

353.29 RETIREMENT ANNUITY UPON TERMINATION OF MEMBERSHIP.

Subdivision 1. **Age and allowable service requirements.** Upon termination of membership, a person who has attained normal retirement age and who is vested under section 353.01, subdivision 47, is entitled upon application to a retirement annuity. The retirement annuity is known as the "normal" retirement annuity.

Subd. 2. [Repealed, 1Sp2005 c 8 art 1 s 32]

Subd. 3. **Retirement annuity formula.** (a) This paragraph, in conjunction with section 353.30, subdivisions 1a, 1b, and 1c, applies to any member who first became a public employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, unless paragraph (b), in conjunction with section 353.30, subdivision 5, produces a higher annuity amount, in which case paragraph (b) will apply. The average salary as defined in section 353.01, subdivision 17a, multiplied by the percent specified in section 356.315, subdivision 3, for each year of allowable service for the first ten years and thereafter by the percent specified in section 356.315, subdivision 4, per year of allowable service and completed months less than a full year for a basic member, and the percent specified in section 356.315, subdivision 1, for each year of allowable service for the first ten years and thereafter by the percent specified in section 356.315, subdivision 2, per year of allowable service and completed months less than a full year for a coordinated member shall determine the amount of the normal retirement annuity.

(b) This paragraph applies to a member who has become at least 55 years old and first became a public employee after June 30, 1989, and to any other member whose annuity amount, when calculated under this paragraph and in conjunction with section 353.30, subdivision 5, is higher than it is when calculated under paragraph (a), in conjunction with section 353.30, subdivisions 1a, 1b, and 1c. The average salary, as defined in section 353.01, subdivision 17a, multiplied by the percent specified in section 356.315, subdivision 4, for each year of allowable service and completed months less than a full year for a basic member and the percent specified in section 356.315, subdivision 2, per year of allowable service and completed months less than a full year for a coordinated member, shall determine the amount of the normal retirement annuity.

Subd. 4. **Application for annuity.** Application for a retirement annuity may be made by a member or by a person authorized to act on behalf of the member. Every application for retirement must be made in writing on a form prescribed by the executive director and must be substantiated by written proof of the member's age and identity. The notarized signature of a member's spouse on a retirement annuity application acknowledging the member's annuity selection meets the notice requirement to the spouse under section 356.46, subdivision 3. An application for a retirement annuity is not complete until all necessary supporting documents are received by the executive director.

Subd. 5. [Repealed, 1959 c 650 s 57]

Subd. 6. **Retirement before eligibility for Social Security benefits.** A member or former member who retires before becoming eligible for Social Security retirement benefits may elect to receive an optional retirement annuity from the association that provides for different annuity amounts over different periods of retirement. The election of this optional retirement annuity must be exercised by making application to the board of trustees. The optional annuity must take the form of an annuity payable for the period before the annuitant becomes eligible for Social Security old age retirement benefits in a greater amount than the amount of the annuity calculated under subdivisions 2 and 3 on the basis of the age of the annuitant at retirement. The optional annuity must be the actuarial equivalent of the normal retirement annuity computed on the basis

of age at retirement. This greater amount must be paid until the annuitant reaches age 62, at which time the payment from the association must be reduced. The board of trustees shall establish the method of computing the optional retirement annuity under this subdivision. In establishing the method of computing the optional retirement annuity, the board of trustees shall obtain the written approval of the actuary retained under section 356.214. The recommendations must be a part of the permanent records of the board of trustees.

Subd. 7. **Annuities; accrual.** Except as to elected public officials, a retirement annuity granted under this chapter begins with the first day of the first calendar month after the date of termination of public service. The annuity must be paid in equal monthly installments and does not accrue beyond the end of the month in which entitlement to the annuity has terminated. If the annuitant dies prior to negotiating the check for the month in which death occurs, payment must be made to the surviving spouse, or if none, to the designated beneficiary, or if none, to the estate.

An annuity granted to an elective public official accrues on the day following expiration of public office or expiration of the right to hold that office. The annuity for the month during which the expiration occurred is prorated accordingly. An annuity, once granted, must not be increased, decreased, or revoked except under this chapter. An annuity payment may be made retroactive for up to one year prior to that month in which a complete application is received by the executive director under subdivision 4.

Subd. 8. **Annuities; payment.** Payment of any annuity or benefit for a given month must be mailed by the association to the annuitant, recipient of a disability benefit, or survivor, or must be automatically deposited under section 356.401, subdivision 2, during the first week of that month. The board may contract for professional services to identify deceased annuitants and benefit recipients through a review of nationally maintained death records.

Subd. 9. **Postretirement adjustment eligibility.** An annuity under this section or section 353.30 is eligible for postretirement adjustments under section 356.415.

History: 1957 c 935 s 9; 1959 c 650 s 13-16; 1963 c 639 s 1; 1965 c 714 s 4; 1965 c 880 s 4; Ex1967 c 53 s 4; 1971 c 106 s 19-21; 1973 c 753 s 39-42; 1974 c 229 s 14; 1975 c 102 s 6,11,12; 1976 c 329 s 21; 1977 c 429 s 25,26; 1978 c 471 s 2,3; 1979 c 216 s 8,9; 1981 c 180 s 8; 1981 c 224 s 83; 1983 c 73 s 4,5; 1986 c 444; 1987 c 259 s 28; 1987 c 284 art 5 s 8; 1987 c 372 art 9 s 10,11; 1988 c 709 art 5 s 16; 1989 c 319 art 3 s 10,11; art 13 s 31-33; 1990 c 570 art 12 s 20; 1991 c 341 s 16; 1992 c 432 art 2 s 9; 1993 c 307 art 4 s 18; 1997 c 233 art 1 s 40; 2002 c 392 art 11 s 52; 1Sp2005 c 8 art 1 s 11; 2006 c 271 art 3 s 20,47; 2007 c 134 art 2 s 24; 2009 c 169 art 1 s 33; 2010 c 359 art 1 s 27