

### Salary Verification Pending Retiree Form

To assist TFFR in the salary verification process prior to a teacher retiring, complete the [Salary Verification-Pending Retiree form](#). Please complete and submit this form by March 1 for each person retiring. This form provides TFFR with salary detail for the current fiscal year and is used to estimate the teacher's final salary. This estimated salary is used to calculate the initial retirement benefit. Once the employer has reported all salary for the retiree, the retirement benefit is recalculated and corrected, if needed.

### GASB Statement 68 Training

The video and training documents (GASB 68 Report and Disclosure Template) from the GASB Statement 68 training, held in Bismarck on December 11, 2014, are now available on our [website](#). A GASB 68 Q & A document is also available.

TFFR's external auditor is currently working on the census data audits of several school districts. Once complete, they will render an opinion on the two schedules (Schedule of Employer Allocations and Schedule of Pension Amounts by Employer). The audited GASB schedules will be added to the TFFR website and available to employers and auditors to use in completing your 2015 financials.

GASB Statement 68 information will also be presented during the Business Manager Workshops in May.

### TFFR Reports and Payment Due on the 15th

To avoid being billed a \$250 penalty plus interest, please submit your report and payment by the 15<sup>th</sup> of each month following the month in which the member's salary was earned.

If you are still mailing your report and/or payment, please call our office and ask about uploading your report electronically and remitting your payment by ACH. They are both efficient ways to submit your report and payment by the due date!

### TFFR Legislation Information

The 2015 Legislature is in session!

The TFFR Board submitted one bill for consideration. HB 1064 updates certain dates to maintain compliance with federal Internal Revenue Code tax law changes related to qualified governmental pension plans.

We will keep you updated on future legislative developments throughout the session on our [website](#).

### NDPERS Health Insurance Change

A 2013 law change closed the ND Public Employees Retirement System (NDPERS) pre-Medicare health insurance plan to TFFR and PERS retirees effective July 1, 2015. In the past, if a TFFR member retired before age 65, the retiree had the option to obtain pre-Medicare health insurance through the NDPERS program. The national Affordable Care Act (ACA) has provisions that mandate access to insurance coverage without imposing pre-existing condition limitations or having to be medically underwritten. This eliminates the primary reason why the pre-Medicare coverage was originally made available. TFFR pre-Medicare retirees are able to choose from insurance plan options that are available through the National Health Care Exchange program provided by the Affordable Care Act.

Since the new law goes into effect July 1, 2015, to remain eligible for the NDPERS pre-Medicare health plan, new TFFR retirees must be in payment on June 1, 2015. Example: A June 1, 2015, new TFFR retiree who first gets paid July 1, 2015, retroactive to June 1, 2015, will not be eligible for

the NDPERS pre-Medicare insurance since they did not get paid on or before June 1, 2015. If a June 1, 2015, retiree wants to use the NDPERS pre-Medicare insurance, they need to notify TFFR and we will make every effort to get the first retirement payment to them on June 1, 2015.

Please note that pre-Medicare TFFR retirees who are already enrolled in the NDPERS pre-Medicare plan will be grandfathered. Coverage will remain in effect until they become entitled to Medicare, at which time they can apply for NDPERS coverage under the Dakota Retiree Plan (supplement to Medicare plan). Also, pre-Medicare retirees whose retirement payments begin after June 1, 2015, can also apply for NDPERS coverage under the Dakota Retiree Plan once they reach eligibility for Medicare.

If you have questions regarding this change, please contact NDPERS at (800) 803-7377 or (701) 328-3900.

## Tax Treatment of TFFR Contributions

Employers may report TFFR contributions on the W-2 form. TFFR is a 401(a) defined benefit plan and its contributions are mandatory, not elective. Under all models, the amount of TFFR contributions withheld or paid by the district is not required on the W-2 form. However, if the district wishes to place this information on the W-2, it belongs in Box 14.

## 2014 Annual Financial Report Available

For a complete review of the financial, investment, and actuarial conditions of the State Investment Board (SIB) and the Teachers' Fund for Retirement (TFFR), please view the Retirement and Investment Office (RIO) [2014 Comprehensive Annual Financial Report](#) (CAFR).

