



Welcome IPERS Members

What is IPERS?

- Established in July of 1953, IPERS is the largest public retirement system in Iowa
- A qualified 401(a) Defined Benefit plan under the IRS code.
- Members include employees of public schools, cities, counties, and state government.
- Lifetime benefits are paid for your lifetime based on a formula not on the amount of your investment

Vesting

- Requires seven years for regular class (4 years for special service) of IPERS covered service or attain age 55 and are making contributions to the plan
- Qualifies you for service purchase
- Qualifies you for a retirement or disability benefit
- Qualifies you for a portion of the employer's investment if a refund is taken

Your Investment

- your contributions plus interest
- interest is compounded quarterly
- 2022 interest rate is 1.14%



Annual Statements

Annual statements are sent every spring and are based on information through December 31st of the previous year and include:

- Total Covered Wages
- Investment-Contributions plus interest
- Number of Service Credits
- Beneficiary designation
- Amount of current death benefit
- Option 2 monthly benefit at age 65 if employment ended as of that date
- Current refund amount

Maximizing Benefits

- You may be eligible for additional service credits at no cost:
 - Leave of absence granted prior to July 1998
 - Verification from employer required
 - Active military duty, leaving an IPERS employer, entering the military, returning to an IPERS employer within one year of discharge
 - DD214 form required

Service Purchase

- You may be eligible to purchase additional service credits for:
 - Buy back an IPERS refund
 - Buy-in credit from another public system and Nonqualified Service (air time)
 - Buy-up service credit conversion for members with special service occupation service time
 - Buy-in active duty military time not eligible for free credit

Direct Rollover/Direct Transfer

- IPERS service credit can be purchased through a direct rollover or direct transfer from an eligible retirement plan 401(a), 401(k), 403(a), 403(b), or 457(b), IRA, SEP, or SIMPLE 401(k)

Purchasing Service

- A purchase of service can only be done at the time of retirement.

Distributions

- Refunds
- Death Benefits
- Monthly Benefits
- Disability Benefits

Refunds

- Must have a bona-fide termination
- Forfeiture of all future rights to retirement benefits based on that period of employment
- Taxable portion may be eligible for rollover otherwise subject to IRS penalty and withholding
- Vested members eligible for a portion of the employer's investment

Pre retirement Death Benefit

- When a member dies before starting monthly benefits, a beneficiary is entitled to receive a death benefit.
- A sole individual named as beneficiary can elect to receive a lifetime annuity or a lump sum payment.
- Multiple beneficiaries are eligible for a lump sum payment only.
- Special Service members, who die in the line of duty, have an additional \$100,000 death benefit.

Monthly Benefits

- IPERS recommends you request an estimate of benefits at least three years prior to retirement
- The following is some key information needed when requesting an estimate:
 - Social Security Number/Member ID
 - Spouse's date of birth
 - Current calendar year wage

Requirements for Monthly Benefits

- termination of all IPERS employment unless age 70
- Sheriffs – age 50 must have 22 years of special service
- Regular Class and Protection class members age 55
- if less than age 55 must be receiving Social Security or Railroad Disability
- Must complete retirement application

First Month of Entitlement

- Your termination date, last paid date, and age are important in determining the date to begin benefits
- You can terminate anytime in the month and be eligible for benefits the following month
- IPERS pays the last business day of every month

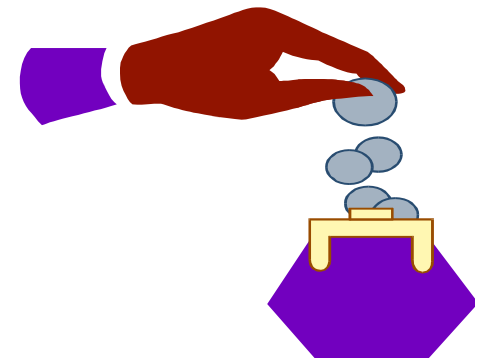
Monthly Benefit Options

- Choosing an option
- All options provide a retiree with a lifetime benefit
 - Monthly amounts vary depending on the provisions for a beneficiary
 - Option choices can **NEVER** be changed once IPERS issues the first retirement payment



Benefit Options

- Option 1 pays a lump sum distribution to a beneficiary(ies) upon the death of the retiree
 - The amount must be in \$1,000.00 increments
 - The maximum amount cannot exceed your investment



Benefit Options

- Option 2 guarantees recovery of your investment
- Option 3 provides the highest monthly benefit with NO death benefit

Benefit Options

- Option 4 pays a reduced payment to you and upon your death, provides a lifetime benefit to your contingent annuitant
 - The payment can be:
 - 100% of your monthly benefit
 - 75% of your monthly benefit
 - 50% of your monthly benefit
 - 25% of your monthly benefit
- Your contingent annuitant cannot be changed once benefits begin

Benefit Options

- Option 5 guarantees you or your beneficiary 10 years of payments. If you die before 10 years, the remaining months are paid to your beneficiary (multiple beneficiaries would receive a commuted lump sum payment). If you live beyond 10 years, no payment is paid upon your death, however your monthly benefits continue for your lifetime.

Benefit Option

- Option 6 “Pop-up Option”
- Similar to Option 4, provides a life-time benefit to the member, with payments to a contingent annuitant after the members death. The difference being, if the contingent annuitant predeceases the member, the member is allowed to “Pop-up” to Option 2 which provides a higher monthly benefit.

Taxes

- A portion of your monthly benefits will be taxable for federal income tax
- You can elect federal and state withholding from your monthly benefit payment
- For more detailed tax information, contact the IRS for publication 575 or consult a tax advisor

Bona Fide Retirement

- A bona fide retirement requires you to:
 - terminate employment with any IPERS covered employer and remain terminated for four calendar months unless age 70
 - Be safe -Take a 4 month break.



Reemployment Guidelines

- If you are under 65 and return to IPERS covered employment you will be subject to an earnings limitation of \$50,000.
 - Your benefit will be reduced 50 cents for each dollar earned over the limit
 - After termination of reemployment, benefits will be recomputed when all wages are received
 - Monthly benefits may be increased

Special Service Members



Special Service Members

- Airport Firefighters
- Airport Safety Officers
- Airport Security Officers
- Conservation Peace Officers
- Dept of Transportation Peace Officers

Special Service Members

- Dept of Corrections
 - Correction Officer
 - Registered Nurse, Licensed Practical Nurse
 - Psychologist 1,2,3
 - Nurse Supervisor 1,2/Nurse Service Director/Admin of Nursing/Nursing Unit Coordinator
 - Plant Operations Manager 1,2,3
 - Safety & Health Consultant
 - Corrections Treatment Director
 - Dental Assistant/Dental Hygienist/Dentist

Special Service Members

Fire Prevention Inspector Peace Officers

- Marshals, Police Officers and Firefighters in Cities Not Covered by Iowa Code Chapters 400, 410, 411 (Special Rules Apply to Volunteer Firefighters)
- Sheriffs and Deputy Sheriffs

Special Service Members

Added to the Special Service class 07/01/08

- Emergency Medical Service Providers (EMT)
- County Jailers and Detention Officers working as county jailors
- County Attorney Investigators
- Military Installation Officers

Protection Class Members

	Member	Employer
Rate as of 7/1/22	6.21%	9.31%

- These group rates are calculated actuarially every year against their funding status.

Sheriff and Deputy Sheriff

- as of 7/1/22 8.76% 8.76%
- These group rates are calculated actuarially every year against their funding status.

Special Service Calculation

- 60% at 22 years
- 72% at 30 years
- 1.5% for each year of service beyond 22

Hybrid Formula

- Members who have been employed in two different occupation classes are referred to as a “hybrid”. For example, 5 years in regular class and 13 years in a Special Service occupation.

The Hybrid formula calculates the service time as a special service member at the rate of 2.73% per year. A regular class member’s service time is calculated at 2.00% per year.

Hybrid

- Example #1
- John was employed as a bus driver for 5 years and then became employed as a police officer for 13 years. John is now 55 years old and wants to retire. John's high three year average is \$30,000.

Hybrid

Multiplier

Sheriff/Deputy Sheriff/Protection class	<u>13.00</u>	Years x	<u>2.73%</u>	x	<u>35.4900%</u>
Sheriff/protection class	<u>0.00</u>	Years x	<u>2.73%</u>	x	<u>0.0000%</u>
Regular	<u>5.00</u>	Years x	2.00%	x	<u>10.0000%</u>
Total			Total Multiplier		<u>45.4900%</u>

Option 2 Annual Benefit	Hi-3	Multiplier	Age Reduction	
• Sheriff/Protection class	\$30,000.00	x 35.4900%	x 100.00%	= \$ 10,647.00
• Regular	\$30,000.00	x 10.0000%	x 70.00	= <u>\$ 2,100.00</u>
			Annual Benefit	\$12,747.00
• Monthly Option 2 Benefit	\$12,747.00	divided by 12	=	\$ 1,062.25

Hybrid

- Example 2
- Jim was employed as a social worker for 28 and then became employed as a deputy sheriff for 3 years. Jim is now 55 years old and wants to retire. John's high three year average is \$45,000.

Hybrid

Multiplier					
Sheriff/Protection class	3.0 Years	x	2.73%	x	8.19%
Regular	28.00 Years	x	2.00%	x	<u>56.00%</u>
Total Multiplier					64.19%

Option 2 Annual Benefit	Hi-3	Multiplier	Age Reduction		
• Sheriff/Protection class	\$45,000.00	x	8.19%	x	100.00% = \$ 3,685.50
• Regular	\$45,000.00	x	56.00%	x	94.00 = <u>\$23,688.00</u>
				Annual Benefit	\$27,373.50
• Monthly Option 2 Benefit	\$25,601.13	divided by 12	=		\$ 2,281.13

Level Payment Option

- Often referred to as Bridge Payment (by members)
- Must have a current SS statement to have IPERS benefit figured
- Option 6 not available under level option pay
- Hybrid & Retirement Disability formulas are not eligible
- Special Service disability are not eligible

Level Payment Option example

- Member is eligible for a Retirement Benefit of \$2000 per month
- OR
- Member can draw a monthly benefit of \$1500 per month plus their Social Security amount of \$1000. Member will draw \$2500 per month until age 62, then benefit will drop to \$1500 per month for lifetime

Special Service Disability



Disability Benefits

- IPERS Retirement Disability is for ALL members. In order to be eligible a member must be vested, awarded Social Security Disability and terminate employment in order to begin drawing this benefit.

Disability Benefits

- IPERS Special Service Disability is for Special Service members only.
- In order to be eligible a member must be vested.
- A member will be determined disabled by IPERS through an application and medical review process.
- A member must terminate employment to draw a monthly benefit.

What is the process from Application to Determination?

- Member requests application
- IPERS receives completed application
 - File will be reviewed and an initial determination of eligibility will be made
- File will be sent to the Medical Board for review

Process of Application to Determination cont'd

- Member completes a Physical
- Medical Board determination
- IPERS determination of Disability
 - In-Service
 - Ordinary
- Member or Employer may appeal IPERS decision

Special Service Disability Benefits

- IPERS will provide an estimate of benefit options 1 through 6
- Member must complete a benefit application
- Member may draw Special Service Disability benefits for their lifetime

Offsets

- Social Security Disability
- Long Term Disability Insurance
- Workers Compensation
- Reemployment Comparison Amount
- Unemployment Insurance

Conversion of Benefits

- Member may switch from Special Service Disability benefits to regular IPERS Retirement Benefits upon being awarded Social Security Disability benefits. The irrevocable application must be signed within 60 days of receiving the Social Security Disability award letter.

Can a Member receiving Special Service Disability Benefits return to work?

- ITERS Employer
 - Disability benefits will cease
- Non-covered employment
 - reemployment comparison amount

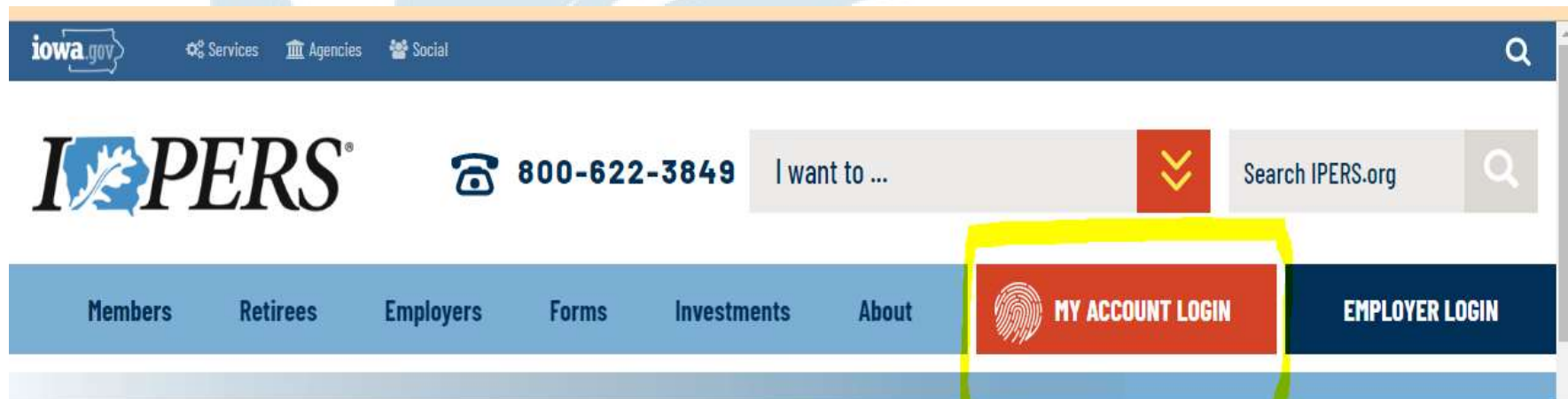
Log on to you IPERS account online

An account has already been established
for you at IPERS.org.

A username and password are already
registered.

My Account login

Go to IPERS.org
Click on My Account login



The screenshot shows the top navigation bar of the IPERS website. At the top left is the 'iowa.gov' logo. To its right are links for 'Services', 'Agencies', and 'Social'. A search icon is in the top right corner. Below this is the IPERS logo, a phone icon with the number '800-622-3849', and a dropdown menu labeled 'I want to ...'. To the right of the dropdown is a search bar labeled 'Search IPERS.org'. Below these elements is a horizontal navigation bar with links for 'Members', 'Retirees', 'Employers', 'Forms', 'Investments', and 'About'. The 'MY ACCOUNT LOGIN' button, which features a fingerprint icon, is highlighted with a yellow rounded rectangle. To its right is the 'EMPLOYER LOGIN' button.

My Account Login

MY ACCOUNT
Your IPERS retirement toolkit

username

password

My Account is not compatible with mobile browsers.

Log In

[Forgot User Name](#) | [Forgot Password](#)

IPERS **Need Help?**
Call 800-622-3849

My Account Login

Click on Forgot User Name or Forgot Password and an Email will be sent to you with your information.

If you don't have an email address listed on your account, call IPERS and press #2 for IPERS web support to assist you in adding an email address.

This session is an overview of IPERS benefits..
For detailed information on your account, call IPERS
at 1-800-622-3849 or 515-281-0020. Our phones are
answered Monday-Friday 7:30 a.m. – 5:00 p.m. or
contact IPERS through the internet at:

Web site: www.ipers.org

E-Mail: info@ipers.org



Questions are welcome

