

In the rain, I drove
to and from the

LAGERS

annual meeting

October 26-27, 2023



LAGERS:

Missouri Local Government Employees' Retirement System

Mission: To provide and preserve retirement security for those dedicated to serving Missouri's local communities.



Annual Meeting

Primary purpose of this annual meeting is the election of LAGERS' Board of Trustees, to hear about the role of the LAGERS board, and meet & get to know those from many other government entities.

Board of Trustees has

- 3 elected member trustees, must be active
- 3 elected employer trustees
- 1 Governor-appointed Citizen Trustee, neither active or an employee official



Other agenda items:

- An update of the investment portfolio was presented.
- Discussion about past and upcoming legislative sessions was brief.
- Jamey McVicker, Assistant Fire Chief for the city of St. Joseph was presented with the Local Government hero award.
- Local Government Hero reception
- Educational breakout sessions



LAGERS HISTORY

In 1965, Jay T. Bell, proposed a Missouri constitutional amendment to remove a restriction that the biggest entities only be able to form retirement plans. Bell's vision was for a statewide plan that political subdivisions could voluntarily join for a strong financial future. Simply: A secure retirement for all.

What is important at LAGERS

- Dedication
- Teamwork
- Respect
- Integrity
- Excellence
- Communication
- Accountability

LAGERS timeline

- 1966 – voters approved the amendment
- 1967 – bill passed then officially became law
- 12/12/67 – first LAGERS meeting required 10 charter members, the first being the City of Festus
- April 1968 - doors opened for business with a goal of being a self-sustained program by mid-1971,
- 1970 – goal met



LAGERS benefits

Three funding sources

- 67% from investment returns
- 30% from employer contributions
- 3% from employee contributions



What's it to you?

In 5 years of vested service with a member of LAGERS, your benefit:

- Is secure, trusted, and guaranteed
- Will always increase the longer your service
- Should be considered when figuring in your total compensation
- Is not dependent on the market
- At retirement, is designed to replace income



Greene County Stats

Member since January 1, 1972

Currently has 972 active members

Part of the L-7 benefit program



So what's a funding status?

The financial status of a pension plan.
The extent to which the benefits of members are covered by the fund's assets.

Comparing funding status

- Carpenter's Union Pension Fund is funded at 90.6%
- Missouri State Employee Retirement System (MOSERS) is funded at 57.7%
- Teacher's Retirement program (PSRS) is funded at 85.2%, a decrease from 87.7% in 2021
- MO DOT & Patrol Employees Retirement System (MPERS) is funded at 60.6% as of 2020, an increase from 57.14% in 2017

Year ending 2022, except where noted



LAGERS



Is currently 95.6% prefunded



Me and "Buck"

How benefits are calculated*

LAGERS benefits are based on a set formula, not an account balance.

*The longer your service, the bigger your benefit at retirement.

Benefit Multiplier
(Benefit Program)
1% - 2%



How Much You Make
(Final Average
Monthly Salary)



How Long You Work
(Credited Service)



*Monthly
Benefit
Payment
for Life*

A lifetime monthly benefit calculation might look like this:

$$1.5\% \times \$4,000 \times 25 \text{ Years} = \$1,500$$

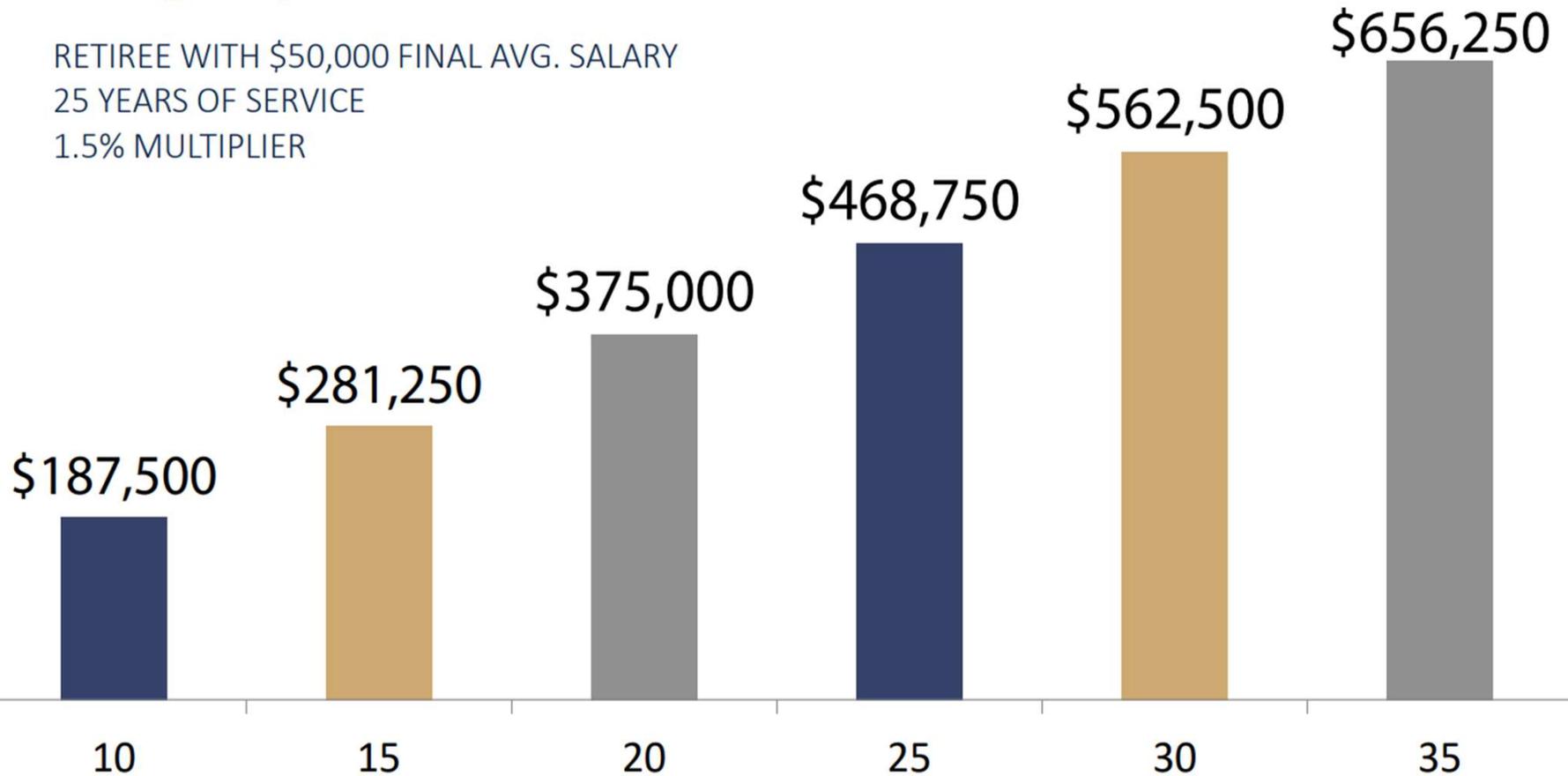
How It Works

Final Average Salary is calculated using the average from the highest consecutive 36 or 60 months from your last 120 months of credited service.



Employee Retention: Show the Value

RETIREE WITH \$50,000 FINAL AVG. SALARY
25 YEARS OF SERVICE
1.5% MULTIPLIER



How It Works

Vesting: 60 months/5 Years of Credited Service

Age Eligibility for Normal Retirement:

- 60 for General Employees
- 55 for Law Enforcement
- 55 for Fire Fighters
- 55 for Public Safety (if employer elects)

You may draw your benefit up to 5 years early with a reduction

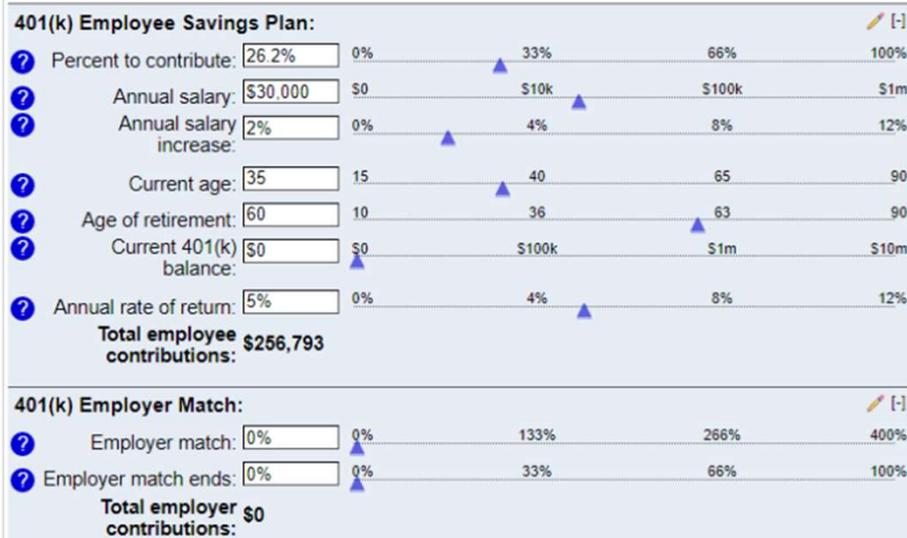


Employee Retention: Show the Value

CALCULATE

VIEW REPORT

Your total is \$469,682 after 25 years.



Over a 25-year retirement, the total value of the LAGERS benefit was

To save this amount on their own based on a 25-year career, the employee would need to save **26.2%** of their salary!



Payment Options*

- Life option: 100% retiree benefit
- Option A: 85% retiree benefit with 75% of member's benefit to the beneficiary
- Option B: 90% retiree benefit with 50% of member's benefit to the beneficiary
- Option C: 95% retiree benefit with 100% of member's benefit to the beneficiary if the member passes away within 10 years of their retirement date
- Partial Lump Sum (PLUS): even more options including a rollover to another qualified plan.

*See LAGERS eligibility requirements





Contact Sondra Mead

In the County Clerk's office
for forms or more LAGERS
information





THANK YOU!

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