

What is “Air Time ?”

“Air Time” is the term used to describe a type of service credit that can be purchased. Effective July 1, 2005, La. R.S. 11:429(B) states, “...any member of the system who has credit in the system for at least five years of service shall be eligible to obtain credit for up to five years of service credit in one-year increments...” Once a member of LASERS has a minimum of five years of service, a maximum of five years of additional service may be purchased. **Any credit purchased shall be used for calculation of benefits only and shall not be used for purposes of attaining eligibility for retirement.**

What will this cost?

This is an actuarial calculation performed by an actuary using many factors such as your age, years of existing service, current salary and current average salary as well as actuarial assumptions. Each calculation is different since each is based on the specifics of the member making the purchase. There is a \$150 nonrefundable actuarial calculation fee required to receive this cost calculation. The fee may be paid by personal check, cashier's check, certified check, or money order and must be made payable to LASERS.

This fee will provide you with five cost calculations **for computation of benefits only.**

NOTE: LASERS does not have an actuary on staff. No LASERS staff can perform these complex calculations nor can they provide you with an “estimate” of this purchase. All cost calculations must be performed by the actuary.

Can I use tax sheltered money to purchase this service?

Yes. You may make payment by a rollover of funds from a qualified plan or an IRA under Section 401 (a) of the Internal Revenue Service Code. You should contact your financial institution to determine rollover eligibility.

What forms do I need to apply to purchase this service?

You will need to complete Form 2-7, Application for Purchase of Service Under La. R.S.11:429 (B). All other versions are obsolete and will not be accepted by LASERS. This form can be obtained from your employer, through the LASERS website or by contacting this office. You must complete

the application and return it to LASERS with the actuarial calculation fee.

Should you decide to purchase the credit after receiving the cost calculation, your payment should be made directly to LASERS and you should include a copy of the cost calculation with your payment. If you choose to rollover funds to cover the payment of this service you must complete Form 2-13, LASERS Acceptance Letter of Rollover of Assets. This form should then be forwarded to your financial institution for the completion of section three. The financial institution should then return the form to LASERS, as indicated. If the rollover amount is not sufficient to cover the entire cost, you must inform LASERS and forward payment for the amount of the deficiency.

Can I use this purchased credit toward eligibility for retirement?

No. Once you purchase this service credit it will be used for calculation of benefit only and shall not be used for purposes of attaining eligibility for retirement.

How long does it take to get a cost calculation?

Normally cost calculations can be processed and notification sent to members in four to six weeks. However, because of the large volume of "Air Time" requests received, the average calculation period is eight to ten weeks.

In accordance with IRS provisions and federal law no member will be allowed to purchase more than five years of "Air Time."

QUESTIONS?

For questions regarding this brochure and the processes mentioned herein, please contact a retirement benefits analyst at (225) 922-0600, or toll-free at 1-800-256-3000. Or you can visit LASERS at www.lasersonline.org.

Remember: Retirement is an important process, and you should gather as much information as possible to make educated decisions regarding your future. As you near retirement eligibility, LASERS strongly encourages you to make an appointment with a retirement benefits analyst to discuss your particular retirement options. This brochure is intended to provide general information only and is subject to revision by LASERS at any time.

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Purchase
of "Air
Time"



A look at
Air Time
and how it
affects your
retirement