

North Dakota Teachers' Fund for Retirement

Retirement Trends and Projections



January 2017

Retirement: Now or Later?

The decision to retire is prompted by both non-financial and financial reasons.

- ◆ **Non-financial considerations:**

- ◆ Health of teacher (and spouse)
- ◆ Family issues (spouse, children, parents)
- ◆ Personal reasons (job satisfaction vs. job stress)
- ◆ Federal regulations
- ◆ State and local issues (school closings, school consolidations)

- ◆ **Financial considerations:**

- ◆ Salary vs. Retirement benefits
- ◆ Health insurance benefits – rising cost of medical care
- ◆ Employment in retirement
- ◆ Inflation

TFFR Members



- ◆ TFFR member count includes number of people, not FTE's.
- ◆ TFFR members may be full time, part time, or temporary teachers, but must be licensed and contracted. Noncontracted substitute teachers are not TFFR members.

TFFR Member Categories

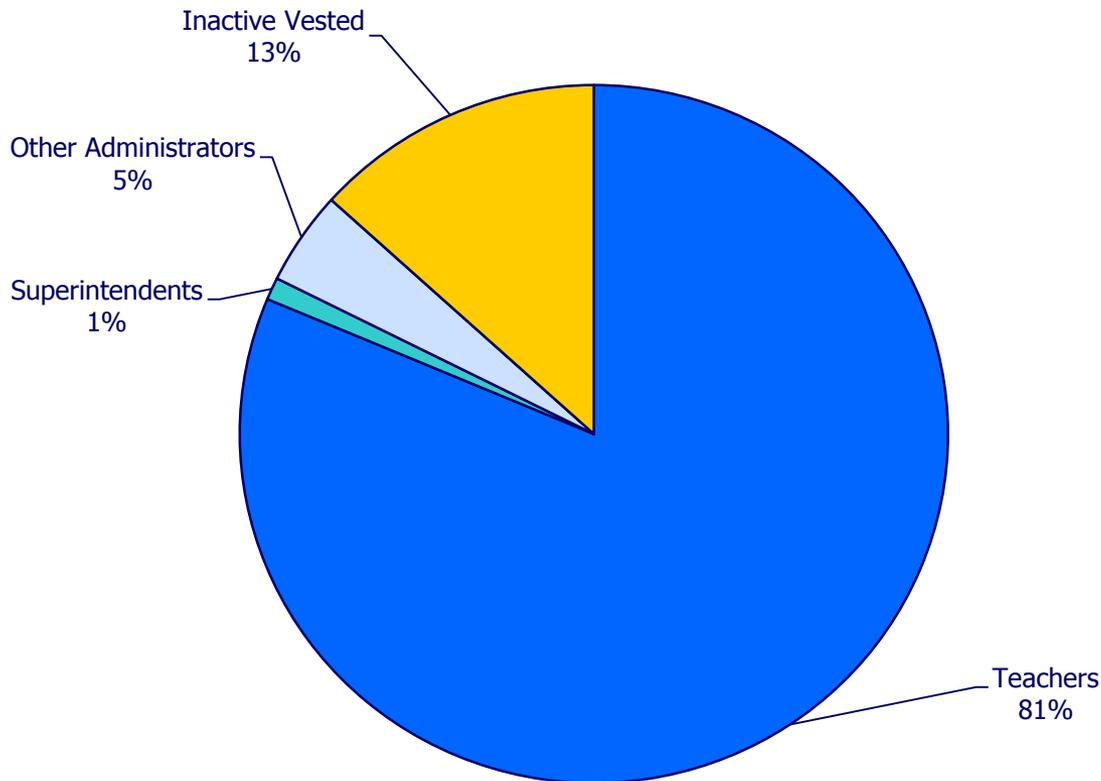
TFFR member categories are based on DPI title codes and presented according to teacher and administrator categories defined in NDCC 15.1-02-13.6.

- ◆ “Teacher” includes positions of teacher, special ed teacher, career advisor, coordinator, strategist, counselor, instructional coach, library media specialist, psychologist, and speech/language pathologist.
- ◆ “Superintendent” includes only school superintendents.
- ◆ “Other Administrators” includes positions of assistant superintendent, director, assistant director, principal, assistant principal, county superintendent, and other administrative positions.

Today

Current TFFR Membership

There are 12,664 active and inactive vested TFFR members in January 2017.



Teachers	10,298
Superintendents	131
Other Administrators	551
Inactive Vested	1,684
Total	12,664

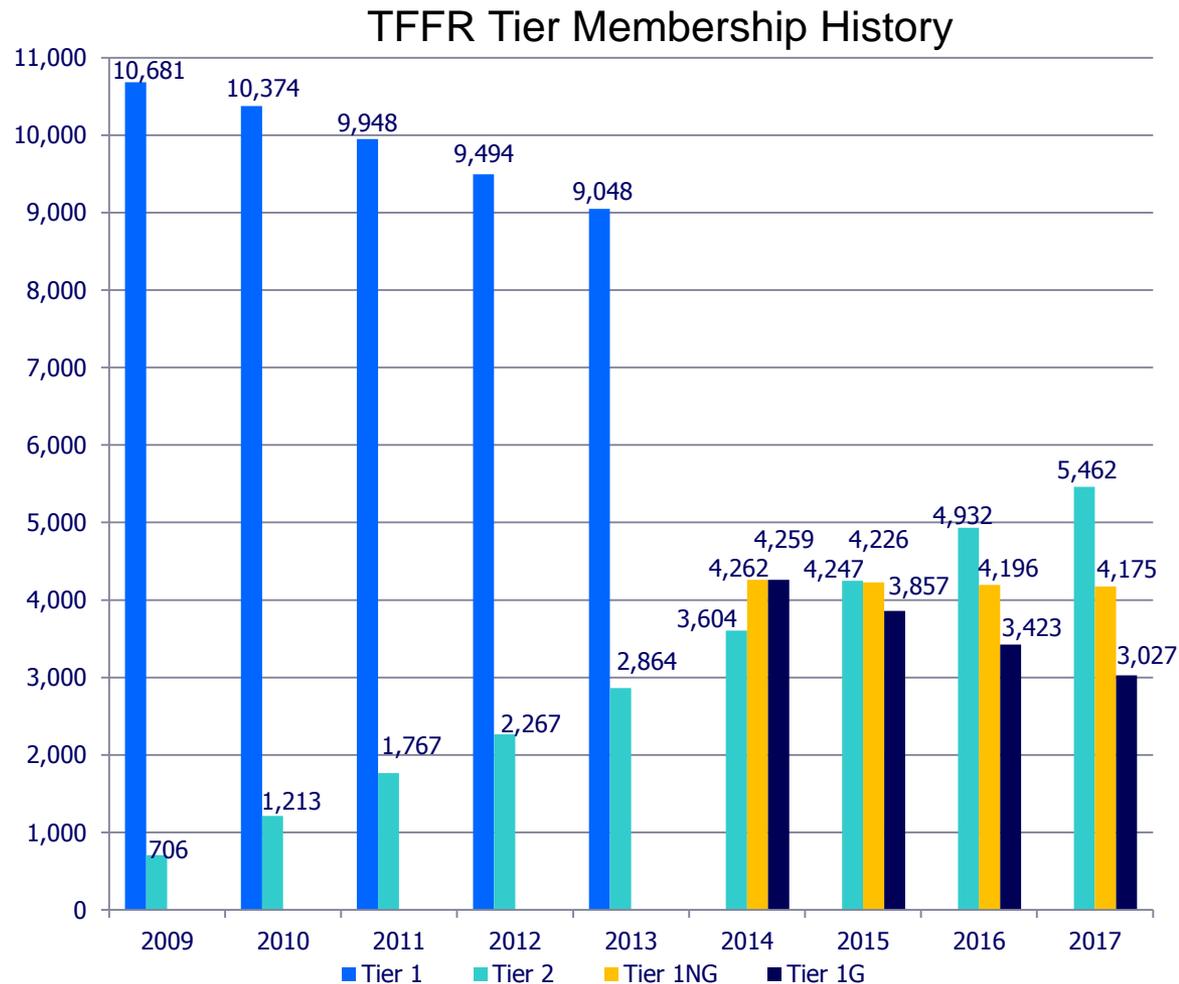
Note: There are also 968 inactive non-vested TFFR members and 8,265 retired members and beneficiaries.

Today

TFFR Tier Membership

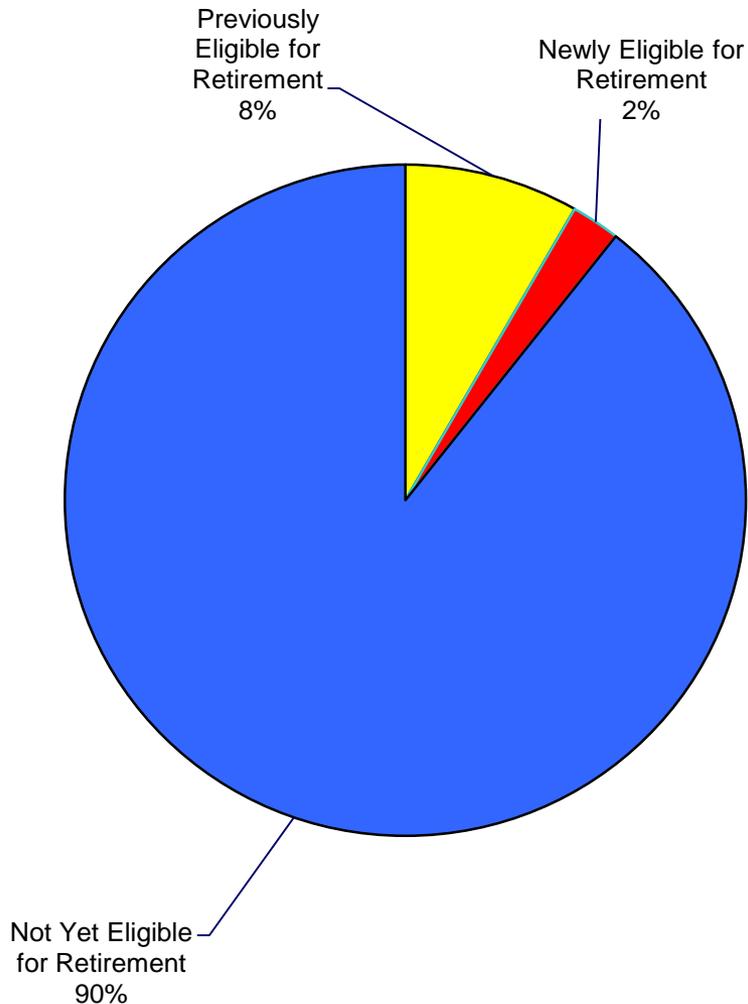
Active and inactive vested Tier membership in January 2017.

TFFR Members	Tier 1G	Tier 1NG	Tier 2	Total
Teachers	2,238	2,952	5,108	10,298
Superintendents	62	40	29	131
Other Administrators	178	239	134	551
Inactive Vested	549	944	191	1,684
Total	3,027	4,175	5,462	12,664



Today

Current Active TFFR Membership Eligible for Retirement



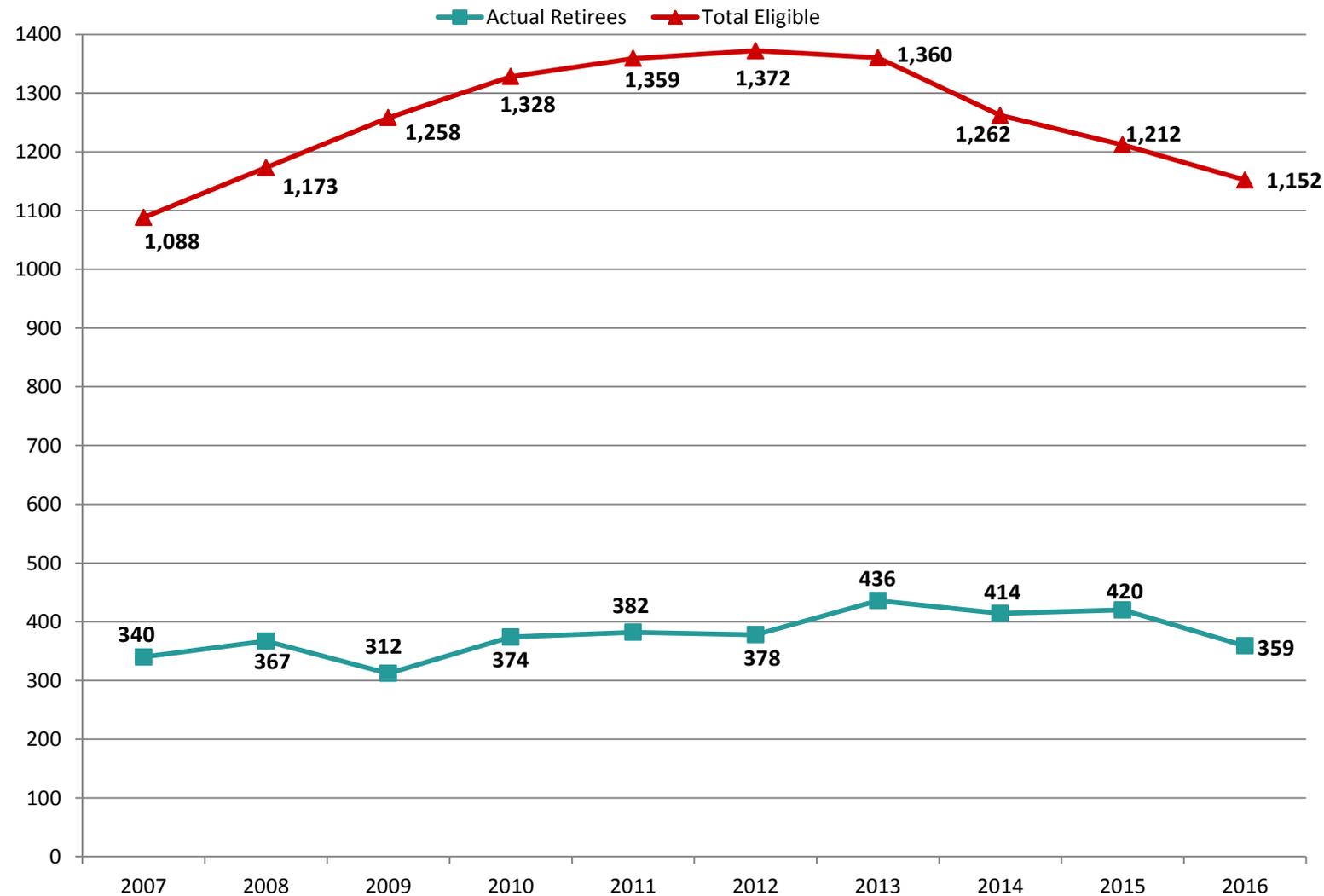
Of the 10,980 active TFFR members, 1,087 members are currently eligible to retire (10%) either under the Rule of 85, Rule of 90/Min age 60, or age 65.

Of the 1,087 active TFFR members eligible to retire, 80% are previously eligible and 20% are newly eligible in 2016-17.

Previously Eligible	874
Newly Eligible in 2016/17	213
Not Eligible	9,893
Total	10,980

Yesterday

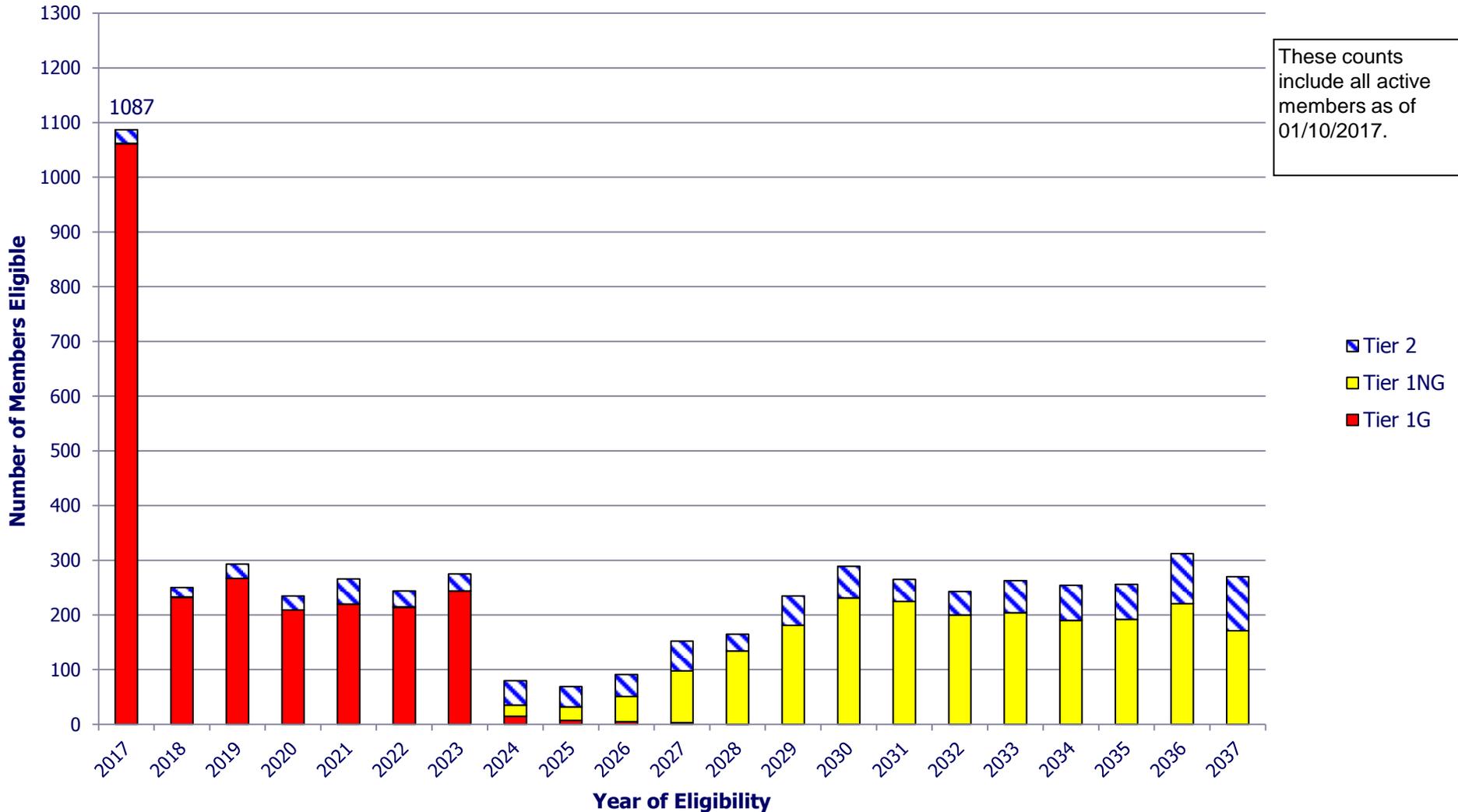
Actual Retirees and Total Eligible



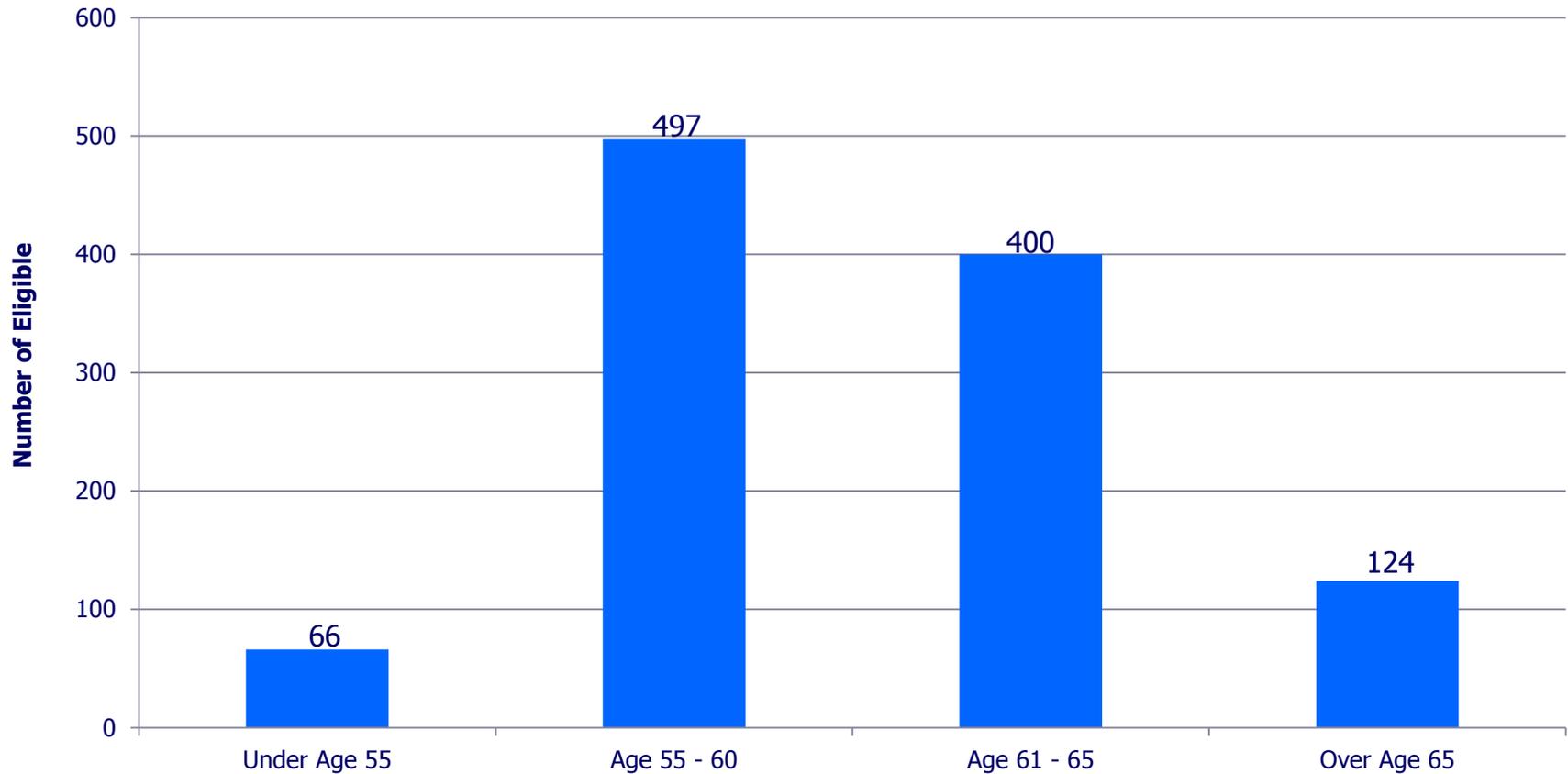
10 Year History 2007-2016

- ◆ On average, 1,256 teachers have been eligible to retire each year over the last 10 years.
- ◆ On average, 378 teachers actually retired each year, or total of almost 3,800 for 10 year period.
- ◆ Approximately 30% of eligible members actually retired over the past 10 years.

TFFR Active Member Retirement Eligibility Profile 20 Year Projection

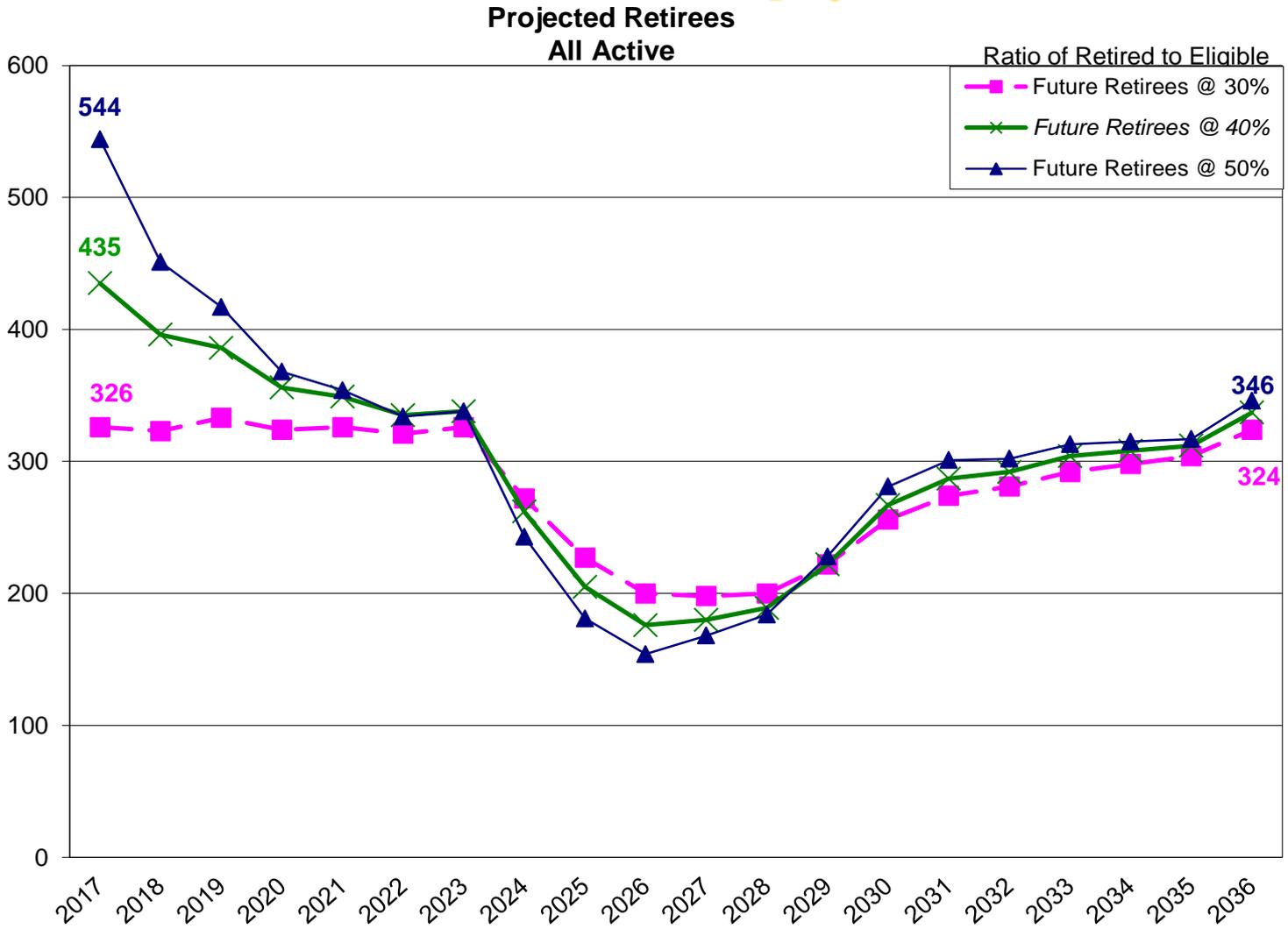


Current Eligible in 2017 by Age



Note: Of the 1,087 total eligible, the youngest is age 51 and the oldest is age 81

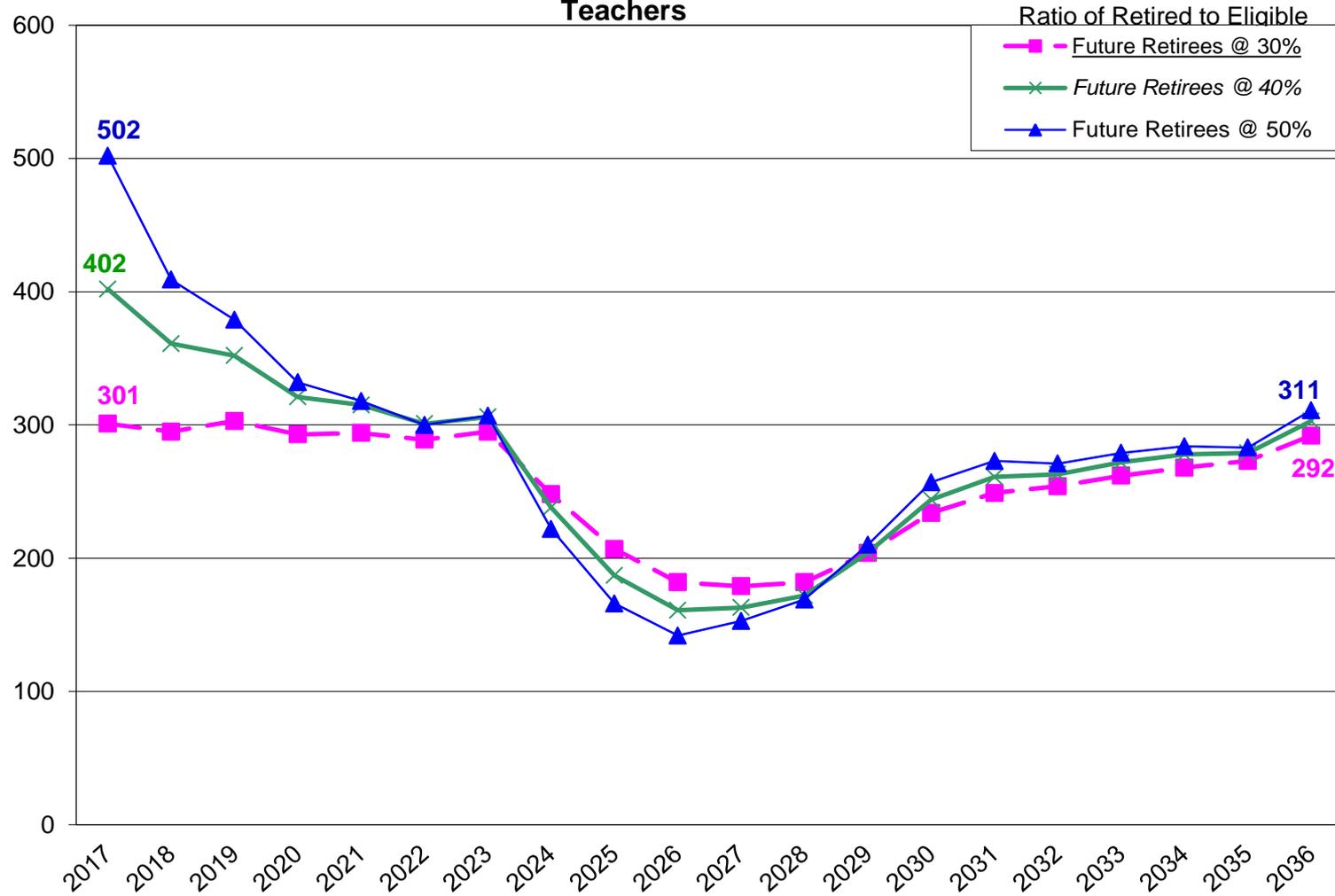
Tomorrow???



Based on ratios of 30%, 40%, and 50% of actual retirements to eligible retirements, the number of active members projected to retire in the next 20 years.

Tomorrow???

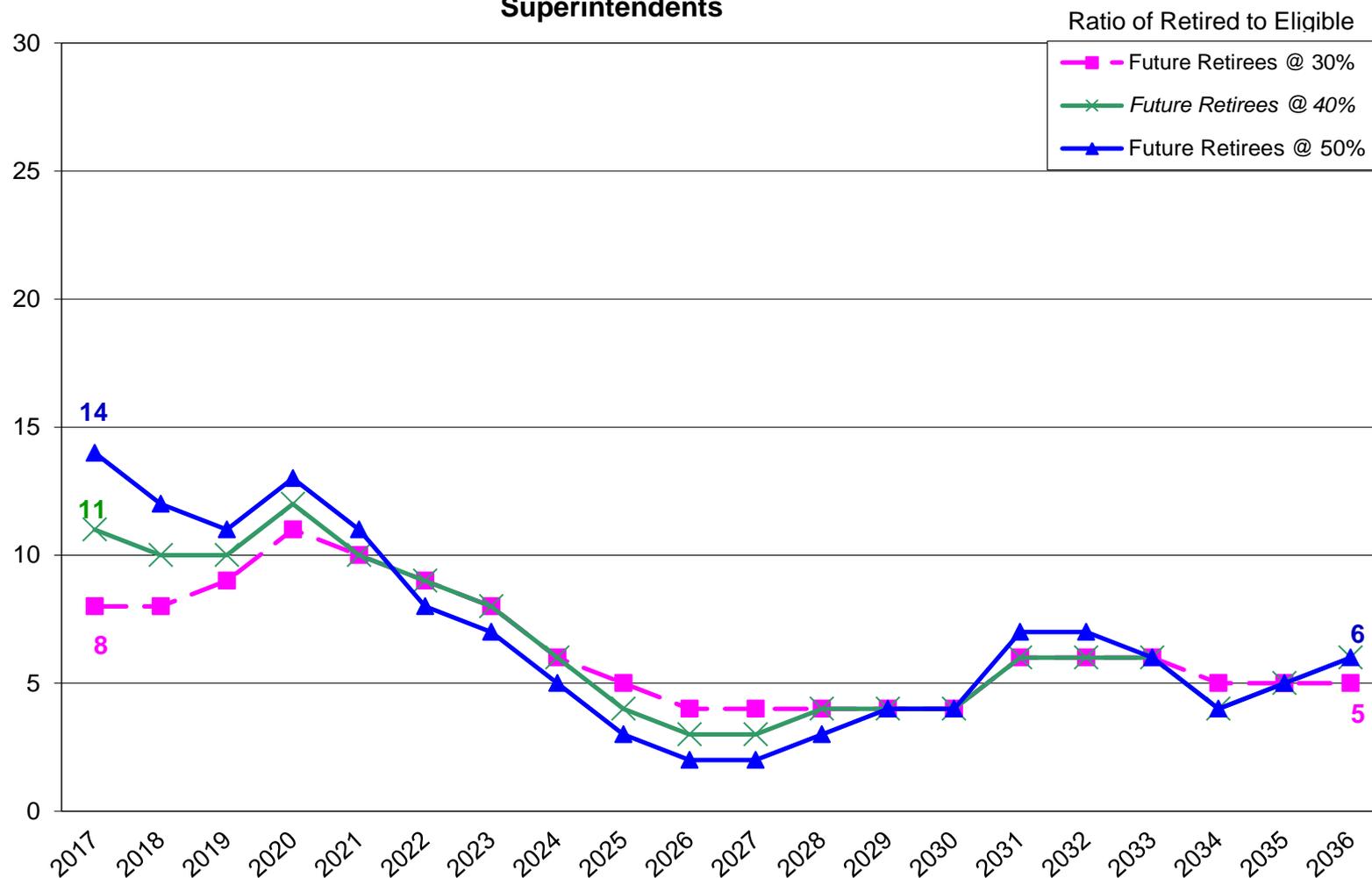
Projected Retirees
Teachers



Based on ratios of 30%, 40%, and 50% of actual retirements to eligible retirements, the number of teachers projected to retire in the next 20 years.

Tomorrow???

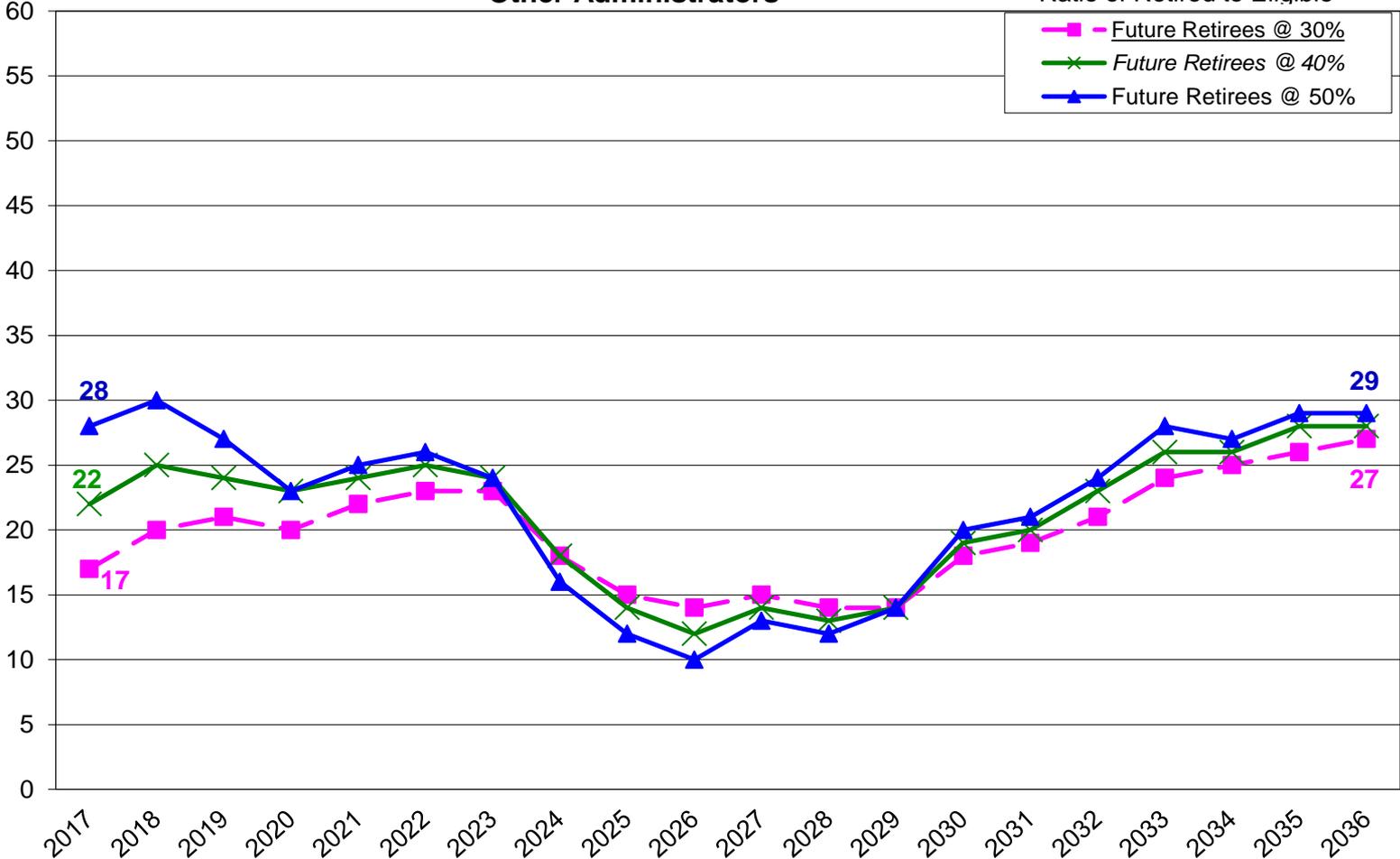
Projected Retirees
Superintendents



Based on ratios of 30%, 40%, and 50% of actual retirements to eligible retirements, the number of superintendents projected to retire in the next 20 years.

Tomorrow???

Projected Retirees
Other Administrators



Based on ratios of 30%, 40%, and 50% of actual retirements to eligible retirements, the number of other administrators projected to retire in the next 20 years.

Summary

Based on ratios of 30% and 40% of actual retirements to eligible retirements, approximately 3,000 to 3,200 active members are projected to retire in the next 10 years which averages about 310 per year.

	Members	# Retire		Avg/Yr	
		30%	40%	30%	40%
Teachers	10,298	2,707	2,944	271	294
Superintendents	131	78	83	8	8
Other Administrators	551	193	211	19	21
Total Active Members	10,980	2,978	3,238	298	323

Note: All retirement projections are estimates only.