ONTARIO TEACHERS'
PENSION PLAN – RÉGIME DE RETRAITE DES ENSEIGNANTES ET DES ENSEIGNANTS

PENSIONWISE

A PUBLICATION FOR ONTARIO TEACHERS

FALL 2019

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IS YOUR LEAVE ENDING?

It's common for new parents to end their leave in August and start back fresh with a new school year in September. Over the next few months, you'll likely focus on striking a balance between work and your family.

In early 2020, we're going to ask you to think about your leave again. Specifically, you'll have to decide if you're going to pay for the leave you took. Let's take a bit of time now so when you need to make that decision, you can do so with confidence.

What's the impact to your pension if you pay for a leave?

Everyone's situation is unique, but for many teachers, making up for a year's gap in pension typically costs around **$10,000**

Paying for that leave now could increase your pension by about **$1,800** EACH YEAR

Most of our retired members collect a pension for around **30** YEARS

So paying for that leave today could mean you'll get as much as **$56,000** MORE THROUGHOUT YOUR RETIREMENT

What are your cost and payment options?

A few things to keep in mind:

- You can pay for as little or as much of your leave as you want. You'll receive service credit that's proportional to the amount you've paid.
- You have up to five years from the end of your leave or up to the date of your first pension payment (whichever comes first) to pay.
- If you decide to pay for your leave, tell us by April 30 of the calendar year following the year your leave ends. If you miss that deadline and still want to pay for your leave, call us.

Let's say you took one year away from full-time work. Your salary, as reported by your employer, was around **$78,000** before your leave. To get a rough idea of how much your leave would cost, multiply the salary you earned before your leave by the contribution rate(s) for the leave period you're paying for (2019's contribution rate is 12%).

$78,000 x 12%

$9,360 plus interest

WANT MORE?
Check out www.otpp.com/m/thescoop for a quick rundown on what paying for a leave might mean for you.

HOW ALMONDS PAY YOUR PENSION

INVESTED How our investments pay your pension series

Healthy eating habits are on the rise, and it's good news for your retirement. In 2014, we added Aroona Farms, an Australian almond grower, to our Natural Resources portfolio.

Our investment in Aroona is one of six agricultural investments we've made.

Aroona Farms is one of the largest almond growers in Australia.

- **2,600 hectares** of orchards
- Properties in **Victoria** and **South Australia**
- Produces about **six million kilograms** of almonds per year

Going nuts for almonds

If gluten or lactose rumbles your digestive system, you're not alone. People are increasingly seeking out gluten-free or lactose-free alternatives. Almond flour or almond milk are popular alternatives to traditional flours or dairy products.

Dietary restrictions or not, almonds enjoy a rep as a healthy, easy, protein-rich snack. Global consumption of the tree nut has been increasing over the past 10 years, with room for growth in China and India, where per capita consumption remains low.

$7.6 billion

It's a good look

In 2018, the global almond market was about $7.6 billion*, and forecast to keep growing. Demand for gluten-free and grain-free alternatives, including an increase in the inclusion of natural ingredients in cosmetic products are helping to drive the boom.

*Source: market.us

Commodities help protect against inflation sneak attacks

When inflation spikes, equities and bonds typically perform poorly. On the other hand, the value of commodity investments, like food, tends to rise in line with inflation.

Having Aroona in our portfolio helps maintain balance during unexpected inflationary periods.

That's nuts! Well, not really.

Almonds are actually a fruit seed. They resemble a small green peach when on the tree. Inside that fuzzy hull is the seed we love to chomp on.

Greater water efficiency = greater yields

Agriculture assets, like Aroona, can be vulnerable to climate trends and water scarcity. We worked with Aroona to improve their water management practices and consider the long-term outlook for water availability in the area. Together we implemented advanced monitoring technology that involves plant sensors and algorithms to detect plant stress and water needs.

Through investments like Aroona Farms, we aim to supply the global demand for safe and nutritious food while minimizing strain on the environment.

> We worked with Aroona to develop more efficient water use, leading to stronger yields and lowered greenhouse gas emissions.

NEWS BRIEFS

It's easier than ever to be green!

Cut back on paper and register for an Ontario Teachers' online account. You'll also be able to:

- plan your retirement with the pension calculator
- keep your personal information up-to-date
- opt-in to promotional offers from our investment partners

Call our Member Hotline 1-800-668-0105 to register, Monday to Friday, 8 am to 5:30 pm.

Congrats to the class of 2019!

More than 3,700 teachers have retired this year, and we want to let them know just how much we appreciate all they've done throughout their careers. Check out these tributes to some of our newly minted pensioners at **www.facebook.com/myOTPP**.

Know someone, or are you, joining the retiree ranks? Send us a note at **member_communications@otpp.com** so we can put the spotlight on you!

Pensionwise is published for members of the Ontario Teachers' Pension Plan.

We appreciate your comments about anything you read in *Pensionwise*.
Please email: member_communications@otpp.com

Ce bulletin est disponible également en français.

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