



WELCOME!
LAGERS 54TH ANNUAL MEETING





STATE OF THE SYSTEM 2021

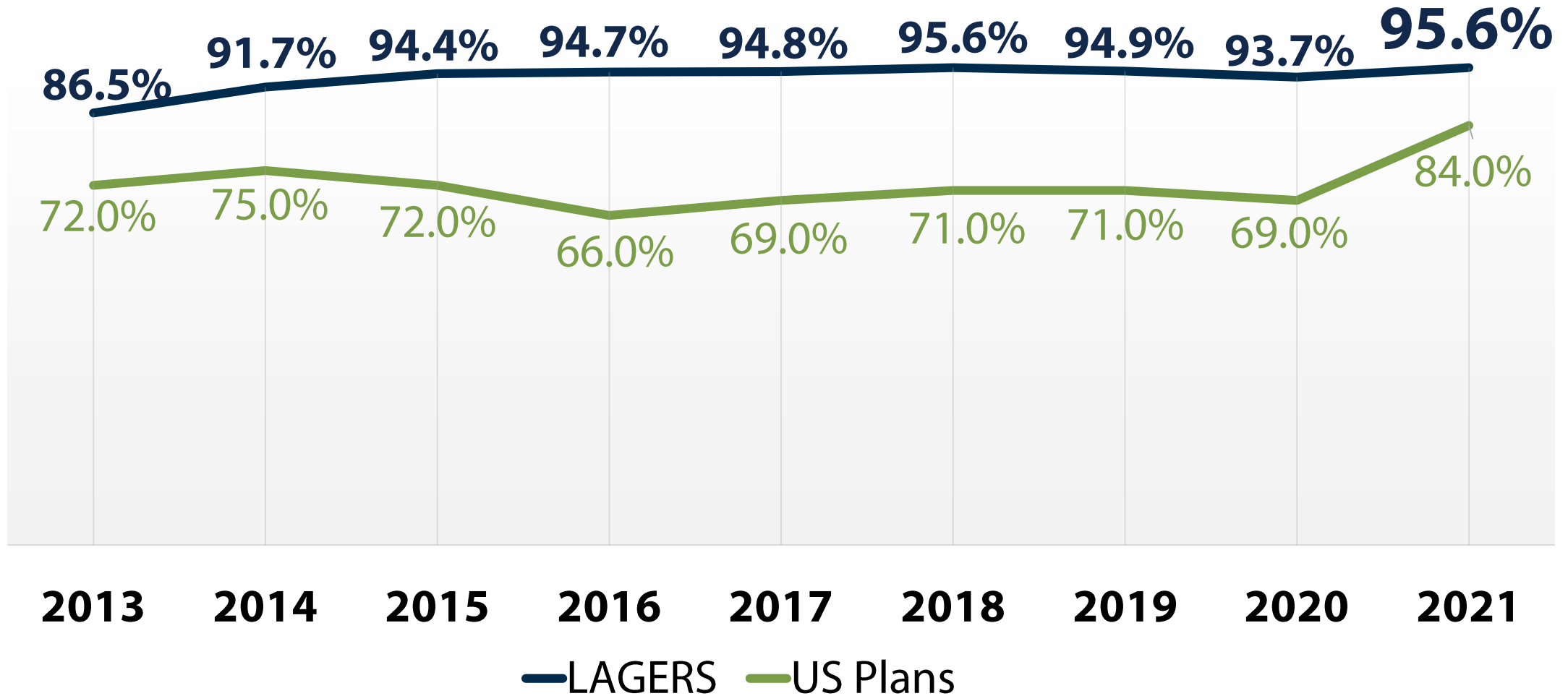
ROBERT L. WILSON, CEBS, EXECUTIVE DIRECTOR



THE PURPOSE OF A RETIREMENT PLAN



| LAGERS: STABLE, SAFE, SECURE...& EFFICIENT



WHO WE SERVE

821

Employers

35,380

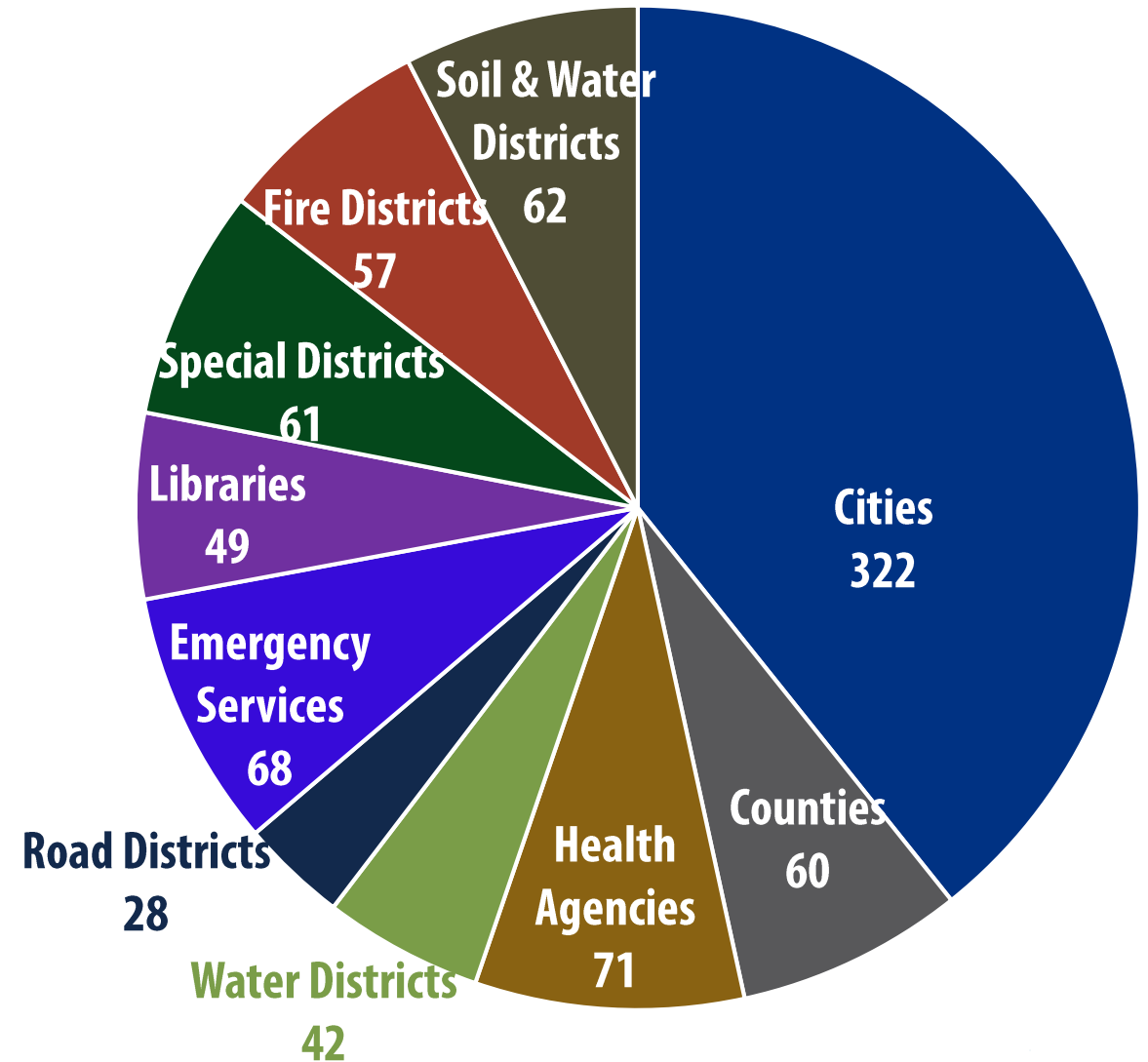
Active Members

26,421

Retirees

4,862

Former Vested Members



THE FUNDED STATUS FOR EACH EMPLOYER GROUP VARIES

**129 OF THESE
HAVE JOINED
WITHIN LAST 10
YEARS**

253

UNDER 50%

174

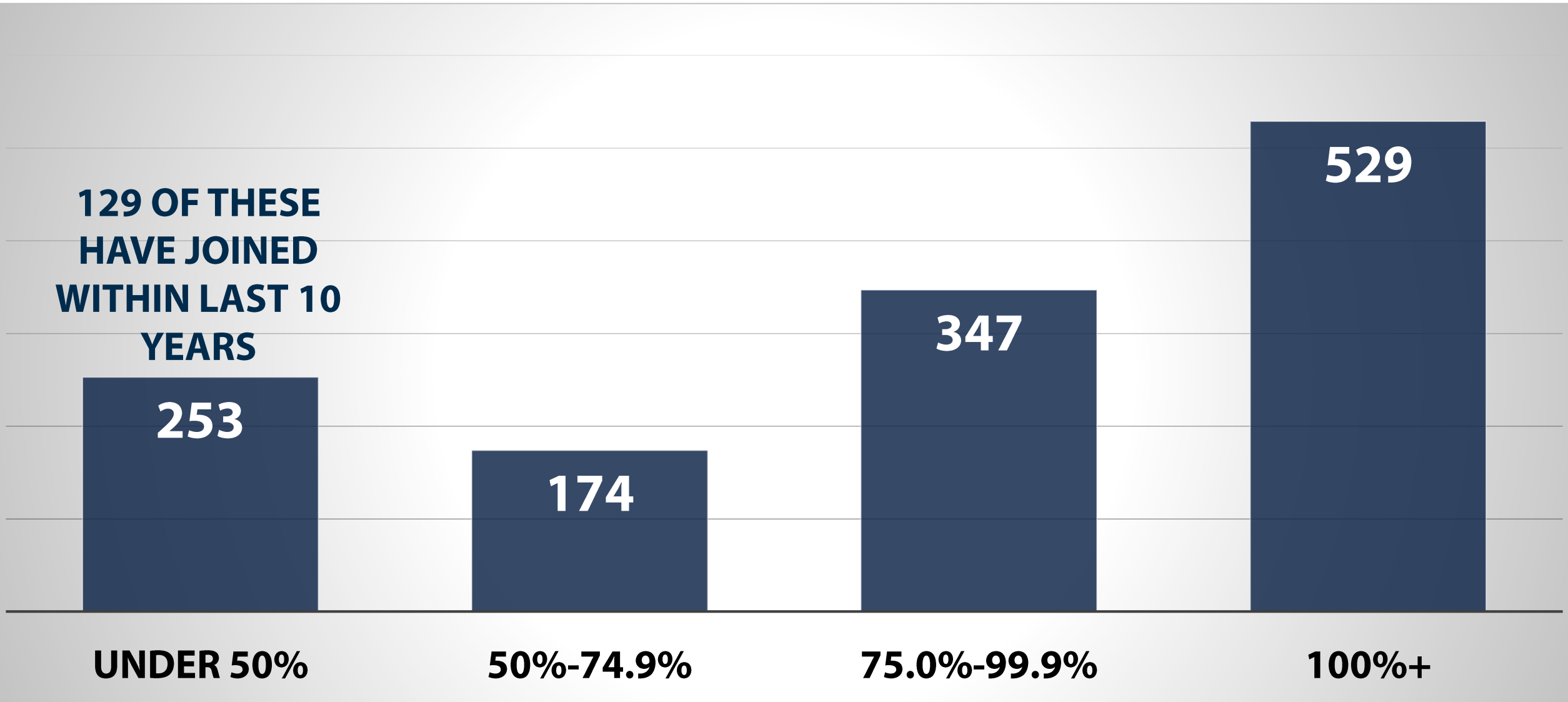
50%-74.9%

347

75.0%-99.9%

529

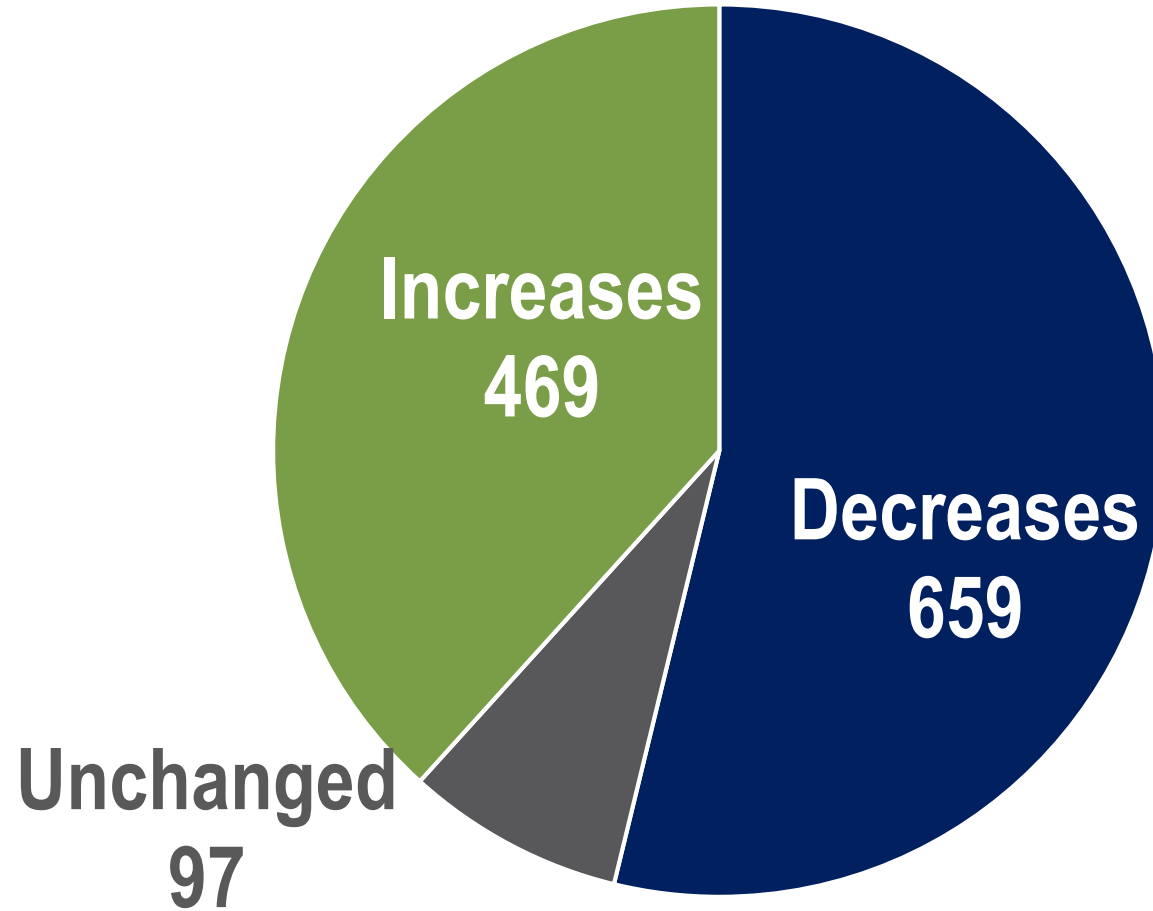
100%+



ACTUARIAL ASSUMPTION ADJUSTMENTS

- **Utilization of the Pub-2010 Mortality Table (adjusted to reflect LAGERS' experience)**
- **Lowering the price inflation assumption from 2.50% to 2.25%**
- **Lowering the wage inflation assumption from 3.25% to 2.75%**
- **Lowering the retiree COLA assumption from 2.50% to 2.00%**
- **Lowering the investment return assumption from 7.25% to 7.00%**
- **Slight changes to assumptions regarding active member withdrawals and retirement rates**

EMPLOYER CONTRIBUTION RATES FOR 2022



LAGERS SAFEGUARDS

- **Constant Monitoring**
- **Minor Adjustments to Annual Employer Rates**
- **Ensuring Full Contributions are Made**
- **Pooled Casualty Reserve Fund**
- **Separate Benefit Reserve Fund**
- **Five Year Smoothing of Investment Gains/Losses**

Development of Funding Value of Retirement System Assets

Year Ending February 28:	2021	2022	2023	2024	2025
A. Actuarial Value Beginning of Year	\$8,083,647,978				
B. Market Value End of Year	9,246,453,190				
C. Market Value Beginning of Year	8,137,172,285				
D. Non-Investment/Administrative Net Cash Flow	(126,300,721)				
E. Investment Income					
E1. Market Total: B-C-D	1,235,581,626				
E2. Assumed Rate of Return	7.25%				
E3. Amount for Immediate Recognition	581,486,077				
E4. Amount for Phased-In Recognition: E1-E3	654,095,549				
F. Phased-In Recognition of Investment Income					
F1. Current Year: 0.20 x E4	130,819,110				
F2. First Prior Year	(10,585,696)	\$ 130,819,110			
F3. Second Prior Year	(56,332,194)	(10,585,696)	\$ 130,819,110		
F4. Third Prior Year	90,578,486	(56,332,194)	(10,585,696)	\$ 130,819,110	
F5. Fourth Prior Year	83,706,698	90,578,487	(56,332,194)	(10,585,694)	\$ 130,819,109
F6. Total Recognized Phase-Ins	238,186,404	154,479,707	63,901,220	120,233,416	130,819,109



STRATEGIC PLAN: FOCUSED ON OUR STAKEHOLDERS

- **Safeguard assets in order to ensure the long-term sustainability of the pension fund while maintaining reasonable benefits.**
- **Provide superior service while engaging stakeholders in order to promote a secure retirement for all.**
- **Ensure highly qualified and engaged team to provide best possible outcome for our stakeholders.**
- **Optimize utilization of technology and strive for innovation in all areas of the organization.**



NOTABLE ACTIVITIES 2020-2021

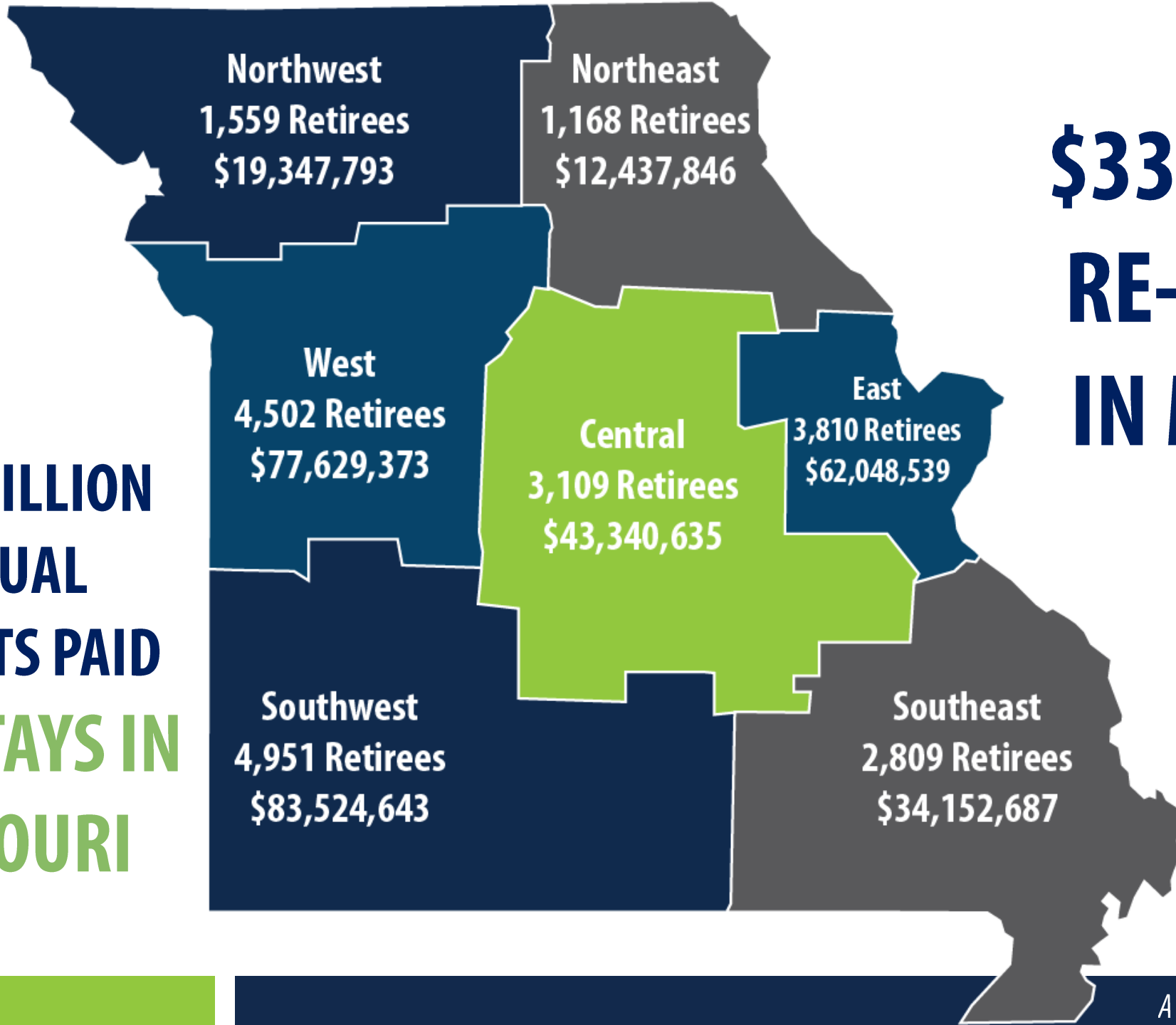
- **GFOA for Financial Reporting Award – 43rd Consecutive Year**
- **Ambassador Program**
- **Listening Sessions**



KEY CHALLENGES FACING OUR SYSTEM

- **Employers' Recruiting and Retention of Employees**
- **Communicating Value of LAGERS to All Age Groups**
- **Growth of Membership & Increasing Complexity**
- **Nationwide Public Perception of Pensions**

**\$356 MILLION
ANNUAL
BENEFITS PAID**
**93% STAYS IN
MISSOURI**

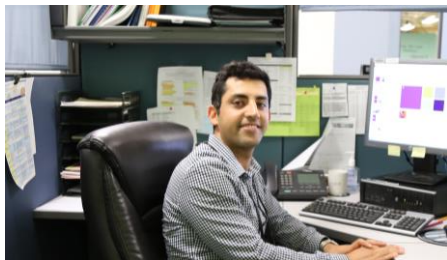


**\$332 MILLION
RE-INVESTED
IN MISSOURI**

A secure retirement for all



LAGERS: WORKING WELL.....FOR EVERYONE



THE PURPOSE OF A RETIREMENT PLAN

