

DROP Enrollment Form - New Participant

Enrollment

To participate in the Deferred Retirement Option Plan (DROP), a member of the retirement system must submit the following to MFPRSI:

1. A DROP Enrollment Form, completed and signed by the member and by the chief.
2. A copy of a completed resignation letter with the city (Use the sample form attached or a resignation form required by the city).
3. A Designation of Beneficiary Form.
4. A copy of the member's state-issued birth certificate.

Upon the member's completion of the enrollment form and the resignation letter (1 and 2 above), these two documents must be submitted to the department for execution.

The department will make and keep a copy of these two documents for their records.

The completed packet of all four documents will then be submitted to MFPRSI.

Eligibility

The active member of the retirement system must be at-least age 55 with at-least 22 years of Chapter 411 service to enter the DROP program.

Note 1: The accrual of the DROP benefit will occur in accordance with the following administrative rule adopted by MFPRSI:

14.4 Accrual of DROP Benefit

An amount equal to seventy-five percent of the member's DROP benefit shall accrue to the benefit of the member for each month of participation in the plan. An amount equal to twenty-five percent of the member's accumulated DROP benefit shall accrue to the benefit of the member upon the occurrence of any of the following events:

1. Termination of participation in the plan on the selected plan termination date;
2. Termination of participation prior to the selected plan termination date as the result of entitlement to a disability benefit under either section 411.6(3) or section 411.6(5);
or,
3. Death prior to the selected plan termination date.

This rule is intended to implement Iowa Code section 411.6C(2)(c).

Resignation Letter

For submission to the city*

Upon entering DROP, I hereby submit my resignation with my final day of employment to be (add your selected DROP participation years – 3, 4, or 5 – to your date of retirement and enter that date): _____

The Chapter 411 termination date must be the last day of the final month of DROP participation. Entering the incorrect date will cause MFPRSI to be unable to process the DROP application and it will be returned to the applicant.

EXAMPLE: If you plan to enter DROP on December 1, 2020, your last working day will be November 30. If you selected a 3-year DROP participation, you would enter November 30, 2023, on the line above as your Chapter 411 termination date; if you chose a 4-year DROP participation you would enter November 30, 2024; and, if you selected a 5-year drop participation, you would enter November 30, 2025.

I understand that my employer’s acceptance of my resignation does not constitute a guarantee of my employment through the effective date of my resignation.

Signature of member

Date

Signature of department chief or designee

Date

A copy of the resignation letter is forwarded with DROP forms to MFPRSI.

*The city may substitute its own resignation form.

DROP Participant's Beneficiary Designation

I hereby designate the individual below as my beneficiary under DROP.

Member Information		
First Name	Last Name	Last 5 digits of SSN
Email	Phone	

Beneficiary Information			
First Name	Last Name	Last 5 digits of SSN	Date of Birth
Street Address	City	State	Zip
Email	Phone		
Relationship to Member			

- I reserve the right to revoke or change my beneficiary designation made in accordance with the provisions of the plan and acknowledge that any change or revocation is binding upon the administration of the plan only upon its receipt at the plan's administrative offices. This designation is **applicable only to the DROP plan and does not alter any designation** made for the Iowa Code Chapter 411 retirement benefit plan.
- I hereby revoke all prior designations (if any) of beneficiaries for the DROP plan. The Plan Administrator will pay any sums payable under the plan by reason of my death to the beneficiary, if he/she survives me. If no named beneficiary survives me, and no spouse survives me, the Plan Administrator will disburse any such amounts due in accordance with Chapter 411 of the Iowa code.

Signature of member (participant)

Date