



MEMBER NEWSLETTER

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www.molagers.org

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New ECLIPSE System aims for Efficiency and Access for Members

For the past year, the LAGERS staff has been working on the development of a new web based pension administration system that will streamline LAGERS internal operations and provide web access to our employers, active employees, and benefit recipients.

The new system has been named ECLIPSE (Ensuring Complete LAGERS Integrated Pension System Excellence).

This multi-year project will be implemented in three phases. The first is employer

reporting, where LAGERS will transition all employers to the new system for their wage and contribution reporting. The next phase adds benefit calculations to the system. And the last phase provides a self service web site for active employees, and benefit recipients.

Phase One will be implemented over a one year period beginning July 2010.

The ECLIPSE transition will have the biggest impact on the employer's staff responsible for LAGERS monthly statement, payroll and

employee benefits as new they will be trained on new reporting methods.

By the end of the third phase, all active employees and benefit recipients will have access to the self service web site. This site will allow members to access their accounts, print annual statements, calculate benefit estimates, view service credit, and more. Completion of this phase of the ECLIPSE project is scheduled for 2012.

This is an exciting transition for LAGERS staff. Our goal is to make this an easy transition for our employers, active employees, and benefit recipients. With your help and support, ECLIPSE will improve your retirement system to better meet the needs of all LAGERS' members.

For more information about the ECLIPSE release, please visit www.molagers.org.

Todd, Ashcroft Re-Elected to LAGERS Board of Trustees



Arby Todd

Arby Todd, Member Trustee, Lee's Summit, and J. Robert Ashcroft, Employer Trustee, Platte County, were both re-elected to serve four year terms on the LAGERS Board of Trustees.



J. Robert Ashcroft

The election was held at the 42nd LAGERS Annual Meeting in Springfield on October 30, 2009.

Mr. Todd will be serving his second consecutive term on the LAGERS board and Mr. Ashcroft will start his seventh consecutive term. Mr. Ashcroft was also elected to serve as board Vice-Chairperson. Mr. Todd was elected to serve as Chairperson.

2008 Annual Meeting wins Award

The Missouri Society of Association Executives (MSAE) presented its Awards of Excellence in Association Management to member organizations at its annual meeting on September 22, 2009.

The 2009 Education Award was presented to LAGERS for its 2008 Annual Meeting held October 23-24, 2008 in Springfield, MO.

With the economic struggles of 2008 in full force at the time of the meeting, LAGERS staff and board prepared for the challenge of confronting difficult questions from meeting attendees as well as possible declines in attendance. However, attendance has increased over the last six years and the reviews from attendees continued to exceed our expectations.



Annual Meeting attendees listen to LAGERS staff members discuss the impact of the 2008 markets on the LAGERS system.



LAGERS' Chairman, Arby Todd (right), speaks with a member at the 42nd Annual Meeting in Springfield.



Brian Collett, LAGERS Chief Investment Officer (left), talks to LAGERS members at the Annual Meeting in October.

2010 Pre-Retirement Seminar Schedule

March 4	Cape Girardeau Drury Lodge
April 1	Independence Hilton-Garden Inn
April 29	Springfield Holiday Inn-North
May 20	Chesterfield Hilton-Garden Inn
June 10	Hannibal Hannibal Inn
July 8	Independence Hilton-Garden Inn
August 12	St. Joseph Holiday Inn
Sept. 23	Jefferson City Truman Hotel

Register for a 2010 seminar by visiting
www.molagers.org

There is no charge to attend a 2010 seminar.

Spouses are encouraged to attend.

How to Prepare for Retirement when There's Little Time Left



So, you're close to retirement and you haven't saved enough? You are fortunate as a LAGERS member that a portion of your retirement will be paid for with your LAGERS benefit if you become eligible. However, your LAGERS benefit will likely will not cover all of your retirement expenses.

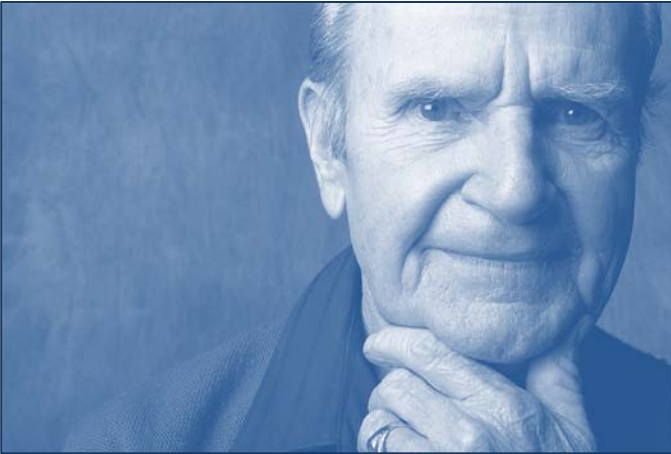
Here are some tips to help toward your goal. Some of these suggestions may be painful, but every little bit will help.

- **It's never too late to start**, it's only too late if you don't start at all.
- **Sock it away.** Pump everything you can into tax-sheltered retirement plans and personal savings accounts. Aim for at least 20% of your income.
- **Reduce expenses.**
- **Take on a second job or work extra hours.**
- **Aim for higher investment returns**, but remember not to invest in anything you are uncomfortable with.
- **Work longer.** You may need to work past your planned retirement age. Your LAGERS benefit increases every month you work in a LAGERS eligible job.
- **Refine your goal.** You may have to live a less expensive lifestyle in retirement.
- **Make use of your home.** Rent out a room or move to a less expensive home and save the profits.
- **Sell assets that aren't producing much growth** such as undeveloped land or a vacation home, and invest in income-producing assets.

This information is from the free publication, "Savings Fitness: A Guide to your Money and Your Financial Future," from the US Department of Labor. For the complete guide, visit www.dol.gov/eb

Defined Benefit Pensions:

Proven Advantages for Retirees, Employers and Taxpayers



Right now it seems as though everyone is struggling, clinging to whatever stability they can find. All are looking for something to build upon, whether it's a community's tax base or our own individual family budgets. Our future is at stake, and we're all looking for security. What a great time to be a LAGERS member covered under a defined benefit retirement plan. Studies have consistently proven that these plans provide stability for retirees and economic benefits to employers and tax payers.

Stability for Retirees

A 2009 study by the National Institute on Retirement Security (NIRS) proved that income from a defined benefit pension plays a critical role in reducing the risk of poverty among older Americans. Rates of poverty among households without pension income are about six times higher than those households receiving a defined benefit pension. The study also found that pensions can reduce Americans' reliance on public assistance programs. In 2006, pensions were attributed to a savings of about \$7.3 billion in public assistance expenditures.

Value of Defined Benefit Pensions for Employers

LAGERS member employers, having made dedicated contributions to the LAGERS defined benefit plan will see that commitment pay off as

contributions generate investment returns that are compounded over time. This investment income will end up funding roughly 65% of the member's benefit as excess returns are credited back to employers. In a defined benefit plan, every dollar contributed is invested by the system and compounded to ultimately three dollars to be used to pay earned benefits.

Defined Benefit Plans Help Stabilize Economy

Last year, your LAGERS system paid out \$149,048,361 in earned retirement benefits, 95% of which stayed in Missouri. These monthly benefit payments have helped bolster our economy when we need it the most, providing a sound financial base for our state and local communities.

According to NIRS, each \$1.00 contributed by Missouri taxpayers to state and local pension plans supports \$6.92 in total overall economic activity within Missouri. State and local pensions in Missouri and other states paid a total of \$2.54 billion in benefits to Missouri residents in 2006. Retirees' expenditures from these benefits supported a total of \$3.7 billion in total economic output in the state.

Defined Benefit vs. Defined Contribution

Contrary to popular belief, defined benefit plans are more efficient and cost effective than other investment plans such as defined contribution plans that offer no security to the employee's benefit. According to a study by the National Institute on Retirement Security the economic efficiencies of defined benefit plans make them almost half the cost of defined contribution plans, or a 46% cost savings to produce the same retiree benefit. While investment and savings programs are a vital supplement to a retiree's income, it has been proven that these plans are inadequate as the main source of retirement income.