2020 Economic Impact Report
Missouri LAGERS
A Secure Retirement For All
LAGERS Board of Trustees

LAGERS does not receive any funding from the state of Missouri. Rather, each local government entity is obligated to fund the benefits it chooses for its group of employees.
For over 50 years, Missouri LAGERS has helped middle class workers transition into middle class retirees. Dependable monthly income is essential for people to exit the workforce with dignity, and helps them maintain their standard of living throughout retirement.

Every hard working Missourian should be able to retire with dignity whether they work in the public or private sector. Retirement security is an important issue in this state. LAGERS understands this importance, and strives to ensure this security every day.

LAGERS is a defined benefit pension plan. Defined benefit plans pay a retiree a modest, pre-determined amount each month. The amount of the benefit is based on a formula, not an account balance, and is driven by the employee’s years of service and salary. Defined Benefit plans remain the most economical and effective retirement plans not only for employees, but for employers and taxpayers as well. They provide a clear and secure path to retirement for employees and help employers recruit and retain a strong, loyal workforce.

Defined benefit plans return value to the communities as well. Approximately 93% of the benefits are paid to retirees living in the communities they served as public workers. The steady monthly retirement benefits received by these pensioners are not stuffed under a mattress, but reinvested in their hometowns.

2020 BY THE NUMBERS

LAGERS PAID OUT $356 MILLION
25,688 BENEFIT RECIPIENTS
$332 MILLION STAYING IN MISSOURI

That’s a pretty nice annual economic stabilizer for the Show-me State!
LAGERS paid out $356 million to 25,688 benefit recipients last year, with 93% ($332 million) staying in Missouri.

LAGERS Annual Benefit Payments by Region

- **Northwest**
  - 1,559 Retirees
  - $19,347,793

- **Northeast**
  - 1,168 Retirees
  - $12,437,846

- **West**
  - 4,502 Retirees
  - $77,629,373

- **Central**
  - 3,109 Retirees
  - $43,340,635

- **East**
  - 3,810 Retirees
  - $62,048,539

- **Southeast**
  - 2,809 Retirees
  - $34,152,687
Benefit Recipients
1,559

Total Annual Benefits Paid
$19,347,793

Average Annual Benefit
$12,410

Spotlight County:
BUCHANAN

Retirees:
575

Annual Benefits:
$8.7M

Annual Benefit Payments:

ST. JOSEPH: $8,796,415
EASTON: $133,602
AGENCY: $84,498
COUNTRY CLUB: $75,477
LAGERS Annual Benefit Payments in Northeast Missouri

- **Benefit Recipients:** 1,168
- **Total Annual Benefits Paid:** $12,437,846
- **Average Annual Benefit:** $10,649

**Spotlight County:** Randolph

- **Retirees:** 211
- **Annual Benefits:** $2.2M

**Annual Benefit Payments:**

- MOBERLY: $1,260,054
- HUNTSVILLE: $370,351
- HIGBEE: $180,470
- CAIRO: $174,349
Benefit Recipients
4,502
Total Annual Benefits Paid
$77,629,373
Average Annual Benefit
$17,243

Spotlight County:
JACKSON
Retirees:
1,735
Annual Benefits: $37.7M

Annual Benefit Payments:
INDEPENDENCE: .................. $15,838,326
LEE'S SUMMIT: .................. $7,521,508
BLUE SPRINGS: .................. $6,219,553
KANSAS CITY: .................. $6,004,666
OAK GROVE: .................... $1,378,250
RAYTOWN: ....................... $751,365
SUGAR CREEK: ................... $481,618
LAGERS ANNUAL BENEFIT PAYMENTS TO CENTRAL MISSOURI

Benefit Recipients
3,109
Total Annual Benefits Paid
$43,340,635
Average Annual Benefit
$13,940

Spotlight County: CAMDEN
Retirees: 275
Annual Benefits: $3.0M

Annual Benefit Payments:
CAMDENTON:............. $1,255,049
OSAGE BEACH: ............ $230,717
SUNRISE BEACH: ........... $249,828
CLIMAX SPRINGS: .......... $184,523
LINN CREEK: ................ $172,846
Benefit Recipients
3,810
Total Annual Benefits Paid
$62,048,539
Average Annual Benefit
$16,286

Spotlight County:
ST. LOUIS
Retirees:
825
Annual Benefits:
$12.6M

Annual Benefit Payments:
BALLWIN: $6,112,677
FLORRISANT: $4,916,514
WEBSTER
GROVES: $1,141,953
BERKELEY: $861,146
LAGERS ANNUAL BENEFIT PAYMENTS IN SOUTHWEST MISSOURI

Benefit Recipients
4,951

Total Annual Benefits Paid
$83,524,643

Average Annual Benefit
$16,870

Spotlight County: GREENE
Retirees: 1,781
Annual Benefits: $41.2 M

Annual Benefit Payments:
SPRINGFIELD: $30,254,051
REPUBLIC: $2,126,162
ASH GROVE: $1,014,107
STRAFFORD: $1,426,980
BATTLEFIELD: $1,004,432
Benefit Recipients
2,809

Total Annual Benefits Paid
$34,152,687

Average Annual Benefit
$12,158

Spotlight County:
IRON
Retirees:
57
Annual Benefits:
$536K

Annual Benefit Payments:
IRONTON: .................. $289,276
ARCADIA: ................... $101,406
PILOT KNOB: ................ $50,570
ANNAPOLIS:............... $54,694
LAGERS Statistical Summary

Local Governments participating in LAGERS

LAGERS is currently 93.7% pre-funded. This simply means that LAGERS has approximately 94 cents in assets for every dollar of present and future liabilities.

Participating Local Government units are 75% pre-funded or better.

$1.8 BILLION
Total annual payroll of active participants

2.8%
% of Local government’s total budget devoted to LAGERS contributions

LAGERS Total Members
35,810 Active Members
25,668 Retired Members & Beneficiaries
8,132 Vested Former Members

Average Members Per MO County
314 Active Members
225 Retired Members & Beneficiaries
71 Vested Former Members

6 OUT OF 10
Participating Local Government units are 75% pre-funded or better.

806+
Local Governments participating in LAGERS

ASSETS
94¢ FOR EVERY DOLLAR
PART TWO: ECONOMIC IMPACT OF ANNUAL BENEFIT PAYMENTS TO MISSOURI

All Americans deserve financial security in retirement. Not only are well-managed pension plans good for workers, they are also good for Missouri.

The multipliers used in this report are from Pensionomics 2021: Measuring the Economic Impact of DB Pension Expenditures, National Institute on Retirement Security.

The LAGERS data used in this study:

Fiscal Year 2020 benefits were paid to 25,668 benefit recipients, 21,906 of them live in Missouri.

Of the $356 million in total benefits paid by LAGERS in Fiscal Year 2020, $332 million was paid to Missouri residents.
ECONOMIC IMPACT

The Multiplier Effect:
How spending flows through the economy, supporting jobs and incomes in the process.

PENSION BENEFIT
A retired sheriff...

DIRECT IMPACT
...uses his pension money to buy a new lawnmower.

INDIRECT IMPACT
As a result of that purchase, the owner of the hardware store, the lawnmower salesman, and each of the companies involved in the production of the lawnmower all see an increase in income, and spend that additional income.

INDUCED IMPACT
These companies hire additional employees as a result of this increased business, and those new employees spend their paychecks in the local economy.
Each $1 in state and local pension benefits paid to Missouri residents ultimately supported $1.50 in total output in the state. This “multiplier” incorporates the direct, indirect, and induced impacts of retiree spending, as it ripples through the state economy.
LAGERS HAS BEEN GETTING IT RIGHT FOR OVER 50 YEARS.

The modest benefits being paid to Missouri Local Government Employees Retirement System retirees help middle class workers transition into retirement and remain middle class.

LAGERS members work hard. And each month of hard work helps them get a little closer to a dignified, secure retirement. LAGERS members are thousands of police officers, fire fighters, librarians, utility workers, and many more located in every corner of Missouri. They serve our communities everyday to make Missouri a great place to live.

LAGERS retirees dedicated their careers to their communities and are still making an impact today. Ninety-three percent of the $356 million LAGERS pays in annual benefits stays in Missouri communities to promote economic stability across the state.

Defined benefit pension plans are not only good for the retiree, but also for the worker, employer, taxpayer, and Missouri.

LAGERS is a retirement system that serves Missouri communities by helping attract quality public servants, capturing their most productive years, then enabling them with a means to exit the workforce with dignity.

MISSOURI LAGERS
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