Member Resource

Missouri LAGERS
A secure retirement for all

Photo Credit: Springfield Dickerson Park Zoo
Get to Know LAGERS’ New Board Member: Sandy Walker

At the LAGERS Annual Meeting, Sandy was elected to the LAGERS Board of Trustees to serve the remainder of a vacated term ending on December 31st, 2020.

Sandy has been a dedicated public servant at the City of Poplar Bluff since 1983. She started her career with Poplar Bluff’s Municipal Utilities in the late 1980’s and continues to work in the Electric department today.

Sandy was the first student to graduate with an Associate’s Degree completed entirely through night classes at Three Rivers Community College. She also has a Bachelor’s Degree in Business with a minor in Accounting from Southeast Missouri State University in Cape Girardeau, MO.

Sandy currently serves as Secretary on the Executive Board for the International Brotherhood of Electrical Workers Local 702, Sikeston Unit and is also actively involved with Benevolent Protective Order of the Elks.

Sandy enjoys spending time with her husband Jack and daughter Hailey. She also enjoys horseback riding, spending time outdoors, painting, gardening, and more.
Your Annual Statement

An overview of your Annual Statement

Your Annual Statement is an excellent financial planning tool at your disposal. It includes your current benefit as of December 31st, your projected benefit amount if you work until your retirement eligibility, your beneficiary information, account balance (if any), and wages used to calculate your benefit. Below is a sample Member Annual Statement with a brief explanation of the information in each section.

What you’ve earned as of December 31st will show you the benefit you have currently earned. In other words, if you had left employment on December 31st, the amount in this section would have been payable at retirement.

The Beneficiaries section reflects your beneficiaries listed as of December 31st. Need to update your beneficiaries? Log on to myLAGERS today!

Your last 10 years of Salary Reported to LAGERS are the wages reported by your employer for your reference. If you have less than 10 years, all wages will be listed.

Your Account Balance will show your employee contribution balance. If you have not made employee contributions, the amount will be $0.

What you could earn if you keep working illustrates the amount you could receive at eligibility if you continue to work for your current LAGERS employer. This section is helpful for your financial planning needs.

Personal Information section will include your hire date, date of birth, vested status and service credit as of December 31st.

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Your Benefit Information, Anytime!

Another resource available to you is your myLAGERS account. Along with accessing your current and past annual statements, you can view and update your beneficiaries, change your personal information, generate and save benefit estimates and apply for your benefit. If you don’t have a myLAGERS account, go to https://members.molagers.org/ and click “Enroll Now” to begin the enrollment process!
Want to Get Involved?

If you’ve ever read an article, watched a news story, or even heard a friend talk about the problems with pension plans in the United States, you’re not alone. And while there are certainly plans out there that need to be looked at, this overwhelmingly negative news coverage can sometimes distort reality when it comes to the state of public pension plans, and this distortion has consequences. If the public sees pensions as inherently broken, these opinions filter into our public policy decisions about retirement, while at the same time missing the fact there are plenty of really well-structured, financially stable plans out there that provide an invaluable workforce management tool for public employers in our state.

LAGERS is a shining example of all the things that can go right with a public pension plan. At 95.6% pre-funded, LAGERS is a fiscally strong system. Our employers believe LAGERS is a good investment for their organization because it provides a tool that helps attract and retain the highest quality public servants in our local communities. And our local communities— the ultimate benefactor of LAGERS— enjoy the quality public services that taxpayers expect, and an economic boost from the predictable income LAGERS provides our retirees.

It is our job to share this great story with our policy makers, but to do this, we need your help. Your voice is powerful, and you can help ensure the future of retirement security in Missouri! Here are a few great ways you can get involved:

**LAGERS Advocacy Day**

In 2018, LAGERS hosted our first advocacy day at the capitol. This event is a great opportunity to visit with your state elected officials about the value of your LAGERS benefits. While everyone is encouraged to participate in this annual event, you can also advocate for your LAGERS system any day of the year! Next time you visit with one of your elected officials, whether at the local, state, or federal level, talk about the work that you do as a public servant in your community and what your LAGERS benefit means to your financial future.

**LAGERS Advisory Committee**

LAGERS Legislative Advisory Committee was created in 1973 to provide a forum for interested members and employers to review possible legislative changes in LAGERS. The Committee meets at least once a year in conjunction with LAGERS Annual Meeting to discuss upcoming legislative priorities, and to vet through any new policy proposals. Members of this committee are appointed by LAGERS Board of Trustees for three year terms. Any active member of the LAGERS system can volunteer to serve on this committee. If you are interested in volunteering, visit our website at: https://www.molagers.org/issues-and-policy.html

**LAGERS Capitol Report**

If you would like to stay up to date on developments during session, sign up to receive our capitol report. This periodic email provides valuable insight into retirement-related bills during session as well as provides any specific calls to action when we need you to contact your elected official on a specific issue! You can also visit our Issues and Policy page (https://www.molagers.org/issues-and-policy.html) at any time to keep up to date on any pending legislative issues.

At LAGERS, we know public pensions aren’t just good for our members. They are good for all of Missouri! We encourage you to join us in our continuing effort to educate our policy makers about the value of your LAGERS benefit so that we can continue to provide this.
Pre-Retirement Seminars

The 2019 Pre-Retirement Schedule is below. Pre-Retirement Seminars are a beneficial tool for your retirement planning needs.

**Why Should I Attend?**

If you are within 5 years of retirement, you will find a LAGERS Pre-Retirement Seminar to be helpful with planning your retirement. These meetings will provide you with a great educational opportunity to learn more about your LAGERS benefit, selecting payment options, the retirement process and much more!

Seminars are free to attend, and many of our seminars include Social Security presentations.

**Registration**

You can find registration information and agendas on the LAGERS website: www.molagers.org/events.html

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**Kansas City Metropolitan Area**

- March 6, 2019
- March 7, 2019
- May 29, 2019
- May 30, 2019
- September 18, 2019
- September 19, 2019

**Central Missouri**

- February 20, 2019
- May 8, 2019
- June 27, 2019
- August 15, 2019

**St. Louis Metropolitan Area**

- April 17, 2019
- April 18, 2019
- July 23, 2019
- September 10, 2019

**Springfield, MO**

- April 3, 2019
- April 4, 2019
- August 22, 2019

**Branson, MO**

- August 21, 2019

**Cape Girardeau, MO**

- April 25, 2019
- July 18, 2019

**Sikeston, MO**

- July 17, 2019

**St. Joseph, MO**

- May 22, 2019
- August 8, 2019

**Hannibal, MO**

- March 21, 2019
The Two Paths to Financial Security

There are two paths to financial security, the traditional path and the non-traditional path. The traditional path is the one where you work your entire career and decide to retire to a life of leisure with no plans for a future job of any sort. The non-traditional path is a more of a gentle downward slope rather than a cliff into retirement. It is characterized by continuing some type of paid employment and gradually easing into the life of leisure when you sever ties with all employment for good. Which path will you take? If you’re like most Americans, you will take the non-traditional path.

A recent study by the RAND Corporation found that less than 40 percent of Americans follow the traditional path to retirement while the rest either reduce their hours and work part-time with the same employer, leave the workforce and then reenter, and some even remain in full time work past the age of 70. So, will you be traditional or non-traditional? It depends on many factors.

Health

This finding should be fairly obvious. Your health may play a role in when you decide to leave the workforce. We all desire to be able to choose our own retirement date rather than it being determined by other factors, but that will not be the case for everyone. Injuries and illness can force people to leave the workforce earlier than they would like while good health may encourage working longer.

Individual Economic Situation

In order to be able to leave the workforce when you want, you have to be able to afford it. Financial preparedness means you are able to pay all of your bills while living the lifestyle you want. The study found that Americans with pension plans (that’s you, LAGERS members) are more likely to follow the traditional path to retirement because pension plans provide stable monthly income and have pre-determined retirement ages. But income from a pension is most likely not going to be enough to provide you with the lifestyle you want, so additional savings and planning is required.

See more posts like this at blog.molagers.org
Cognitive Abilities

Your brain power may also determine the path you take. Those with strong cognitive abilities are more likely to continue to work past age 65 and even to age 70 and beyond than those with lower cognitive abilities. This study specifically looked at working memory in order to measure cognitive ability.

Personality

Are you outgoing and personable (extrovert) or shy and unsocial (introvert)? Which category you fall into could also be a factor in determining when you will stop working. If you are the outgoing, personable, life of the party-type, you are more likely to work past age 65, according to the study. This makes sense as our jobs are a social network for us. Extroverts are more likely to want to maintain and expand social networks, so being engaged with other adults on a regular basis is more attractive for them.

What You Should Do With This Information

This report provides some interesting insight into future planning as it goes beyond finances and examines health, brain function, and personality. In planning for your next chapter, these should all be factors to consider. If you have a strong desire to take the traditional path to retirement, ask yourself these questions:

- Can I afford to pay all of my bills and live the lifestyle I want?
- What is my personal health and how long do I think I’ll live?
- Will I need to seek out social networks outside of work or am I okay with having more time alone?

If the non-traditional path sounds better to you, prepare by asking these questions:

- How is my brain power? Will my working memory allow me to be productive past age 65?
- Do I want to work part time, full time, or start my own business?
- Are my motivations for working longer financial, social, health-related, or something else?

It’s all about creating the future lifestyle you want. In order to create it, you must start planning now, if you haven’t already, and continue planning throughout your working career. Visualize what you want your future to look like and set a plan in motion to make it happen.
Questions from You:
What Happens to My Benefit if I Change Jobs?

A member recently emailed the following question: I am currently a vested member and am possibly getting ready to change jobs to an employer that does not have LAGERS. I want to keep my LAGERS because I am a vested member, how do I do that?

Once you become vested in LAGERS, meaning you have earned at least 60 months of LAGERS service, you will be eligible to receive a monthly benefit at retirement. For some, this may mean going directly from LAGERS-covered employment to retirement. For others, there may be a non-LAGERS covered job along the way. If you find yourself changing jobs before retirement, the good news is your LAGERS benefit will be there for you once you become eligible to begin receiving your monthly benefit!

If you are already vested and you leave LAGERS-covered employment, you can simply wait until you reach your normal retirement age and begin receiving your monthly benefit. You can do this by applying on your myLAGERS account or complete the Application for Retirement Form and select the “deferred retirement” box. A deferred retirement means you are no longer adding credited service toward your LAGERS benefit, but you will receive your monthly benefit from your vested account once you reach retirement age. By applying for a deferred benefit, we can go ahead and take care of your wage certifications that we require from your employer at retirement, helping to ensure a smooth retirement process in the future!

If you leave LAGERS-covered employment, and we don’t hear from you, your account will automatically be in deferred status, and you would be eligible to apply for your benefit in the future.

If you are not vested when you leave LAGERS-covered employment, or you wonder if you would qualify for a lump sum payout, visit our Leaving LAGERS Employment page to learn more! https://www.molagers.org/leaving-employment.html

A couple other things to keep in mind: If you are a deferred member and reemploy with a LAGERS employer in the future, your credited service would pick right up where you left off, and you would simply reapply for retirement once you stopped working. If you never return to LAGERS coverage, you can expect to hear from us a few months before you reach your early retirement age and again a few months before you reach your full retirement age just to remind you that you are now eligible to begin receiving your benefit. You will be eligible to begin receiving a monthly benefit at retirement age even if you are still working somewhere outside the LAGERS system!

As always, our friendly benefit specialists are just a phone call away, so if you have a question about your specific circumstance, please don’t hesitate to give us a call!

A Blog Post by Elizabeth Althoff
Legislative & Communications Coordinator