

# ALCOHOL & TOBACCO AGENTS

[Hired Prior to January 1, 2011]

(La. R.S. 11:444(A)(2))

This chapter pertains to full-time law enforcement personnel, supervisors, and administrators who are employed with the Department of Revenue, Office of Alcohol and Tobacco Control, hired prior to January 1, 2011 (ATC Agents). A statement from your agency stating that you have been P.O.S.T.-certified in your position will be required.

Please refer to the chapters on Regular Members if a topic is not covered in this chapter.

## Contribution Rates

(La. R.S. 11:62(5)(b))

ATC Agents pay a contribution rate of 9 percent per year.

## Retirement Eligibility

As an ATC Agent, you will become eligible for retirement upon reaching one of the following criteria:

- 10 years of service at age 60
- 25 years of service at any age
- 20 years of service at any age, with an actuarially reduced benefit (Deferred Retirement Option Plan [DROP] participation and retirement with an Initial Benefit Option [IBO] are not available to members who choose this option). The actuarial reduction is based on the number of months you are away from ATC Agent retirement eligibility. This reduction can be affected depending on whether you are in state service or out of state service at the time of your retirement.

## Benefit Accrual

Your average compensation will be based on your highest successive 36 months of compensation. Your benefit accrual rate depends on your date of hire.

If you were hired as an ATC Agent **on or before June 30, 2007**, you will receive 3.33 percent of your average compensation per year, even for years not worked as an ATC Agent.

If you were hired as an ATC Agent **on or after July 1, 2007**, you will receive 2.5 percent of your average compensation per year for all years prior to July 1, 2007. You will receive 3.33 percent of your average compensation per year for all years worked as an ATC Agent after July 1, 2007.

If you have service that was not accrued at 3.33 percent, your unused leave percentage will be pro-rated depending on the years of service.

## EXAMPLE

Bill had prior employment but was not hired as an ATC Agent until October 1, 2007. He is now retiring at age 51 with 30 years of service credit. He has an annual final average compensation of \$62,000.00, so his base retirement benefit would be calculated in the following manner:

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .025 \\ \text{accrual rate} \end{array} \times \begin{array}{r} 27.20 \\ \text{years of service as} \\ \text{a Regular Member} \end{array} = \begin{array}{r} \$42,160.00 \text{ per year} \\ (\$3,513.33 \text{ per month}) \end{array}$$

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .0333 \\ \text{accrual rate} \end{array} \times \begin{array}{r} 2.80 \\ \text{years of service as} \\ \text{an ATC Agent} \end{array} = \begin{array}{r} \$5,780.88 \text{ per year} \\ (\$481.74 \text{ per month}) \end{array}$$

**Total benefit = \$47,940.88 per year (\$3,995.07 per month)**

He has decided to convert 1.8 years of unused accumulated leave so his leave benefit would be calculated in the following manner:

$$\begin{array}{r} 27.20 \\ \text{years of service as} \\ \text{a Regular Member} \end{array} / \begin{array}{r} 30.0 \\ \text{total years} \\ \text{of service} \end{array} = .906 \text{ (rounded to 91\%)}$$

$$\begin{array}{r} 2.80 \\ \text{years of service as} \\ \text{an ATC Agent} \end{array} / \begin{array}{r} 30.0 \\ \text{total years} \\ \text{of service} \end{array} = .093 \text{ (rounded to 9\%)}$$

91% of his total leave credit of 1.8 years = 1.638 (rounded to 1.60)

9% of his total leave credit of 1.8 years = .162 (rounded to .20)

He will receive an accrual rate of 2.5% for 1.60 years and 3.33% for .20 years.

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .025 \\ \text{accrual rate} \end{array} \times \begin{array}{r} 1.60 \\ \text{years of} \\ \text{unused leave} \end{array} = \begin{array}{r} \$2,480.00 \text{ per year} \\ (\$206.66 \text{ per month}) \end{array}$$

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .0333 \\ \text{accrual rate} \end{array} \times \begin{array}{r} .20 \\ \text{years of} \\ \text{unused leave} \end{array} = \begin{array}{r} \$412.92 \text{ per year} \\ (\$34.41 \text{ per month}) \end{array}$$

**Total benefit for unused leave = \$2,892.92 per year (\$241.07 per month)**

<b>Total retirement benefit</b>	<b>=</b>	<b>\$3,995.07</b>	<b>+</b>	<b>\$241.07</b>	<b>=</b>	<b>\$4,236.14 per month</b>
		<i>retirement benefit</i>		<i>converted leave benefit</i>		

## EXAMPLE

John was hired as an ATC Agent before July 1, 2007, and accrues benefits at 3.33 percent per year. He is retiring at age 55 with 27.20 years of service credit. He has an annual final average compensation of \$62,000.00, so his base retirement benefit would be calculated in the following manner:

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .0333 \\ \text{accrual rate} \end{array} \times \begin{array}{r} 27.20 \\ \text{years of service as} \\ \text{an ATC Agent} \end{array} = \begin{array}{r} \$56,157.12 \text{ per year} \\ (\$4,679.76 \text{ per month}) \end{array}$$

$$\begin{array}{r} \$62,000.00 \\ \text{average} \\ \text{compensation} \end{array} \times \begin{array}{r} .0333 \\ \text{accrual rate} \end{array} \times \begin{array}{r} 1.80 \\ \text{years of unused} \\ \text{leave} \end{array} = \begin{array}{r} \$3,716.28 \text{ per year} \\ (\$309.69 \text{ per month}) \end{array}$$

<b>Total retirement benefit</b>	<b>=</b>	<b>\$4,679.76</b>	<b>+</b>	<b>\$309.69</b>	<b>=</b>	<b>\$4,989.45 per month</b>
		<i>retirement benefit</i>		<i>converted leave benefit</i>		

## Limits on Final Average Compensation (La. R.S. 11:403(5))

When calculating your retirement benefit, the earnings used for your average compensation may be capped in order to avoid excessive spikes in compensation.

The earnings to be considered for the 13<sup>th</sup> through the 24<sup>th</sup> month shall not exceed 125 percent of the earnings of the 1<sup>st</sup> through the 12<sup>th</sup> month. The earnings to be considered for the final 12 months shall not exceed 125 percent of the earnings of the 13<sup>th</sup> through the 24<sup>th</sup> month.

## Survivor Benefits (killed in the line of duty by an intentional act of violence)

If you die in the line of duty or as a direct result of an injury sustained while in the line of duty on active duty status as the result of an intentional act of violence, LASERS may pay a benefit equal to

100 percent of your final average compensation to your surviving spouse and/or minor or handicapped or mentally incapacitated child or children. The benefit is shared equally. If a survivor is no longer eligible for benefits, the remaining beneficiaries will have their shares adjusted accordingly.

## Hazardous Duty Services Plan

ATC Agents hired prior to January 1, 2011, are eligible to join the Hazardous Duty Services Plan. Please refer to chapter 23 which describes that plan's benefits and the options available for past service. ■