



Missouri Local Government Employees Retirement System

# RETIREE NEWSLETTER

[www.molagers.org](http://www.molagers.org)

1-800-447-4334

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## LAGERS is Cutting Costs by Going Green

In an effort to cut costs and save a few trees while we're at it, LAGERS is implementing a new check stub policy beginning in May.

Your monthly benefit will continue to be delivered to you as usual each and every month. However, those of you whose benefit is directly deposited into your bank account through electronic funds transfer (EFT) will no longer receive a monthly stub from LAGERS. Your April stub will be the last you receive by mail.

Only about 25% of LAGERS retirees still receive a paper check each month. For those of you who receive a paper check and have not yet signed up for direct deposit,

you will continue to get your check each month as usual.

As you know, the cost of sending a letter isn't what it used to be and postage rates continue to increase. LAGERS spends \$4,000 in postage every month just mailing check stubs to almost 10,000 retirees. Add the cost of envelopes, staff time, equipment usage, and the total estimated monthly cost jumps to more than twice that amount. All told, LAGERS will save an estimated \$9,200 a month by discontinuing the mailing of check stubs!

You will, however, receive a stub any time your net check amount changes, for example, a change in your tax withholdings. We urge you to keep your address updated with us for this reason and also to receive other important mailings.



For those of you who are receiving a paper check each month and want to help LAGERS cut costs and contribute to a healthy environment by signing up for direct deposit, please contact our office at 1-800-447-4334 or visit our web site, [www.molagers.org](http://www.molagers.org) and print a direct deposit form yourself.

Times have changed, and we must change with them by being more efficient with our time and money.

LAGERS is committed to providing benefits to our members and beneficiaries in the most economical manner possible. With your help, we can reduce spending and help the planet while continuing to provide excellent service.

**It Costs LAGERS \$1.00 for  
Each Check Stub Mailed  
to Retirees**

# New Check Stub Policy

## Quick Facts

### Will I still receive a monthly benefit from LAGERS?

Yes. Your benefit is guaranteed by Missouri state law and will continue to be delivered as normal. For those of you who receive a paper check each month, you won't notice this change. For those who participate in direct deposit, you will no longer receive a check stub each month.

### Why is LAGERS making this change?

- **Cut Costs.** LAGERS spends an estimated \$9200 each month mailing check stubs to retirees who receive their benefit through direct deposit.
- **Go Green.** Discontinuing the mailing of check stubs will cut down on paper waste.
- **75% of Retirees Participate in Direct Deposit.** The dollar amount is even more overwhelming, 84% of the money LAGERS pays out each month is sent electronically directly into retirees' bank accounts.

### How can I Help?

Switch to direct deposit. It's convenient and safe for you, cost effective for LAGERS, and environmentally friendly. Contact LAGERS to switch at 1-800-447-4334.

### Will I still get mailings from LAGERS?

Yes. We still need an updated address so that you can receive benefit change notices, tax information, and newsletters.

### Can I request to have a check stub mailed to me?

We encourage all members to participate in this program and help LAGERS go green and save money. However, you may request to have a check stub mailed to you each month by contacting us.

## Do you Know about the Pop-Up Provision?

If you retired September 1, 1992 or after and chose Option A or Option B in which your spouse will receive a monthly benefit after your death, you need to know about the Pop-Up Provision.

If your spouse predeceases you, please let LAGERS know, you may be eligible. If so, LAGERS would adjust your monthly benefit up to the full, unreduced Life amount. You would receive this amount until your death, at which time, payments would stop.



**Federal Income Tax** You have the right to start, stop or change federal deductions from your monthly benefit payments. Remember, it is your responsibility to make sure that enough money is withheld or paid as estimated tax to meet your federal tax obligations. We would remind you, though, that you may be subject to tax penalties if you incur tax liability because of the retirement payments and fail to estimate, pay or have withheld, sufficient federal tax to meet that liability. If you want to have federal tax withheld, or to change your present withholding, please contact our office.

**State Income Tax** LAGERS benefits are subject to Missouri state income tax, with certain amounts exempted based on tax filing status and adjusted gross income. If you want to have state tax withheld or to change your present withholding, please contact our office. Important: If you have moved out of the state of Missouri, your benefits may no longer be taxable in Missouri; and you may not have to have Missouri taxes withheld. Please contact the Missouri Department of Revenue (573-751-8222) if you have questions regarding this.

Please remember that LAGERS staff is not authorized or trained to provide advice with income tax, excise tax or estate planning issues. LAGERS staff will make tax withholdings only as you direct.