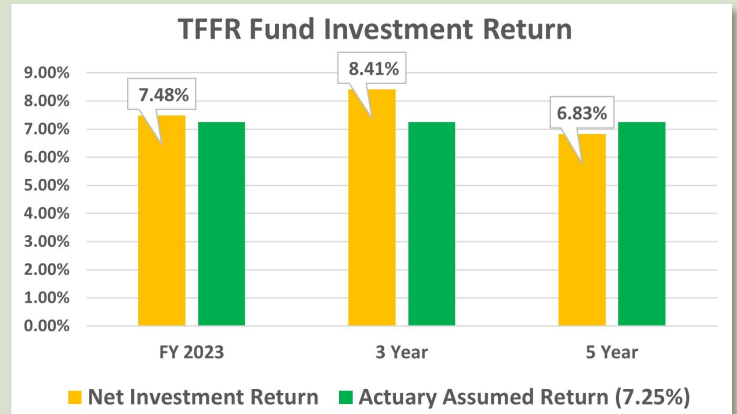


## Actuarial valuation shows funded ratio continues to improve

In November, the TFFR board of trustees received a report of the fund's annual pension valuation results from GRS, its actuarial consultant. The report provides a detailed look into the financial health of the fund as of July 1, 2023.

TFFR's investment return is a primary factor in the financial health of the plan. The plan assumes it will earn a 7.25% return over the long-term. When returns are above this figure, TFFR has an actuarial gain, but when returns are below 7.25%, the plan experiences an actuarial loss.

The most common way to express TFFR's financial condition is its funded status. This measurement is shown as a ratio, which represents the value of plan assets compared to liabilities (i.e., benefits earned by members of the plan). The 2023 valuation shows TFFR's funded ratio improved from 67.5% in 2022 to 69.3% in 2023.



Funding a retirement program is a long-term commitment, and it's important to remember that all the benefits are not payable and due at once. Currently, the funding period, the time needed to pay off the unfunded liability under current assumptions and benefit levels, is 20 years.

## MyTFFR: new self-service portal coming in fall 2024



In fall 2024, RIO will launch MyTFFR, a new self-service portal that will allow members to manage a wider range of account transactions online.

If you currently have access to TFFR's online member service, your

login credentials will transfer to the new portal.

If you don't have access, you can create a login by visiting RIO's website and selecting TFFR Member Login. (Note that your Person ID, available on your Annual Statement, is used for account verification purposes.)

Need assistance creating an account? Contact RIO.

## Pension program and agency receive performance awards

This fall, TFFR's pension program earned the 2023 Public Pension Standards Awards for Plan Funding and for Plan Administration from the Public Pension Coordinating Council. The award standards serve as a benchmark to measure public defined benefit plans, reflecting the expectations for public retirement system management, administration, and funding. RIO manages the program.

RIO also recently earned the Certificate of Achievement

for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for its FY 2022 annual comprehensive financial report (ACFR). To be recognized, a government agency must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and the applicable legal requirements.

### Board of trustees

Dr. Robert Lech, president, active  
Mike Burton, vice president, retired  
Jordan Willgohs, trustee, active  
Cody Mickelson, trustee, active  
Scott Evanoff, trustee, retired  
Kirsten Baesler, state superintendent  
Thomas Beadle, state treasurer

### Administrative staff

Jan Murtha, executive director  
Chad Roberts, deputy executive director/chief retirement officer  
Denise Weeks, retirement program manager  
Jayme Heick, retirement specialist  
Denise Leingang-Sargeant, retirement spec.  
Rachelle Smith, administrative assistant  
Mensah Anyide-Ocloo, administrative support  
Sarah Mudder, communications director

### Retirement & Investment Office

1600 East Century Ave, Ste 3  
PO Box 7100  
Bismarck, ND 58507-7100  
(701) 328-9885  
(800) 952-2970  
rio@nd.gov  
www.rio.nd.gov

# How to Read your Annual Statement Benefit Notice

Enclosed with this newsletter is your TFFR Annual Retirement Benefit Notice. The statement contains your calendar year pension amounts that can be used for early income tax preparation. Your 1099R tax statement will be mailed to you in January.

## Section 1 – Personal Information

On the left is your name and the mailing address. If your contact information needs to be updated, please complete and return a Change of Name or Address form.

On the right, highlighted in yellow, is the six-digit Person ID number used as your account identifier. The number is needed for your initial login to TFFR Member Online Services. If you need to contact the office for assistance, providing this number will expediate service.

## Section 2 – Monthly Benefit

The Previous column is your Dec. 1 gross retirement benefit payment including any taxes withheld and all payroll deductions taken to total the net benefit actually paid to you.

The Effective column is your Jan. 1 retirement benefit payment.

The Year-to-Date column totals your pension amounts for the calendar year.

The Net Monthly Benefit row are the actual amounts that were direct deposited into your bank account. (If the net benefit changes from the previous month, this statement will include a section that highlights which items have changed (e.g., tax withholding, insurance premiums).

The final lines include your Account Value at Retirement and Total Received Life-to-Date.

## Section 3 – Primary Beneficiary(ies)

Your primary beneficiary(ies) is shown here. If your beneficiary has passed, please contact our office to discuss how this may impact your annuity payment.

## Section 4 – Option Description

The benefit option you selected at retirement is displayed. Benefit option descriptions are found in the TFFR Member Handbook available on RIO's website, [www.rio.nd.gov](http://www.rio.nd.gov). Select TFFR Members tab.

TFFR Retirement Benefit Notice					
<b>1</b>	JILL TEACHER STREET ADDRESS CITY, STATE ZIP			1600 Century Ave, Ste 3 P.O. Box 7100 Bismarck, ND 58507-7100 Telephone: 701-328-9885 Toll Free: 1-800-952-2970 Web Site: <a href="http://rio.nd.gov">rio.nd.gov</a>	
				<b>PersonID:</b> 999999	Service Years: 30.000 Membership Tier: 1G Retire Date: 06-01-2023
<b>MONTHLY BENEFIT</b>					
<b>2</b>		Previous	Effective 01-01-2023	Year-To-Date	
	<b>Gross Monthly Benefit</b>	\$1,500.00	\$1,500.00	\$18,000.00	
	Monthly Non-Taxable	5.00	5.00	60.00	
	Taxable	1,495.00	1,495.00	17,940.00	
	<b>Tax Total</b>	<b>\$30.00</b>	<b>\$30.00</b>	<b>\$360.00</b>	
	Federal	25.00	25.00	300.00	
	State	5.00	5.00	60.00	
	<b>Deductions Total</b>	<b>\$220.00</b>	<b>\$220.00</b>	<b>\$2,640.00</b>	
	Health	220.00	220.00	2,640.00	
	Life	0.00	0.00	0.00	
	Vision	0.00	0.00	0.00	
	Dental	0.00	0.00	0.00	
<b>Net Monthly Benefit</b>	<b>\$1,250.00</b>	<b>\$1,250.00</b>	<b>\$15,000.00</b>		
Total Non-taxable at Retirement:	\$2,000.00				
Account Value at Retirement:	\$90,000.00				
Total Received Life-to-Date:	\$118,500.00				
<b>Primary Beneficiary(ies)</b>					
Howard Teacher		<b>3</b>	Only the first four beneficiaries are printed. Contingent beneficiary information is not displayed, it is on file at the Administrative Office.		
<b>Option Description</b>					
Single Life Annuity		<b>4</b>			
This notice provides year to date totals. Your 1099R tax form will be mailed the end of January.					
Print Date: December 13, 2023					

## How to update tax withholding, contact or banking information

**Federal Income Tax** - to adjust federal tax withholding, complete IRS form W-4P.

**State Income Tax** - to adjust ND state tax withholding, complete TFFR's Tax Withholding Certificate. (RIO is unable to withhold other state taxes.)

**Questions regarding income tax** should be directed to

your tax advisor, accountant or the IRS.

Both tax forms as well as a Change of Name or Address and the Authorization for Direct Deposit are available on RIO's website, [www.rio.nd.gov](http://www.rio.nd.gov). Select the TFFR Members tab and then select the Forms dropdown.

Need assistance obtaining the forms, contact RIO.

## Membership Stats

**Active Members Total:** 11,766  
Average Annual Salary: \$66,099  
Average Age: 41.2  
Average Service: 11.3 years

**Inactive Members Total:** 3,721  
Vested 2,010; Non-vested 1,711



**Total Retired Members:** 9,615  
Average Annual Pension: \$28,539  
Average Current Age: 73.1  
Oldest Retiree: 105  
Average Years of Service: 27.08  
Most Years of Service: 57.5