

495—12.4(97B) Money purchase benefits.

12.4(1) For each member not vested by service as defined in Iowa Code section 97B.1A(25)“d,” a monthly annuity shall be determined by applying the total member and employer’s accumulated contributions as of the effective retirement date to the annuity tables in use by the system according to the member’s age (or member’s and contingent annuitant’s ages, if applicable).

12.4(2) For each vested member for whom the present value of future benefits under Option 2 is less than the member reserve as of the effective retirement date, a monthly annuity shall be determined by applying the member reserve to the annuity tables in use by the system according to the member’s age (or member’s and contingent annuitant’s ages, if applicable).

12.4(3) For calculations under subrule 12.4(1), Options 2, 3, 4, 5 and 6 shall be calculated by dividing the member’s total reserve by the applicable Option 2, 3, 4, 5 or 6 annuity factor taken from the system’s tables to determine the monthly amount. For calculations under subrule 12.4(2), Options 2, 3, 4, 5 and 6 shall be calculated by dividing the member reserve by the applicable Option 2, 3, 4, 5 or 6 annuity factor taken from the system’s tables to determine the monthly amount.

12.4(4) For Option 1, the cost per \$1,000 of death benefit shall be determined according to the system’s tables. That cost shall be subtracted from the Option 3 monthly amount to determine the Option 1 monthly benefit amount. The Option 1 death benefit amount shall be reduced as necessary so that the Option 1 monthly benefit amount is not less than one-half of the Option 2 monthly benefit amount.

12.4(5) For members retiring after June 30, 2012, the money purchase benefit calculated pursuant to this rule shall be provided to members who are not vested by service as defined in Iowa Code section 97B.1A(25)“d.”

[**ARC 0017C**, IAB 2/22/12, effective 3/28/12; **ARC 0662C**, IAB 4/3/13, effective 5/8/13; **ARC 4337C**, IAB 3/13/19, effective 4/17/19; **ARC 5027C**, IAB 4/8/20, effective 5/13/20]