

## OTIP LTD POOL

### CUPE Local 997 – Office, Clerical, Technical and Education Assistants LTD Plan Change Options

Plan Design	Current Plan/Option 1	Option 2	Option 3	Option 4
Participation	Mandatory	Mandatory	Mandatory	Mandatory
Benefit Level	60%	60%	55%	50%
Waiting Period*	200 Calendar Days	200 Calendar Days	200 Calendar Days	200 Calendar Days
Maximum Insured Earnings	\$150,000	\$150,000	\$150,000	\$150,000
COLA (Cost of Living Allowance)	2%	2%	1%	0%
CPP/QPP Offset	Primary	Primary	Primary	Primary
All Source Maximum	100%	100%	100%	100%
Termination	The earlier of: the end of the month of attaining age 65; or eligible for a 66% unreduced service pension	The earlier of: the end of the month of attaining age 65; or eligible for a 60% unreduced service pension	The earlier of: the end of the month of attaining age 65; or eligible for a 60% unreduced service pension	The earlier of: the end of the month of attaining age 65; or eligible for a 60% unreduced service pension
Benefit Taxability	Non-taxable	Non-taxable	Non-taxable	Non-taxable
Pre-renewal Rate with RST	3.91% of earnings	N/A	N/A	N/A
Option 1 - Renewal Rate with RST	3.72% of earnings	3.49% of earnings	3.01% of earnings	2.42% of earnings
Reduction to Current Rate	-5%	-11%	-23%	-38%

To be eligible for an unreduced pension (no penalty) under OMERS you must:

- Be 55 years of age
- Have either
  - 30 years of credited service or
  - The 90 factor (age + eligible years of service = 90)

Eligible years = credited years plus qualifying years

Example: 10 month employees get .833 of credited service (not including vacation pay) and .167 of qualifying service. At the end of the school year he/she would have 1.0 eligible service towards his/her 90 factor.

### 12 month Employees

12 month employees get 1.0 credited service each year, and 1.0 of eligible service each year.

A 12 month employee working 10 years would have 10.0 credited years of service towards her/his OMERS pension, and 10 years of eligible service towards her/his 90 factor.

A 12 month employee would need to work 30 years to be eligible for a 60% unreduced pension from OMERS.

### 10 month Employees

10 month employees get approximately .833 credited service each year, and .167 of qualifying service each year for a 1.0 of eligible service. (There may be additional credited service for vacation pay which would reduce the qualifying service but still equal 1 year of eligible service at the end of the school year).

A 10 month employee working 10 years would have approximately 8.33 credited years of service towards her/his OMERS pension (or more with vacation pay), and 10 years of eligible service towards her/his 90 factor.

A 10 month employee would need to work approximately to 36 years to be eligible for a 60% unreduced pension from OMERS.

### How an OMERS or OTPP Pension is calculated

Step 1: Years of credited service x 2% - any penalty = Pension %

Step 2: Pension % x Average of Best 5 Years of Earnings

Example:

Member is 55 years old and has

Step 1: 30 credited years x 2% - 0 penalty = 60%

Step 2: 60% x \$43,000 = \$25,800 annual pension amount

**Division 943- Office, Clerical, Technical and Education Assistants**  
**Premium Calculations**

<b>Current Plan</b>					<b>Annual Premium</b>	<b>Per Pay Deduction</b>	<b># of Pay Deductions</b>
<b>Current Rate</b>	<b>Annual Earnings</b>		<b>Rate</b>				
60% Benefit	\$ 31,862	x	0.0391	=	\$ 1,246	\$ 62.29	20
66% USP*	\$ 36,018	x	0.0391	=	\$ 1,408	\$ 58.68	24
2% COLA	\$ 59,969	x	0.0391	=	\$ 2,345	\$ 97.70	24
	\$ 68,536	x	0.0391	=	\$ 2,680	\$ 111.66	24
<b>Option 1</b>					<b>Annual Premium</b>	<b>Per Pay Deduction</b>	<b># of Pay Deductions</b>
	<b>Annual Earnings</b>		<b>Rate</b>				
Current Plan	\$ 31,862		0.0372	=	\$ 1,185	\$ 59.26	20
5% Renewal	\$ 36,018		0.0372	=	\$ 1,340	\$ 55.83	24
Decrease	\$ 59,969		0.0372	=	\$ 2,231	\$ 92.95	24
	\$ 68,536		0.0372	=	\$ 2,550	\$ 106.23	24
<b>Option 2</b>					<b>Annual Premium</b>	<b>Per Pay Deduction</b>	<b># of Pay Deductions</b>
	<b>Annual Earnings</b>		<b>Rate</b>				
60% Benefit	\$ 31,862	x	0.0349	=	\$ 1,112	\$ 55.60	20
60% USP*	\$ 36,018	x	0.0349	=	\$ 1,257	\$ 52.38	24
2% COLA	\$ 59,969	x	0.0349	=	\$ 2,093	\$ 87.20	24
	\$ 68,536	x	0.0349	=	\$ 2,392	\$ 99.66	24
<b>Option 3</b>					<b>Annual Premium</b>	<b>Per Pay Deduction</b>	<b># of Pay Deductions</b>
	<b>Annual Earnings</b>		<b>Rate</b>				
55% Benefit	\$ 31,862	x	0.0301	=	\$ 959	\$ 47.95	20
60% USP*	\$ 36,018	x	0.0301	=	\$ 1,084	\$ 45.17	24
1% COLA	\$ 59,969	x	0.0301	=	\$ 1,805	\$ 75.21	24
	\$ 68,536	x	0.0301	=	\$ 2,063	\$ 85.96	24
<b>Option 4</b>					<b>Annual Premium</b>	<b>Per Pay Deduction</b>	<b># of Pay Deductions</b>
	<b>Annual Earnings</b>		<b>Rate</b>				
50% Benefit	\$ 31,862	x	0.0242	=	\$ 771	\$ 38.55	20
60% USP*	\$ 36,018	x	0.0242	=	\$ 872	\$ 36.32	24
0% COLA	\$ 59,969	x	0.0242	=	\$ 1,451	\$ 60.47	24
	\$ 68,536	x	0.0242	=	\$ 1,659	\$ 69.11	24

\*Unreduced Service Pension