your contact information up to date

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- Current contact information is required for the electronic deposit of pension payments
- Log in to your Online Services account periodically to ensure your Account Profile and contact information is up to date
- A current email address ensures you continue to receive email correspondence from TRAF, such as your first pension letter, notification of any changes to your pension, and notification that *The Horizon* newsletter is available
- Remember that you may not have access to your school division email address after retiring, so consider using a personal email address

# Key Life Events

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## Relationship breakdown

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- Spouse/partner entitled to a portion of the commuted value earned between the date the relationship started and the date of separation<sup>1</sup>
- Date of separation will determine the amount that may be divided and the options available:
  - **Before October 1, 2021:** Options are to divide 50%, trade net difference or not divide.
  - **On or after October 1, 2021,** there is more flexibility: Options are to divide up to 50% or not divide.
- Relationship breakdown can also affect your pension after retirement
- Contact TRAF promptly to ensure matter is settled

<sup>1</sup> Generally applies if you separated from your married spouse on or after January 1, 1984 or from your common-law partner on or after June 30, 2004. May also apply to other situations. Contact TRAF for details.

## Death

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### Before pension starts

- Spouse/partner may waive entitlement
- Designate your beneficiary(ies) through Online Services
- Check your annual statement

### After pension starts

- Pension may continue, based on plan option selected at retirement
- If the pension stops, the balance of contributions plus interest to retirement less total pension already paid will be paid to the beneficiary(ies) or estate
  - Can designate a contingent beneficiary(ies) at the time of retirement, which can be changed at any time

## Teaching After Retirement

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## Teaching after retirement

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- Rules apply only if you return to work in a position that normally requires TRAF contributions
- Rules do not apply if you:
  - Are at least age 65 **and**
  - Have 15 years of qualifying service

## Teaching after retirement

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### **Within 90 days**

- If you return to teach under contract within 90 days (excluding substitute teaching):
  - You are not eligible for TRAF pension
  - You must repay pension payments
  - You must resume contributing to TRAF



## Teaching after retirement

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### After 90 days

- If you return to teach under contract after 90 days:
  - You receive your TRAF pension until you teach more than 120 “full days,” including all substitute teaching days, in a school year
    - Your pension will then be suspended on the 121<sup>st</sup> day
    - You must resume contributing to TRAF
  - At retirement
    - Original pension is reactivated
    - Second benefit is paid
- Ensure you understand the impact on your pension, particularly if you choose to integrate

## Teaching after retirement

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- Counting your days
  - More than 50% equals a full day
  - Less than or equal to 50% equals a half day
  - You and the school division must track days worked
- TRAF may request a copy of your work schedule to confirm the number of days, especially if you work part-time

## Teaching after retirement

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### Examples:

- 60% contract – teaching three out of five days a week
  - Count each day as one full day
  - You will accumulate 120 days by end of June
  - Pension will not be affected
- 60% contract – teaching 60% of each day, five days a week
  - Count each day as one full day because you work more than 50% of each day
  - You will accumulate 120 days by early March
  - Pension will be suspended until you stop teaching
  - Resume TRAF contributions to earn second benefit based on additional service

## Will You Be Prepared?

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## Will you be prepared?

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- Have you explored options to maximize your pension?
- Do you understand the plan options and how they affect you?
- Do you know how integration works?
- Do you have the information you need to make the best decisions?

## Contact us

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**Email:** [info@traf.mb.ca](mailto:info@traf.mb.ca)  
**Phone:** 204-949-0048  
**Toll-free:** 800-782-0714  
**Fax:** 204-944-0361

**Johnston Terminal**  
**330 – 25 Forks Market Road**  
**Winnipeg, Manitoba**  
**R3C 4S8**

*Visit [traf.mb.ca](http://traf.mb.ca) for updates regarding business hours,  
and available Saturdays to schedule an appointment.*

# RETIREMENT CHECKLIST

This checklist summarizes the steps to follow to make your retirement decisions easier.

We also recommend that you consult with other professionals about your retirement.

## DETERMINE YOUR RETIREMENT DATE

You must be at least 55 years of age, terminate your contract with your employer (except if you are age 65 with at least 15 years of qualifying service) and complete and submit the pension application within the required deadlines.

Even if you are employed elsewhere and are contributing to another pension plan, you can start your TRAF pension at the effective date stated on your pension estimate if you complete and submit the pension application within the required deadlines.

## REVIEW YOUR PERSONAL PENSION INFORMATION ONLINE

Register for or log in to [Online Services](#) to use the pension estimator and explore how different “what if” scenarios would affect your pension. You can also access annual statements, which provide various estimated amounts (or, if your retirement date is within one year, you may call us for an estimate).

## EVALUATE INCOME AND NEEDS

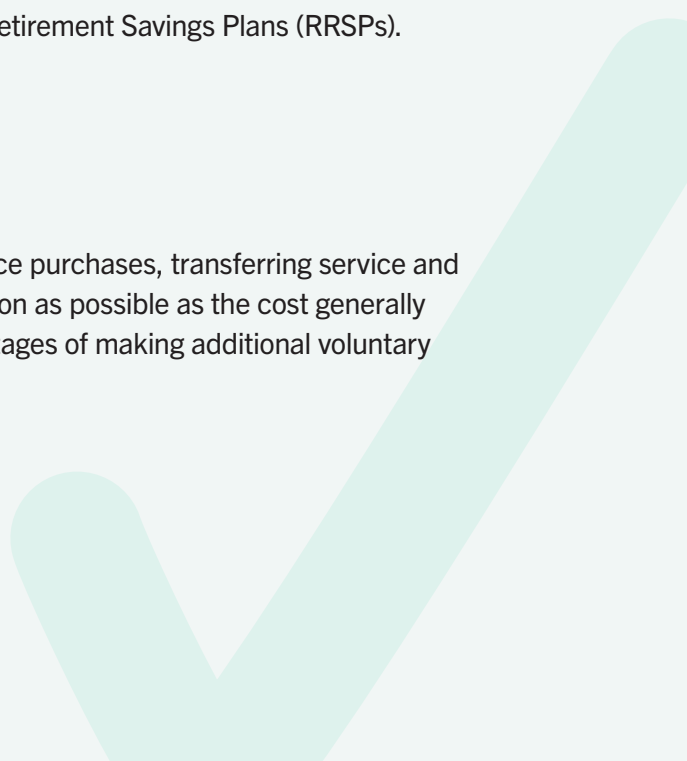
Before you make your retirement decisions, you should consider items such as major expenses, the health and life expectancy of you and your partner and your desired lifestyle in retirement.

You should also know what you will receive from each of your retirement income sources and know when you can expect to receive it. Be sure to factor in:

- Canada Pension Plan (CPP) and Old Age Security (OAS).
- Income from personal investments, like your Registered Retirement Savings Plans (RRSPs).
- Sale of, or income from, a business or property.
- Your partner’s income.

## INCREASE YOUR PENSION

You may be able to increase your TRAF pension through service purchases, transferring service and converting to a five-year average. Research your options as soon as possible as the cost generally increases over time. You may also want to consider the advantages of making additional voluntary contributions.



## SETTLE RELATIONSHIP BREAKDOWNS

If you and your partner have separated, it is important to contact TRAF promptly for information on how your pension is affected. A delay in settling your relationship breakdown can delay your pension.

If the separation is permanent, your former partner may be entitled to up to 50% of the monthly pension or commuted value (if the pension has not yet commenced) earned from the date the relationship began to the date of separation.

We encourage you to seek legal advice regarding your family law entitlements, and financial advice regarding the implications of relationship breakdown to your pension.

## ATTEND A RETIREMENT SEMINAR

If you are age 48 or older, you will receive an invitation from The Manitoba Teachers' Society (MTS) to attend a retirement seminar. We recommend that you attend more than one seminar before you retire and watch digital presentations about the TRAF pension through your [Online Services](#) account.

## MEET WITH A MEMBER SERVICES SPECIALIST

We encourage you to make at least one appointment with a Member Services Specialist to discuss your pension. Your partner should be present at this appointment, if applicable.

We also recommend that you consult with other professionals, such as a financial planner or accountant, about other aspects of your retirement.

## CHOOSE A PLAN OPTION

Choosing a plan option is a personal decision and depends on your situation. Make this decision carefully as it cannot be changed once you receive your first pension payment.

## CONSIDER INTEGRATION

You may have the option to integrate your TRAF pension with CPP, OAS or both. Like your plan option, you cannot change your decision once your pension has started.

## APPLY FOR TRAF PENSION

Complete your pension application through [Online Services](#) and submit your TD1 tax forms, banking information and proof of age for you and your partner, if applicable.

Make sure the application and other required documents are submitted to TRAF at least three months before your planned retirement date. A delay in applying could mean a loss of pension income as pensions are not paid retroactively.

# Retirement Income

The following two worksheets can help you organize your retirement planning information and compare your current and estimated retirement income to your estimated retirement expenses.

	MONTHLY INCOME		NOTES
	Personal	Partner	
<b>Pension Benefits</b>			
Canada Pension Plan			
Quebec Pension Plan			
Old Age Security			
TRAF Pension Plan			
Other Pension Plans			
<b>Registered Investment Income</b>			
RRIF			
Annuity			
LIF			
Other			
<b>Non-Tax Sheltered Investment Income</b>			
Dividends			
Interest Income			
Rental Income			
Annuities			
Other			
<b>Business &amp; Employment Income</b>			
Job			
Business Ownership			
Does not include one-time transactions such as sale of home, proceeds from sale of investments and reverse mortgages.			
<b>Total Monthly Income Expected (before tax)</b>	<input type="text"/>		
Less Estimated Monthly Taxes	<input type="text"/>		
<b>Total Income Expected (after tax)</b>	<input type="text"/>		

Disclaimer: This worksheet is for information purposes and may not be appropriate for every situation. You assume the risk associated with its use. Other professionals, such as a financial planner or an accountant, should be consulted about other aspects of your retirement.

# Retirement Expenses

	TODAY	IN RETIREMENT
<b>Home</b>		
Mortgage/Rent/Condo Fees		
Property Taxes		
Maintenance/Repairs		
Yard Maintenance		
Housekeeper		
Home Furnishings		
Heating		
Electricity		
Water		
Cable/TV/Satellite		
Telephone		
Internet		
Other		
<b>Food</b>		
Groceries		
Restaurant Meals		
Liquor/Tobacco Products		
Other		
<b>Health</b>		
Medical (non-insured)		
Prescription Drugs		
Dental		
Vision		
Other		
<b>Transportation</b>		
Vehicle Purchase/Lease		
Fuel		
Vehicle Insurance		
Vehicle Licences		
Repairs/Maintenance		
Parking		
Public Transportation		
Other		
<b>Personal</b>		
Health Club Membership		
Grooming & Cosmetics		
Clothing		
Dry Cleaning/Laundry		
Other		

	TODAY	IN RETIREMENT
<b>Leisure/Entertainment</b>		
Vacations/Travel		
Event Tickets		
Books/Magazines		
Club Memberships		
Education		
Hobbies		
Other		
<b>Insurance Costs</b>		
Health		
Life		
Disability/Long-term Care		
Home		
Other		
<b>Loans</b>		
Personal		
Line of Credit		
Credit Card		
Other		
<b>Savings</b>		
RRSP Contributions		
Regular Savings		
<b>Miscellaneous</b>		
Support Payments		
Gifts		
Charitable Donations		
Pets		
Accounting Legal Fees		
Other		

**Total Current Expenses**

**Total Retirement Expenses**

Disclaimer: This worksheet is for information purposes and may not be appropriate for every situation. You assume the risk associated with its use. Other professionals, such as a financial planner or an accountant, should be consulted about other aspects of your retirement.

# Acronyms

AVCs	Additional Voluntary Contributions
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
CPP	Canada Pension Plan
CRA	Canada Revenue Agency
DB Pension Plan	Defined Benefit Pension Plan
ERP	Early Retirement Penalty
FIPPA	<i>The Freedom of Information and Protection of Privacy Act</i>
LIRA	Locked-in Retirement Account
MSBA	Manitoba School Boards Association
MTS	The Manitoba Teachers' Society
OAS	Old Age Security
PAA	Pension Adjustment Account
PBA	<i>The Pension Benefits Act of Manitoba</i>
RRSP	Registered Retirement Savings Plan
RTAM	Retired Teachers' Association of Manitoba
TPA	<i>The Teachers' Pensions Act</i>
YMPE	Year's Maximum Pensionable Earnings



# ADDITIONAL VOLUNTARY CONTRIBUTIONS

## INTRODUCTION

As a contributing member, you may choose to make tax-deductible additional voluntary contributions (AVCs), which are deducted by your employer from your salary. These contributions do not provide you with additional service but are rather like a separate retirement savings account, subject to certain limits.

AVCs accumulate with interest at TRAF's rate of return (which may be positive or negative). The balance in the account can be:

- Converted to an annuity at retirement (not eligible for cost of living adjustments) that supplements your TRAF pension,
- Used to purchase eligible service such as substitute service or educational leaves, or
- Withdrawn as a lump sum in cash, less withholding taxes, or transferred on a tax-deferred basis to your RRSP any time before you retire.

AVCs cannot remain in the plan once your pension benefit has been paid.

## WHAT ARE THE LIMITS?

You can make AVCs to TRAF up to the lesser of:

- 18% of your salary, or
- The Money Purchase Limit as prescribed by the *Income Tax Act*

less your pension adjustment (before AVC contribution).

Making AVCs this year will reduce your allowable RRSP contribution room next year by the same amount.

## WHY SHOULD I MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS?

Planning for your retirement is a very personal matter. AVCs are one option for increasing your retirement income.

## ADVANTAGES

- You can take advantage of TRAF's comprehensive investment program and low administrative costs.
- You participate in TRAF's investment opportunities.
- Contributions are made through payroll deduction by your employer.
- You can increase your retirement income on a tax-effective basis.

## DISADVANTAGES

(COMPARED TO AN RRSP CONTRIBUTION)

- TRAF's investment strategy is focused on the long-term funding objectives of the pension plan and may not be consistent with your investment objectives and risk tolerance.
- With an RRSP contribution, you can tailor your investments to meet your personal investment objectives and risk tolerance, particularly as you near retirement.
- RRSP contributions are available for other uses such as the Home Buyers' Plan and Lifelong Learning Plan.

## HOW DO I MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS?

AVCs are deducted from your salary up to the permitted limits under the *Income Tax Act*. You may increase, decrease or stop your payroll deduction at any time.

You will need to use the Additional Voluntary Contribution Calculator to:

- Determine the amount you can contribute, and apply to have AVCs deducted from your pay. The application form is part of the calculator.
- To apply, you must complete the application contained in the Additional Voluntary Contribution Calculator, and print, sign and submit one copy of this form to your employer's payroll office and one signed copy to TRAF.

You must reapply each calendar year. You should also review your AVC deductions during the year if you have a significant change in earnings to ensure you do not overcontribute.

The Additional Voluntary Contribution Calculator and application form are accessible on our website.

## FOR MORE INFORMATION

- Register for [Online Services](#) to access your personal account.
- Log in to your Online Services account to watch the digital presentation on Making Additional Voluntary Contributions.
- Consult with a professional advisor to determine if making AVCs is right for you.
- Log in to your Online Services account to view your annual statement. If you have made AVCs, they will be shown under the Contributions & Interest section of your statement.

# ONLINE SERVICES

## INTRODUCTION

Online Services is quick, secure and easy to use. Once registration has been processed, simply log in to your Online Services account to access your personal TRAF pension information and the features noted below.

Register at [traf.mb.ca](http://traf.mb.ca) to join the thousands of members who are experiencing the benefits of Online Services.

## FEATURES FOR ACTIVE AND DEFERRED PLAN MEMBERS

Deferred plan members are former members who no longer contribute to the plan but still have contributions remaining in the plan.

- **Annual statements** – View current and past statements that include projected gross monthly pension estimates at age 55, 60 and 65, your termination benefit and pre-retirement survivor's benefit.
- **Pension estimator** – Active members only: Experiment with a variety of pension variables such as planned retirement age or date, salary and other factors to instantly see what your monthly pension amount might be if you retire between the ages of 55 and 65. You can also view amounts if you are considering integrating with CPP and/or OAS.
- **Apply for pension** – Complete your pension application online up to one year in advance. You must be registered for Online Services in order to apply for your pension. Your application must be printed, signed and uploaded using "Share Documents."
- **Share documents** – Easily share documents with us, including your pension application and other supporting documents, on our secure online platform.
- **Digital presentations** – Learn about your pension plan by reviewing recordings of digital presentations on various topics.
- **Beneficiary designation** – Designate or update your beneficiary.
- **Tax calculator** – See how much tax will be deducted from your pension whether you reside in Manitoba or in another province.
- **Newsletters and communications** – Receive news and updates from TRAF.
- **Teaching account** – View your yearly salary, service and contributions as well as purchase and transfer records.
- **Contact information update** – Keep your information updated to ensure important correspondence continues to reach you.

## FEATURES FOR RETIRED MEMBERS

- **Pension correspondence** – View documents such as your T4A and pension change notices, which are issued whenever there is a change to the amount of your pension payment.
- **Pension account** – Review your personal information, such as your selected plan option and pension history including gross amounts, deductions and your net deposits, as well as your current tax credits and accumulated cost of living adjustments (COLA).
- **Share documents** – Easily share documents with us by uploading them to our secure online platform.
- **Tax calculator** – Determine how much tax TRAF is required to withhold from your gross monthly pension.

CONTINUES ON NEXT PAGE >

- **Newsletters and communications** – Receive periodic updates from TRAF by email, including notification that *The Horizon* newsletter is available.
- **Teaching account** – View the history of your yearly salary, service and contributions as well as purchase and transfer records.
- **Contact information update** – TRAF must have your current mailing address, email and phone number in order for you to receive electronic deposit of your pension payments.

## HOW TO REGISTER

1. Visit TRAF's website at [traf.mb.ca](http://traf.mb.ca) and click the "**Online Services**" button. Then, click the "**Register**" button.
2. Complete the steps and click "**Submit**" to finish your registration. It will be processed within two business days.
3. Once your registration has been processed, you will receive an email from TRAF that includes your user ID. The user ID is unique to you and cannot be changed. Save this user ID for your records, as it will be required to access Online Services.

## LOGGING IN FOR THE FIRST TIME

1. Once you've received your user ID, visit TRAF's website at [traf.mb.ca](http://traf.mb.ca) and click the "**Online Services**" button. Then, click the "**Log In**" button.
2. Enter your user ID *and* password and click "**Log In.**"
3. A pop-up window will appear outlining three steps:
  - Verify your email address.
  - Set a new password.
  - Set up email for multi-factor authentication (MFA).Click "**Continue.**"
4. Verify your email address. An email will be sent to you. Open your email and copy the verification code you have received. Enter that code into the space provided. Your email address is now verified.
5. Set up a new password that follows the guidelines outlined on your screen. Click "**Confirm.**"
6. Review and accept the Terms and Conditions.
7. Set up email as your MFA method. A new email will be sent to you. Open your email and copy the new verification code you have received. Enter that code into the space provided. Your email address is now set up as your MFA method.

In addition to entering your user ID and password, you will now be asked to verify your identity through email each time you log in to Online Services for an added layer of security.

## OPTIONAL STEP

At any time, you can choose to change your MFA method.

1. Once logged in to Online Services, click "**Account Profile**" and choose the "**Multi-factor Authentication**" tab.
2. Choose one of the four options:
  - Email me.
  - Text me.
  - Call me.
  - Use my authenticator app.
3. Follow the instructions to set up a different method.

Now, each time you log in to Online Services, you will enter your user ID and password and then verify your identity through your preferred method.

If you require assistance, contact us and our Online Services support team will walk you through this process.

# SHARE DOCUMENTS WITH TRAF

## INTRODUCTION

You can easily share certain important documents with TRAF. Here's how:

All files are completely secure and can only be accessed by you and TRAF.

## STEP 1: REGISTER FOR OR LOG IN TO ONLINE SERVICES

Visit [traf.mb.ca](http://traf.mb.ca) and click the "Online Services" button. Log in using your user ID and password. Or register now for access to share documents.

## STEP 2: CLICK "SHARE DOCUMENTS"

After registering and logging in, you will have access to a page called "Share Documents." Find it in the menu on the left-hand side of your screen.

We can accept PDF, PNG, JPG and JPEG files. This could include scanned images or photos taken with a camera, phone or other device.

## STEP 3: UPLOAD YOUR FILE

Click "Browse" to find the file on your computer. Add a description and then click the "Share file with TRAF" button.

You will receive an email when your file is uploaded. Please call or email us if you have any questions.

## TIPS TO ENSURE YOUR DOCUMENT GETS ACCEPTED

- Understand your document's requirements.
- Ensure all sections of the document are complete and, if required, signed and dated.
- Only share documents that have clear, legible print.
- If attaching photos of documents, ensure it is a high-quality, readable and well-lit image.
- Ensure all four corners are visible in the picture.

This is not a legally binding document. It does not in any way alter the pension plan terms as established by *The Teachers' Pensions Act* and other applicable legislation. TRAF will administer the pension plan based on the applicable law, facts and policies in effect at the time it makes any particular decision. Decisions are subject to appeal under TRAF's *Member Appeal Policy* which is available at [traf.mb.ca](http://traf.mb.ca).



TEACHERS' RETIREMENT  
ALLOWANCES FUND

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