

97A.15 Vested and retired members before July 1, 1979 — annuity or withdrawal of contributions.

1. Members who became vested and terminated service prior to July 1, 1979, and members receiving an annuity from accumulated contributions made prior to July 1, 1979, shall continue to receive the benefits the member was entitled to under the provisions of this chapter, as this chapter was effective on the date of the member's retirement or vested termination.

2. For the purposes of this section:

a. "*Accumulated contributions*" means the sum of all amounts deducted from the compensation of a member and credited to the member's individual account in the annuity savings fund together with regular interest thereon as provided in this subsection. Accumulated contributions do not include any amount deducted from the compensation of a member and credited to the retirement fund.

b. "*Annuity*" means annual payments for life derived from the accumulated contributions of a member. All annuities shall be payable in monthly installments.

c. "*Annuity reserve*" shall mean the present value of all payments to be made on account of an annuity, or benefit in lieu of an annuity, granted under the provisions of this chapter, upon the basis of such mortality tables as shall be adopted by the board of trustees, and regular interest.

d. "*Annuity savings fund*" means the account maintained by the board of trustees in which the accumulated contributions of the members were deposited prior to July 1, 1979, to provide for their annuities.

e. "*Annuity reserve fund*" means the account maintained by the board of trustees from which shall be paid all annuities and all benefits in lieu of annuities payable as provided in this chapter as this chapter was effective on June 30, 1978.

f. "*Regular interest*" means interest at the rate of four percent per annum, compounded annually and credited to the member's account as of the date of the member's retirement or termination from employment.

g. "*Member who became vested*" and "*vested member*" mean a member who has been a member of the retirement system four or more years and is entitled to benefits under this chapter.

3. Beginning July 1, 1979, the board of trustees shall maintain and invest funds in the annuity reserve fund and the annuity savings fund which had been contributed by members prior to July 1, 1979. Members receiving an annuity as a portion of their retirement or disability benefits on June 30, 1979, shall continue to receive such annuity from the annuity reserve fund maintained by the board of trustees. Members receiving an annuity, if reemployed under service covered by this chapter, shall cease to receive retirement benefits.

4. The accumulated contributions of a member withdrawn by the member or paid to the member's estate or designated beneficiary in the event of the member's death shall be paid from the annuity savings fund account. Upon the retirement of a member, the member's accumulated contributions shall be transferred from the annuity savings fund to the annuity reserve fund.

5. A member of the retirement system prior to July 1, 1979, with fifteen or more years of service whose employment was terminated prior to retirement, other than by death or disability, is entitled to receipt of the member's accumulated contributions upon retirement together with other retirement benefits provided in the law on the date of the member's retirement.

6. Any member in service prior to July 1, 1979, may at the time of retirement withdraw the member's accumulated contributions made before July 1, 1979, or receive an annuity which shall be the actuarial equivalent of the member's accumulated contributions at the time of the member's retirement.

7. Notwithstanding subsections 1, 3, 4, 5, and 6 of this section, an active or vested member may request in writing and receive from the board of trustees, the member's accumulated contributions from the annuity savings' fund at the discretion of the board of trustees and remain eligible to receive benefits under section 97A.6. However, a member with fifteen or more years of service prior to July 1, 1979, is not eligible for a service retirement allowance

under section 97A.6 if the member withdrew the member's accumulated contributions from the annuity savings fund prior to July 1, 1979, except as provided in section 97A.4. However, the board shall not liquidate securities at a loss for the sole purpose of returning the accumulated contributions to the members. All requested accumulated contributions shall be returned prior to July 1, 1984.

8. The actuary shall annually determine the amount required in the annuity reserve fund. If the amount required is less than the amount in the annuity reserve fund, the board of trustees shall transfer the excess funds from the annuity reserve fund to the retirement fund. If the amount required is more than the amount in the annuity reserve fund, the board of trustees shall transfer the amount prescribed by the actuary to the annuity reserve fund from the retirement fund.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, §97A.1(10, 11, 15, 18), 97A.8(1, 2); C79, 81, §97A.15] 90 Acts, ch 1240, §13; 2008 Acts, ch 1171, §16, 17