

MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

# 53rd Annual COMPREHENSIVE FINANCIAL Report

*For Fiscal Year Ended June 30, 2021*





# MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

FIFTY-THIRD ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2021

Robert L. Wilson, CEBS  
Executive Director

Melissa K. Rackers, CPA, CGFM, CEBS  
Chief Financial Officer



Missouri Local Government  
Employees Retirement System  
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Cover Photo Credit:  
Nodaway County Ambulance District, Maryville, MO

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Photo Credit: Local Government Hero Finalist  
Robyn Kaufman  
Retired Executive Director  
Boone County Family Resources

# SECTION 1: *Introduction*

# Vision, Mission, Values

At LAGERS, we believe in a secure retirement for all and strive to achieve this vision by pursuing our mission of providing secure retirement, survivor's and disability benefits to local government subdivisions in Missouri. Our mission and vision are supported by the values held in high regard by the Board of Trustees and team. The pyramid below illustrates LAGERS vision, mission and values.



# Administrative Organization

## ADMINISTRATIVE ORGANIZATION - BOARD

The board operates with the assistance of three committees, appointed by the chairperson: audit and finance, legislative and governance.

### Audit and Finance Committee

- Arby Todd\*
- J. Robert Ashcroft
- Joan Jadali

### Legislative Committee

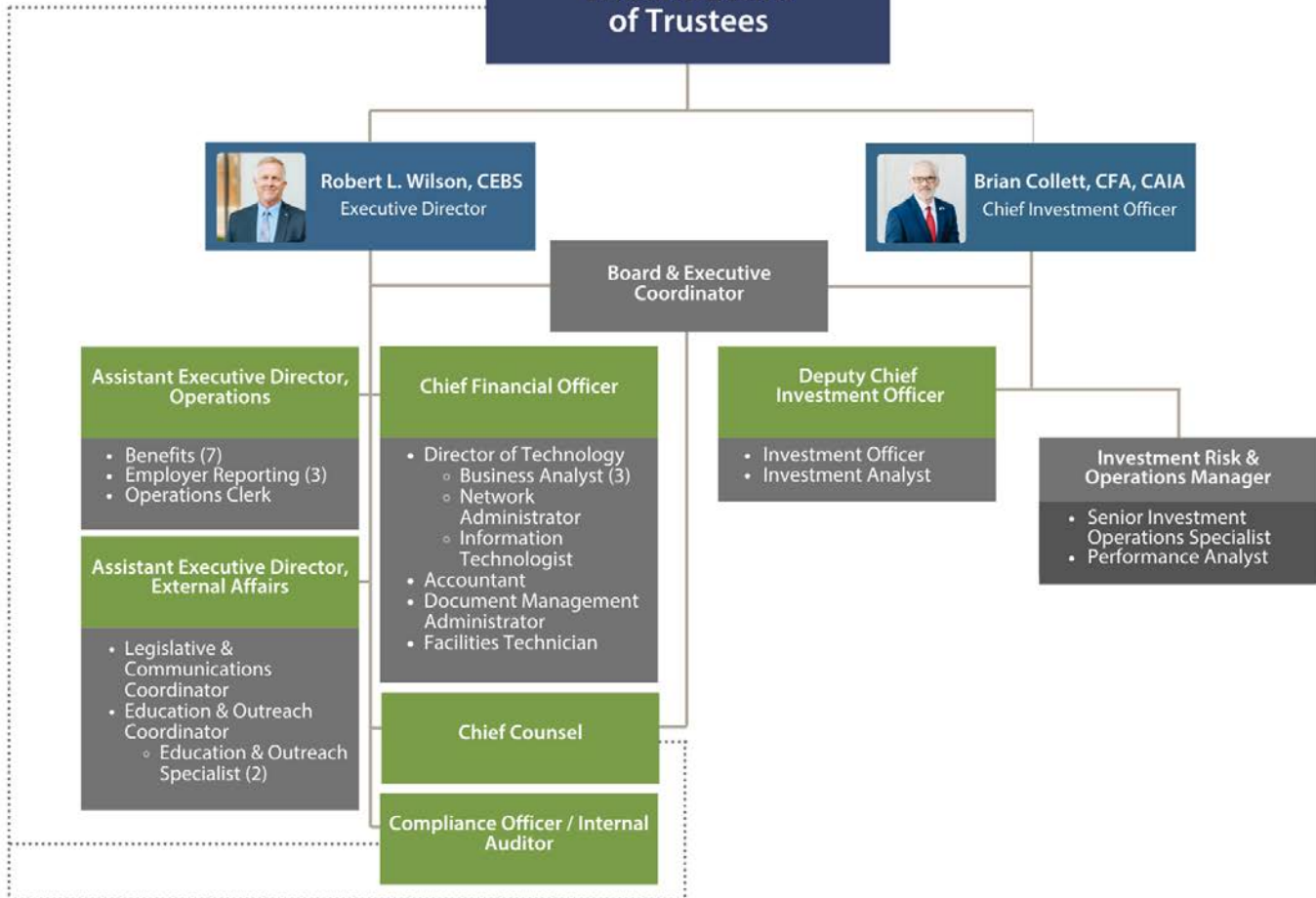
- Claire West\*
- Barry McCullough
- Sandy Walker

### Governance Committee

- Frank Buck\*
- Claire West
- Barry McCullough

\*Committee Chairperson

## ADMINISTRATIVE ORGANIZATION - TEAM



## Consulting Services

The following firms were retained at fiscal year-end and by the Board of Trustees to serve in professional capacities or provide consultant services. Please refer to page 65 for the schedule of Advisor Fees, page 68 for the Brokerage Commissions and page 66 for the investment professionals.

### Actuary

Gabriel, Roeder, Smith & Co.  
Mita D. Drazilov  
Judith A. Kermans  
Southfield, MI

### Auditor

Williams Keepers, LLC  
Certified Public Accountant  
Nick Mestres, CPA  
Jefferson City, MO

### Eclipse Consultant

Sagitec Solutions, LLC  
Paul Eberhart  
Little Canada, MN

### Legal Counsel

Husch Blackwell, LLP  
Attorneys at Law  
Lowell Pearson  
Jefferson City, MO.

### Legal Counsel

Thompson Coburn, LLP  
Attorneys at Law  
Gregory A. Patterson  
St. Louis, MO

### Legislative Consultant

Flotron & McIntosh  
Richard McIntosh  
Jefferson City, MO

### Medical Advisor

University of Massachusetts  
Medical School  
Disability Evaluation Services  
Jody Simpson, RN  
Shrewsbury, MA

## Awards

### CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Missouri Local Government  
Employees Retirement System**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

### PPCC ACHIEVEMENT AWARD FOR FUNDING



Public Pension Coordinating Council

**Recognition Award for Funding  
2020**

Presented to

**Missouri Local Government Employees  
Retirement System**

In recognition of meeting professional standards for  
plan funding as  
set forth in the Public Pension Standards.

*Presented by the Public Pension Coordinating Council, a confederation of*

National Association of State Retirement Administrators (NASRA)  
National Conference on Public Employee Retirement Systems (NCPERS)  
National Council on Teacher Retirement (NCTR)

*Alan H. Winkle*

Alan H. Winkle  
Program Administrator



# Acknowledgements

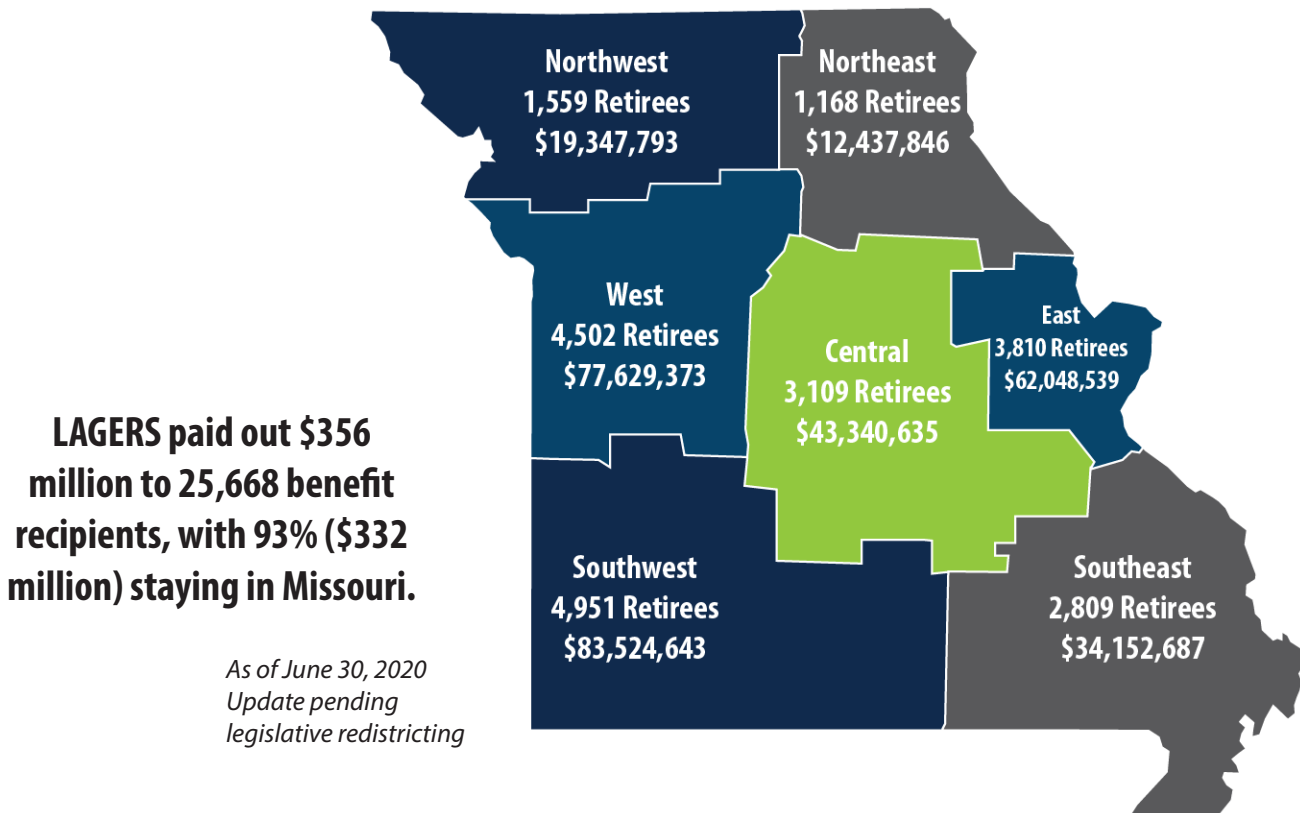
The LAGERS Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021, was coordinated by the Chief Financial Officer. Special thanks to the individuals who contributed significant amounts of time and energy to help complete this report.

- Danielle Plassmeyer, Accountant
- Erin Stieferman, Investment Risk and Operations Manager
- Ashley Schmitz, Senior Investment Operations Specialist
- Penny Thomas, Education and Outreach Specialist

# Economic Impact

LAGERS is a defined benefit pension plan. Defined benefit plans pay a retiree a modest, predetermined 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 reinvested in their hometowns.



## Letter of Transmittal



### MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102  
Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671  
[www.molagers.org](http://www.molagers.org)

November 5, 2021

The Board of Trustees  
Missouri Local Government  
Employees Retirement System  
Jefferson City, MO 65102

The Annual Report of the Missouri Local Government Employees Retirement System (LAGERS) for the fiscal year ended June 30, 2021, is submitted herewith. The management of LAGERS is responsible for the compilation and accuracy of the financial, investment, actuarial and statistical information contained in this report. Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, rests with the management of the system. We trust that you and the members of the system will find this annual report helpful in understanding your public employee retirement system – a system which continues to maintain a strong and positive financial future.

The LAGERS system was established in 1967 consisting of 10 employers and has subsequently expanded to include 822 political subdivisions of the state. A listing of the current employers begins on page 94.

### STRATEGIC PLANNING

The core of our strategic planning is our values. Our values are the beliefs that we hold dear and provide the guidance for how we conduct ourselves. Our values provide the support for our mission and vision statements (as stated on page 6). With these three components in place we were able to develop a three-year strategic plan which includes critical success factors, key strategies, objectives and action items. The four critical success factors are: funding sustainability, stakeholder service and outreach, staffing, and technology and cybersecurity. LAGERS management team developed key strategies we must achieve for success, objectives for how we will achieve the key strategies and planned actions for how we will accomplish the objectives. The strategic plan then becomes the basis for the annual business plan and budgeting process for the fiscal year. The development of the business plan is a coordinated effort of LAGERS management team.

### CURRENT AND FUTURE INITIATIVES

The following items provide insight on a few initiatives the LAGERS team is currently focused on:

- Enhancing and expanding our outreach to all stakeholders. We are focused on communicating at the local, state and national level the value of public service and defined benefit plans. LAGERS has focused its communication strategy on the strength and security of our system as an essential building block for Missouri's communities. We're sharing our plan design and operation as a role model of success.

New for 2021 are LAGERS Listening Sessions. These sessions are designed for LAGERS' team members to meet with leaders of our participating political subdivisions to discuss what challenges they are facing in our current environment. Having a better understanding of these challenges helps LAGERS better serve the membership.

- Ensuring the security of the system's data and business continuity. LAGERS information technology team continues to focus on cybersecurity protection and ensuring LAGERS ability to continue serving our members in the event of a disaster. We have also implemented annual training on social engineering for the entire LAGERS team.

During the 2021 fiscal period the LAGERS team completed an initiative to transition the processing of all member and participating political subdivision paper documentation to electronic processes. By doing this we ensure a higher level of security and more efficient handling of member data.

- Ensuring the long-term sustainability of the system. LAGERS worked with the actuaries during the fiscal year to complete an actuarial experience study. The purpose of an actuarial experience study is to review the difference between the system's assumed and actual experience with the goal of examining the trends related to actual experience and making changes to assumptions, if needed. LAGERS completes an actuarial experience study every five years. The results of this study led to the Board of Trustees adopting several new assumptions which can be found in the Actuarial Section of this report.

## ACCOUNTING SYSTEMS AND REPORTS

The report was prepared to conform with the principles of governmental accounting and reporting as put forth by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants.

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the LAGERS system for its comprehensive annual financial report for the fiscal year ended June 30, 2020. LAGERS has received this prestigious award for its annual report in each of the last 43 years.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe this report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

The Financial section of the report contains the independent auditors' letter, management's discussion and analysis, the financial statements, notes and other required supplementary information. Management's discussion and analysis provides a narrative introduction and overview of the financial statements and should be read in conjunction with those statements.

Transactions of the LAGERS system are reported on the accrual basis of accounting. The management of the system is charged with maintaining a sound system of internal controls. The objectives of such a system are to provide management with reasonable assurance, rather than absolute assurance, that assets are safeguarded against loss from unauthorized use, and they are recorded properly to permit the preparation of financial statements. Even though there are inherent limitations in any system of internal controls because the cost of a control should not exceed the benefits to be derived, the management of LAGERS makes every effort to ensure that through systematic reporting and internal reviews, errors or fraud are quickly detected and corrected.

## REVENUES

The collection of employer and employee contributions, as well as income from investments, provides the reserves needed to finance retirement benefits. Contributions and investment income for fiscal year 2021 total \$2,515,694,218. This amount includes realized and unrealized gains/losses. In the upcoming year, while some employer contribution rates are increasing, 62 percent are decreasing or remaining unchanged primarily due to more than assumed investment returns.

## EXPENSES

The principal purpose for which LAGERS was created was to provide retirement annuities, survivor benefits, and total and permanent disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments as designated by the plan, refunds of contributions to terminated employees, and the cost of administering the system. Expenses for fiscal year 2021 totaled \$391,325,156, an increase of 7.3% over fiscal year 2020 expenses. The increase in expenses resulted primarily from monthly payments to the additional number of retirees and partial lump-sum payments to retirees.

## INVESTMENTS

The investments of LAGERS are governed primarily by an investment authority known as the "prudent person rule". The prudent person rule establishes a standard for all fiduciaries, which includes anyone that has authority with respect to

## Letter of Transmittal (continued)

the fund. The prudent person standard states that fiduciaries shall discharge their duties solely in the interest of the fund participants and beneficiaries and with the degree of diligence, care, and skill which prudent men and women would ordinarily exercise under similar circumstances in a like position. By permitting further diversification of investments within a fund, the prudent person standard may enable a fund to reduce overall risk and increase return. A summary of the asset allocation can be found on page 58 of this report.

The prudent person rule permits the fund to establish an investment policy based upon certain investment criteria and allows for the delegation of investment authority to professional investment advisors. The statement of investment policy outlines the responsibility for the investment of the fund and the degree of risk that is seemed appropriate for the fund. Investment advisors are to execute the investment policy in accordance with the statutory authority, the Board policy and their respective guidelines, but are to use full discretion within the policy and guidelines. For fiscal year 2021 investments provided a 29.48% rate of return. The longer time periods of 5, 10 and 20 years provided returns of 12.42%, 9.97% and 8.10%, respectively.

### FUNDING

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. The LAGERS funding objective is to meet long term benefit promises through contributions that remain approximately level as a percent of member payroll. The greater the level of funding, the larger the ratio of assets accumulated to the actuarial accrued liability and the greater the level of investment potential. At June 30, 2021, the system has a funded status of 95.6%. The advantage of a well funded plan is that the participants can look at assets that are committed to the payment of benefits. A detailed discussion of funding is provided in the Actuarial Section of this report.

### PROFESSIONAL SERVICES

Professional consultants are appointed by the Board of Trustees to perform professional services that are essential to the effective and efficient operation of LAGERS. An opinion from the certified public accountant and the actuary are included in this report. The consultants appointed by the Board are listed on page 8 of this report.

### ACKNOWLEDGEMENTS

The compilation of this report reflects the combined effort of the LAGERS team under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means for determining responsible stewardship of the funds of the system.

The report is being provided electronically and by mail upon request to all employer members of the system. They form the link between LAGERS and its membership. Their cooperation contributes significantly to the success of LAGERS. We trust the employers and their employees find this report informative. An electronic version of this report is available on the LAGERS website at [www.molagers.org](http://www.molagers.org).

On behalf of the Board of Trustees, we would like to take this opportunity to express our gratitude to the team, the advisors, and the many people who have worked so diligently to assure the successful operation of the system.


Respectfully submitted,



Robert L. Wilson, CEBS  
Executive Director



Melissa K. Rackers, CPA, CEBS, CGFM  
Chief Financial Officer



# Chairperson's Report



## MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102  
Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671

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

November 5, 2021

To all LAGERS members:

On behalf of the LAGERS Board of Trustees, I am proud to present the Annual Report of the LAGERS system for the fiscal year ending June 30, 2021. Within this report, you will find a detailed analysis of the financial, investment, and actuarial performance of the system.

Your LAGERS Board of Trustees is a highly knowledgeable and committed group of fiduciaries, and I am proud to serve as their Chairperson. In collaboration with LAGERS' team, we have worked hard to deliver exceptional results for our membership, and I believe this report affirms our success.

Of note over the past year, the LAGERS Board had two areas' of particular emphasis: funding sustainability and stakeholder services. We took advantage of the strong investment performance of the system, which came in at 29.5% for the year, to make a proactive change to our assumed rate of return. This modest adjustment to our investment assumption from 7.25% to 7.00% will help further ensure LAGERS can deliver sustainable, secure retirement benefits for generations to come. Even considering this change, the system's funding level rose to an impressive 95.6% pre-funded, placing the LAGERS system among the best-funded public pension plans in the nation. I am proud of this system's commitment to funding excellence, which coupled with outstanding plan design, positions us very well for the future. In addition to funding sustainability, our emphasis on stakeholder services is a hallmark of our system, and one, which I believe, sets us above our peers. The following initiatives are just a few of the offerings that LAGERS focused on this year:

- LAGERS Legacy Plan administration, which allows LAGERS to assist government employers in administering closed defined benefit plans.
- LAGERS Lunch Breaks, which are on-site meetings targeted at educating early career employees on the financial value of their LAGERS benefits.
- Stakeholder Relations Program, which empowers the LAGERS team to attend your trade conferences and industry events to build and strengthen the network of our local government partners across the state.
- LAGERS Ambassador Program, which engages retired LAGERS members to assist in advocacy, education, and stakeholder relations efforts.

These types of programs are not only key to delivering top-notch service to our membership, but to continuing to support and grow the proven defined benefit model in our state. We continue to experience sustained membership growth adding 16 new employers to the system in the past year. Our new employers tell us that not only have they sought LAGERS out for the financial security we provide our members, but for the added recruitment and retention benefits a well-run plan, like LAGERS, can offer.

As we look into in the coming year, rest assured your LAGERS Board of Trustees is committed to delivering continued excellence to our membership. It is an honor and privilege to represent the amazing public servants of this great state. If we can ever be of further service, please do not hesitate to contact the LAGERS office.



Respectfully,

Joan Jadali, Chairperson  
LAGERS Board of Trustees

## Board of Trustees



From Left: Frank Buck, Arby Todd, Joan Jadali, Barry McCullough, Sandy Walker, J. Robert Ashcroft, Claire West

**Arby Todd**  
**Member Trustee**  
City of Lee's Summit  
Term Expires 12-31-2021

**Joan Jadali**  
**Member Trustee**  
**Chairperson**  
City of Town & Country  
Term Expires 12-31-2022

**Frank Buck**  
**Employer Trustee**  
DeKalb County  
Term Expires 12-31-2024

**J. Robert Ashcroft**  
**Employer Trustee**  
Platte County  
Term Expires 12-31-2021

**Sandy Walker**  
**Member Trustee**  
City of Poplar Bluff  
Term Expires 12-31-2024

**Barry McCullough**  
**Employer Trustee**  
**Vice-Chairperson**  
City of Gladstone  
Term Expires 12-31-2022

**Claire West**  
**Citizen Trustee**  
Term Expires 12-31-2021

## LAGERS Executive Team



From Left: Melissa Rackers, Tami Jaegers, Pam Hopkins, Robert Wilson, Jason Paulsmeyer, Brian Collett, Jeff Kempker, Sheila Reinsch

**Robert Wilson,**  
CEBS  
Executive Director

**Brian Collett,**  
CFA, CAIA  
Chief Investment Officer

**Jason Paulsmeyer**  
Chief Counsel

**Melissa Rackers,**  
CPA, CGFM, CEBS  
Chief Financial Officer

**Sheila Reinsch,**  
Board & Executive  
Coordinator

**Jeff Kempker,**  
CEBS, CRC  
Asst. Executive Director,  
External Affairs

**Tami Jaegers,**  
RPA  
Asst. Executive Director,  
Operations

**Pam Hopkins,**  
CPA, CIA, CRMA, RPA, CGFM,  
Compliance Officer /  
Internal Auditor

## LAGERS Team

### Benefits Team



From Left: Tammy Burlbaw, Danielle Wilbers, Betty Rutledge, Dana Eichholz, Tami Jaegers, Amanda Stratman, Maggie Etter, Leslie Loar, Stephanie Leonard

### Administrative Team



From Left: Danielle Plassmeyer, Dale Feeler, Melissa Rackers, Jan Kinard

### Employer Reporting Team



From Left: Miranda Fishback, Dennise Schaben, Tami Jaegers, Candace Schwartz

### Information Technology Team



From Left: Meghan Gentges, Mya Bernskoetter, Misty Brazzell, Jamie Houk, Richard Allison, Melissa Rackers

### Investment Team



From Left: Reed Sahadevan, Derek Trinh, Erin Stieferman, Brian Collett, Megan Loehner, Ashley Schmitz, Tyler Luebbert, Hannah Wells

### External Affairs Team



From Left: Ginnie Medlin, Penny Thomas, Jeff Kempker, Elizabeth Althoff, Jeff Pabst





Photo Credit: Local Government Hero Finalist  
Dan Burns  
Mechanic  
Battlefield Fire Protection District

## SECTION 2: *Financial*

# Independent Auditors' Report



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OFFICE (573) 442-6171 FAX (573) 777-7800

3220 West Edgewood, Suite E, Jefferson City, MO 65109

OFFICE (573) 635-6196 FAX (573) 644-7240

www.williamskeepers.com

## INDEPENDENT AUDITORS' REPORT

The Board of Trustees  
Missouri Local Government  
Employees Retirement System

### Report on the Financial Statements

We have audited the accompanying statement of fiduciary net position of the Missouri Local Government Employees Retirement System (the System), as of June 30, 2021, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the System's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the System at June 30, 2021, and the changes in fiduciary net position for the year then ended, in conformity with U.S. generally accepted accounting principles.

**Other Matters*****Required Supplementary Information***

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 20 through 26 and the schedules of investment returns, changes in net pension liability, changes in net OPEB liability and related ratios, and employer contributions on pages 48 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Systems' basic financial statements. The introductory, investment, actuarial and statistical sections as listed in the table of contents, the schedule of changes in fiduciary net position by reserve, and the schedule of operating expenses on pages 53 through 54 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of changes in fiduciary net position by reserve and the schedule of operating expenses on pages 53 through 54 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information on pages 53 through 54 have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information on pages 53 through 54 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory, investment, actuarial and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements.



November 5, 2021

# Management's Discussion & Analysis (MD&A)

Management is pleased to present this overview and analysis of the financial activities of the Missouri Local Government Employees Retirement System (LAGERS) for the year ended June 30, 2021. We encourage readers to consider the information presented in conjunction with the Letter of Transmittal on page 10 of this report, the financial statements, required supplementary information, and supplementary information, which follow the MD&A.

## REQUIRED FINANCIAL STATEMENTS

LAGERS, an agent multiple-employer public employee retirement system, prepares its financial statements on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. The Statement of Fiduciary Net Position indicates the net assets available to pay future benefits and provides a snapshot at a particular point in time. The Statement of Changes in Fiduciary Net Position provides a view of the current year's additions and deductions from net assets. The Notes to the Financial Statements are necessary for a full understanding of the financial statements. The Required Supplementary Information provides the money-weighted rate of return information. In addition, there is current and historical pension liability information for the LAGERS Staff Retirement Plan and current and historical OPEB liability information for the LAGERS Staff Retiree Healthcare Supplement. Other Supplementary Information provides detailed administrative and investment expense information as well as the detailed reserve transactions for the LAGERS system.

## FINANCIAL REPORTING HIGHLIGHTS

- The LAGERS system is reporting a record high net position restricted for pensions of \$10.3 billion. This is largely due to the investment experience of the system for the past 20 years. The annualized 20 year return for the system is 8.1% with the system earning excess returns of 1.7% for that period.
- The unfunded actuarial accrued liability for the system as a whole decreased by \$142 million with a corresponding increase in the funded ratio to 95.6% based on the February 2021 actuarial valuation. One of the reasons for LAGERS strong funding position is due to the dedication of the participating political subdivisions to make their actuarial required contributions.
- Beginning with the fiscal year 2021 annual report, LAGERS has implemented GASB 84 – Fiduciary Activities. With this implementation you will now see the LAGERS Staff Retirement Plan and Staff Retiree Healthcare Supplement included in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These plans are both single-employer plans administered by the LAGERS Board of Trustees for the benefit of the LAGERS staff. The assets are held in separate trusts and can only be used for the benefit of their respective members, retirees and beneficiaries. More information about these plans can be found in the Notes to Financial Statements.

## FINANCIAL ANALYSIS OF LAGERS

LAGERS receivables consist of investments and employer and employee contributions that settle in July 2021. LAGERS had capital assets, net of accumulated depreciation, of \$7.1 million. Of the total, \$3.7 million is comprised of software needed for pension administration as well as other equipment and furniture, and \$3.4 million is comprised of buildings. In February, 2020, LAGERS purchased an additional building that is adjacent to the current property. This building was remodeled over the 2021 fiscal period and is used for meeting space, office space for the investment team and future growth. Deferred outflows and inflows of resources are related to the separate pension and OPEB plans administered by the LAGERS Board of Trustees with the participants being the employees of LAGERS. Liabilities at year end relate to accrued investment and administrative expenses, securities lending collateral and a revolving line of credit. Liabilities as of June 30, 2021 also consist of the pension liability related to the LAGERS Staff Retirement Plan and the OPEB liability related to the LAGERS Staff Retiree Healthcare Supplement.

LAGERS TRUST FUND

COMPARATIVE FINANCIAL STATEMENTS

LAGERS provides retirement, death, and disability benefits to employees of participating political subdivisions. The table below is a summary of LAGERS' Fiduciary Net Position (in thousands) as of June 30.

<b>Comparative Statement of Fiduciary Net Position</b>				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Assets</b>				
Cash	\$ 10,779	\$ 11,322	\$ (543)	(5)%
Receivables and accrued income	32,097	32,509	(412)	(1)
Prepaid expenses	114	62	52	84
Investments	10,492,224	8,366,382	2,125,842	25
Invested securities lending collateral	412,242	438,645	(26,403)	(6)
Capital assets	7,117	5,810	1,307	22
<b>Total assets</b>	<b>\$ 10,954,573</b>	<b>\$ 8,854,730</b>	<b>\$ 2,099,843</b>	<b>24%</b>
<b>Deferred outflow of resources</b>				
Outflows related to pensions	\$ 4,450	\$ 5,758	\$ (1,308)	(23)%
Outflows related to OPEB	775	1,057	(282)	(27)
<b>Total deferred outflow of resources</b>	<b>\$ 5,225</b>	<b>\$ 6,815</b>	<b>\$ (1,590)</b>	<b>(23)%</b>
<b>Liabilities</b>				
Payables and accrued expenses	\$ 7,661	\$ 8,691	\$ (1,030)	(12)%
Collateral for securities on loan	412,242	438,645	(26,403)	(6)
Line of credit	250,000	250,000	0	0
Net pension liability	825	2,325	1,500	(65)
Net OPEB liability	651	1,055	(404)	(38)
<b>Total liabilities</b>	<b>\$ 671,379</b>	<b>\$ 700,716</b>	<b>\$ (29,337)</b>	<b>(4)%</b>
<b>Deferred inflow of resources</b>				
Inflows related to pensions	\$ 3,036	\$ 140	\$ 2,896	2,069%
Inflows related to OPEB	398	73	325	445
<b>Total deferred inflow of resources</b>	<b>\$ 3,434</b>	<b>\$ 213</b>	<b>\$ 3,221</b>	<b>1,512%</b>
<b>Net position restricted for pension benefits</b>	<b>\$ 10,284,985</b>	<b>\$ 8,160,616</b>	<b>\$ 2,124,369</b>	<b>26%</b>

This table presents a \$2.1 billion increase in net position restricted for pension benefits. The increase in net position reflects the investment markets this past year which resulted in a 29.48% annualized return. As a pension fund, LAGERS must retain a long-term investment horizon and the table below presents the returns for such time frames.

	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>20 Years</u>
Annualized Returns	12.13%	12.42%	9.97%	8.10%

# Management's Discussion & Analysis (MD&A) (continued)

Capital assets is reflecting a 22% increase due to the completion of a multi-year initiative to increase office space for the administration of the system as previously discussed.

The change in prepaid expenses and payables and accrued expenses reflect the difference in timing of normal business and investment activity.

The deferred outflow and inflow of resources are related to the pension plan and retiree healthcare plan administered for the employees of LAGERS. The changes in outflows and inflows are due to the gains on expected and actual experience.

The table below is a summary of LAGERS' Changes in Fiduciary Net Position (in thousands) for the year ended June 30.

Comparative Statement of Changes in Fiduciary Net Position				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Additions</b>				
Member contributions	\$ 21,746	\$ 20,232	\$ 1,514	7 %
Employer contributions	250,378	223,366	27,012	12
Net investment income	2,239,761	103,959	2,135,802	2,054
Net securities lending income	3,809	1,591	2,218	139
Total additions	\$ 2,515,694	\$ 349,148	\$ 2,166,546	621 %
<b>Deductions</b>				
Benefit payments	\$ 382,192	\$ 356,183	\$ 26,009	7 %
Refunds	2,167	2,532	(365)	(14)
Expenses	6,966	6,134	832	14
Total deductions	\$ 391,325	\$ 364,849	\$ 26,476	7 %
Change in net position available for benefits	\$ 2,124,369	\$ (15,701)	\$ 2,140,070	13,630 %

Additions to fund benefits are accumulated through contributions and investment income. LAGERS' net investment income reflects the investment markets for fiscal year 2021 which is up significantly from 2020. The increase in employer contributions is reflective of the increased contribution rates determined by the previous year's actuarial valuations as well as unfunded liability payments made by several political subdivisions. Benefit payments continue to increase which will be the trend as the system matures.

LAGERS STAFF RETIREMENT PLAN  
COMPARATIVE FINANCIAL STATEMENTS

LAGERS Staff Retirement Plan (LSRP) provides retirement, death, and disability benefits to the employees of the LAGERS system. The table below is a summary of LSRP's Fiduciary Net Position (in thousands) as of June 30.

Comparative Statement of Fiduciary Net Position				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Assets</b>				
Receivables and accrued income		\$ 3,968	\$ (3,968)	(100%)
Investments	\$ 23,295	14,205	9,090	64
Total assets	\$ 23,295	\$ 18,173	\$ 5,122	28%
Net position restricted for pension benefits	\$ 23,295	\$ 18,173	\$ 5,122	28%

This table presents a \$5.1 million increase in net position. The increase in net position reflects the investment markets this past year which resulted in a 25.99% annualized return. The change in receivables is due to the additional contribution reflected in the 2020 financial statements.

The table below is a summary of LSRP's Changes in Fiduciary Net Position (in thousands) for the year ended June 30.

Comparative Statement of Changes in Fiduciary Net Position				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Additions</b>				
Employer contributions	\$ 1,167	\$ 4,572	\$ (3,405)	(74)%
Net investment income	4,458	56	4,402	7,861
Total additions	\$ 5,625	\$ 4,628	\$ 997	22%
<b>Deductions</b>				
Benefit payments	\$ 503	\$ 518	\$ (15)	(3)%
Total deductions	\$ 503	\$ 518	\$ (15)	(3)%
Change in net position available for benefits	\$ 5,122	\$ 4,110	\$ 1,012	25%

Additions to fund benefits are accumulated through contributions and investment income. LSRP's net investment income reflects the investment markets for fiscal year 2021 which is up significantly from 2020. The decrease in benefit payments is due to Partial Lump Sum payments elected by new retirees compared to fiscal year 2020.

# Management's Discussion & Analysis (MD&A) (continued)

## LAGERS STAFF RETIREE HEALTHCARE SUPPLEMENT COMPARATIVE FINANCIAL STATEMENTS

LAGERS Staff Retiree Healthcare Supplement (LSRHS) provides a healthcare subsidy to eligible staff retirees of the LAGERS system. The table below is a summary of LSRHS's Fiduciary Net Position (in thousands) as of June 30.

Comparative Statement of Fiduciary Net Position				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Assets</b>				
Investments	\$ 2,578	\$ 2,023	\$ 555	27%
Total assets	\$ 2,578	\$ 2,023	\$ 555	27%
<b>Net position restricted for pension benefits</b>	\$ 2,578	\$ 2,023	\$ 555	27%

This table presents a \$555 thousand increase in net position. The increase in net position reflects the investment markets this past year which resulted in a 26.94% annualized return.

The table below is a summary of LSRHS Changes in Fiduciary Net Position (in thousands) for the year ended June 30.

Comparative Statement of Changes in Fiduciary Net Position				
	2021	2020	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Additions</b>				
Employer contributions	\$ 63	\$ 59	\$ 4	7%
Net investment income (loss)	539	(36)	575	(1,597)
Total additions	\$ 602	\$ 23	\$ 579	2,517%
<b>Deductions</b>				
Benefit payments	\$ 47	\$ 46	\$ 1	2%
Total deductions	\$ 47	\$ 46	\$ 1	2%
<b>Change in net position available for benefits</b>	\$ 555	\$ (23)	\$ 578	2,513%

Additions to fund benefits are accumulated through contributions and investment income. LSRHS net investment income reflects the investment markets for fiscal year 2021 which is up significantly from 2020.



## FUNDING STATUS

A pension plan is well funded when it has sufficient assets invested to meet all expected future obligations to participants. The greater the level of funding – the larger the ratio of assets to actuarial accrued liability. One goal of LAGERS' funding policy is for participating political subdivisions to be fully funded. In order to achieve this, annual contributions are made at an actuarially determined rate.

The LAGERS funding policy is designed to achieve the following objectives:

- Maintain adequate assets to fund future benefits
- Maintain stable employer contribution rates
- Maintain public policy goals of transparency and accountability
- Promote intergenerational equity

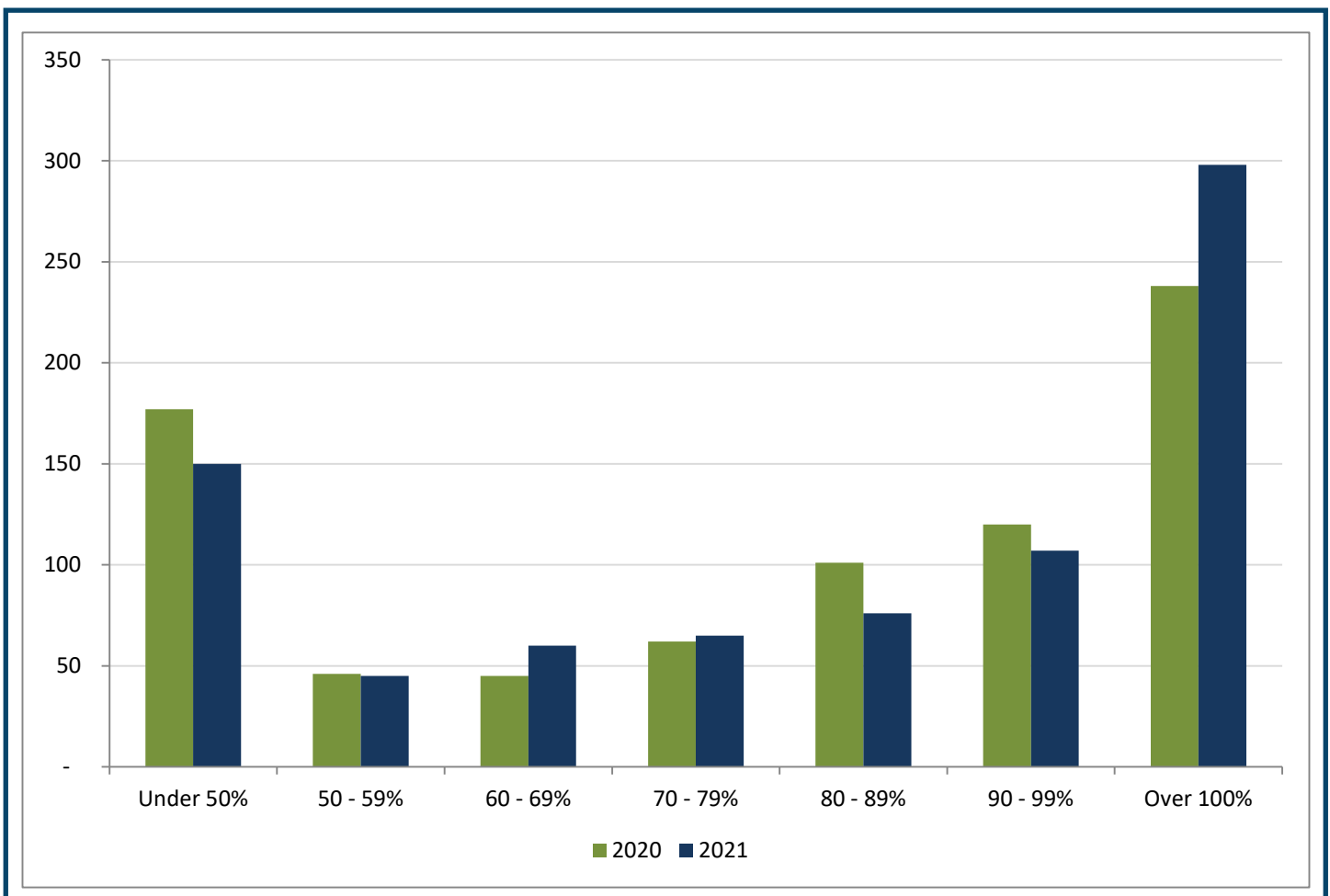
As an agent multiple-employer plan, assets are pooled for investment purposes but separate accounts are maintained for each employer. Each participating employer is responsible for its own plan liabilities; an employer cannot borrow from another employer account to pay for pension expenses. A measure of an employer's funding progress is the ratio of its actuarial assets to actuarial accrued liabilities. The funded status is determined for each employer as well as for the plan as a whole.

The most recent actuarial valuations were prepared as of February 28, 2021. At that time, the overall funded ratio of the LAGERS system was 95.6 percent. This ratio gives an indication of how well LAGERS' funding objective is being met. LAGERS' actuary uses a five-year smoothed market-related value to determine the actuarial value of assets. The smoothing prevents extreme volatility in employer contribution rates due to short-term fluctuations, positive or negative, in the investment markets. A ten year schedule of funding progress is provided on the next page.

## LAGERS Schedule of Funding Progress Status

Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Covered Payroll
2-28-21	\$ 8,777,415,976	\$ 9,182,065,489	\$ 404,649,513	95.6%	\$1,816,911,441	22.3%
2-29-20	8,083,990,980	8,630,842,143	546,851,163	93.7	1,787,038,817	30.6
2-28-19	7,698,244,648	8,113,100,648	414,856,000	94.9	1,682,772,357	24.7
2-28-18	7,297,699,793	7,631,702,645	334,002,852	95.6	1,616,895,524	20.7
2-28-17	6,764,626,389	7,135,950,253	371,323,864	94.8	1,555,729,666	23.9
2-29-16	6,320,171,438	6,671,352,337	351,180,899	94.7	1,507,588,470	23.3
2-28-15	5,972,471,342	6,324,109,191	351,637,849	94.4	1,462,218,216	24.0
2-28-14	5,388,198,677	5,873,910,959	485,712,282	91.7	1,456,008,487	33.4
2-28-13	4,692,218,862	5,423,684,243	731,465,381	86.5	1,395,261,077	52.4
2-29-12	4,274,440,345	5,120,274,198	845,833,853	83.5	1,359,655,784	62.2

The chart below represents a distribution of funded percentage of actuarial accrued liability among the participating political subdivisions as of February 29, 2020 and February 28, 2021.



## Statement of Fiduciary Net Position

June 30, 2021	LAGERS	LSRP	LSRHS
<b>Assets</b>			
Cash	\$ 10,778,925		
Receivables:			
Member	1,997,768		
Employer	16,861,204		
Accrued investment income	13,238,009		
Total receivables	32,096,981		
Prepaid expenses	114,443		
Investments at fair value:			
Short-term investments	740,535,756	\$ 172,939	\$ 20,778
Government bonds	660,605,011	4,048,412	
Corporate bonds	222,364,196	1,608,102	507,951
International bonds	800,959,964	1,065,804	150,992
Mortgage and asset-backed securities	198,535,797		
Domestic stocks	849,159,102	12,399,384	890,945
International stocks	839,598,155	4,000,363	594,288
Real estate	1,132,845,763		412,639
Partnerships	3,965,649,478		
Absolute return	925,282,295		
Other alternative investments	156,687,983		
Total investments	10,492,223,500	23,295,004	2,577,593
Invested securities lending collateral	412,242,227		
Capital assets, net of accumulated depreciation of \$7,370,368	7,116,935		
Total assets	\$10,954,573,011	\$ 23,295,004	\$ 2,577,593
<b>Deferred outflow of resources</b>			
Outflows related to pension	\$ 4,450,264		
Outflows related to OPEB	774,602		
Total deferred outflow of resources	\$ 5,224,866		
<b>Liabilities</b>			
Accounts payable and accrued expenses	\$ 642,038		
Accrued investment expenses	7,019,969		
Collateral for securities on loan	412,242,227		
Line of credit	250,000,000		
Net pension liability	824,514		
Net OPEB liability	650,907		
Total liabilities	\$ 671,379,655		
<b>Deferred inflow of resources</b>			
Inflows related to pension	\$ 3,035,666		
Inflows related to OPEB	397,586		
Total deferred inflow of resources	\$ 3,433,252		
<b>Net position - restricted for pension benefits</b>	<b>\$ 10,284,984,970</b>	<b>\$ 23,295,004</b>	<b>\$ 2,577,593</b>

See accompanying notes to financial statements.

## Statement of Changes in Fiduciary Net Position

June 30, 2021	LAGERS	LSRP	LSRHS
<b>Additions</b>			
Contributions:			
Member	\$ 21,745,608		
Employer	250,377,626	\$ 1,167,216	\$ 62,590
Total contributions	272,123,234	1,167,216	62,590
Investment income:			
Interest income	48,083,735	100,988	17,589
Dividend income	28,317,905	57,629	23,126
Other income	285,105,212		7,785
Net appreciation in fair value	2,077,834,893	4,299,952	490,395
Total investment income	2,439,341,745	4,458,569	538,895
Less investment expenses	199,579,415	303	
Net investment income	2,239,762,330	4,458,266	538,895
Securities lending income	3,345,227		
Less securities lending expenses:			
Borrower rebates	(463,427)		
Total securities lending expenses	(463,427)		
Net securities lending income	3,808,654		
Net additions	\$ 2,515,694,218	\$ 5,625,482	\$ 601,485
<b>Deductions</b>			
Benefits Paid:			
Annuity benefits	\$ 382,192,110	\$ 502,899	\$ 47,009
Refunds	2,167,386		
Total benefits paid	384,359,496	502,899	47,009
Administrative expenses	7,281,853		
Pension (gain)	(590,084)		
OPEB expense	273,891		
Net deductions	\$ 391,325,156	\$ 502,899	\$ 47,009
<b>Net increase in net position</b>	\$ 2,124,369,062	\$ 5,122,583	\$ 554,476
<b>Net position restricted for pension benefits at June 30, 2020</b>	<b>\$ 8,160,615,908</b>	<b>\$ 18,172,421</b>	<b>\$ 2,023,117</b>
Net position restricted for pension benefits at June 30, 2021	\$ 10,284,984,970	\$ 23,295,004	\$ 2,577,593

# Notes to Financial Statements (Year Ended June 30, 2021)

## (1) Summary of Significant Accounting Policies and Plan Asset Matters

### **Basis of Accounting:**

The financial statements were prepared using the accrual basis of accounting. Employee and employer contributions are recognized in the period in which the contributions are due and for which employee services have been rendered. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

### **Use of Estimates:**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires Missouri Local Government Employees Retirement System (LAGERS) to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

### **Reporting Entity:**

The accompanying financial statements include only the accounts of the LAGERS retirement system pursuant to RSMo 70.605.18 which requires an audit to be performed by a certified public accountant. RSMo 70.605.21 provides the LAGERS Board of Trustees with the authority to govern its own proceedings and administer the LAGERS retirement system. The LAGERS Board of Trustees established retirement and postemployment healthcare plans (Notes (5) and (6)), for its employees who administer the LAGERS retirement system. Such plans are not considered to be part of the reporting entity and thus are not included in the accompanying financial statements beyond the employer reporting requirements of GAAP.

### **Method Used to Value Investments:**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Bonds and stocks traded on a national or international exchange are valued at the reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Fair values for alternative investments in timberland and real estate represent net asset value estimates provided by the general partner's administrators or portfolio managers and are compared to independent appraisals. Investments that do not have an established market are reported at estimated fair value. The fair value of the absolute return and partnership portfolios are based upon the valuations of the underlying companies as determined by the general partner or portfolio manager.

### **Capital Assets:**

The office building, software, equipment and fixtures, which are presented at cost, are depreciated on the straight-line method over the estimated useful lives of the related assets, which have an original cost of \$500 or greater. The estimated useful lives are as follows: building -25 years, furniture -8 years, equipment -3 years and internally generated computer software -15 years.

### **New Accounting Pronouncements:**

In January 2017, GASB issued Statement No. 84 – Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported by the primary government. This Statement has been adopted with the current year financial statements.

In June 2017, GASB issued Statement No. 87 – Leases. The objective of this Statement is to improve accounting and financial reporting for leases by governments. LAGERS does not anticipate this statement will have a material impact to the financial statements.

In June 2018, GASB issued Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period. The objective of this Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. LAGERS does not borrow funds for construction projects and therefore there is no impact to the financial statements.

# Notes to Financial Statements (continued)

In March 2020, GASB issued Statement No. 93 – Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). Statement No. 93 is effective for LAGERS’ June 2022 financial statements. LAGERS is currently reviewing how this statement will impact its future financial reporting.

In May 2020, GASB issued Statement No. 96 – Subscription-Based Information Technology Arrangements. The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA). Statement No. 96 is effective for LAGERS’ June 2023 financial statements. LAGERS is currently reviewing how this statement will impact its future financial reporting.

## (2) Plan Description

LAGERS was established in 1967 and is administered in accordance with RSMo. 70.600-70.755. LAGERS is an agent multiple-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the State of Missouri.

Responsibility for the operation and administration of the plan is vested in the LAGERS Board of Trustees consisting of seven persons. Three trustees are elected by the employees who participate in the system, three trustees are elected by the members of the governing bodies of those political subdivisions which participate in the system, and one trustee is appointed by the governor of the State of Missouri. The regular term of office for members of the LAGERS Board of Trustees is four years. Members of the LAGERS Board of Trustees serve without compensation with respect to their duties, but are reimbursed by LAGERS for their actual and necessary expenses incurred in the performance of their duties.

At June 30, 2021, there were 822 participating political subdivisions in the system. Any political subdivision in Missouri may elect to have its full-time general, police and fire employees covered by LAGERS. At June 30, 2021, LAGERS membership consisted of the following:

	General	Police	Fire	Total
Retirees and beneficiaries currently receiving benefits:	20,707	4,701	1,521	26,929
Terminated employees entitled to benefits but not yet receiving them:	6,175	1,993	359	8,527
Active employees:	26,249	6,791	2,759	35,799
<b>Total</b>	<b>53,131</b>	<b>13,485</b>	<b>4,639</b>	<b>71,255</b>

LAGERS provides retirement, death and disability benefits to employees of participating political subdivisions. All benefits vest after five years of credited service. Employees who retire on or after age 60 (55 for police and fire) with five or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. Employees may retire with an early retirement benefit with a minimum of five years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance. The LAGERS Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision’s governing body adopts all benefits of the plan. Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4 percent per year.

If the political subdivision participates under the contributory plan, each member contributes either 2, 4, or 6 percent of gross salary based on the employer election. If an employee leaves covered employment or dies before attaining five years of credited service, accumulated employee contributions are refunded to the employee or designated beneficiary. Each participating employer is required by statute to contribute the remaining amounts necessary to finance the coverage of its own employees. Benefit and contribution provisions are fixed by state statute and may be amended only by action of the state legislature.

A summary of plan provisions is discussed in more detail in the Actuarial Section.

### (3) Investments and Deposits

The LAGERS Board of Trustees has the fiduciary responsibility and authority to oversee the investment portfolio. The purpose of LAGERS' investment fund is to accumulate the financial reserves necessary to provide for the retirement or pensioning of employees and beneficiaries of member political subdivisions in the state of Missouri. Various professional investment managers are contracted to manage the LAGERS' assets. Investment decisions are subject to statutory regulations and the Statement of Investment Policy and Objectives adopted by the LAGERS Board of Trustees.

LAGERS' asset allocation is an important determinant of achieving the investment goals of the fund. An asset allocation study is conducted at least every five years to assess portfolio construction and design. Factors influencing the allocation include projecting actuarial liabilities, historical and expected long-term market returns and risk, future economic conditions, inflation and interest rate risks and liquidity requirements.

Investment manager selection is an important decision involving complex due diligence. Managers are selected after a lengthy and time consuming process involving a review of the quantitative and qualitative components as well as the manager's investment process. Once selected, managers are monitored and reviewed for investment performance.

Other investment processes and procedures include daily capital calls, cash flow reconciliations, trade settlements, weekly portfolio review, monthly account reconciliations, performance reporting and reviews, quarterly conference calls and asset reallocation reviews.

A summary of the investment policy can be found on pages 59-64.

The annual money weighted rate of return on pension plan investments is calculated as the internal rate of return on pension plan investments, net of investment expenses. This expresses investment performance adjusted for the changing amounts actually invested throughout the year, measured on monthly inputs with expenses measured on an accrual basis. For the fiscal year 2021, the annual money weighted rate of return net of investment expenses measured on monthly inputs was 29.42 percent.

There are no investment funds where the portfolio of the fund exceeds 5 percent of the fiduciary net position.

#### **Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, LAGERS' deposits may not be returned. The deposits are held in one financial institution with a balance of up to \$250,000 insured by the Federal Deposit Insurance Corporation (FDIC). LAGERS mitigates custodial credit risk for deposits by requiring the bank to pledge securities in an amount over the FDIC insured amount at least equal in fair value to 100 percent of the aggregate amount of the deposits. These securities are required to be delivered to a third party institution mutually agreed upon by the bank and LAGERS.

#### **Investment Policies:**

The Missouri Revised Statutes prescribe the "prudent person rule" as LAGERS investment authority. The rule requires LAGERS to make investments with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims. Within the "prudent person" framework, the Board of Trustees adopts investment guidelines for LAGERS investment managers that are included within the respective management agreements. The Investment Section contains a summary of these guidelines.

# Notes to Financial Statements (continued)

**Investment Summary:**

The following table presents the summary of LAGERS investments by type at June 30, 2021.

Short-term investments	\$ 740,535,756
Government bonds	660,605,011
Corporate bonds	222,364,196
International bonds	800,959,964
Mortgages & asset backed securities	198,535,797
Domestic stocks	849,159,102
International stocks	839,598,155
Real estate	1,132,845,763
Partnerships	3,965,649,478
Absolute return	925,282,295
Other alternative investments	156,687,983
<b>Total</b>	<b>\$10,492,223,500</b>

The investments listed below are not listed on national exchanges, over-the-counter markets, nor do they have quoted market prices available.

Bank loans	\$ 68,855,309*
Partnerships	3,965,649,478
Real estate	1,132,845,763
Absolute return	925,282,295
<b>Total</b>	<b>\$ 6,092,632,845</b>

\*Bank loans are included in corporate bonds in the investment summary.

LAGERS values these investments in good faith based upon audited financial statements or other information provided to LAGERS by the underlying investment managers. The estimated fair value of these investments may differ significantly from values that would have been used had a ready market existed.

**Fair Value Measurements:**

LAGERS categorizes their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

- Level 1 Unadjusted quoted prices for identical instruments in active markets.
- Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
- Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The System assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The table on pages 33 and 34 shows the fair value leveling of the investments for the System.



The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Assets classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Real estate and Partnership assets classified in Level 3, due to lack of an independent pricing source, are valued using an internal fair value as provided by the investment manager.

### Investments and Derivative Instruments Measured at Fair Value

	Fair Value	Level 1	Level 2	Level 3
<b>Investments by fair value level</b>				
<b>US government bonds</b>				
Government bonds	\$ 348,588,255		\$ 348,588,255	
Municipal/provincial bonds	8,089,926		8,089,926	
Index linked government bonds	303,946,757		303,946,757	
Fixed income derivatives - options	(19,927)		(19,927)	
<b>Total US government bonds</b>	<b>\$ 660,605,011</b>		<b>\$ 660,605,011</b>	
<b>US corporate bonds</b>				
Bank loans	\$ 68,855,310		\$ 14,051,629	\$ 54,803,681
Collateralized bonds	273,175		273,175	
Corporate bonds	52,033,917		49,033,917	3,000,000
<b>Total US corporate bonds</b>	<b>\$ 121,162,402</b>		<b>\$ 63,358,721</b>	<b>\$ 57,803,681</b>
<b>International bonds</b>				
Corporate bonds	\$ 161,567,577		\$ 161,567,577	
Corporate convertible bonds	3,984,657		3,984,657	
Fixed income derivatives - options	61,256		61,256	
Government agencies	23,410,252	\$ 1,681,443	21,728,809	
Government bonds	163,029,766		163,029,766	
Index linked government bonds	439,978,652		353,335,195	\$ 86,643,457
Municipal/provincial bonds	3,550,034		3,550,034	
Sukuk	5,377,770		5,377,770	
<b>Total international bonds</b>	<b>\$ 800,959,964</b>	<b>\$ 1,681,443</b>	<b>\$ 712,635,064</b>	<b>\$ 86,643,457</b>
<b>Mortgages &amp; asset backed securities</b>				
Asset backed securities	\$ 120,380,840		\$ 59,089,561	\$ 61,291,279
Commercial mortgage backed	8,788,940		8,788,940	
Government mortgage backed	46,230,296		46,230,296	
Gov't-issued commercial mortgage backed	169,392		169,392	
Non-government backed C.M.O.s	22,966,329	\$ 1,221,563	21,744,766	
<b>Total mortgages &amp; asset backed securities</b>	<b>\$ 198,535,797</b>	<b>\$ 1,221,563</b>	<b>\$ 136,022,955</b>	<b>\$ 61,291,279</b>
<b>Domestic stock</b>				
Common stock	\$ 790,469,780	\$ 785,640,799	\$ 42,978	\$ 4,786,003
Funds - equities ETF	(694,313)	(694,313)		
Preferred stock	59,383,635			59,383,635
<b>Total domestic stock</b>	<b>\$ 849,159,102</b>	<b>\$ 784,946,486</b>	<b>\$ 42,978</b>	<b>\$ 64,169,638</b>

## Notes to Financial Statements (continued)

## Investments and Derivative Instruments Measured at Fair Value (continued)

	Fair Value	Level 1	Level 2	Level 3
Investments by fair value level				
International stock				
Common stock	\$ 633,993,021	\$ 632,833,715	\$ 100,951	\$ 1,058,355
Funds - common stock	2,286,836	2,286,836		
Funds - equities ETF	4,327,744	4,327,744		
Other equity assets	847,704			847,704
Preferred stock	5,592,893	5,592,893		
Rights/warrants	(11,448)	(558)		(10,890)
Stapled securities	(2,461,175)	(2,461,175)		
Total international stock	\$ 644,575,575	\$ 642,579,455	\$ 100,951	\$ 1,895,169
Other alternative investments				
Exchange cleared swaps - other assets	\$ (674,166)		\$ (674,166)	
Other options	(95,371)	\$ (1,010)	(94,361)	
Swaps	93,519,241		79,456,126	\$ 14,063,115
Miscellaneous	63,938,279		9,100	63,929,179
Total other alternative investments	\$ 156,687,983	\$ (1,010)	\$ 78,696,699	\$ 77,992,294
Real estate	\$ 1,132,845,763			\$ 1,132,845,763
Partnerships	\$ 3,965,649,478			\$ 3,965,649,478
Total investment measured at fair value level	\$ 8,530,181,075	\$ 1,430,427,937	\$ 1,651,462,379	\$ 5,448,290,759
Investments exempt from fair value hierarchy				
Short term investments	\$ 740,535,756			
Total investments exempt	\$ 740,535,756			
Investments measured at the net asset value (NAV)				
US corporate bonds	\$ 101,201,794			
International stocks	195,022,580			
Absolute return	925,282,295			
Total investments measured at the NAV	\$ 1,221,506,669			
Total investments measured at fair value	\$ 10,492,223,500			

Investments Measured at the NAV

	Net Asset Value	Strategy Type	Fund Life of Non-redeemable mandates	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period	Other Redemption Restrictions	Restriction Time Remaining
US corporate bonds								
Funds - corporate bond	\$ 40,151,982	Active global fixed income	N/A		Daily, monthly	1 - 5 days	N/A	N/A
Funds - other fixed income	61,049,812	Active US fixed income	N/A		Daily	1 day	N/A	N/A
International stocks								
Funds - common stock	195,022,580	Active EM equity	N/A		Daily	1 day	N/A	N/A
Absolute return								
Hedge equity	159,937,028	Market neutral	N/A		Monthly	5 - 60 days	N/A	N/A
Hedge event driven	55,856,492	Multi-strategy	N/A		Quarterly	60 days	1 yr initial lock-up	N/A
Hedge market dependent	86,864,884	Managed futures, market neutral	N/A		Weekly, monthly	1 - 5 days	N/A	N/A
Hedge market independent	416,955,992	Market neutral	N/A		Monthly	10 days	\$1mm minimum	N/A
Hedge multi strategy	205,667,899	Market neutral	N/A		Monthly	5 days	N/A	N/A
Total investments measured at the NAV \$ 1,221,506,669								

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the table above.

- Absolute Return:** This asset class provides diversification to the total portfolio and strives to reduce total fund volatility while also enhancing the total return of the portfolio. The strategies underlying this asset class commonly are referred to as hedge funds, which are investment funds that can undertake a wider range of investment and trading activities than other mandates. Most often, hedge funds as a class will trade liquid securities on public markets but may also engage in private transactions. The following sub-asset classes contain hedge funds and their strategies are explained in greater detail on the next page:

## Notes to Financial Statements (continued)

- **Hedge Equity.** This sub-asset class contains three funds in which the strategy is considered Market Neutral. It attempts to exploit pricing inefficiencies between related securities, balancing long and short exposures helping to reduce market risk.
- **Hedge Event Driven.** This sub-asset class is a hedge fund investment strategy that seeks to exploit pricing inefficiencies that may occur before or after a corporate event, such as an earnings call, bankruptcy, merger, acquisition, or spinoff. Event-driven investing strategies are typically used only by sophisticated investors, such as hedge funds and private equity firms because traditional equity investors, including managers of equity mutual funds, do not have the expertise or access to information necessary to properly analyze the risks associated with many of these corporate events.
- **Hedge Market Dependent.** This sub-asset class contains two funds. One fund has a Managed Futures strategy, using tools like futures and options to gain the necessary exposure to equities, bonds, rates, currencies, and commodities to implement a long term trend following and directional strategy. The other fund has a Market Neutral strategy. It attempts to exploit pricing inefficiencies between related securities, balancing long and short exposures helping to reduce market risk.
- **Hedge Market Independent.** This sub-asset class contains one fund in which the strategy is considered Market Neutral. It attempts to exploit pricing inefficiencies between related securities, balancing long and short exposures helping to reduce market risk.
- **Hedge Multi Strategy.** This sub-asset class contains three funds in which the strategy is considered Market Neutral. It attempts to exploit pricing inefficiencies between related securities, balancing long and short exposures helping to reduce market risk.

**Custodial Credit Risk for Investments:**

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, LAGERS will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. LAGERS does not have a formal policy for custodial credit risk. As of June 30, 2021, investments in the amount of \$7,939,644 were uninsured and unregistered, with securities held by the counter party or by its trust department or agent but not in LAGERS name.

**Concentration of Credit Risk:**

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. External investment management firms manage the fixed income portfolio. The allocation of assets among various asset classes is set by the Board with the objective of optimizing the investment return of LAGERS with framework of acceptable risk and diversification. As of June 30, 2021, no single issue exceeded 5 percent of the portfolio, excluding U.S. government securities.

**Credit Risk:**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to LAGERS. LAGERS does not have a formal policy relating to credit risk. At June 30, 2021, 31 percent of the underlying fixed income assets represent obligations that are not guaranteed by the U.S. government. Below is a list of fixed income credit qualities.

**Quality Rating**

	AAA <sup>+</sup>	AA <sup>+</sup>	A <sup>+</sup>	BBB <sup>+</sup>	Non-Investment Grade/Not Rated	Total
US corporate bonds		\$ 6,767,129		\$ 2,661,140	\$ 212,935,927 <sup>#</sup>	\$ 222,364,196
US government bonds		637,062,473			23,542,538	660,605,011
International bonds	\$ 6,152,451	116,009,414	\$ 199,631,770	60,954,314	418,212,015	800,959,964
Mortgage/asset backed securities			555,496		197,980,301	198,535,797

<sup>#</sup>Non-investment grade/not rated corporate bonds include investments in corporate bond funds, which include individually rated securities but are not rated at the fund level, as well as bank loans. As of June 30, 2021, corporate bond funds totaled \$40,151,982 and bank loans totaled \$68,855,309.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt instrument's exposure to a change in interest rates and the related sensitivity of market price to parallel shifts in the yield curve. It uses the present value of cash flows, weighted for those cash flows as a percentage of the instruments' full price. LAGERS does not have a formal policy relating to interest rate risk. LAGERS benchmarks for the fixed income portfolio include the Consumer Price Index plus 4 percent (Private Fixed Income), Barclays Capital US Aggregate Bond Index, Barclays Capital Global Aggregate Bond Index, Barclays Capital US 20+ Year Treasury Bond Index, and 40% JP Morgan EMBI Global Diversified, 20% JP Morgan GBI-EM Global Diversified, 40% JP Morgan CEMBI Broad Diversified (Emerging Market Debt Blend). At June 30, 2021, the effective duration for the fixed income benchmark portfolio was 4.6 years, whereas, the LAGERS fixed income portfolio had an effective duration of 5.8 years.

Investment	Fair Value	Duration Rate
Government bonds	\$ 1,296,012,741	10.0 years
Corporate bonds	387,916,430	4.7 years
Mortgage/asset backed securities	198,535,797	1.8 years
<b>Total</b>	<b>\$ 1,882,464,968</b>	

**Foreign Currency Risk:**

The international portfolio is constructed on the principles of diversification, quality, value and growth. Risk of loss arises from changes in currency exchange rates. LAGERS' external managers may or may not hedge the portfolio's foreign currency exposures with currency forward contracts depending upon their views on a specific foreign currency relative to the U.S. dollar. Currency trading may not be used for speculative purposes. LAGERS does not have a formal policy relating to foreign currency risk, as this is handled at the manager level. LAGERS exposure to foreign currency risk can be found on the next page:

## Notes to Financial Statements (continued)

Currency	Foreign Equities	Foreign Fixed Income	Total
Australian dollar	\$ 3,861,992	\$ 13,338,997	\$ 17,200,989
Argentine peso		550,900	550,900
Brazilian real	16,746,688	99,325,573	116,072,261
British pound	120,843,246	26,922,734	147,765,980
Canadian dollar	10,276,487	17,575,652	27,852,139
Chilean peso	3,314,537	16,294,089	19,608,626
Chinese yuan renminbi (offshore)	4,798,817	26,872,938	31,671,755
Chinese yuan renminbi		2,301,474	2,301,474
Colombian peso	96,145	16,713,911	16,810,056
Czech koruna		5,824,853	5,824,853
Danish krone	19,114,438	1,875,575	20,990,013
Egyptian pound	1,032,401	3,062,994	4,095,395
Euro	117,151,187	125,095,901	242,247,088
Hong Kong dollar	58,940,750	1,404,070	60,344,820
Hungarian forint	(287,531)	2,174,785	1,887,254
Indonesian rupiah	2,779,653	10,333,667	13,113,320
Indian rupee	36,865,859	9,710,498	46,576,357
Israeli shekel	628,992	11,828,307	12,457,299
Japanese yen	37,063,295	38,409,679	75,472,974
Kazakhstan tenge		1,116,927	1,116,927
Kuwaiti dinar		10	10
Malaysian ringgit	6,734,656	3,684,879	10,419,535
Mexican peso	1,053,561	76,101,335	77,154,896
New Zealand dollar	608,367	1,731,607	2,339,974
Nigerian naira		442,565	442,565
Norwegian krone	2,466,878	3,996,158	6,463,036
Pakistan rupee	1,338,993	15,819	1,354,812
Peruvian Nuevo sol		2,415,709	2,415,709
Philippine peso	549,189	797,914	1,347,103
Polish zloty	889,453	(3,879,051)	(2,989,598)
Qatari riyal	625,024		625,024
Romanian leu		496,916	496,916
Russian ruble		9,985,684	9,985,684
Singapore dollar	3,678,001	1,535,981	5,213,982
South African rand	4,130,035	13,316,300	17,446,335
South Korean won	48,361,014	6,092,033	54,453,047
Swedish krona	8,484,285	5,943,728	14,428,013
Swiss franc	28,448,164	3,422,768	31,870,932
Taiwan dollar	58,231,522	2,477,034	60,708,556
Thai baht	7,352,609	18,338,695	25,691,304
Turkish lira	5,148,358	1,817	5,150,175
United Arab Emirates dirham	168,875		168,875
Uruguayan peso		1,428,232	1,428,232
Vietnamese dong		609,232	609,232
	\$ 611,495,940	\$ 579,688,889	\$ 1,191,184,829

## Derivatives

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indexes. They include futures contracts, swap contracts, options contracts, and forward foreign currency exchange contracts. The tables below summarize the various contracts in the portfolio as of June 30, 2021.

Through LAGERS external managers, LAGERS holds investments in futures contracts, swap contracts, option contracts, and forward foreign currency exchange contracts. LAGERS enters futures and swaps contracts to gain exposure to certain markets and to manage interest rate risk and enters into forward foreign exchange contracts primarily to hedge foreign currency exposure.

The notional values associated with these derivative instruments are generally not recorded in the financial statements; however, the amounts for the exposure of these instruments are recorded in the Statement of Fiduciary Net Position and the total changes in fair value for the year are included as investment income in the Statement of Changes in Fiduciary Net Position. For the year ended June 30, 2021, the change in fair value in futures contracts resulted in \$169.1 million of investment gain, options contracts resulted in \$1.4 million of investment income, swaps contracts resulted in \$301.1 million of investment gain, and forwards contracts resulted in \$3.0 million of investment gain. LAGERS does not anticipate additional significant market risk from the swap arrangements.

	Notional Value	Unrealized Gain
<b>Futures</b>	\$ 1,312,519,860	
<b>Swaps</b>	617,501,078	\$ 92,932,575
<b>Forwards</b>		
Foreign exchange contracts	707,305,783	4,263,321
<b>Options</b>		
Margined options	77,819	
Caps and floors	195,963	49,101
Options	17,217,405	52,426
Swaptions	190,700,655	232,192
	<b>\$ 2,845,518,563</b>	<b>\$ 97,529,615</b>

LAGERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. LAGERS anticipates that the counterparties will be able to satisfy their obligations under the contracts.

At June 30, 2021, the counterparties' credit ratings for futures, forwards, swaps, and options are subject to credit risk as shown in the table below. Derivative instruments traded on the exchange are not subject to counterparty risk and therefore are not included in the table below.

Quality Rating	Forwards	Swaps	Options	Total
A+		\$ 96,695,464	\$ (72,437)	\$ 96,623,027
A		(42,780)	24,225	(18,555)
A-		13,032	(14,937)	(1,905)
BBB+		1,689,050	(6,134)	1,682,916
Not Available or Not Rated	\$ 4,263,321	(5,408,355)	1,188	(1,143,846)
Total Subject to Credit Risk	\$ 4,263,321	\$ 92,946,411	\$ (68,095)	\$ 97,141,637

## Notes to Financial Statements (continued)

**Securities Lending Program:**

LAGERS participates in a securities lending program administered by Northern Trust Company (the custodian) in accordance with the provisions of RSMo. 70.745. A firm chosen to lend financial securities of the fund has full discretion over the selection of borrowers and shall continually review credit worthiness of potential borrowers through adequate analysis of all material provided to them. The securities lending program shall in no way inhibit the trading activities of the investment managers of the System. The securities lending agent and Investment Team have created separate investment guidelines for the investment of cash collateral to adhere to the Statement of Investment Policy and Objectives.

LAGERS or the borrower can terminate any security loan on demand. Though any loaned security can be sold and reclaimed at any time from the borrower, the weighted average loan life of overall loans was 416 days as of June 30, 2021. Cash collateral is invested in a custom collateral account through Northern Trust Company with a weighted average life of 39 days. LAGERS cannot pledge or sell non-cash collateral unless the borrower defaults. The following table represents the balances relating to the securities lending transactions (in thousands) at June 30, 2021.

Securities Lent	Underlying Securities	Securities Collateral Value	Cash Collateral Value
U.S. government & agency securities	\$ 276,574	\$ 3,100	\$ 278,636
International bonds	40,522	54,021	4,916
U.S. corporate bonds	14,725	85	15,039
U.S. equities	122,963	29,392	106,147
Global equities	30,608	35,578	7,504
<b>Total</b>	<b>\$ 485,393</b>	<b>\$ 122,176</b>	<b>\$ 412,242</b>

The lending agent provides indemnification if the borrowers fail to return the underlying securities (and if the collateral is inadequate to replace the securities lent) or fails to pay income distributions. There were no violations of legal or contractual provisions and no borrower or lending agent default losses to the security lending agent. LAGERS had no credit risk as a result of its securities lending program as the collateral held exceeded the fair value of securities lent.

**(4) Contributions**

(a) Each participating unit of local government is obligated by state law to make all required contributions to the plan based upon an annual actuarial valuation.

(b) LAGERS is a pension plan covering substantially all employees of participating units of local government in the state. Each participating unit of government is obligated by state law to make all required contributions to the plan. The required contributions are actuarially determined using the individual entry-age actuarial cost method. There are no long-term contracts for contributions to the plan. All liabilities are amortized over a period of 30 years or less. Assumed administrative expenses are added to the Normal Cost and were 0.4 percent of payroll.

(c) Employee contributions are determined at the election of the governing body of the local subdivision. Should the governing body elect to participate in the contributory plan, all employees shall contribute 2, 4, or 6 percent of gross salary. The governing body may elect to participate in the non-contributory plan which would result in no employee contributions.

(d) The state statutes require LAGERS to maintain five separate reserves which are funded and described below:

**Member Reserve Fund** — The fund in which member contributions and interest credits are accumulated, and from which transfers are made for retirements and refunds, as applicable. The balance at June 30, 2021, was \$179,335,524.

**Employer Reserve Fund** — The fund in which employer contributions and interest credits are accumulated, and from which transfers are made to pay applicable benefits. The fund from which contributions are accumulated and benefit payments in excess of IRC Section 415 are made. The balance at June 30, 2021, was \$4,646,395,813.



**Benefit Reserve Fund** — The fund from which all retirement, disability, survivor and certain deferred retirants due to Legacy Plans benefits are paid. At the time of retirement, this fund receives the necessary transfers to pay such benefits. All retired individuals and the assets of this fund become the sole responsibility of the LAGERS Board of Trustees and result in no further liabilities to the previous employers. The balance at June 30, 2021, was \$5,434,263,911.

**Casualty Reserve Fund** — The fund in which the employer contributions and interest credits are accumulated and from which transfers are made to pay for members retired as a result of disability or whose death is duty related. The balance at June 30, 2021 was \$24,673,529.

**Income-Expense Reserve Fund** — The fund which accumulates the investment income and pays the administrative expenses of the system. This fund provides for the transfer of administrative expenses and investment credits to the other reserves of the system. The remaining balance at June 30, 2021 was \$316,193, which is equal to the net of the current year pension gain and OPEB expense for the LAGERS Staff Retirement Plan and LAGERS Postemployment Benefit Plan, respectively.

## (5) LAGERS Staff Retirement Plan

### Summary of Significant Accounting Policies

**Pensions.** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the LAGERS Staff Retirement Plan (LSRP) and additions to/deductions from LSRP fiduciary net position have been determined on the same basis as they are reported by the LSRP. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### General Information about the Pension Plan

**Plan description.** The LSRP is a single-employer defined benefit pension plan administered by the LAGERS Board of Trustees. The plan provides retirement, death and disability benefits to LAGERS employees and beneficiaries. The plan document is controlled by the LAGERS Board of Trustees.

**Benefits provided.** The LSRP provides retirement, death and disability benefits. Benefit provisions are adopted by the LAGERS Board of Trustees. All benefits vest after five years of credited service. Employees who retire on or after age 60 with five or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of five years of credited service and after attaining age 55 and receive a reduced allowance.

Benefit Multiplier	2%
Final Average Salary	3 Years
Member Contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4 percent each year.

**Employees covered by benefit terms.** At June 30, 2021, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	1
Active employees	36
Total	49

**Contributions.** LAGERS is required to contribute amounts at least equal to the actuarially determined rate. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees do not contribute to the pension plan. The employer contribution rate was 32.40 percent of annual covered payroll.

**Net Pension Liability.** The employer’s net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021.

## Notes to Financial Statements (continued)

**Actuarial assumptions.** The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	2.75% to 6.75%, including wage inflation
Investment rate of return	5.50%

Mortality rates were based on 115% of the PubG-2010 Retiree Mortality Table for males and females.

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period March 1, 2015, through February 29, 2020.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and a weighted average of the geometric real rates of return for each major asset class rollup are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	39.00%	4.16%
Fixed income	28.00	1.05
Real assets/real return	33.00	2.09

**Discount rate.** The discount rate used to measure the total pension liability is 5.5 percent. The projection of cash flows used to determine the discount rate assumes that employer contributions will be made at the actuarially determined rates. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**Changes in Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at June 30, 2020</b>	\$ 20,497,268	\$ 18,172,421	\$ 2,324,847
<b>Changes for the year</b>			
Service cost	653,901		653,901
Interest	1,131,502		1,131,502
Changes of benefit terms	2,859,270		2,859,270
Difference between expected and actual experience	373,322		373,322
Assumption changes*	(892,846)		(892,846)
Contributions - employer		1,167,216	(1,167,216)
Net investment income		4,458,266	(4,458,266)
Benefit payments including refunds	(502,899)	(502,899)	
Net changes	3,622,250	5,122,583	(1,500,333)
<b>Balances at June 30, 2021</b>	<b>\$ 24,119,518</b>	<b>\$ 23,295,004</b>	<b>\$ 824,514</b>

\*New assumptions following the 2015-2020 experience study were adopted beginning with the June 30, 2021 actuarial valuation.

**Sensitivity of the net pension liability to changes in the discount rate.** The following presents the Net Pension Liability of the employer, calculated using the discount rate of 5.5 percent, as well as what the employer’s Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (4.5%) or one percentage point higher (6.5%) than the current rate.

Current Single Discount Rate Assumption		
1% Decrease		1% Increase
<b>4.50%</b>	<b>5.50%</b>	<b>6.50%</b>
\$5,300,471	\$824,514	\$(2,758,317)

**Plan fiduciary net position.** Detailed information about the plan’s fiduciary net position is available in the separately issued financial statements. The LAGERS Board of Trustees issues a publicly available audited financial report that includes financial statements and required supplementary information for the LSRP. This report can be obtained by contacting the LAGERS office.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2021, the employer recognized pension gain of \$590,084. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in experience	\$ 1,814,895	\$ 71,269
Changes in assumptions	2,635,369	779,210
Net difference of investment returns		2,185,187
<b>Total</b>	<b>\$ 4,450,214</b>	<b>\$ 3,035,666</b>

# Notes to Financial Statements (continued)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
2022	\$ 329,465
2023	394,189
2024	306,415
2025	44,289
2026	414,522
Thereafter	(74,282)
	\$ 1,414,598

### Payable to the Pension Plan

As of June 30, 2021, there are no payables for the outstanding amount of contributions to the LSRP plan for the year ended June 30, 2021.

## (6) Staff Postemployment Healthcare Supplement

### Summary of Significant Accounting Policies

**Postemployment Benefits Other Than Pensions (OPEB).** For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the LAGERS Staff Retiree Healthcare Supplement (LSRHS) and additions to/deductions from LSRHS fiduciary net position have been determined on the same basis as they are reported by LSRHS. For this purpose, LSRHS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### General Information about the OPEB Plan

**Plan description.** LSRHS is a single-employer defined benefit healthcare supplement administered by the LAGERS Board of Trustees. The LSRHS provides a healthcare subsidy to eligible staff retirees, spouse and minor children. The supplement does not provide access to retiree health coverage but will pay for a portion of a retiree’s health premium (subsidy) based upon coverage the retiree is able to obtain through the open market. To be eligible for the subsidy a retiree must have at least 10 years of service credit and retire from active status.

**Benefits provided.** The subsidy is equal to 2.5 percent multiplied by years of credited service (maximum 30 years) multiplied by healthcare premium. Under no circumstances can the healthcare premium exceed the premium LAGERS would pay for an active member of the same age participating in the LAGERS Staff healthcare plan.

Retirees or beneficiaries currently receiving benefit payments	10
Inactive employees entitled to but not yet receiving benefits	0
Active employees	36
Total	46

**Employees covered by benefit terms.** At June 30, 2021, the following employees were covered by the benefit terms:

**Contributions.** The Board establishes rates based on an actuarially determined rate. For the year ended June 30, 2021, the contribution rate was 1.60 percent of covered payroll. Employees are not required to contribute to the plan.

**Net OPEB Liability.** The employer’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

**Actuarial assumptions.** The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%, including price inflation
Salary increase	2.75% to 6.75%, including wage inflation
Investment rate of return	5.50%
Healthcare cost trend rates	7.5% for 2021, decreasing .25% per year until 2027 then decreasing .50% until 2032 to an ultimate rate of 3.50% for 2032 and later years

Mortality rates were based on 115% of the PubG-2010 Retiree Mortality Table for males and females.

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period March 1, 2015, through February 29, 2020.

The long-term expected rate of return on OPEB plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and a weighted average of the geometric real rates of return for each major asset class rollup are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	42.00%	4.19%
Fixed income	28.00	1.06
Real assets/real return	30.00	2.36

**Discount rate.** The discount rate used to measure the total OPEB liability was 5.5 percent. The projection of cash flows used to determine the discount rate assumes that employer contributions will be made at the actuarially determined rates. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payment to determine the total OPEB liability.

# Notes to Financial Statements (continued)

## Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
<b>Balances at June 30, 2020</b>	\$ 3,078,012	\$ 2,023,117	\$ 1,054,895
<b>Changes for the year</b>			
Service cost	138,987		138,987
Interest	171,820		171,820
Difference between expected and actual experience			
Change of assumptions	(113,310)		(113,310)
Contributions - employer		62,590	(62,590)
Net investment income		538,895	(538,895)
Benefit payments including refunds	(47,009)	(47,009)	
Net changes	150,488	554,476	(403,988)
<b>Balances at June 30, 2021</b>	<b>\$ 3,228,500</b>	<b>\$ 2,577,593</b>	<b>\$ 650,907</b>

**Sensitivity of the net OPEB liability to changes in the discount rate.** The following presents the net OPEB liability of LAGERS as well as what LAGERS' net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.5 percent) or 1-percentage-point higher (6.5 percent) than the current discount rate:

Current Single Discount Rate Assumption		
1% Decrease		1% Increase
<b>4.50%</b>	<b>5.50%</b>	<b>6.50%</b>
\$1,294,049	\$650,907	\$192,741

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.** The following presents the net OPEB liability of LAGERS as well as what LAGERS' net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

Healthcare Cost Trend Rate Assumption		
1% Decrease		1% Increase
\$175,627	\$650,907	\$1,298,674

**OPEB plan fiduciary net position.** Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial statements. The LAGERS Board of Trustees issues a publicly available audited financial report that includes financial statements and required supplementary information for the LSRHS. This report can be obtained by contacting the LAGERS office.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021, LAGERS recognized an OPEB expense of \$273,891. The employer reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$ 60,205
Changes of assumptions	\$ 774,602	99,772
Net difference between projected and actual earnings on OPEB plan investments		237,609
<b>Total</b>	<b>\$ 774,602</b>	<b>\$ 397,586</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending	
2022	\$ 66,282
2023	62,874
2024	57,158
2025	27,389
2026	110,902
Thereafter	52,411
	<b>\$ 377,016</b>

**Payable to the OPEB Plan**

At June 30, 2021, there are no payables for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.

**(7) Long-term Debt and Line of Credit**

In December 2018, LAGERS entered into a revolving credit agreement with Bank of America, N.A. consisting of a line of credit not to exceed \$300 million. Under the terms of the credit agreement, each revolving loan shall bear interest on the outstanding principal amount thereof at a rate per annum equal to the LIBOR Daily Floating Rate plus an applicable spread of .95%. LAGERS leverage ratio at June 30, 2021, was approximately 1.33. Long-term debt at June 30, 2021 consists of a revolving loan of \$250 million, maturing on December 17, 2021. The credit agreement contains covenants customary for financings of this type, including, but not limited to, financial covenants, which are tested as of the end of each fiscal quarter and requires that LAGERS Fair Value-Total Fund Investment Assets shall not be less than \$5 billion at any time and LAGERS Funded Ratio shall not be less than 65% at any time. LAGERS was in compliance with these financial covenants at June 30, 2021.

**(8) Commitments and Contingencies**

LAGERS has committed \$7,733,607,654 of which \$5,453,505,533 has been invested, leaving total unfunded commitments to real estate, private equity, and other alternative investments of \$2,280,102,121 as of June 30, 2021. The total unfunded investment commitments are not recorded in the accompanying Statement of Fiduciary Net Position.

**(9) Risk Management**

LAGERS is exposed to various risks of loss related to natural disasters, errors and omissions, loss of assets, torts, etc. LAGERS has chosen to cover such losses through the purchase of commercial insurance. There have been no material insurance claims filed or paid during the past three years.

LAGERS has a disaster recovery plan that provides for continued computer operations at a remote location should the retirement office be unavailable for normal operations.

# Required Supplementary Information

## SCHEDULE OF INVESTMENT RETURNS

Schedule of Investment Returns								
	2021	2020	2019	2018	2017	2016	2015	2014
Annual money weighted rate of return (IRR) net of investment expenses	29.42%	1.60%	7.05%	13.76%	11.94%	(0.22)%	2.07%	19.03%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years where information is available.

## LAGERS STAFF RETIREMENT PLAN

Schedule of Changes in Net Pension Liability					
Fiscal Year Ending June 30	2021	2020	2019	2018	2017
<b>Total pension liability</b>					
Service cost	\$ 653,901	\$ 622,944	\$ 345,616	\$ 338,728	\$ 279,933
Interest on total pension liability	1,131,502	1,041,285	966,929	817,596	722,819
Benefit Changes	2,859,270				
Difference between expected and actual experience	373,322	406,366	522,716	1,307,186	586,625
Assumption changes	(892,846)	64,570	4,090,932		
Benefit payments	(502,899)	(517,753)	(420,962)	(393,426)	(229,584)
Net change in total pension liability	\$ 3,622,250	\$ 1,617,412	\$ 5,505,231	\$ 2,070,084	\$ 1,359,793
Total pension liability - beginning	\$ 20,497,268	\$ 18,879,856	\$ 13,374,625	\$ 11,304,541	\$ 9,944,748
Total pension liability - ending (a)	\$ 24,119,518	\$ 20,497,268	\$ 18,879,856	\$ 13,374,625	\$ 11,304,541
<b>Plan fiduciary net position</b>					
Employer contributions	\$ 1,167,216	\$ 4,572,434	\$ 2,110,653	\$ 363,705	\$ 318,068
Pension plan net investment income	4,458,266	55,639	735,076	779,735	1,132,266
Benefit payments	(502,899)	(517,753)	(420,962)	(393,426)	(229,584)
Net change in fiduciary net position	\$ 5,122,583	\$ 4,110,320	\$ 2,424,767	\$ 750,014	\$ 1,220,750
Plan fiduciary net position beginning	\$ 18,172,421	\$ 14,062,101	\$ 11,637,334	\$ 10,887,320	\$ 9,666,570
Plan fiduciary net position ending (b)	\$ 23,295,004	\$ 18,172,421	\$ 14,062,101	\$ 11,637,334	\$ 10,887,320
Net pension liability(asset) ending(a-b)	\$ 824,514	\$ 2,324,847	\$ 4,817,755	\$ 1,737,291	\$ 417,221
Fiduciary net position as a percentage of total pension liability	96.58%	88.66%	74.48%	87.01%	96.31%
Covered employee payroll	\$ 3,554,595	\$ 3,321,553	\$ 3,065,670	\$ 2,895,457	\$ 2,862,600
Net pension liability (asset) as a percentage of covered employee payroll	23.20%	69.99%	157.15%	60.00%	14.57%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years where information is available.



## LAGERS STAFF RETIREMENT PLAN

Schedule of Changes in Net Pension Liability (continued)			
Fiscal Year Ending June 30	2016	2015	2014
Total pension liability			
Service cost	\$ 269,096	\$ 248,381	\$ 233,620
Interest on total pension liability	643,321	635,359	575,236
Benefit Changes			
Difference between expected and actual experience	63,013	(553,190)	313,742
Assumption changes	341,762		
Benefit payments	((222,579))	(239,592)	(361,806)
Net change in total pension liability	\$ 1,094,613	\$ 90,958	\$ 760,792
Total pension liability - beginning	\$ 8,850,135	\$ 8,759,177	\$ 7,998,385
Total pension liability - ending (a)	\$ 9,944,748	\$ 8,850,135	\$ 8,759,177
Plan fiduciary net position			
Employer contributions	\$ 371,358	\$ 372,741	\$ 769,001
Pension plan net investment income	305,689	18,466	1,365,280
Benefit payments	(222,579)	(239,592)	(361,806)
Net change in fiduciary net position	\$ 454,468	\$ 151,615	\$ 1,772,475
Plan fiduciary net position beginning	\$ 9,212,102	\$ 9,060,487	\$ 7,288,012
Plan fiduciary net position ending (b)	\$ 9,666,570	\$ 9,212,102	\$ 9,060,487
Net pension liability(asset) ending(a-b)	\$ 278,178	\$ (361,967)	\$ (301,310)
Fiduciary net position as a percentage of total pension liability	97.20%	104.09%	103.44%
Covered employee payroll	\$ 2,372,202	\$ 2,253,365	\$ 2,074,725
Net pension liability (asset) as a percentage of covered employee payroll	11.73%	(16.06)%	(14.52)%

# Required Supplementary Information (continued)

## LAGERS STAFF RETIREMENT PLAN

Schedule of Employer Contributions					
Year Ended June 30	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2021	\$ 1,077,949	\$ 1,167,216	\$ (89,267)	\$ 3,554,595	32.84%
2020	531,843	4,572,434	(4,040,591)	3,321,553	137.66
2019	406,991	2,110,653	(1,703,662)	3,065,670	68.85
2018	304,693	363,705	(59,012)	2,895,457	12.56
2017	295,261	318,068	(22,807)	2,862,600	11.11
2016	336,059	371,358	(35,299)	2,372,202	15.65
2015	351,076	372,741	(21,665)	2,253,365	16.54
2014	314,407	740,127	(425,720)	2,074,725	35.67
2013	293,419	342,575	(49,156)	1,837,069	18.65
2012	348,479	936,857	(588,378)	1,672,378	56.02

**Methods and Assumptions Used to Determine Contribution Rates:**

Valuation date ..... June 30, 2019  
 Actuarial cost method ..... Entry Age Normal  
 Amortization method ..... Closed, level percent of payroll  
 Remaining amortization period ..... Varies between 10 to 18 years  
 Asset valuation method ..... 5-year smoothed market; 20% corridor  
 Inflation ..... 3.25%; including price inflation assumption of 2.5%  
 Salary increases ..... 3.25% - 6.55% including inflation  
 Retirement age ..... Experience-based table of rates that are specific to the type of eligibility condition  
 Last updated for 2016 valuation pursuant to an experience study of the period 2010 - 2015

Mortality..... RP-2014 mortality table for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.

The mortality table was established based on the experience of the Missouri LAGERS membership total. Based on the experience observed during the most recent 5 year period study.

**Other Information**

Notes ..... A new benefit provision regarding the benefit multiplier was adopted beginning with the June 30, 2021 valuation.

New assumptions following the 2015-2020 experience study were adopted beginning with the June 30, 2021 actuarial valuation.

## LAGERS STAFF EMPLOYMENT HEALTHCARE PLAN

Schedule of Changes in Net OPEB Liability and Related Ratios					
Fiscal Year Ending June 30	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>					
Service cost	\$ 138,987	\$ 99,851	\$ 60,805	\$ 49,231	\$ 47,681
Interest	171,820	138,715	126,173	113,349	104,515
Difference between expected and actual experience		(5,323)		(104,764)	
Changes of assumptions	(113,310)	395,445	617,551	148,738	
Benefit payments	(47,009)	(45,680)	(38,871)	(32,053)	(30,195)
Net change in total OPEB liability	\$ 150,488	\$ 583,008	\$ 765,658	\$ 174,501	122,001
Total OPEB liability - beginning	\$ 3,078,012	\$ 2,495,004	\$ 1,729,346	\$ 1,554,845	\$ 1,432,844
Total OPEB liability - ending (a)	\$ 3,228,500	\$ 3,078,012	\$ 2,495,004	\$ 1,729,346	\$ 1,554,845
<b>Pension fiduciary net position</b>					
Employer contributions	\$ 62,590	\$ 58,646	\$ 60,284	\$ 52,560	\$ 121,994
Net investment income	538,895	(35,953)	110,950	112,769	183,168
Benefit payments	(47,009)	(45,680)	(38,871)	(32,053)	(30,195)
Net change in plan fiduciary net position	\$ 554,476	\$ (22,987)	\$ 132,363	\$ 133,276	\$ 274,967
Plan fiduciary net position - beginning	\$ 2,023,117	\$ 2,046,104	\$ 1,913,741	\$ 1,780,465	\$ 1,505,498
Plan fiduciary net position - ending (b)	\$ 2,577,593	\$ 2,023,117	\$ 2,046,104	\$ 1,913,741	\$ 1,780,465
Net OPEB liability (asset) - ending (a-b)	\$ 650,907	\$ 1,054,895	\$ 448,900	\$ (184,395)	\$ (225,620)
Plan fiduciary net position as a Percentage of total OPEB liability	79.84%	65.73%	82.01%	110.66%	114.51%
Covered employee payroll	\$ 3,554,595	\$ 3,321,533	\$ 3,065,670	\$ 2,895,457	\$ 2,862,600
Net OPEB liability (asset) as a percentage of covered employee payroll	18.31%	31.76%	14.64%	(6.37)%	(7.88)%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years where information is available.

Required Supplementary Information

(continued)

Schedule of Employer Contributions					
Year Ended June 30	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2021	\$ 49,388	\$ 62,590	\$ (13,202)	\$ 3,554,595	1.76%
2020	47,833	58,646	(10,813)	3,321,533	1.77
2019	45,267	60,284	(15,017)	3,065,670	1.97
2018	43,842	52,560	(8,718)	2,895,457	1.82
2017	104,013	121,994	(17,981)	2,862,600	4.26

**Methods and Assumptions Used to Determine Contribution Rates:**

Valuation date ..... June 30, 2018  
 Actuarial cost method ..... Entry Age Normal  
 Amortization method ..... Closed, level percent of payroll  
 Equivalent single amortization period ..... 17 years  
 Asset valuation method ..... Market value of assets  
 Inflation ..... 3.25%; including price inflation assumption of 2.5%  
 Salary increases ..... 3.25% - 6.55% including inflation  
 Retirement age ..... Experience-based table of rates that are specific to the type of eligibility condition  
 Last updated for 2016 valuation pursuant to an experience study of the period 2010 - 2015.

Mortality ..... RP-2014 mortality table for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.

The mortality table was established based on the experience of the Missouri LAGERS membership total. Based on the experience observed during the most recent 5 year period study.

**Other Information**

Notes ..... There were no benefit changes during the year.  
 New demographic and economic assumptions were adopted following the 2015-2020 LAGERS experience study.

## Supplementary Information

## SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY RESERVES

	Year Ended June 30, 2021					
	Reserves					
	Total	Member	Employer	Benefit	Casualty	Income (Expense)
<b>Additions</b>						
<b>Contributions:</b>						
Member	\$ 21,745,608	\$ 21,745,608				
Employer	250,377,626		\$ 240,699,560		\$ 9,678,066	
Total contributions	\$ 272,123,234	\$ 21,745,608	\$ 240,699,560		\$ 9,678,066	
<b>Investment income:</b>						
Interest income	\$ 48,083,735					\$ 48,083,735
Dividend income	28,317,905					28,317,905
Other income	285,105,212					285,105,212
Net appreciation in fair value	2,077,834,893					2,077,834,893
Total investment income	2,439,341,745					2,439,341,745
Less investment expenses	199,579,415					199,579,415
Net investment income	2,239,762,330					2,239,762,330
Securities lending income	3,345,227					3,345,227
Borrower rebates	(463,427)					(463,427)
Net securities lending income	3,808,654					3,808,654
Investment income allocated		\$ 768,742	\$ 1,077,131,072	\$ 1,167,447,344	\$ 1,492,524	(2,246,839,682)
Net additions (reductions)	\$ 2,515,694,218	\$ 22,514,350	\$ 1,317,830,632	\$ 1,167,447,344	\$ 11,170,590	\$ (3,268,698)
<b>Deductions</b>						
<b>Benefits Paid:</b>						
Annuity benefits	\$ 382,192,110		\$ 3,369,533	\$ 378,822,577		
Refunds	2,167,386	\$ 2,167,386				
Net benefits paid	384,359,496	2,167,386	3,369,533	378,822,577		
Annuities awarded		13,321,654	430,269,687	(450,723,423)	\$ 7,178,259	\$ (46,177)
Administrative expenses	7,281,853		4,486,011	2,795,842		
Pension expense (gain)	(590,084)					(590,084)
OPEB expense (gain)	273,891					273,891
Net deductions	\$ 391,325,156	\$ 15,489,040	\$ 438,125,231	\$ (69,105,004)	\$ 7,178,259	\$ (362,370)
Net increase (decrease) in net position	\$ 2,124,369,062	\$ 7,025,310	\$ 879,705,401	\$ 1,236,552,348	\$ 3,992,331	\$ (2,906,328)
<b>Net position restricted for pension benefits at June 30, 2020</b>	\$ 8,160,615,908	\$ 172,310,214	\$ 3,766,690,412	\$ 4,197,711,563	\$ 20,681,198	\$ 3,222,521
<b>Net position restricted for pension benefits at June 30, 2021</b>	\$ 10,284,984,970	\$ 179,335,524	\$ 4,646,395,813	\$ 5,434,263,911	\$ 24,673,529	\$ 316,193

## Supplementary Information

(continued)

OPERATING EXPENSES		
Administrative Expenses		
Year Ended June 30, 2021		
<b>Personnel Services:</b>		
Staff salaries	\$ 2,448,147	
Social Security	162,127	
Staff retirement plan	869,876	
OPEB	38,792	
Insurance	486,900	
Professional development	23,239	
Total Personnel Services		\$ 4,029,081
<b>Professional Services:</b>		
Actuarial services	\$ 532,380	
Data processing	658,119	
Audit	57,231	
General counsel	162,814	
Legislative	54,000	
Medical advisors	53,686	
Other	135,017	
Total Professional Services		\$ 1,653,247
<b>Communications:</b>		
Public information	\$ 54,861	
Printing	58,955	
Telephone	72,869	
Postage	113,706	
Meetings and travel	69,402	
Total Communications		\$ 369,793
<b>Miscellaneous:</b>		
Utilities	\$ 31,448	
Insurance premiums	142,809	
Equipment maintenance	226,535	
Office supplies	94,296	
Building maintenance	62,823	
Depreciation	671,821	
Total Miscellaneous		\$ 1,229,732
<b>Total Administrative Expenses</b>		<b>\$ 7,281,853</b>
Investment Expenses		
Year Ended June 30, 2021		
<b>Investment Manager Fees:</b>		
Alpha managers	\$ 19,740,540	
Equity managers	72,981,631	
Fixed income managers	16,516,394	
Real asset managers	76,159,863	
Strategic managers	10,457,026	
Securities lending managers	(46,173)	
Total Investment Manager Fees		\$ 195,809,281
<b>Other Investment Expenses:</b>		
Investment custodial services	\$ 775,082	
Internal investment expenses	2,531,625	
Total Other Investment Expenses		\$ 3,306,707
<b>Total Investment Expenses</b>		<b>\$ 199,115,988</b>



Photo Credit: 2021 Local Government Hero Nominees

# SECTION 3: *Investments*

# Chief Investment Officer's Report



## MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102  
 Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671  
[www.molagers.org](http://www.molagers.org)  
 Brian K. Collett, CFA, CAlA, Chief Investment Officer

November 5, 2021

To all LAGERS members:

Outperformance in both the short-term and long-term continued to contribute to a secure retirement for LAGERS' Members. The fiscal year ending June 30, 2021 was a good year for LAGERS' members and LAGERS' Investment Portfolio. Last year's performance proved that LAGERS' risk-aware investment strategy continues to ensure LAGERS will achieve its long-term obligations to our members and retirees. LAGERS ended the year with a +29.5% return net of fees, outperforming the Total Policy Benchmark by +12.7%. The performance of the portfolio was broad based, with four of the five asset classes outperforming its respective benchmarks. The portfolio ended the year with a portfolio value of \$10.2 billion or \$143,650 per member. This one-year outperformance feeds into the portfolio's long term returns below:

- +12.1% net of fees annualized return over three years
- +12.4% net of fees annualized return over five years
- +10.0% net of fees annualized return over ten years
- +8.1% net of fees annualized return over twenty years

These returns were calculated by LAGERS' custodian, Northern Trust.

The total portfolio return exceeded LAGERS' Total Policy Benchmark return and Assumed Rate of Return over the 3, 5, 10 and 20 year periods. This continues to translate into downward pressure on employer contributions and a higher funding status, creating a more secure retirement for our members.

The Equity portfolio had a strong year as the economy began to reopen with vaccine rollouts across the globe. Both LAGERS' Public Equity and Private Equity managers continued to provide robust returns as they saw increased valuations across their portfolios. Public Equity returned +51.4% while Private Equity returned +30.7%, resulting in a +42.3% net of fees return for the Total Equity portfolio, and an outperformance of +11.7% relative to LAGERS' Total Equity Benchmark for the year.

The Fixed Income portfolio, while showing its diversification benefits in the market downturn last year, lagged its benchmark in the improved markets this year. LAGERS' Fixed Income portfolio returned +2.2% net of fees compared to LAGERS' Fixed Income benchmark of +5.0%. Within Public Fixed Income, long duration assets was the largest detractor as rates increased through the year and this detraction offset all other Public Fixed Income positive performance. LAGERS' Private Fixed Income portfolio largely offset the Public Fixed Income performance with a +13.6% net of fees return for the fiscal year, outperforming its policy benchmark by +4.0% for the year.

LAGERS's Alpha portfolio had a positive year. The portfolio returned +12.7% net of fees while its benchmark returned +9.1% last year. All but one Alpha manager outperformed the benchmark, creating a +3.6% excess return for the Alpha portfolio.

LAGERS' Real Assets/Real Return portfolio outperformed its benchmark over the last year. The Real Assets/Real Return portfolio returned +20.6% net of fees compared to LAGERS' Real Assets/Real Return Benchmark of +13.9%. The outperformance comes from both Public and Private Real Asset portfolios, which exceeded their respective benchmarks by +8.9% and +7.3%, respectively. Commodity portfolios led the Real Asset/Real Return category as those benefited from an increase in inflation driven by strong commodity demand.



LAGERS' Strategic portfolio also had a successful year last year with it outperforming LAGERS' Strategic Benchmark by +25.2%. The primary attribution comes from the Public Strategic portfolio, returning +56.5% for the year, compared to the benchmark return of +10.1%. Private Strategic had a smaller outperformance of +2.6%.

The levered allocation as of June 30, 2021 for the five main asset classes was Alpha 11.2%, Equities 39.1%, Fixed Income 28.1%, Real Assets/Real Return 36.0%, and Strategic Assets 9.5%. In addition to the five asset classes, LAGERS had 11.3% allocated to cash instruments. LAGERS' team views risk and asset allocation at a much more granular level than just the five main asset classes listed above. Below is an in-depth chart, showing all the various sub-categories within the portfolio. These sub-categories provide a better understanding of the risks and characteristics currently in the portfolio.

### Diversification as of June 30, 2021



Generating LAGERS' assumed rate of return of +7.00% in the current environment will involve implementing our risk-aware strategy. LAGERS' strategy takes full advantage of the illiquid nature of LAGERS' long-term, perpetual, investment portfolio by having the ability to invest in private strategies such as Private Equity, Infrastructure, Real Estate, Aviation, Mining, Shipping, Renewables and other strategies such as a sawmill. These private strategies are expected to earn a premium to the public market returns, while diversifying the portfolio and decreasing overall risk. The asset allocation has been developed for the purpose of meeting this assumed rate of return over the long term and through all environments, including the current. LAGERS' team is continuously looking for attractive and unique opportunities to diversify the asset base to reduce overall risk and add to the return.

The asset allocation is based on long-term goals, liquidity needs, risks and return characteristics of asset types, costs associated with available assets, and market conditions. Again, you can have confidence that the risk-aware investment strategy that LAGERS continues to use will assure that long-term obligations to our members and retirees will be achieved.



Sincerely,

*Brian K. Collett*

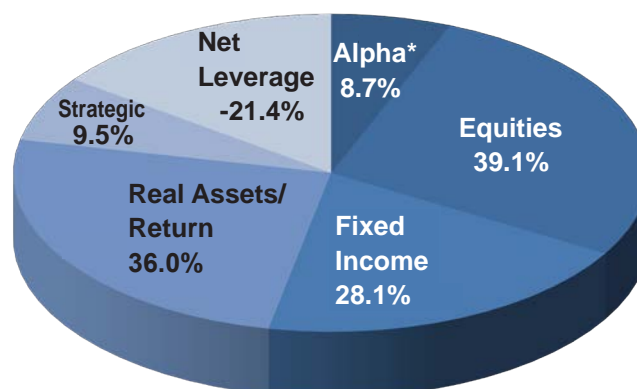
Brian K. Collett, CFA, CAIA  
Chief Investment Officer

# Asset Allocation

Holdings by Asset Class	June 30, 2021		June 30, 2020	
	% of Total Fair Value	Fair Value	% of Total Fair Value	Fair Value
Alpha	8.7	\$ 895,208,265	9.5	\$ 771,364,951
<b>Total Alpha</b>	<b>8.7</b>	<b>\$ 895,208,265</b>	<b>9.5</b>	<b>\$ 771,364,951</b>
<b>Equities</b>				
Domestic	9.4	\$ 963,017,907	9.2	\$ 749,441,994
International	4.5	464,040,317	4.4	358,993,934
Global	3.9	401,303,712	3.9	312,890,881
Emerging Markets	5.1	518,468,913	4.3	348,494,295
Private Equity	16.2	1,664,695,791	16.3	1,327,513,499
<b>Total Equities</b>	<b>39.1</b>	<b>\$ 4,011,526,640</b>	<b>38.1</b>	<b>\$ 3,097,334,603</b>
<b>Fixed Income</b>				
US Fixed Income	4.6	\$ 469,376,758	4.9	\$ 395,889,286
Global Fixed Income	3.5	360,773,034	3.0	247,324,021
Long Duration	9.3	951,268,308	5.5	442,960,158
Emerging Markets Debt	3.6	363,997,329	3.4	277,048,236
Private Fixed Income	7.1	732,375,748	9.7	791,491,283
<b>Total Fixed Income</b>	<b>28.1</b>	<b>\$ 2,877,791,177</b>	<b>26.5</b>	<b>\$ 2,154,712,984</b>
<b>Real Assets/Return</b>				
Timber	1.1	\$ 107,935,578	1.4	\$ 107,962,029
Infrastructure	12.3	1,258,146,936	13.1	1,063,439,657
Real Estate	11.3	1,158,138,135	11.6	941,168,917
Commodities	6.0	610,290,675	3.6	294,004,592
Inflation-Linked Bonds	4.2	433,889,955	4.1	332,132,880
Natural Resources	1.1	115,829,924	0.9	76,973,258
<b>Total Real Assets/Return</b>	<b>36.0</b>	<b>\$ 3,684,231,203</b>	<b>34.7</b>	<b>\$ 2,815,681,333</b>
<b>Strategic</b>				
Public Strategic	5.6	\$ 578,286,146	5.8	\$ 473,630,413
Private Strategic	3.9	398,760,919	3.9	316,861,708
<b>Total Strategic</b>	<b>9.5</b>	<b>\$ 977,047,065</b>	<b>9.7</b>	<b>\$ 790,492,121</b>
<b>Net Leverage</b>				
Cash	11.3	\$ 1,154,601,817	7.8	\$ 633,363,852
Leverage	(32.7)	(3,351,964,627)	(26.3)	(2,137,149,146)
<b>Total Net Leverage</b>	<b>(21.4)</b>	<b>\$ (2,197,362,810)</b>	<b>(18.5)</b>	<b>\$ (1,503,785,294)</b>
<b>Total Assets</b>	<b>100.0</b>	<b>\$ 10,248,441,540</b>	<b>100.0</b>	<b>\$ 8,125,800,698</b>

ASSET ALLOCATION-ASSET CLASS  
as of June 30, 2021

\*Alpha allocation adjusted by 2.5% to achieve a volatility adjusted risk target of 8%. Strategic and Net Leverage allocation is adjusted for the Net Notional Value.



# Investment Policy

The LAGERS Board of Trustees, operating within the “prudent person” framework, has adopted a Statement of Investment Policy and Objectives for the investment managers and others who serve in a fiduciary capacity to the Fund. A summary of that policy follows. For a complete copy of the investment policy, please contact the LAGERS office.

## Investment Goals

The goal of the Fund shall be to achieve a rate of return, net of manager fees, of at least 7.00% per annum as measured over a full market cycle. The Trustees and Investment Staff will use the Fund’s asset allocation as the primary tool to achieve this goal. As this is a long-term projection and investments are subject to short-term volatility, the main investment focus of the Trustees and Investment Staff will be towards the Total Fund. Each asset manager, individual investment and/or security selection (together known as ‘investment(s)’) will be judged on performance relative to its asset class and to its relative benchmark over a full market cycle, usually 5-7 years. With respect to the given purpose, the System’s liquidity requirement, and the source and predictability of contributions, the Board elects to target portfolio risk of 10% standard deviation in pursuing the investment program. LAGERS is unwilling to undertake investment strategies that might jeopardize the ability of the Fund to finance the pension benefits promised to the System’s participants. Thus, LAGERS actively seeks to lower/stabilize the cost of funding the System’s pension promise by prudently taking on types of risk that best serves the long-run interest of the Fund and, therefore, of the System’s participants.

The Trustees have established the following asset-mix guidelines for the Pension Fund:

<b><u>Asset Class</u></b>	<b><u>Target Guidelines</u></b>
Equity Investments	35.00%
Fixed Income Investments	31.00%
Real Assets/Real Return	36.00%
Strategic Assets	8.00%
Alpha Portfolio**	15.00%
Cash Portfolio*	10.00%
Leverage Portfolio*	-35.00%

\* LAGERS targets 28.5% of the leveraged portfolio to be held in cash.

\*\* Alpha Portfolio allocation is based on a volatility adjusted exposure targeting 8% overall.

The Trustees have established the following liquidity guidelines for the Pension Fund:

<b><u>Liquidity Time Frame</u></b>	<b><u>Target Guidelines</u></b>
Short-term (<1 week)	40.00%
Medium-term (1 week – 1 year)	20.00%
Long-term (> 1 year)	40.00%

# Investment Policy (continued)

The Pension Fund’s total return should exceed the total return of an index composed as follows:

Asset Class	Asset Sub-Class	Benchmark	Weight
Equity	Domestic Equity	Russell 3000 Index	10.0%
	Private Equity	CPI +5.5%	10.0%
	Global Equity	MSCI All Country World Index ND (non-hedge)	5.0%
	International Equity	MSCI All Country World Index ex US ND (non-hedge)	5.0%
	Emerging Markets Equity	MSCI Emerging Markets Index ND (non-hedge)	5.0%
Fixed Income	Long Duration Fixed	Barclays Capital US 20+ Year Treasury Bond Index	10.0%
	Private Fixed Income	CPI +4.0%	7.0%
	US Fixed Income	Barclays Capital US Aggregate Bond Index	6.0%
	Global Fixed Income	Barclays Capital Global Aggregate Bond Index	4.0%
	Emerging Market Debt	40% JPM EMBI Global Div; 40% JPM CEMBI Broad Div; 20% JPM GBI-EM Global Div	4.0%
Real Assets	Real Estate	CPI +4.5%	14.0%
	Infrastructure	CPI +4.0%	7.0%
	Inflation Linked Bonds	Barclays Capital Global Inflation-Linked Bond Index	6.0%
	Commodities	Bloomberg Commodity Index	5.0%
	Timber	CPI +2.5%	2.0%
	Natural Resources	CPI +5.0%	2.0%
Strategic Assets	Private Strategic	CPI +6.0%	5.0%
	Public Strategic	CPI +4.5%	3.0%
Alpha	Alpha Portfolio	CPI +3.5%	15.0%
Cash	Cash	CPI	10.0%
Leverage	Leverage	-(CPI +0.5%)	-35.0%

## General Portfolio Guidelines

### Diversification

The diversification of securities among sectors and issuers is the responsibility of the investment manager and Investment Staff. The Investment Staff has further diversification responsibility at the asset manager and asset class level and the Trustees have diversification responsibility at the total portfolio level. All investments made shall be subject to the quality and diversification restrictions established by Section 70.745, 70.746, 70.747, 105.687, 105.688, 105.689 and 105.690 of the Revised Statutes of Missouri.

### Liquidity

Individual assets and/or investment mandates, excluding leverage and its associated cash collateral, will be grouped into three different liquidity classifications. These classifications are based on the time frame it takes to liquidate the investment at prevailing market prices (i.e. not at a discount) and receive cash back. The classifications include:

- Short-Term: the ability to liquidate the investment and receive cash back in less than one week. These include but are not limited to publicly traded assets.
- Medium-Term: the ability to liquidate the investment and receive cash back within one week to one year. These include more illiquid assets such as hedge funds and overlay strategies that have a lock-up period and/or periodic redemptions (i.e. monthly, quarterly, or annually).

- Long-Term: these assets are the most illiquid and have lock-up periods of greater than 1 year. These assets have increased liquidity risk if sold before lock-up expires.

Illiquid assets carry a theoretical illiquidity premium that is demanded by investors for securities that cannot be easily converted into cash. Therefore, these assets that are more illiquid should earn a higher return. Consistent with LAGERS' liquidity requirements and long-term nature of the fund, LAGERS has established liquidity allocation ranges.

### Style Adherence

The most important feature any individual manager brings to a multi-manager portfolio is style adherence. At least quarterly, fundamental portfolio characteristics and style benchmark comparisons will be monitored for adherence to a manager's identified style. The Trustees and Investment Staff recognize that different maturity ranges and sectors within the broad market categories go in and out of favor. Therefore, short-term examination of each investment's performance will review style adherence relative to similar style or duration, peer comparisons, and style benchmarks whilst maintaining a focus on the long-term return objective relative to their respective style benchmark.

### Performance Objectives

Primary emphasis is to be placed on relative rates of return. Performance shall be evaluated over a full market cycle, usually 5-7 years. See "Specific Portfolio Guidelines" for further information regarding performance expectations.

## Specific Portfolio Guidelines

### Fixed Income

- The benchmark for the fixed income composite portfolio is composed as follows:

Asset Sub-Class	Benchmark	Weight
Long Duration Fixed	Barclay's Capital US 20+ Year Treasury Bond Index	32.0%
Private Fixed Income	CPI +4.0%	22.5%
US Fixed Income	Barclays Capital US Aggregate Bond Index	19.5%
Global Fixed Income	Barclays Capital Global Aggregate Bond Index	13.0%
Emerging Market Debt	40% JPM EMBI Global Div; 40% JPM CEMBI Broad Div; 20% JPM GBI-EM Global Div	13.0%

- The total return of the fixed income composite, net of fees, should exceed the total return of the composite benchmark outlined above.
- The total return of each underlying portfolio or mandate in the composite should exceed the total return of an index of similar mandate or style assigned. The Investment Staff will use benchmarks specific to each respective asset or manager's mandate on a quarter-by-quarter basis to monitor each investment. Currency management is at the discretion of the Non-US managers.
- The goal of the fixed income composite portfolio shall be to achieve a total annualized real rate of return net of fees of at least 1.5% over the CPI as measured over a full market cycle, usually 5-7 years.

# Investment Policy (continued)

## Equity

- The benchmark for the equity composite portfolio is composed as follows:

Asset Sub-Class	Benchmark	Weight
Domestic Equity	Russell 3000 Index	29.0%
Private Equity	CPI +5.5%	29.0%
Global Equity	MSCI All Country World Index ND (non-hedge)	14.0%
International Equity	MSCI All Country World Index ex US ND (non-hedge)	14.0%
Emerging Markets Equity	MSCI Emerging Markets Index ND (non-hedge)	14.0%

- The total return of the equity composite, net of fees, should exceed the total return of the composite benchmark outlined above.
- The total return of each underlying portfolio or mandate in the composite should exceed the total return of an index of similar mandate or style assigned. The Investment Staff will use benchmarks specific to each respective asset or manager’s mandate on a quarter-by-quarter basis to monitor each investment. Currency management is at the discretion of the Non-US managers.
- The goal of the equity composite portfolio shall be to achieve a total annualized real rate of return net of fees of at least 5.0% over the CPI as measured over a full market cycle, usually 5-7 years.

## Real Assets

- The benchmark for the real asset composite portfolio is composed as follows:

Asset Sub-Class	Benchmark	Weight
Real Estate	CPI +4.5%	39.0%
Infrastructure	CPI +4.0%	19.5%
Inflation Linked Bonds	Barclays Capital Global Inflation-Linked Bond Index	16.5%
Commodities	Bloomberg Commodity Index	14.0%
Timber	CPI +2.5%	5.5%
Natural Resources	CPI +5.0%	5.5%

- The total return of the real asset composite, net of fees, should exceed the total return of the composite benchmark outlined above.
- The total return of each underlying portfolio or mandate in the composite should exceed the total return of an index of similar mandate or style assigned. The Investment Staff will use benchmarks specific to each respective asset or manager’s mandate on a quarter-by-quarter basis to monitor each investment. Currency management is at the discretion of the Non-US managers.
- The goal of the real asset composite portfolio shall be to achieve a total annualized real rate of return of at least 3.5% over the CPI as measured over a full market cycle, usually 5-7 years.

## Strategic Assets

- The benchmark for the strategic asset composite portfolio is composed as follows:

Asset Sub-Class	Benchmark	Weight
Private Strategic	CPI +6.0%	62.5%
Public Strategic	CPI +4.5%	37.5%

- The total return of the strategic asset composite, net of fees, should exceed the total return of the composite benchmark outlined above.
- The total return of each underlying portfolio or mandate in the composite should exceed the total return of an index of similar mandate or style assigned. The Investment Staff will use benchmarks specific to each respective asset or manager's mandate on a quarter-by-quarter basis to monitor each investment. Currency management is at the discretion of the Non-US managers.
- The goal of the strategic asset composite portfolio shall be to achieve a total annualized real rate of return of at least 5.5% over the CPI as measured over a full market cycle, usually 5-7 years.

## Alpha Portfolio

- The target allocation will be based on the volatility adjusted exposure for each alpha manager in order to achieve an overall alpha composite volatility of 8%.
- The benchmark for the alpha composite is composed as follows:

Asset Sub-Class	Benchmark	Weight
Alpha Portfolio	CPI +3.5%	100.0%

- The total return of the alpha composite, net of fees, should exceed the total return of the composite benchmark outlined above.
- The total return of each underlying portfolio or mandate in the composite should exceed the total return of an index of similar mandate or style assigned. The Investment Staff will use benchmarks specific to each respective asset or manager's mandate on a quarter-by-quarter basis to monitor each investment. Currency management is at the discretion of the Non-US managers.
- The goal of the asset composite shall be to achieve a total annualized real rate of return of at least 3.5% over the CPI as measured over a full market cycle, usually 5-7 years.

## Cash

- LAGERS tracks the cash on the overall portfolio and has a target cash position of 28.5% of leverage employed.
- The benchmark for the cash composite is composed as follows:

Asset Sub-Class	Benchmark	Weight
Cash	CPI	100.0%

- The goal of the cash composite portfolio shall be to achieve a total annualized real rate of return of CPI as measured over a full market cycle, usually 5-7 years.

# Investment Policy (continued)

## Leverage Portfolio

- The leverage composite is the liability side of any borrowed funds and therefore will not have a benchmark to exceed and will instead have an expected cost of CPI +0.5%, measured over a full market cycle, usually 5-7 years.

## Securities Lending Guidelines

The Investment Staff may select a firm(s) to lend financial securities of the Fund. The firm shall have full discretion over the selection of borrowers and shall continually review credit worthiness of potential borrowers through adequate analysis of all material provided to them. The securities lending program shall in no way inhibit the trading activities of the investment managers of the System. The securities lending agent and Investment Staff will create investment guidelines for the investment of cash collateral to adhere to this document. The Investment Staff will review, at least quarterly, the performance of the program and ensure that proper collateralization procedures are adhered to as stated in the investment guidelines.

The Investment Staff has authority to manage the Security Lending's cash collateral. This collateral will be invested at Staff's discretion in the eligible investments permitted under this Statement of Investment Policy and Objectives, while also taking into the account the liquidity needs of the Security Lending program.

## Investment Results

Periods Ending June 30, 2021					
Total Portfolio:	1 Year	3 Years	5 Years	10 Years	15 Years
LAGERS	29.48%	12.13%	12.42%	9.97%	8.55%
LAGERS Custom Index	16.78	10.33	9.48	7.73	6.69
Actuarial Assumed Rate of Return	7.25	7.25	7.25	7.26	7.34
Median All Funds > \$1 Bil	26.89	11.95	11.23	9.05	7.71
Consumer Price Index (CPI)	5.39	2.54	2.43	1.87	1.97
<b>Equity Portfolio:</b>					
LAGERS	42.33%	16.83%	17.00%	12.76%	9.35%
MSCI's All Country World Index	39.26	14.57	14.61	9.90	7.60
Russell 3000 Index	44.16	18.73	17.89	14.70	10.78
Standard & Poor's 500 Index	40.79	18.67	17.65	14.84	10.73
<b>Fixed Income Portfolio:</b>					
LAGERS	2.18%	8.70%	7.50%	7.73%	8.30%
Barclay's US Aggregate Index	(0.33)	5.34	3.03	3.39	4.43
Barclay's Global Aggregate Index	2.63	4.23	2.34	2.05	3.71
<b>Real Assets/Return Portfolio:</b>					
LAGERS	20.62%	6.19%	8.31%	6.21%	6.29%
LAGERS Custom Real Assets/Return Benchmark	13.86	6.13	5.57	4.09	4.60
<b>Strategic Portfolio:</b>					
LAGERS	36.37%	8.26%	9.98%	6.01%	
LAGERS Custom Strategic Benchmark	11.21	8.22	8.10	7.24	
<b>Alpha Portfolio:</b>					
LAGERS	12.66%				
Consumer Price Index (CPI) + 3.5%	9.06				



## Largest Holdings

### Largest Bond Holdings (By Fair Value)

June 30, 2021

	Par	Bonds	Fair Value
1)	\$ 110,215,000	US Treas Bds 2.25% Due 08-15-2046	\$ 113,960,588
2)	44,070,000	US Treas Nts Infl Idx 0.625% 04-15-2023	50,119,267
3)	43,050,000	US Treas Bds 00247 2.5% Due 02-15-2046 Reg	46,635,258
4)	41,160,000	US Treas Bonds Dtd 05/15/2016 2.5% Due 05-15-2046 Reg	44,591,072
5)	40,092,000	FNMA Single Family Mortgage 4% 30 Years Settles August	42,726,170
6)	70,000,000	US Treas Bd Stripped Prin Pmt00109 11-15-2045 (Unddate) Reg	41,775,444
7)	34,740,000	US Treas NTS Idx Dtd 04-15-2017 0.125% Due 04-15-2022	39,130,504
8)	27,890,000	US Treas Notes Infl Idx 0.125% 04-15-2021	31,120,606
9)	20,099,969	PVTPL Garrison BSL CLO 2018-1 FLTG 144A 07-17-2028	20,099,969
10)	29,970,000	US Treas Bd Stripped Prin Pmt 05-15-2045	18,061,987

### Largest Stock Holdings (By Fair Value)

June 30, 2021

	Shares	Stock	Fair Value
1)	16,093,353	Harbour Energy PLC	\$ 83,815,263
2)	10,000	PVPL Eagle Holding Company Inc Series B	17,794,000
3)	900,666	Ford MTR Co Del	13,383,897
4)	188,428	Tenet Healthcare Corp	12,622,792
5)	6,500	PVPL Hastings Holdings Corp Series C	11,585,015
6)	204,787	Intel Corp	11,496,742
7)	14,567	LVMH Moet Hennessy Louis Vuitton	11,423,961
8)	133,866	Signet Jewelers LTD	10,815,034
9)	144,821	Ryder Sys Inc	10,764,545
10)	9,823	PVPL Squan Holdings Corp Series C	10,708,000

Note: A complete list of holdings is available upon request.

## Schedule of Advisor Fees

Investment Manager Expenses:		
Alpha Managers	\$ 19,740,540	
Equity Managers	72,981,631	
Fixed Income Managers	16,516,394	
Real Asset Managers	76,159,863	
Strategic Managers	10,457,026	
Securities Lending Managers	(46,173)	
Total Investment Manager Fees		\$ 195,809,281
Other Investment Expenses:		
Investment Custodial Services	\$ 775,082	
Investment Consultant/Legal Counsel	128,500	
Investment Staff Expenses	2,403,125	
Total Other Investment Expenses		\$ 3,306,707
Total Investment Expenses		\$ 199,115,988

## Schedule of Advisors

### ALPHA

AQR Capital Management, Greenwich, CT  
 Bridgewater Associates, Westport, CT  
 BlackRock, San Francisco, CA

Wellington Management Company, Boston, MA

### EQUITY

Alchemy Partners, London, England  
 AMI Asset Management Corporation, Los Angeles, CA  
 Aronson Johnson Ortiz, Philadelphia, PA  
 Borromin Capital, Frankfurt, Hesse  
 Brentwood Associates, Los Angeles, CA  
 Bridgewater Associates, Westport, CT  
 Catterton Partners, Greenwich, CT  
 Clearbridge Investments, Wilmington, DE  
 Dimensional Fund Advisors, Austin, TX  
 Federated MDT Advisors, Boston, MA  
 FSN Capital Partners, Oslo, Norway

Jennison Associates, New York, NY  
 Pamlico Capital, Charlotte, NC  
 Portfolio Advisors, Darien, CT  
 RFE Investment Partners, New Canaan, CT  
 Russell, Seattle, WA  
 Seizert Capital Partners, Birmingham, MI  
 Silvercrest Asset Management Group, New York, NY  
 Tailwind Capital, New York, NY  
 Timberland Investment Resources, Charlotte, NC  
 Walter Scott & Partners Limited, Edinburgh, Scotland  
 Wells Fargo Asset Management, Menomonee Falls, WI  
 Wellington Management Company, Boston, MA

### FIXED INCOME

Aberdeen Standard Investments, Philadelphia, PA  
 AQR Capital Management, Greenwich, CT  
 Alchemy Partners, London, England  
 Avenue Capital Group, New York, NY  
 BlackRock, San Francisco, CA  
 Brentwood Associates, Los Angeles, CA  
 Catterton Partners, Greenwich, CT  
 Eagle Private Capital, St. Louis, MO  
 EIG Global Energy Partners, Washington D.C.  
 Fidelity Institutional Asset Management, Smithfield, RI  
 Garrison Investment Group, New York, NY

Global Infrastructure Partners, New York, NY  
 HBG Advisors, Manlius, NY  
 Hoisington Investment Management, Austin, TX  
 Pacific Investment Management Co., Newport Beach, CA  
 Portfolio Advisors, Darien, CT  
 Related Fund Management, New York, NY  
 RFE Investment Partners, New Canaan, CT  
 Russell, Seattle, WA  
 Sound Mark Partners, Greenwich, CT  
 Tailwind Capital, New York, NY

# Schedule of Advisors

## REAL ASSETS / RETURN

Avenue Capital Group, New York, NY  
 BentalGreenOak New York, NY  
 BlackRock, San Francisco, CA  
 Blue Vista Capital Management, Chicago, IL  
 Bridgewater Associates, Westport, CT  
 CBRE Investors, Los Angeles, CA  
 Crow Holdings, Dallas, TX  
 EIG Global Energy Partners, Washington D.C.  
 Europa Capital Partners, London, England  
 Fireside Financial, Edwardsville, IL  
 Garrison Investment Group, New York, NY  
 Glennmont Partners, London, England  
 Global Infrastructure Partners, New York, NY

I Squared Capital Advisors LLC, New York, NY  
 Machine Investment Group, New York, NY  
 Noble Investment Group, Atlanta, GA  
 Pacific Investment Management Co., Newport Beach, CA  
 Portfolio Advisors, Darien, CT  
 Prudential Real Estate Investors, Madison, NJ  
 Related Fund Management, New York, NY  
 Resource Capital Funds, Denver, CO  
 Sole Shipping, St Helier, Jersey  
 Sound Mark Partners, Greenwich, CT  
 Stonepeak, Wilmington, DE  
 Timberland Investment Resources, Charlotte, NC

## STRATEGIC

Allegro, Wilmington, DE  
 Avenue Capital Group, New York, NY  
 BlackRock, San Francisco, CA  
 Dock Square Capital, Coral Gables, FL  
 Garrison Investment Group, New York, NY

Healthcare Royalty Partners, Stamford, CT  
 Machine Investment Group, New York, NY  
 Resource Capital Funds, Denver, CO  
 Russell, Seattle, WA  
 Sound Mark Partners, Greenwich, CT

## CUSTODIAN

Northern Trust Company, Chicago, IL

## Brokerage Schedule

Schedule of Brokerage Commissions			
Broker Name	Shares	Commissions	Per Share
Goldman, Sachs and Co.	6,683,314,455	\$ 142,008	\$ 0.00002
Morgan Stanley and Co., LLC	1,886,171,925	140,980	0.00007
Jefferies LLC.	50,813,664	118,618	0.00233
Citibank N.A.	77,023,570	94,778	0.00123
Merrill Lynch International Limited	605,703,855	85,174	0.00014
National Financial Services LLC	5,212,110	81,514	0.01564
Pershing LLC	89,086,601,008	63,683	0.00000
Instinet, LLC	4,791,041	43,247	0.00903
J.P. Morgan Securities LLC	1,145,798,746	34,378	0.00003
Goldman Sachs SECS LTD Hong Kong	14,319,268	28,519	0.00199
Instinet Investment Services Limited	4,076,179	26,549	0.00651
Sanford C. Bernstein and Co., LLC	9,227,344	23,411	0.00254
RBC Dominion Securities, Inc.	35,001,198	22,721	0.00065
Credit Suisse Securities (USA) LLC	1,979,993,685	22,231	0.00001
Janney Montgomery Scott LLC	545,411	21,816	0.04000
Citibank International PLC	358,600	21,038	0.05867
Morgan Stanley India Co PVT LTD	10,009,346	20,176	0.00202
UBS AG Stamford Branch	106,169,456	17,406	0.00016
Bank of America Corporation	4,728,075	17,358	0.00367
J.P. Morgan Securities PLC	1,909,746,926	16,718	0.00001
Subtotal (20 largest)	103,619,605,862	1,042,323	0.00724
Remaining total	88,536,420,389	519,868	0.00995
<b>Total commissions</b>	<b>192,156,026,251</b>	<b>1,562,191</b>	<b>0.00980</b>

*Brokerage commissions on purchases and sales are too numerous to list; therefore, only the top 20 brokers, by amount of commission paid are presented.*



Photo Credit: Executive Director Robert Wilson,  
Local Government Hero Dan Burns, and  
Local Government Hero Finalist Robyn Kaufman  
2021 LAGERS Annual Meeting

# SECTION 4: *Actuarial*

# Actuary's Certification Letter



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November 5, 2021

Board of Trustees  
Missouri Local Government  
Employees Retirement System  
Jefferson City, Missouri

The fundamental financial objective of LAGERS is to establish and receive contributions which:

- When expressed as percents of active member payroll, will remain approximately level from generation to generation of local citizens; and
- When combined with present assets and future investment return, will be sufficient to meet the financial obligations of LAGERS to present and future retirees and beneficiaries.

To test how well the fundamental objective is being achieved, annual actuarial valuations are made. These valuations adjust employer contribution rates, up or down as the case may be, for differences in the past year between assumed financial experiences and actual financial experiences. In addition, these valuations determine the reserve strength of each employer group.

Using data as of February 28, 2021, separate actuarial valuations were made for 1,225 employer groups and a compiled annual actuarial report was issued as of that date. The data was reviewed in the aggregate by the actuary for internal and year-to-year consistency and reasonableness prior to use in the actuarial valuation process, but was not audited. It was also summarized and tabulated in order to analyze trends. We are not responsible for the accuracy or completeness of the data. Summary information about the resulting new employer contribution rates is shown in the Annual Comprehensive Financial Report (ACFR).

Assumptions concerning future experience are needed for computing employer contribution rates. As time passes and actual experience develops, assumed and actual experience is compared. From time-to-time, one or more of the assumptions about the future are changed by the Board after consulting with the actuary. The last major changes were in economic assumptions and non-economic assumptions based upon an Experience Study covering the period March 1, 2015 through February 29, 2020. These assumptions were first used in the 2021 valuations. The assumptions comply with the Actuarial Standards of Practice and the applicable reporting requirements of the Governmental Accounting Standards Board (GASB).

In addition to the compiled annual actuarial valuation report, separate reports are issued to provide funding and financial reporting information for the LAGERS Staff Plans in accordance with GASB Statement Nos. 67 and 68 (pension benefits) and Statement Nos. 74 and 75 (retiree health benefits). Financial reporting information has been produced based upon a measurement date of June 30, 2021 for GASB Statement Nos. 67 and 68 and June 30, 2021 for GASB Statement Nos. 74 and 75.

The following schedules in the Actuarial Section and Financial Section of the ACFR were prepared based upon certain information presented in the previously mentioned funding and financial reporting valuation reports:

#### Actuarial Section

- Summary of Actuarial Assumptions
- Actuarial Valuation Data
  - Participating Employers and Active Members
  - Retirant and Beneficiary Data
- Schedule of Funding Progress
- Short Condition Test
- Employer Contribution Rate Changes
- Employer Contribution Rates
- Schedule of Gains & Losses

#### Financial Section

- LAGERS Staff Retirement Plan
  - Contributions
  - Total and Net Pension Liability
  - Sensitivity to Changes in the Discount Rate
  - Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions
  - Schedule of Changes in Net Pension Liability
  - Schedule of Employer Contributions
- LAGERS Staff Postemployment Healthcare Supplement
  - Contributions
  - Total and Net OPEB Liability
  - Sensitivity to Changes in the Discount Rate and Healthcare Trend Rates
  - OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEBs
  - Schedule of Changes in Net OPEB Liability
  - Schedule of Employer Contributions

On the basis of the 2021 valuations, it is our opinion that LAGERS continues to satisfy the actuarial principles of level cost financing.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on funded status); and changes in plan provisions or applicable law.

Mita D. Drazilov and Judith A. Kermans are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company




Mita D. Drazilov, ASA, FCA, MAAA    Judith A. Kermans, EA, FCA, MAAA

## Summary of Actuarial Assumptions

1. The investment return rate used in making the valuations was 7.00 percent per year, compounded annually. This rate of return is not the assumed real rate of return. The real rate of return is the portion of total investment return which is more than the wage inflation rate. Considering wage inflation recognition of 2.75 percent, the 7.00 percent investment return rate translates to an assumed real rate of return of 4.25 percent. The price inflation component of the investment return rate and the wage inflation rate is assumed to be 2.25 percent. Adopted 2021.
2. The mortality table used to evaluate mortality among active members was 75% of the PubG-2010 Employees Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire & Public Safety groups. Adopted 2021.
3. The mortality table used in evaluating allowances to be paid was 115% of the PubG-2010 Retiree Mortality Table for males and females and 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. Adopted 2021.
4. For both the post-retirement and pre-retirement tables, mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables. Adopted 2021.
5. The probabilities of withdrawal from service, together with individual pay increase assumptions, are shown in Schedule 1. Adopted 2021.
6. The probabilities of retirement with an age and service allowance are shown in Schedule 2. Adopted 2021.
7. Total active member payroll is assumed to increase 2.75 percent a year, which is the portion of the individual pay increase assumptions attributable to wage inflation. In effect, this assumes no change in the number of active members per employer. Adopted 2021.
8. An individual entry-age normal cost method of valuation was used in determining age and service allowance normal costs and the allocation of actuarial present values between service rendered before and after the valuation date. Actuarial gains and losses reduce or increase the unfunded liability and are amortized over the remaining amortization period. Adopted 1987.
9. Present assets (cash and investments as of last valuation date) are valued using smoothing techniques of fair value over a five-year period. Funding value is not permitted to deviate from fair value by more than 20 percent. Adopted 2003.
10. The data about persons now covered and about present assets were furnished by the system's administrative staff. Although examined for general reasonableness, the data was not audited by the actuary.
11. The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (M.A.A.A.).



**Schedule 1**  
**Withdrawal From Active Employment Before Age & Service Retirement**  
**and Individual Pay Increase Assumptions**

**Percent of Active Members**  
**Separating Within Next Year**

Sample Ages	Years of Service	General Members		Police/Public Safety	Fire	Percent Increase In Individual's Pay During Next Year**
		Men	Women			
All	0	20.0%	23.0%	18.0%	12.0%	
	1	18.0	21.0	17.0	10.0	
	2	16.0	18.0	16.0	8.0	
	3	13.0	15.0	14.0	8.0	
	4	12.0	13.0	13.0	7.0	
25	5 & Over	8.8	12.4	10.8	6.0	6.75%
30		7.1	10.2	8.5	4.5	5.95
35		5.6	7.8	6.3	3.2	5.35
40		4.1	5.8	4.6	2.4	4.85
45		3.1	4.4	3.4	1.9	4.25
50		2.4	3.5	2.1	1.3	3.85
55		1.7	2.5	1.1	0.7	3.65
60	1.1	1.4	0.0	0.0	3.45	
65	0.0	0.0	0.0	0.0	3.15	

\*Pay increase rates for police/public safety and fire employees differ slightly.

#Individual pay increase rates relate to all years of service.

**Withdrawal From Active Employment Before Age & Service Retirement**  
**due to Death or Disability**

Sample Ages	Death*				Disability			
	General Members		Police/ Public Safety	Fire	General Members		Police/ Public Safety	Fire
	Men	Women			Men	Women		
25	0.03%	0.01%	0.03%	0.03%	0.07%	0.02%	0.10%	0.07%
30	0.04	0.02	0.04	0.04	0.10	0.03	0.11	0.11
35	0.05	0.02	0.05	0.05	0.13	0.06	0.16	0.25
40	0.06	0.03	0.06	0.06	0.18	0.09	0.22	0.39
45	0.08	0.04	0.06	0.06	0.25	0.15	0.34	0.62
50	0.11	0.06	0.08	0.08	0.37	0.22	0.53	0.95
55	0.16	0.09	0.13	0.13	0.57	0.32	0.88	1.46
60	0.25	0.15			0.86	0.45		
65	0.36	0.21						

\*Applicable to calendar year 2021. Rate in future years are determined by the above rates and the MP-2020 scale.

# Summary of Actuarial Assumptions (continued)

Schedule 2 Percent of Eligible Active Members Retiring Within Next Year Without Rule of 80 Eligibility					
Retirement Ages	General Members Men*	General Members Women*	Retirement Ages	Police/ Public Safety*	Fire*
55	3.0%	3.0%	50	2.5%	2.25%
56	3.0	3.0	51	2.5	2.25
57	3.0	3.0	52	3.0	2.25
58	3.0	3.0	53	3.0	2.25
59	3.0	3.0	54	3.5	2.25
60	10.0	10.0	55	11.0	13.0
61	10.0	10.0	56	11.0	13.0
62	25.0	15.0	57	11.0	13.0
63	20.0	15.0	58	11.0	13.0
64	20.0	15.0	59	11.0	13.0
65	25.0	25.0	60	11.0	15.0
66	25.0	30.0	61	11.0	20.0
67	20.0	25.0	62	22.0	20.0
68	20.0	25.0	63	18.0	20.0
69	20.0	20.0	64	18.0	20.0
70	100.0	100.0	65	100.0	100.0

Percent of Eligible Active Members Retiring Within Next Year With Rule of 80 Eligibility				
Retirement Ages	Men	Women	Police/Public Safety	Fire
50	20.0%	15.0%	25.0%	25.0%
51	20.0	15.0	25.0	20.0
52	15.0	15.0	15.0	20.0
53	15.0	15.0	15.0	20.0
54	15.0	15.0	15.0	20.0
55	15.0	15.0	15.0	20.0
56	15.0	15.0	15.0	20.0
57	15.0	15.0	15.0	25.0
58	15.0	15.0	15.0	25.0
59	15.0	15.0	15.0	25.0
60	15.0	15.0	15.0	35.0
61	15.0	15.0	25.0	35.0
62	25.0	15.0	20.0	45.0
63	25.0	15.0	20.0	45.0
64	25.0	20.0	20.0	45.0
65	30.0	25.0	100.0	100.0
66	30.0	25.0		
67	20.0	25.0		
68	20.0	25.0		
69	20.0	25.0		
70	100.0	100.0		

*\*First 5 years of retirement only apply to early retirement.*

# Actuarial Valuation Data

Participating Employers and Active Members							
Valuation Date	Number of		Active Members				Inflation Increase % (CPI)
	Participating Employers	Valuation Groups	Number	Annual Payroll	Average Pay	% Increase	
2-28-21	801	1,225	35,380	\$ 1,816,911,441	\$ 51,354	1.3%	1.7%
2-29-20	789	1,207	35,248	1,787,038,817	50,699	4.0	2.3
2-28-19	730	1,141	34,523	1,682,772,357	48,744	2.7	1.5
2-28-18	704	1,116	34,053	1,616,895,524	47,482	2.7	2.2
2-28-17	681	1,078	33,633	1,555,729,666	46,256	2.3	2.7
2-29-16	667	1,067	33,335	1,507,588,470	45,225	2.4	1.0
2-28-15	663	1,062	33,104	1,462,218,216	44,170	0.7	0.0
2-28-14	654	1,055	33,205	1,456,008,487	43,849	3.2	1.1
2-28-13	640	1,031	32,840	1,395,261,077	42,487	2.2	2.0
2-29-12	618	1,007	32,690	1,359,655,784	41,592	1.2	2.9

Retirant and Beneficiary Data								
Year Ended	Added to Rolls		Removed from Rolls		Rolls End of Year		% Increase in Annual Allowances	Average Annual Allowances
	No.	Annual Allowances*	No.	Annual Allowances	No.	Annual Allowances		
2-28-21	2,105	\$ 32,183,547	972	\$ 10,464,999	26,421	\$ 343,884,272	6.7%	\$ 13,016
2-29-20	1,914	30,831,382	762	8,309,766	25,288	322,165,724	7.5	12,740
2-28-19	1,909	33,269,236	691	7,232,130	24,136	299,644,108	9.5	12,415
2-28-18	1,898	30,005,238	760	7,909,356	22,918	273,607,002	8.8	11,939
2-28-17	1,817	24,889,736	686	6,826,899	21,780	251,511,120	7.7	11,548
2-29-16	1,715	21,160,239	634	6,604,522	20,649	233,448,283	6.6	11,306
2-28-15	1,698	25,056,006	632	5,764,961	19,568	218,892,566	9.7	11,186
2-28-14	1,586	20,455,414	587	5,265,017	18,502	199,601,520	8.2	10,788
2-28-13	1,524	20,204,275	504	4,963,681	17,503	184,411,123	9.0	10,536
2-29-12	1,519	22,768,228	528	4,421,797	16,483	169,170,529	12.2	10,263

\*Includes post-retirement adjustments.

Each employer participating in the system is financially responsible for its own liabilities. Accordingly, the aggregate numbers presented on this and the following page are indicative only of the overall condition of the system and are not indicative of the status of any one employer.

# Actuarial Valuation Data (continued)

## SCHEDULE OF FUNDING PROGRESS (in thousands)

LAGERS Schedule of Funding Progress						
Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Covered Payroll
2-28-21 #	\$ 8,777,416	\$ 9,182,065	\$ 404,649	95.6%	\$ 1,816,911	22.3%
2-29-20	8,083,991	8,630,842	546,851	93.7	1,787,039	30.6
2-28-19	7,698,245	8,113,101	414,856	94.9	1,682,772	24.7
2-28-18	7,297,700	7,631,703	334,003	95.6	1,616,896	20.7
2-28-17	6,764,626	7,135,950	371,324	94.8	1,555,730	23.9
2-29-16 #	6,320,171	6,671,352	351,181	94.7	1,507,588	23.3
2-28-15	5,972,471	6,324,109	351,638	94.4	1,462,218	24.0
2-28-14	5,388,199	5,873,911	485,712	91.7	1,456,008	33.4
2-28-13	4,692,219	5,423,684	731,465	86.5	1,395,261	52.4
2-29-12	4,274,440	5,120,274	845,834	83.5	1,359,656	62.2

# Revised actuarial assumptions

As of February 28, 2021, the most recent actuarial valuation date, the plan on an aggregated basis was 95.6% funded on an actuarial basis. The actuarial accrued liability for benefits was \$9.2 billion, and the actuarial value of assets was \$8.8 billion, resulting in an unfunded actuarial accrued liability (UAAL) of \$404.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$1.8 billion, and the ratio of the UAAL to the covered payroll was 22.3%

Each employer participating in the System is financially responsible for its own obligation. Accordingly, the aggregated numbers presented on this page are indicative only of the overall condition of the System and are not indicative of any one employer.

The schedule of funding process present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Additional Information as of the Latest Actuarial Valuation Follows:

Valuation date	02-28-21
Actuarial Cost Method	Individual Entry Age
Amortization method	Closed, level percent of payroll
Remaining amortization period	Varies between 0 and 30 years, by employer
Asset valuation method	5-year smoothed market, 20% corridor

Actuarial Assumptions:	
Investment rate of return	7.00 %
Projected salary increases	2.75% to 7.15% including wage inflation
Assumed wage inflation rate	2.75%
Post-retirement increases	2.0%

Mortality: The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG-2010 Mortality Tables for males and females. The disabled retiree mortality tables, for post-retirement mortality, were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Tables for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

SHORT CONDITION TEST

The LAGERS funding objective is to meet long term benefit promises through contributions that remain approximately level from year to year as a percent of member payroll. If the contributions to the system are level in concept and soundly executed, the system will pay all promised benefits when due — the ultimate test of financial soundness. Testing for level contribution rates is the long-term test.

A short condition test is one means of checking a system’s progress under its funding program. In a short condition test, the plan’s present assets (cash and investments) are compared with actuarial accrued liabilities for: (1) active member contributions on deposit; (2) future benefits to present retired lives; (3) service already rendered by active members. In a system that has been following the discipline of level percent of payroll financing, the liabilities for active member contributions on deposit and the future benefits to present retired lives will be fully covered by present assets (except in rare circumstances). In addition, the liabilities for service already rendered by active members will be at least partially covered by the remainder of present assets. The larger the funded portion of liability (3), the stronger the condition of the system.

The schedule below illustrates the most recent 10 year history of the system’s actuarial accrued liabilities and is indicative of the LAGERS policy of following the discipline of level percent of payroll financing.

Valuation Date	Entry Age Accrued Liability For			Actuarial Value of Assets	Portion of Accrued Liability Covered by Assets		
	(1) Active Member Contributions	(2) Retirants and Beneficiaries*	(3) Active Members (Employer Financed Portion)		(1)	(2)	(3)
2-28-21#	\$ 175,917,043	\$ 4,615,234,881	\$ 4,390,913,565	\$ 8,777,415,976	100%	100%	91%
2-29-20	169,100,962	4,121,913,291	4,339,827,890	8,083,990,980	100	100	87
2-28-19	162,317,487	3,840,475,375	4,110,307,786	7,698,244,648	100	100	90
2-28-18	150,947,222	3,548,016,100	3,932,739,323	7,297,699,793	100	100	92
2-28-17	144,754,979	3,195,680,396	3,795,514,878	6,764,626,389	100	100	90
2-29-16#	137,652,896	2,896,669,106	3,637,030,335	6,320,171,438	100	100	90
2-28-15	133,985,740	2,797,401,342	3,392,722,109	5,972,471,342	100	100	90
2-28-14	129,399,490	2,401,194,322	3,343,317,147	5,388,198,677	100	100	85
2-28-13	107,120,593	2,132,575,405	3,183,988,245	4,692,218,862	100	100	77
2-29-12	102,637,353	1,954,579,782	3,063,057,063	4,274,440,345	100	100	72

# Revised actuarial assumptions      \* Includes reserve for future benefit increases.

EMPLOYER CONTRIBUTION RATE CHANGES

Annual actuarial valuations are conducted by the system to determine employer contribution rates for the ensuing fiscal year of the employer. As of February 28, 2021 there were 1,225 separate contribution rates determined for the 801 participating political subdivisions in the system. Of these new employer contribution rates, 469 were increases over the previous year and 659 were decreases from the previous year’s rate. A 10 year comparative schedule of contribution rate adjustments is shown below:

Valuation Date	Decreases	Increases	Unchanged	Total*
2-28-21	659	469	97	1,225
2-29-20	342	771	94	1,207
2-28-19	385	651	105	1,141
2-28-18	494	487	135	1,116
2-28-17	397	576	105	1,078
2-29-16	255	759	53	1,067
2-28-15	738	244	80	1,062
2-28-14	772	231	52	1,055
2-28-13	595	359	77	1,031
2-29-12	507	439	61	1,007

\*There are seventy-four groups presently without active members for which dollar contribution rates were computed. They are not included in the totals.

# Employer Contribution Rate 0%

## Benefit Programs

### 0% Contributory - Number of Valuation Groups

Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals*	Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over	Totals*
<b>L-1</b>						<b>LT-4 (65)</b>					
General	5	6	10	26	47	General	0	0	0	1	1
Police	1	3	5	6	15	Police	0	0	1	0	1
Fire	0	0	0	2	2	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>6</b>	<b>9</b>	<b>15</b>	<b>34</b>	<b>64</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>L-3</b>						<b>LT-5 (62)</b>					
General	8	7	10	28	53	General	1	0	0	0	1
Police	2	4	7	13	26	Police	0	0	0	0	0
Fire	0	1	1	3	5	Fire	0	0	0	0	0
Public Safety	0	0	0	2	2	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>10</b>	<b>12</b>	<b>18</b>	<b>46</b>	<b>86</b>	<b>Total:</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>L-6</b>						<b>LT-5 (65)</b>					
General	3	1	1	104	109	General	0	1	1	1	3
Police	2	0	1	49	52	Police	1	0	0	2	3
Fire	1	0	1	21	23	Fire	1	0	0	0	1
Public Safety	0	0	0	0	0	Public Safety	0	0	0	1	1
<b>Total:</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>174</b>	<b>184</b>	<b>Total:</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>8</b>
<b>L-7</b>						<b>LT-8 (62)</b>					
General	2	12	24	122	160	General	0	0	0	1	1
Police	1	5	13	28	47	Police	0	0	0	1	1
Fire	0	2	3	8	13	Fire	0	0	0	1	1
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>3</b>	<b>19</b>	<b>40</b>	<b>158</b>	<b>220</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>
<b>L-9</b>						<b>LT-8 (65)</b>					
General	2	1	0	4	7	General	0	1	8	11	20
Police	0	1	0	2	3	Police	1	0	2	12	15
Fire	0	0	0	0	0	Fire	1	2	0	7	10
Public Safety	0	0	0	0	0	Public Safety	0	0	0	1	1
<b>Total:</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>10</b>	<b>Total:</b>	<b>2</b>	<b>3</b>	<b>10</b>	<b>31</b>	<b>46</b>
<b>L-11</b>						<b>LT-10 (65)</b>					
General	0	0	0	3	3	General	1	0	2	5	8
Police	0	0	0	2	2	Police	1	0	0	1	2
Fire	0	0	0	5	5	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>Total:</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>6</b>	<b>10</b>
<b>L-12</b>						<b>LT-14 (65)</b>					
General	2	2	6	33	43	General	0	0	1	8	9
Police	2	2	6	14	24	Police	1	0	0	4	5
Fire	1	2	1	6	10	Fire	0	0	0	3	3
Public Safety	0	0	0	1	1	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>5</b>	<b>6</b>	<b>13</b>	<b>54</b>	<b>78</b>	<b>Total:</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>15</b>	<b>17</b>
<b>Totals*</b>	<b>32</b>	<b>49</b>	<b>89</b>	<b>482</b>	<b>652</b>	<b>Totals*</b>	<b>8</b>	<b>4</b>	<b>15</b>	<b>60</b>	<b>87</b>

\*There are forty 0% Member Contribution Rate groups presently without active members. They are not included in the totals.

# Employer Contribution Rate 2%

## Benefit Programs 2% Contributory - Number of Valuation Groups

Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals	Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals
<b>L-1</b>						<b>L-T-4 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-3</b>						<b>LT-5 (62)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-6</b>						<b>LT-5 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-7</b>						<b>LT-8 (62)</b>					
General	0	0	0	1	1	General	0	0	0	0	0
Police	1	0	0	0	1	Police	0	0	0	0	0
Fire	0	0	1	0	1	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-9</b>						<b>LT-8 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-11</b>						<b>LT-10 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-12</b>						<b>LT-14 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Employer Contribution Rate 4%

## Benefit Programs 4% Contributory - Number of Valuation Groups

Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals*	Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals*
<b>L-1</b>						<b>L-T-4 (65)</b>					
General	29	22	22	18	91	General	2	2	0	1	5
Police	11	13	5	1	30	Police	0	0	0	0	0
Fire	2	3	3	2	10	Fire	0	0	0	0	0
Public Safety	0	0	2	0	2	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>42</b>	<b>38</b>	<b>32</b>	<b>21</b>	<b>133</b>	<b>Total:</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>5</b>
<b>L-3</b>						<b>LT-5 (62)</b>					
General	15	13	12	17	57	General	0	0	0	0	0
Police	7	4	3	1	15	Police	0	0	0	0	0
Fire	1	2	1	0	4	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>23</b>	<b>19</b>	<b>16</b>	<b>18</b>	<b>76</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-6</b>						<b>LT-5 (65)</b>					
General	1	9	6	51	67	General	0	0	0	0	0
Police	4	3	5	20	32	Police	0	0	0	0	0
Fire	2	0	2	15	19	Fire	0	0	0	0	0
Public Safety	0	0	0	1	1	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>7</b>	<b>12</b>	<b>13</b>	<b>87</b>	<b>119</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-7</b>						<b>LT-8 (62)</b>					
General	12	22	17	17	68	General	1	0	0	0	1
Police	8	7	7	5	27	Police	0	0	0	0	0
Fire	0	1	3	5	9	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>20</b>	<b>30</b>	<b>27</b>	<b>27</b>	<b>104</b>	<b>Total:</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>L-9</b>						<b>LT-8 (65)</b>					
General	2	1	0	3	6	General	2	0	2	2	6
Police	1	0	0	0	1	Police	1	1	1	0	3
Fire	0	0	0	0	0	Fire	0	0	1	0	1
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>7</b>	<b>Total:</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>10</b>
<b>L-11</b>						<b>LT-10 (65)</b>					
General	0	0	0	1	1	General	0	0	1	1	2
Police	0	0	0	3	3	Police	0	0	0	0	0
Fire	0	0	0	3	3	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>L-12</b>						<b>LT-14 (65)</b>					
General	0	1	2	6	9	General	0	0	0	1	1
Police	0	0	2	2	4	Police	0	0	0	0	0
Fire	0	0	1	1	2	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>1</b>	<b>5</b>	<b>9</b>	<b>15</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Totals*</b>	<b>95</b>	<b>101</b>	<b>93</b>	<b>172</b>	<b>461</b>	<b>Totals</b>	<b>6</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>19</b>

\*There are thirty-four 4% Member Contribution Rate groups presently without active members. They are not included in the totals.



# Employer Contribution Rate 6%

## Benefit Programs 6% Contributory - Number of Valuation Groups

Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals	Benefit Program	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals
<b>L-1</b>						<b>L-T-4 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-3</b>						<b>LT-5 (62)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-6</b>						<b>LT-5 (65)</b>					
General	0	0	0	2	2	General	0	0	0	0	0
Police	0	0	0	1	1	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-7</b>						<b>LT-8 (62)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-9</b>						<b>LT-8 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-11</b>						<b>LT-10 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>L-12</b>						<b>LT-14 (65)</b>					
General	0	0	0	0	0	General	0	0	0	0	0
Police	0	0	0	0	0	Police	0	0	0	0	0
Fire	0	0	0	0	0	Fire	0	0	0	0	0
Public Safety	0	0	0	0	0	Public Safety	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule of Gains & Losses

in Accrued Liabilities for the Year Ended February 28, 2021

Type of Activity	Gain or (Loss) For Year Ended 2/28/2021	% of Liability
<p><b>Age &amp; Service Retirements.</b> If members retire at older ages or with lower final average pay than assumed, there is a gain. If younger ages or higher average pays, a loss.</p>	<p>\$ (11,362,028)</p>	<p>(0.13)%</p>
<p><b>Death-in-Service Benefits.</b> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.</p>	<p>635,991</p>	<p>0.01</p>
<p><b>Withdrawal From Employment.</b> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.</p>	<p>(2,046,190)</p>	<p>(0.02)</p>
<p><b>Disability Benefits.</b> If more liabilities are released by disabilities than assumed, there is a gain. If smaller, a loss.</p>	<p>1,488,004</p>	<p>0.02</p>
<p><b>Pay Increases.</b> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.</p>	<p>65,888,545</p>	<p>0.77</p>
<p><b>Investment Income.</b> If there is greater investment return on assets than assumed, there is a gain. If less return, a loss.</p>	<p>238,186,404</p>	<p>2.77</p>
<p><b>New Active Members.</b> Includes the hiring of existing LAGERS members by other employers.</p>	<p>(14,082,001)</p>	<p>(0.16)</p>
<p><b>Benefit Reserve Fund.</b> Release of reserve for future experience and other retiree experience on system-wide UAAL.</p>	<p>(122,420,825)</p>	<p>(1.42)</p>
<p><b>Other.</b> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.</p>	<p>(2,073,616)</p>	<p>(0.02)</p>
<p><b>Gain or (Loss) During Year From Experience</b></p>	<p>\$ (154,214,284)</p>	<p>1.82%</p>

# Summary of Plan Provisions

## Purpose

The Missouri Local Government Employees Retirement System (LAGERS) is a body corporate created and governed by the State of Missouri to provide retirement, survivors and disability benefits to the state's local government employees in the most efficient and economical manner possible. As such, LAGERS is a non-profit entity which has the responsibility of administering the law in accordance with the expressed intent of the General Assembly and bears a fiduciary obligation to the State of Missouri, the taxpayers and the public employees who are its beneficiaries.

This summary of LAGERS plan provisions is included for informational purposes only. System eligibility requirements and benefits provisions are determined pursuant to Chapter 70, RSMo. and LAGERS Administrative Rules, 16 CSR 20. Accordingly, members, retirees, beneficiaries, and participating political subdivisions are urged to contact LAGERS before making any decisions related to matters included in the following summary.

## Administration

The statutes provide that the administration of LAGERS be vested in a seven member Board of Trustees. Three of these trustees are "Member Trustees" who must be participating members of the system. Three members of the Board are "Employer Trustees" who must be elected or appointed officials of a member subdivision, but who do not personally participate in LAGERS. The statutes which govern LAGERS require that an Annual Meeting be held in the last calendar quarter of each year. Each participating political subdivision is to conduct a secret ballot election allowing each member in that subdivision to vote to elect a "member" delegate to the Annual Meeting. The governing body may then select one of their own, or another person acting in their behalf, to serve as "employer" delegate for the subdivision. All Member and Employer Trustees are elected by their respective delegates at the LAGERS Annual Meeting. The remaining Board member is a "Citizen Trustee" appointed by the governor, who can be neither a member nor employer. A complete listing of the current Board of Trustees is included on page 14.

The management of LAGERS is vested in an Executive Director who is appointed by the Board and serves at their pleasure. The Executive Director acts as advisor to the Board on all matters pertaining to the system and, with the approval of the Board, contracts for professional services and employs the remaining staff needed to operate the system. A listing of the LAGERS team is included on page 15 and 16, and advisors is included on page 8.

## Normal Retirement

A member may retire with an age and service allowance after completing: 1.) at least five years of credited service, and 2.) attaining his minimum service retirement age. This minimum service retirement age is 60 for general members, 55 for law enforcement or fire personnel, and 55 for eligible public safety personnel of electing employers.

A participating LAGERS subdivision may, by a majority vote of the governing body, select an alternate unreduced retirement for employees whose age and service total 80. This provision also requires five years of credited service.

## Final Average Salary

Final average salary is the average of a member's monthly pay during the period of 60 consecutive months of credited service producing the highest monthly average, which is contained within the 120 consecutive months of credited service immediately preceding retirement. For most members, this is the last five years of employment. A participating LAGERS subdivision may, by majority vote of the governing body, elect to have their future retirants' benefits calculated using a 36 month final average salary period.

## Credited Service

Credited service is a combination of the prior service a member accrued prior to his employer joining LAGERS and the membership service he accrues after that date. Because LAGERS is a state-wide retirement system with hundreds of member subdivisions, credited service can be a combination of service with several employers.

# Summary of Plan Provisions (continued)

## Age and Service Allowance

This is the normal retirement benefit and is payable monthly for the lifetime of a member. It equals a specified percent of a member's final average salary multiplied by his number of years of credited service. Each employer elects the percent applicable to his members from 10 available programs: L-1 (1% for life); L-3 (1.25% for life); LT-4(65) (1% for life, 1% to age 65); LT-5(65) (1.25% for life, .75% to age 65); L-6 (2% for life); L-7 (1.5% for life); LT-8(65) (1.5% for life, .5% to age 65); L-12 (1.75% for life); LT-14(65) (1.75% for life, .25% to age 65); and L-11 (2.5% for life – non-OASDI coverage only). All LT programs denoted LT(62) extend temporary benefits to age 62, rather than age 65. These benefit programs can be changed by majority vote of the subdivision's governing body, but not more often than biennially.

## Early Retirement

A member in service may retire with an early retirement benefit after completing: 1.) at least five years of credited service, and 2.) attaining age 55 if a general member, age 50 for a law enforcement or fire member, or age 50 for eligible public safety personnel where elected. The early retirement benefit is computed in the same manner as an age and service allowance but reduced by ½ of 1 percent for each month the retiree is younger than his minimum service retirement age.

## Deferred Retirement

If a member leaves LAGERS covered employment before attaining his early retirement age, but after completing five or more years of service, he becomes eligible for a deferred allowance; provided he lives to his early retirement age and does not withdraw his accumulated contributions, if applicable. Deferred members with less than 10 years of credited service and greater than 10 years until their minimum service retirement age may be eligible for a lump-sum payment. Any deferred benefit paid prior to the member attaining his minimum service retirement age will be reduced ½ of 1 percent for each month the retiree is younger than his minimum service retirement age.

## Non-Duty Disability Benefit

A member with five or more years of credited service who becomes totally and permanently disabled from performing his job from other than duty connected causes is eligible for a non-duty disability benefit computed in the same manner as an age and service allowance, based upon his service and salary to time of disability.

## Duty Disability Benefit

A member who becomes totally and permanently disabled from performing his job from a duty related injury or disease is eligible for a duty disability benefit computed in the same manner as an age and service allowance, but based upon the years of service the member would have completed had he continued in LAGERS covered employment to age 60. Continuing medical examinations are required to confirm the disability once per year for the first five years and once every three years thereafter until reaching the minimum service retirement age.

## Survivors Benefit, Non-Duty Death

Upon the death of a member who had completed at least five years of credited service, an eligible spouse will receive a non-duty death benefit computed upon the deceased member's service and salary to time of death. The surviving spouse receives an allowance equal to the Option A allowance (joint and 75 percent survivor benefits). If no spouse benefit is payable, the dependent children under age 18 (23 if they are full-time students) each receive an equal share of 60 percent of the Life allowance computed for the deceased. In the event there are no surviving spouse or dependent children, any member contributions will be distributed to the named beneficiary of record.

## Survivors Benefit, Duty Death

If a member's death was the natural and proximate result of a personal injury or disease arising out of and in the course of his actual performance of duty as an employee, the spouse is eligible for a duty death benefit computed in the same manner as an age and service allowance, but based upon the years of service the member would have completed had he continued in LAGERS covered employment to age 60. The surviving spouse receives an allowance equal to the Option A allowance (joint and 75 percent survivor benefits). If no spouse benefit is payable, the dependent children under age 18 (23 if they are full-time students) each receive an equal share of 60 percent of the life allowance computed for the deceased. In the event there are no surviving spouse or dependent children, any member contributions will be distributed to the named beneficiary of record.

## Post Retirement Adjustment

All retired members are eligible for an annual post retirement adjustment beginning the October first twelve months after the effective date of their allowance. The adjustment is based on the increase in the Consumer Price Index and is limited to 4 percent per year. The Board of Trustees determines annually the amount of the post retirement adjustment subject to the 4 percent maximum or the increase in the Consumer Price Index.

## Optional Forms of Payment

When a LAGERS member makes application for retirement, his benefits are calculated in several optional forms and he selects the one that best fits his retirement needs. This election of an optional form of payment is made immediately prior to the receipt of the first benefit check and once the election is made, it is irrevocable. The options are as follows:

**Life Option:** This is the largest payment available to a retirant. Upon the death of the retirant monthly payments cease. If the member has not withdrawn at least his accumulated contributions before death, a refund of the balance of his account is made to his beneficiary of record.

**Option A:** This is a continuing spouse option which allows the retirant to receive less (85 percent if spouse age is the same) of the Life Option with the provision that the surviving spouse will receive 75 percent of the member's benefit for the remainder of his or her lifetime.

**Option B:** This option is also a continuing spouse option similar to Option A except the percentages are slightly changed. Under Option B, the retirant would receive a higher benefit (90 percent of the Life Option if spouse is the same age) with the surviving spouse receiving 50 percent of the member's benefit for the remainder of his or her lifetime.

**Option C:** The final of the four options is referred to as a "ten-year certain" option. As with the other options, the benefit (95 percent of the Life Option) is payable for the lifetime of the member but with an added provision that the system will make at least 120 monthly payments. If the employee lives over 10 years after retirement, monthly payments will cease upon his death.

**Partial Lump Sum Feature (PLUS):** This feature provides the option to elect a partial lump sum distribution of the monthly retirement benefit, coupled with a reduced future monthly benefit. The lump sum distribution would be equal to 24 monthly payments of the life allowance amount (does not include any temporary allowance payable under a Life and Temporary plan) at time of retirement. The lump sum payment would result in a reduction (approximately 16 percent) of the retiree's future monthly benefit adjusted for age. All the current options (Life, Option A, Option B and Option C) still apply and may be elected with or without the partial lump sum feature.

## Member Contributions

Political subdivisions may participate in LAGERS under either a contributory or non-contributory plan. If the subdivision participates under the contributory plan, each member contributes 2, 4, or 6 percent of his gross salary, beginning after he has completed sufficient employment for six months of credited service. If a member leaves LAGERS covered employment before an allowance is payable upon his behalf, his accumulated contributions are refunded to him. If he dies prior to accruing five or more years of credited service, his accumulated contributions are refunded to his designated beneficiary(s) unless a duty-related death benefit is payable. If the subdivision participates under the non-contributory plan, the employing political subdivision pays the entire cost, while the members make no contributions.

Local governments participating in LAGERS are permitted, if the governing body elects, to grant refunds of members' contributions after two years of participation in the system under the non-contributory option. The cost of this option would be borne by the governmental unit.

## Employer Contributions

The statutes require each employer to contribute the remaining amounts above that contributed by their members to finance the benefits that political subdivision has promised their employees through their participation in LAGERS. These employer contributions are determined annually by the system's retained actuary and are based upon level-percent-of-payroll funding principles so that the contribution rates do not have to increase over decades of time. A chart showing the employer contribution rates for all LAGERS employers is included on pages 78-81 of this report.



Photo Credit: Callaway County Collector's Office

# SECTION 5: *Statistical*

# Statistical Summary

The objectives of the statistical section are to provide additional historical perspective, context, and relevant details to assist readers in using information in the financial statements, notes to the financial statements, and required supplementary information in order to understand and assess LAGERS overall financial condition.

The schedules beginning on page 88 show financial trend information about the change in LAGERS' assets for the past 10 years. These schedules provide detailed information about the trends of key sources of asset additions and deductions, which assist in providing a context framing how LAGERS financial position has changed over time. The financial trend schedules presented are:

- Change in Fiduciary Net Position
- Interest Credits to Reserve Accounts

The schedules beginning on page 90 show demographic and economic information. This information is designed to assist in understanding the environment in which LAGERS operates. The demographic and economic information and the operating information presented include:

- Retired Member Data
- Benefit Expenses by Type
- Average Monthly Benefit Payments
- Participants by Classification
- Participating Political Subdivisions

## Change in Fiduciary Net Position

Additions:	2021	2020	2019	2018	2017
Member contributions	\$ 21,745,608	\$ 20,232,107	\$ 25,340,904	\$ 19,810,928	\$ 20,923,004
Employer contributions	250,377,626	223,365,800	226,206,112	204,018,370	199,940,705
Net investment income (loss)	2,243,570,984	105,550,056	509,733,460	860,249,908	754,483,948
<b>Total additions</b>	<b>\$ 2,515,694,218</b>	<b>\$ 349,147,963</b>	<b>\$ 761,280,476</b>	<b>\$ 1,084,079,206</b>	<b>\$ 975,347,657</b>
Deductions:					
Benefits	\$ 382,192,110	\$ 356,183,304	\$ 331,493,296	\$ 307,740,098	\$ 282,567,670
Refunds	2,167,386	2,531,823	2,320,610	1,919,371	2,565,510
Administrative expenses	7,281,853	9,356,505	8,129,127	5,576,429	5,345,355
Annuities awarded				20,073	
Pension expense (gain)	(590,084)	(3,293,611)	(572,052)	157,006	(188,344)
OPEB expense (gain)	273,891	71,090	(161,199)	(236,916)	
<b>Total deductions</b>	<b>\$ 391,325,156</b>	<b>\$ 364,849,111</b>	<b>\$ 341,209,782</b>	<b>\$ 315,176,061</b>	<b>\$ 290,290,191</b>
<b>Change in fiduciary net position</b>	<b>\$ 2,124,369,062</b>	<b>\$ (15,701,148)</b>	<b>\$ 420,070,694</b>	<b>\$ 768,903,145</b>	<b>\$ 685,057,466</b>
Additions:	2016	2015	2014	2013	2012
Member contributions	\$ 18,105,362	\$ 14,773,926	\$ 32,739,664	\$ 12,884,566	\$ 12,158,422
Employer contributions	183,363,684	190,555,456	188,500,719	178,505,841	166,947,336
Net investment income (loss)	(11,817,564)	124,483,520	999,426,063	673,420,965	166,658,100
<b>Total additions</b>	<b>\$ 189,651,482</b>	<b>\$ 329,812,902</b>	<b>\$ 1,220,666,446</b>	<b>\$ 864,811,372</b>	<b>\$ 345,763,858</b>
Deductions:					
Benefits	\$ 262,032,383	\$ 250,978,528	\$ 229,637,836	\$ 210,836,794	\$ 195,626,000
Refunds	1,844,175	1,861,343	2,108,951	2,367,537	1,745,403
Administrative expenses	5,184,440	5,571,466	5,243,004	4,459,410	4,523,397
Annuities awarded					
Pension expense (gain)	(341,406)				
OPEB expense (gain)					
<b>Total deductions</b>	<b>\$ 268,719,592</b>	<b>\$ 258,411,337</b>	<b>\$ 236,989,791</b>	<b>\$ 217,663,741</b>	<b>\$ 201,894,800</b>
<b>Change in fiduciary net position</b>	<b>\$ (79,068,110)</b>	<b>\$ 71,401,565</b>	<b>\$ 983,676,655</b>	<b>\$ 647,147,631</b>	<b>\$ 143,869,058</b>



# Interest Credits to Reserve Accounts

A retirement system acquires and invests assets as the result of following the financial objective of level contribution rates. The Board of Trustees of LAGERS has the responsibility for seeing that the assets are invested effectively and within the limits imposed by law. The Board retains professional money managers to assist in the investment process and reviews their activities throughout the year.

The investment process continues to be volatile because of major disturbances in the economic environment.

Following is a table showing investment credits to the various reserves of the system for the last 5 years.

Rate of Investment Return Allocated					
Investment Credits as a Percent of Fund Balance					
Year Ended June 30	(A) Casualty Reserve	(B) Member Reserves	(C) Benefit Reserve	(D) Employer Reserve	Inflation Percent (CPI)
2021	7.00%	0.5%	27.6%	28.9%	5.4%
2020	7.25	0.5	1.3	1.3	0.6
2019	7.25	0.5	6.6	6.8	1.6
2018	7.25	0.5	12.4	12.9	2.9
2017	7.25	0.5	12.0	12.5	1.6
	5-Year Compound Average		11.6	12.1	2.4

- (A) Casualty Reserve assets are for the non-accrued service portion of disability benefits to future retired lives and service related deaths. The investment percent is the rate set for actuarial purposes.
- (B) Member Deposit assets are the contributions of non-retired members. The investment percent, set by the Board, affects amounts payable to members who request a refund. The percent does not affect the monthly benefit of a retiring member.
- (C) Benefit Reserve assets are for benefits to present retired lives. The investment credit is the remainder of net investment return after crediting the Casualty Reserve assets. This revised allocation of investment credits is intended to provide the resources for additional benefit increases after retirement. The investment credit to the Benefit Reserve is limited if the funded ratio of the reserve exceeds 125 percent. In addition, interest credits to the Employer Reserve are limited if the funded ratio of the Benefit Reserves is below 75 percent.
- (D) Employer Reserve assets are for benefits to future retired lives including the accrued service portion of disability benefits. The investment credit is the remainder of the net investment return after crediting the Casualty Reserve assets, followed by a further adjustment for the investment credit to the Member Deposit assets. The Employer Reserve is responsible for covering liability increases resulting from inflation losses.

## Retired Member Data

Amount of Monthly Benefit	Employee Classification			*Type of Retirement									Option Selected			
	General	Police	Fire	#40	#60	#71	#72	#73	#81	#82	#83	Life	Opt. A	Opt. B	Opt. C	
DEFERRED	6,175	1,993	359	8,527												
\$ 1 - \$ 100	1,268	528	88		114	41	42	17	838	662	170	836	567	210	271	
\$ 101 - \$ 200	2,169	571	58		132	32	65	23	1,414	881	251	1,343	747	258	450	
\$ 201 - \$ 300	2,073	406	56		102	24	65	31	1,403	715	195	1,285	653	253	344	
\$ 301 - \$ 400	1,675	324	57		68	19	62	27	1,225	504	151	1,050	509	212	285	
\$ 401 - \$ 500	1,395	285	51		66	18	46	29	1,063	389	120	840	427	232	232	
\$ 501 - \$ 600	1,274	250	44		59	24	45	29	949	339	123	761	419	194	194	
\$ 601 - \$ 700	1,051	216	50		47	23	44	17	814	264	108	649	346	180	142	
\$ 701 - \$ 800	866	169	38		35	14	41	25	713	180	65	533	267	148	125	
\$ 801 - \$ 900	810	156	36		28	16	37	12	650	182	77	465	251	165	121	
\$ 901 - \$1000	763	132	42		32	37	32	8	603	151	74	431	231	168	107	
\$1001 - \$1100	656	103	43		19	27	26	11	541	124	54	353	226	138	85	
\$1101 - \$1200	598	74	42		13	24	31	6	479	108	53	331	183	132	68	
\$1201 - \$1300	556	112	33		13	32	25	9	486	84	52	309	193	122	77	
\$1301 - \$1400	450	91	30		16	27	20	2	395	73	38	250	155	100	66	
\$1401 - \$1500	461	81	42		15	22	28	9	404	68	38	237	163	113	71	
\$1501 - \$1600	380	72	42		14	28	16	2	351	56	27	207	135	97	55	
\$1601 - \$1700	340	94	44		7	30	16	3	347	49	26	219	151	72	36	
\$1701 - \$1800	324	81	47		13	16	10	2	354	43	14	188	132	93	39	
\$1801 - \$1900	320	56	31		4	12	8	3	315	47	18	186	104	81	36	
\$1901 - \$2000	269	64	32		7	18	7	4	283	32	14	166	90	69	40	
OVER - \$2000	3,009	834	617		45	254	74	10	3,691	289	97	2,058	1,100	1,029	273	
<b>SUBTOTALS</b>	<b>26,882</b>	<b>6,692</b>	<b>1,882</b>	<b>8,527</b>	<b>849</b>	<b>738</b>	<b>740</b>	<b>279</b>	<b>17,318</b>	<b>5,240</b>	<b>1,765</b>	<b>12,697</b>	<b>7,049</b>	<b>4,066</b>	<b>3,117</b>	
<b>TOTALS</b>	<b>35,456</b>			<b>35,456</b>									<b>26,929</b>			

\*See Summary of Plan Provisions for description of retirement and benefit options.

#40—Deferred Retirement

#73—Survivor Payment-Disability Retirement

#60—Deceased & Monthly Benefit Payable

#81—Normal Retirement

#71—Duty Disability Retirement

#82—Early Retirement

#72—Non-Duty Disability Retirement

#83—Survivor Payment-Normal Retirement

## Benefit Expenses by Type

Benefit Expenses by Type:	2021	2020	2019	2018	2017
Normal benefits	\$ 365,654,509	\$ 340,903,751	\$ 317,431,967	\$ 295,021,094	\$ 270,803,039
Survivor benefits	16,537,601	15,279,553	14,061,329	12,719,004	11,764,631
Total benefits	\$ 382,192,110	\$ 356,183,304	\$ 331,493,296	\$ 307,740,098	\$ 282,567,670
Total refunds	\$ 2,167,386	\$ 2,531,823	\$ 2,320,610	\$ 1,919,371	\$ 2,565,510
Benefit Expenses by Type:	2016	2015	2014	2013	2012
Normal benefits	\$ 250,995,836	\$ 240,601,321	\$ 220,127,154	\$ 201,911,235	\$ 187,148,905
Survivor benefits	11,033,547	10,377,207	9,510,682	8,925,559	8,477,095
Total benefits	\$ 262,032,383	\$ 250,978,528	\$ 229,637,836	\$ 210,836,794	\$ 195,626,000
Total refunds	\$ 1,844,175	\$ 1,861,343	\$ 2,108,951	\$ 2,367,537	\$ 1,745,403

## Average Monthly Benefit Payments

Retirement Effective Dates		Years of Credited Service by Category					
For Fiscal Years Ended June 30:	5-10	11-15	16-20	21-25	26-30	31 +	
2021	Average Monthly Benefit	\$ 292	\$ 738	\$ 1,218	\$ 1,790	\$ 2,496	\$ 3,236
	Average Final Average Salary	3,913	4,004	4,634	4,990	5,725	6,289
	Number of Active Retirants	724	317	278	221	165	212
2020	Average Monthly Benefit	\$ 306	\$ 727	\$ 1,276	\$ 1,654	\$ 2,516	\$ 3,327
	Average Final Average Salary	3,765	3,899	4,714	4,671	5,622	6,171
	Number of Active Retirants	596	243	219	187	138	202
2019	Average Monthly Benefit	\$ 321	\$ 726	\$ 1,167	\$ 1,496	\$ 2,310	\$ 3,126
	Average Final Average Salary	3,746	3,972	4,313	4,349	5,601	5,657
	Number of Active Retirants	630	266	232	194	151	225
2018	Average Monthly Benefit	\$ 297	\$ 743	\$ 1,088	\$ 1,545	\$ 2,493	\$ 3,101
	Average Final Average Salary	3,699	3,948	3,969	4,452	5,593	5,657
	Number of Active Retirants	617	258	223	159	160	200
2017	Average Monthly Benefit	\$ 294	\$ 680	\$ 1,058	\$ 1,539	\$ 2,155	\$ 3,135
	Average Final Average Salary	3,619	3,756	4,100	4,719	5,093	5,784
	Number of Active Retirants	571	316	230	167	136	182
2016	Average Monthly Benefit	\$ 291	\$ 663	\$ 993	\$ 1,503	\$ 2,116	\$ 2,908
	Average Final Average Salary	3,569	3,740	3,934	4,598	4,960	5,453
	Number of Active Retirants	549	254	185	165	166	165
2015	Average Monthly Benefit	\$ 267	\$ 649	\$ 964	\$ 1,445	\$ 2,149	\$ 3,008
	Average Final Average Salary	3,312	3,563	3,818	4,260	5,074	5,604
	Number of Active Retirants	539	255	203	187	149	196
2014	Average Monthly Benefit	\$ 263	\$ 603	\$ 982	\$ 1,414	\$ 2,006	\$ 2,784
	Average Final Average Salary	3,216	3,348	3,838	4,170	4,829	5,348
	Number of Active Retirants	556	253	179	144	127	161
2013	Average Monthly Benefit	\$ 272	\$ 616	\$ 914	\$ 1,417	\$ 2,104	\$ 2,710
	Average Final Average Salary	3,176	3,457	3,642	4,174	4,685	5,209
	Number of Active Retirants	530	239	188	142	127	148
2012	Average Monthly Benefit	\$ 267	\$ 632	\$ 979	\$ 1,334	\$ 1,956	\$ 2,697
	Average Final Average Salary	3,135	3,320	3,729	3,954	4,562	4,921
	Number of Active Retirants	504	262	190	148	105	171
From July 1, 2011 through June 30, 2021							
	Average Monthly Benefit	\$ 287	\$ 678	\$ 1,064	\$ 1,514	\$ 2,230	\$ 3,003
	Average Final Average Salary	3,515	3,701	4,069	4,434	5,174	5,609
	Number of Active Retirants	582	266	213	171	142	186

# Participants by Classification

Political Subdivisions											
Year	Cities	Counties	Health Agencies	Special Districts	Water Districts	Road Districts	Fire Districts	Emergency Services	Libraries	Soil & Water Cons. Dist.	Total
2021	323	60	70	63	42	28	57	68	49	62	822
2020	315	60	70	61	42	28	55	66	48	61	806
2019	314	60	68	58	41	28	51	62	48	28	758
2018	309	60	68	57	40	27	49	58	47		715
2017	302	60	66	53	39	27	46	56	46		695
2016	299	60	66	50	39	27	43	53	45		682
2015	296	60	65	49	38	27	40	48	45		668
2014	295	60	65	48	38	27	39	47	44		663
2013	288	60	65	47	39	26	36	41	42		644
2012	285	60	62	46	39	25	32	34	39		622

Employee Members											
Year	Cities	Counties	Health Agencies	Special Districts	Water Districts	Road Districts	Fire Districts	Emergency Services	Libraries	Soil & Water Cons. Dist.	Total
2021	19,236	8,896	1,618	2,352	247	87	1,039	1,098	1,095	131	35,799
2020	19,262	8,919	1,594	2,366	233	87	1,030	1,068	1,106	145	35,810
2019	19,063	8,711	1,637	2,293	216	79	946	1,027	1,089	69	35,130
2018	18,743	8,677	1,610	2,283	209	83	899	948	981		34,433
2017	18,544	8,546	1,621	2,303	210	84	820	910	961		33,999
2016	18,388	8,548	1,662	2,380	204	81	712	850	956		33,781
2015	18,289	8,311	1,726	2,321	204	84	684	777	914		33,310
2014	18,336	8,421	1,754	2,312	207	84	685	730	909		33,438
2013	17,959	8,336	1,855	2,272	202	82	657	680	878		32,921
2012	17,944	8,508	1,811	2,305	212	83	596	572	894		32,925

# Participating Political Subdivisions

City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Advance	8	L-1	no	5	no	no	10-2005
Airport Drive	1	L-7	no	3	no	no	05-2000
Albany	19	L-7	yes	3	yes	no	07-1989
Anderson	14	L-3	no	5	yes	no	06-1990
Annapolis	2	L-7	no	3	yes	no	07-2001
Arcadia	3	L-1	no	5	yes	no	08-2015
Arnold	70	L-6	yes	3	no	no	01-1984
Ash Grove	10	L-7	no	3	yes	no	04-1972
Ashland	20	L-7	no	5	yes	no	06-1970
Aurora	51	L-12	no	3	no	yes	07-1972
Auxvasse	5	L-7	yes	5	no	no	01-1994
Ava	43	L-6	yes	3	no	no	09-1997
Ballwin	126	L-12	no	3	yes	no	11-1969
Bates City	2	L-3	no	3	yes	no	09-2020
Belle	5	L-7	no	5	yes	no	05-1987
Bellefontaine Neighbors	45	L-6	no	3	no	no	07-1968
Bellflower	1	L-6	no	3	yes	no	08-1990
Bel-Ridge	17	L-1	no	5	yes	no	02-2002
Belton	196	L-6	no	3	no	yes	02-1974
Berkeley	39	LT-10 (Age 65)	yes	3	no	no	07-1968
Bernie	18	L-3	no	3	no	no	08-1978
Bethany	28	L-6	no	5	yes	no	01-1976
Beverly Hills	1	L-1	no	5	yes	no	07-1991
Bevier	3	L-1	no	5	yes	no	07-1999
Bland	2	L-1	yes	5	no	no	09-1994
Bloomfield	11	L-1	no	5	no	no	10-2001
Blue Springs	251	L-7	no	3	no	yes	09-1973
Bolivar	87	L-7	no	3	yes	no	02-1973
Boonville	69	L-12	no	3	no	yes	05-1971
Bourbon	7	L-3	no	3	no	no	01-2000
Bowling Green	16	L-12	no	5	no	yes	01-1979
Branson	243	L-6	yes	3	yes	no	01-1978
Braymer	3	LT-8 (Age 62)	no	3	yes	no	12-1970
Breckenridge Hills	22	L-1	no	3	yes	no	05-2020
Brentwood	53	L-7	no	3	no	yes	04-1969
Bridgeton	53	L-7	no	5	yes	no	03-2021
Brookfield	37	L-3	no	5	no	no	02-1989
Buckner	13	L-1	no	3	yes	no	10-1987
Buffalo	22	L-7	yes	3	yes	no	01-1974
Butler	47	LT-5 (Age 65)	yes	3	no	no	06-1993
Cabool	28	L-12	no	3	no	yes	10-1969
Camdenton	40	L-7	no	3	no	no	07-2008
Cameron	61	L-6	no	3	no	no	07-1968
Campbell	7	L-3	no	5	yes	no	02-2005

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Canton	13	L-7	no	3	no	yes	07-1979
Cape Girardeau	356	LT-14 (Age 65)	no	3	no	yes	02-1973
Carl Junction	29	L-6	no	5	yes	no	06-1971
Carthage	52	L-6	no	3	no	no	07-1982
Caruthersville	39	L-3	no	5	no	yes	01-1979
Cassville	24	L-7	no	5	yes	no	02-2010
Centralia	30	L-7	yes	5	no	yes	07-1972
Charleston	28	L-1	no	5	no	no	05-1980
Chillicothe	68	L-12	no	3	no	yes	05-1978
Clarksville	3	L-3	no	5	no	no	10-1974
Claycomo	23	L-12	no	5	no	no	04-2007
Cleveland	2	L-3	no	5	yes	no	04-2007
Clever	11	L-1	yes	5	yes	no	07-1998
Clinton	65	L-12	no	5	yes	no	02-1972
Columbia	951	L-6	no	3	no	yes	02-1969
Concordia	19	L-3	no	3	yes	no	05-1978
Cool Valley	3	L-7	no	5	no	no	07-1972
Cottleville	19	L-6	yes	5	yes	no	06-2010
Crestwood	83	L-7	no	3	no	yes	07-1968
Creve Coeur	64	LT-8 (Age 65)	no	5	yes	no	08-2017
Crocker	8	L-1	no	5	no	no	09-1988
Crystal City	53	L-6	no	5	no	yes	04-1970
Cuba	43	L-6	yes	3	no	yes	04-1971
Dardenne Prairie	9	L-7	yes	3	no	no	11-2006
Dellwood	8	L-12	no	3	no	no	01-1975
De Soto	54	L-7	no	5	no	no	01-1983
Dexter	66	L-6	yes	3	no	no	08-1973
Dixon	7	L-7	no	5	yes	no	12-2000
Doniphan	20	L-7	no	5	yes	no	01-1993
Drexel	3	L-7	no	5	no	no	06-1998
Edmundson	14	L-7	no	5	yes	no	01-2012
El Dorado Springs	31	L-6	no	3	no	yes	07-1975
Eldon	37	L-1	no	5	yes	no	05-2005
Ellington	5	L-1	no	5	yes	no	07-2009
Ellisville	58	L-12	no	3	no	no	08-1971
Elsberry	5	L-3	yes	5	no	no	01-1998
Eminence	4	L-3	no	5	no	yes	09-1996
Eureka	65	L-6	yes	3	no	no	11-1973
Excelsior Springs	105	L-7	no	5	no	yes	12-1972
Fair Grove	5	L-1	no	3	yes	no	09-2005
Farmington	129	LT-8 (Age 65)	yes	3	no	no	02-1969
Fayette	19	L-7	yes	5	no	yes	07-1970
Fenton	21	LT-8 (Age 65)	no	3	no	yes	01-1971
* Festus	94	L-6	no	5	no	yes	04-1968

†See Summary of Plan Provisions for benefit program description.

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# Participating Political Subdivisions (continued)

City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Florissant	225	L-7	no	3	yes	no	02-2021
Foristell	11	L-3	no	3	no	no	10-2003
Forsyth	14	L-6	no	5	yes	no	07-1985
Fredericktown	43	LT-8 (Age 65)	yes	5	no	no	05-1968
Frontenac	52	LT-8 (Age 65)	no	3	no	yes	08-1972
Fulton	173	L-6	yes	5	yes	no	08-1968
Gainesville	3	L-1	no	5	yes	no	12-1984
Garden City	5	L-1	no	5	yes	no	04-1993
Gerald	7	L-1	no	3	yes	no	04-2003
Gideon	5	L-3	yes	5	yes	no	10-1970
Gladstone	155	L-6	no	5	no	no	09-1968
Glasgow	7	L-3	no	5	no	no	10-1974
Glendale	29	L-6	no	5	yes	no	02-1971
Glendale (Legacy)	0		no		no	no	04-2021
Golden City	3	L-1	no	5	yes	no	01-2012
Gower	5	L-7	no	5	no	no	01-2010
Grain Valley	58	L-7	no	5	no	no	01-1999
Granby	12	L-1	no	5	yes	no	02-2014
Grandview	172	L-6	no	5	yes	no	07-1971
Grant City	6	L-1	no	5	yes	no	05-1999
Green City	2	L-1	no	5	no	yes	04-1988
Hale	2	L-7	yes	3	no	no	06-1998
Hannibal	62	LT-14 (Age 65)	yes	5	no	yes	11-1969
Hardin	4	L-1	no	3	yes	no	02-1997
Harrisonville	111	LT-14 (Age 65)	no	3	no	no	08-1972
Hartville	5	L-7	no	3	yes	no	07-2001
Hayti	18	L-3	no	5	yes	no	01-1994
Henrietta	1	L-1	no	3	yes	no	02-2009
Herculaneum	25	L-1	no	5	yes	no	11-2013
Hermann	36	L-1	no	3	no	no	09-1980
Higginsville	65	LT-10 (Age 65)	yes	3	no	yes	08-1970
Hillsboro	21	L-7	no	5	no	no	07-1980
Holden	9	L-9	no	5	no	no	04-1974
Hollister	42	L-6	yes	3	yes	no	05-1998
Holts Summit	26	L-3	no	5	no	no	01-1998
Hopkins	2	L-1	no	3	yes	no	02-2013
Houston	32	L-6	yes	3	no	yes	05-1971
Humansville	6	L-1	yes	5	yes	no	06-2006
Huntsville	9	L-12	no	5	no	no	05-2001
Independence	941	L-6	no	3	yes	no	11-1968
Indian Point	4	L-7	yes	5	yes	no	11-2017
Ironton	11	L-1	no	5	no	no	10-2008
* Jackson	123	L-6	no	3	no	yes	04-1968
Jamesport	3	L-1	no	5	yes	no	12-2016

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City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Jefferson City	406	L-6	yes	3	no	yes	01-1970
Jefferson City (Legacy)	0		no		no	no	05-2017
Jennings	53	L-12	no	3	no	no	09-1968
Jennings (Legacy)	0		no		no	no	12-2017
Jonesburg	5	L-7	no	3	no	no	01-1997
Joplin	429	L-6	no	5	no	no	01-1973
Kearney	38	L-7	no	3	no	no	04-1992
Kennett	64	L-7	no	3	no	yes	07-1968
Kimberling City	13	LT-8 (Age 65)	no	3	no	no	03-1994
King City	4	L-1	no	5	yes	no	03-2018
Kingdom City	3	L-1	no	5	no	no	04-2011
Kirksville	136	L-12	no	5	no	yes	01-1977
Knob Noster	14	LT-4 (Age 65)	yes	5	no	no	02-1999
La Grange	15	L-12	no	3	no	yes	02-1977
La Plata	13	L-7	no	5	no	yes	11-1972
Ladonia	2	L-1	yes	3	no	no	03-2021
Lake Lotawana	12	L-1	yes	5	no	no	08-2002
Lake Ozark	36	L-3	no	3	no	no	05-2000
Lake Saint Louis	84	LT-8 (Age 65)	yes	3	no	yes	11-1985
Lake Winnebago	10	L-1	no	3	yes	no	04-1999
Lamar	64	L-7	no	5	no	no	09-1998
Lathrop	8	L-3	no	5	no	no	07-1996
Lawson	14	L-1	no	5	no	no	08-2000
Lebanon	149	L-7	no	5	no	no	11-1984
Lee's Summit	635	L-6	no	5	no	yes	04-1970
Lexington	36	L-1	no	5	yes	no	08-2013
Liberty	226	L-6	no	5	yes	no	07-1970
Licking	14	L-12	no	3	no	no	01-1985
Lincoln	7	L-1	no	5	no	no	02-2012
Linn	6	L-1	yes	5	no	no	05-2003
Lockwood	7	L-9	no	3	no	no	04-1968
Lone Jack	12	L-3	yes	3	yes	no	01-2018
Louisiana	21	L-3	no	5	no	no	07-1968
Macon	72	LT-8 (Age 65)	yes	3	no	no	06-1968
Malden	50	L-6	no	5	yes	no	07-1976
Mansfield	14	L-1	no	3	yes	no	04-2003
Maplewood	66	L-6	no	3	yes	no	04-1970
Marceline	28	L-6	no	5	yes	no	04-1981
Marionville	6	L-7	no	3	yes	no	12-1988
Marshall	176	L-12	no	5	no	no	04-1971
Marshfield	34	L-6	no	5	yes	no	01-1990
Maryland Heights	189	L-6	no	5	no	no	01-2004
Maryville	70	L-6	no	3	no	no	01-1973
Matthews	5	L-1	yes	5	no	no	08-2006

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# Participating Political Subdivisions (continued)

City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Memphis	21	L-6	yes	3	yes	no	01-1972
Mercer	2	L-3	no	3	yes	no	06-1988
Merriam Woods	4	L-1	no	5	yes	no	11-2006
* Mexico	75	L-6	yes	3	no	no	04-1968
Milan	14	L-1	no	3	no	yes	01-1987
Miner	17	L-6	yes	3	no	no	03-1995
Moberly	110	LT-8 (Age 65)	yes	3	no	yes	08-1968
Moline Acres	12	LT-5 (Age 65)	no	5	no	no	04-1974
Monett	125	L-6	yes	3	yes	no	03-1978
Montgomery City	18	L-3	no	3	no	yes	03-1971
Moscow Mills	15	L-3	no	5	yes	no	11-2018
Mound City	7	L-6	no	3	yes	no	04-1971
Mount Vernon	31	L-7	yes	5	no	yes	09-1972
Mountain Grove	44	LT-8 (Age 62)	no	5	no	no	07-1987
Mountain View	32	L-7	no	5	no	yes	07-1989
Neosho	104	LT-8 (Age 65)	yes	3	no	yes	07-1971
Nevada	71	LT-8 (Age 65)	yes	5	no	no	11-1968
New Haven	18	L-1	no	5	yes	no	01-2013
New London	5	L-3	no	5	yes	no	01-2011
New Madrid	36	L-6	no	3	no	no	08-1968
Nixa	134	L-6	no	5	yes	no	01-1990
Norborne	3	L-3	no	5	yes	no	09-1969
Normandy	30	L-7	no	5	no	no	06-1969
North Kansas City	69	L-6	yes	3	no	no	11-1969
Northwoods	27	L-6	no	5	no	no	07-1972
Oak Grove	45	L-7	no	3	no	no	08-1969
Oak Grove Village	1	L-1	no	5	yes	no	02-2012
Oakland	0	LT-8 (Age 65)	no	5	no	no	04-2004
Oakview	2	L-1	no	5	yes	no	05-2009
Odessa	35	L-7	yes	3	no	yes	07-1975
O'Fallon	421	LT-8 (Age 65)	no	5	no	yes	02-1975
Osceola	9	L-1	no	3	yes	no	09-2001
Owensville	18	L-6	yes	5	no	no	05-1972
Ozark	107	L-12	no	3	no	yes	07-1990
Pacific	44	L-6	yes	5	no	yes	04-1987
Pagedale	24	L-6	no	5	no	no	03-1972
Palmyra	35	LT-14 (Age 65)	yes	3	no	no	04-1968
Paris	11	L-7	no	3	no	no	02-1969
Parkville	37	L-12	no	5	yes	no	08-2009
Parkway	3	L-6	no	5	yes	no	01-2014
Pattonsburg	4	L-1	no	5	yes	no	06-1975
Peculiar	28	L-6	yes	3	no	yes	10-1986
Perry	6	L-6	no	3	yes	no	01-1971
Perryville	97	L-6	no	3	no	yes	03-1969

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City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Pevely	42	L-7	no	5	yes	no	10-2015
Piedmont	19	LT-5 (Age 65)	yes	3	no	yes	08-1974
Pilot Knob	5	L-7	no	3	yes	no	06-1992
Pine Lawn	4	L-1	no	5	no	no	07-1970
Pineville	9	L-1	no	5	yes	no	09-2018
Platte City	30	L-7	no	5	yes	no	05-1987
Platte Woods	4	L-6	no	5	no	no	02-2018
Plattsburg	16	L-3	no	5	no	yes	02-1972
Pleasant Hill	42	L-6	yes	3	no	yes	05-1978
Poplar Bluff	226	L-6	no	5	no	yes	02-1971
Portageville	28	L-3	no	5	no	no	09-1996
Potosi	30	L-12	no	3	no	yes	04-1973
Princeton	9	L-6	no	5	yes	no	01-1973
Purdy	6	L-1	no	5	no	no	02-2017
Puxico	5	L-7	no	5	yes	no	07-2007
Ravenwood	1	L-1	no	3	yes	no	11-2000
Raymore	101	L-6	no	3	no	no	01-1990
Raytown	101	L-12	no	5	yes	no	07-2003
Republic	104	L-3	no	3	no	no	03-2009
Richland	17	L-3	no	5	no	yes	07-1988
Richmond	44	L-3	no	3	no	no	12-1990
Richmond Heights	48	L-6	no	3	yes	no	05-1968
Riverside	73	L-6	no	5	no	no	01-1997
Riverview	13	L-3	no	5	yes	no	08-1989
Rock Hill	31	L-3	no	5	no	no	04-1968
Rogersville	19	L-1	no	3	yes	no	07-2017
Rolla	182	LT-14 (Age 65)	yes	3	no	yes	01-1969
Russellville	1	L-7	no	3	no	no	05-1999
Salem	54	L-6	yes	3	yes	no	12-1984
Salisbury	16	L-6	yes	5	yes	no	07-2016
Savannah	25	L-12	no	5	no	yes	07-1976
Scott City	31	L-7	no	5	yes	no	01-1993
Sedalia	166	L-6	no	3	no	yes	08-1972
Sedalia (Legacy)	0		no		no	no	06-2019
Seneca	12	L-3	no	3	no	no	05-1975
Seymour	28	L-9	no	3	no	no	04-1996
Shelbina	26	L-6	yes	3	yes	no	11-1969
Shelbyville	3	L-1	no	5	yes	no	12-2006
Sheldon	2	LT-4 (Age 65)	yes	3	yes	no	01-2008
* Shrewsbury	55	LT-8 (Age 65)	no	3	no	yes	04-1968
* Sikeston	103	LT-8 (Age 65)	no	3	no	yes	04-1968
Slater	13	L-7	no	5	no	no	02-1969
Smithton	1	L-1	no	5	yes	no	07-2017
Smithville	57	L-7	no	3	yes	no	01-2004

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# Participating Political Subdivisions (continued)

City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Sparta	7	L-7	no	3	no	no	07-2007
Springfield	1,589	L-6	no	3	no	no	06-1968
St. Ann	97	L-6	yes	3	yes	no	06-1968
* St. Charles	415	LT-8 (Age 65)	yes	3	no	yes	04-1968
St. Clair	31	L-6	no	5	no	yes	05-1980
St. James	43	L-6	no	3	yes	no	06-1974
St. John	46	L-7	no	5	no	yes	03-1970
St. Joseph	617	L-6	no	3	yes	no	04-1970
St. Mary	3	L-1	no	5	yes	no	11-2007
St. Peters	408	L-6	yes	3	yes	no	01-1976
St. Robert	90	L-7	no	3	yes	no	04-1983
Stanberry	9	L-3	no	5	yes	no	01-2015
Ste. Genevieve	22	LT-8 (Age 65)	no	5	yes	no	10-1984
Steelville	17	L-7	no	3	no	no	03-1997
Stockton	8	L-1	no	5	yes	no	10-1988
Strafford	13	L-7	no	3	no	no	02-2009
Sugar Creek	54	L-12	no	3	no	yes	05-1968
Sullivan	57	L-6	yes	3	no	yes	03-1972
Sunrise Beach	5	L-3	no	3	no	no	06-2005
Sunset Hills	62	L-7	no	3	no	yes	10-1972
Sweet Springs	9	L-3	yes	5	no	yes	04-1973
Thayer	20	L-1	no	5	yes	no	01-1997
Tipton	10	L-7	yes	3	yes	no	04-1981
Town And Country	48	LT-14 (Age 65)	no	3	no	no	02-2007
Trenton	34	L-6	no	5	no	yes	05-1979
Troy	50	L-3	no	5	no	no	08-2008
Truesdale	5	L-1	no	3	yes	no	10-2020
Twin Oaks	4	L-7	no	3	yes	no	01-2007
Union	66	L-6	no	3	no	yes	01-1974
Unionville	15	L-6	yes	5	yes	no	10-1982
Valley Park	22	L-6	no	5	yes	no	11-1972
Van Buren	10	L-1	no	5	no	no	01-2003
Vandalia	19	L-7	no	5	no	no	05-1988
Verona	3	L-1	no	5	yes	no	01-2013
Vienna	5	L-1	no	5	no	no	09-2002
Vinita Park	49	L-6	no	3	no	no	08-1971
Walnut Grove	5	L-7	no	3	yes	no	05-2021
Warrensburg	109	L-7	no	5	no	yes	07-1968
Warrenton	66	L-1	no	5	yes	no	08-2015
Warsaw	15	L-7	no	5	no	no	05-1999
Washington	120	LT-10 (Age 65)	yes	3	no	no	01-1971
Waverly	4	L-3	no	5	yes	no	10-1986
Waynesville	51	L-6	no	3	no	yes	09-1985

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City or Municipality Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Webb City	101	L-7	no	3	no	no	03-1975
Webster Groves	142	L-12	no	5	yes	no	07-2013
Weldon Spring	6	L-7	no	5	yes	no	08-2020
Wellston	1	L-1	no	5	no	no	07-1971
Wentzville	239	L-7	no	5	no	no	02-1973
West Plains	169	L-6	yes	3	no	no	02-1973
Weston	10	L-3	no	3	yes	no	07-1997
Willard	31	L-7	no	5	yes	no	04-2004
Willow Springs	31	L-7	no	5	no	no	06-1993
Winchester	3	LT-5 (Age 62)	no	5	no	no	10-1982
Windsor	9	L-9	no	3	yes	no	08-1973
Winfield	9	L-1	no	5	yes	no	05-2003
Winona	7	L-1	no	3	yes	no	11-2013
Wood Heights	2	L-3	no	3	yes	no	01-1999
Woodson Terrace	32	L-7	no	5	no	yes	12-1969
Wright City	24	L-1	no	5	yes	no	02-2014

County Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County	78	L-6	no	5	no	yes	03-1977
Andrew County	64	L-6	no	3	no	no	03-1976
Atchison County	45	L-12	no	3	no	no	01-1974
Audrain County	87	L-12	no	3	no	no	04-1968
Buchanan County	217	L-6	no	5	no	yes	06-1971
Butler County	122	L-6	yes	3	no	yes	04-1968
Caldwell County	76	L-1	no	5	yes	no	01-1984
Callaway County	156	L-7	no	5	no	yes	01-1977
Camden County	268	L-6	yes	5	no	yes	02-1969
Cape Girardeau County	181	L-6	no	3	no	yes	01-1985
Cass County	254	L-3	no	3	no	yes	01-1991
Chariton County	31	L-7	no	3	yes	no	01-1988
Christian County	207	L-9	no	3	no	yes	03-1989
Clark County	34	L-1	no	5	yes	no	01-1980
Clay County	493	L-6	no	3	no	yes	11-1975
Clinton County	51	L-3	no	5	yes	no	01-1986
* Cole County	301	L-7	no	5	no	yes	04-1968
Dekalb County	36	L-3	no	3	no	no	12-1983
Dunklin County	84	L-7	no	3	yes	no	01-1969
Franklin County	313	L-6	yes	3	no	yes	01-1970
Gasconade County	40	L-7	no	5	no	yes	01-1974
Greene County	893	L-7	no	3	no	yes	01-1972
Holt County	35	L-3	no	3	yes	no	01-1974
Howard County	39	L-7	no	5	no	no	06-1976
Howell County	105	L-6	yes	3	no	yes	01-1974

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# Participating Political Subdivisions (continued)

County Name	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Iron County	38	L-7	no	5	yes	no	01-1970
Jasper County	269	L-6	no	3	no	yes	01-1983
Jefferson County	598	L-12	no	3	no	yes	03-1969
Lafayette County	81	L-6	no	3	yes	no	01-1970
Lawrence County	88	L-7	no	3	yes	no	01-1973
Lewis County	38	LT-8 (Age 65)	no	3	no	yes	11-1974
Livingston County	35	L-3	no	3	no	yes	12-1988
Macon County	60	L-3	no	5	yes	no	01-1990
Marion County	94	L-6	no	3	no	yes	02-1972
Miller County	109	L-6	no	5	yes	no	01-1976
Mississippi County	51	L-6	no	5	yes	no	02-1973
Monroe County	47	L-7	no	3	no	no	02-1980
Montgomery County	78	LT-8 (Age 65)	no	3	yes	no	02-1973
* New Madrid County	63	L-6	yes	5	no	yes	04-1968
Nodaway County	54	L-7	no	5	yes	no	07-1973
* Pemiscot County	87	L-7	no	3	no	yes	04-1968
Perry County	85	L-12	no	3	no	yes	05-1968
Pettis County	141	L-12	yes	3	no	no	10-1971
Phelps County	146	L-6	yes	3	yes	no	01-1969
Pike County	63	L-6	yes	3	yes	no	12-1971
Platte County	256	L-12	no	3	no	no	01-1974
Ralls County	44	L-7	no	5	no	yes	01-1973
Randolph County	85	L-9	no	3	yes	no	04-1969
Ray County	67	L-7	no	3	no	no	04-1969
Scott County	90	L-7	no	3	no	yes	05-1969
Shannon County	41	L-1	no	5	yes	no	02-1978
St. Charles County	988	LT-8 (Age 65)	no	3	no	yes	08-1973
St. Clair County	71	L-3	no	5	yes	no	07-1979
St. Francois County	191	L-6	no	3	yes	no	10-1969
Ste. Genevieve County	119	L-7	no	3	yes	no	05-1970
Stoddard County	67	L-7	no	5	no	no	01-1969
Taney County	270	L-6	no	5	no	yes	08-1985
Texas County	55	L-12	yes	3	no	yes	09-1975
Vernon County	62	L-7	no	3	no	yes	01-1969
Wright County	55	L-12	yes	3	no	no	12-1981

Health Department Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Health Department	14	L-1	no	5	yes	no	07-1981
Andrew County Health Department	6	L-3	no	3	yes	no	01-2011
Audrain County Health Department	12	L-1	no	5	no	no	01-2013
Bates County Health Center	5	L-3	no	5	no	no	08-1992
Benton County Health Department	54	L-1	no	3	no	no	01-2018

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

Health Department Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Butler County Health Department	21	L-6	yes	5	no	yes	08-1968
Caldwell County Health Department	4	LT-8 (Age 65)	yes	5	yes	no	01-1984
Cape Girardeau County Health Department	30	L-7	no	3	no	yes	01-1985
Carter County Health Center	8	L-1	no	5	no	no	06-1978
Chariton County Health Department	5	L-1	yes	5	yes	no	05-2006
Clark County Health Department	14	L-6	no	3	no	yes	01-1981
Clay County Health Department	54	L-9	no	3	no	yes	11-1975
Clinton County Health Department	7	L-3	no	5	yes	no	01-1986
Cooper County Health Center	7	L-1	no	5	yes	no	01-2013
Dallas County Health Department	7	L-1	no	5	yes	no	01-1991
Daviess County Health Department	5	L-7	no	3	yes	no	07-2003
Dent County Health Center	7	L-3	no	3	yes	no	02-1991
Douglas County Health Department	11	L-7	no	3	yes	no	06-2010
Dunklin County Health Department	13	LT-10 (Age 65)	no	3	yes	no	02-1969
Gasconade County Health Department	5	L-3	no	5	no	yes	04-1981
Grundy Co Nursing Home District	69	L-1	no	5	no	no	07-2005
Henry County Health Department	10	L-1	yes	3	no	no	01-2009
Iron County Health Department	7	L-3	yes	5	yes	no	03-1973
Jefferson County Health Department	73	L-7	yes	3	no	no	10-1987
Laclede County Health Center	13	L-7	no	5	yes	no	08-1991
Lafayette County Health Department	12	L-12	no	3	no	no	01-1982
Lewis County Health Department	11	L-12	no	3	no	yes	05-1974
Lincoln County Health Department	25	L-7	no	3	yes	no	01-2002
Linn County Health Department	7	L-7	no	3	yes	no	05-1993
Livingston County Health Department	8	L-7	yes	3	yes	no	12-1988
Macon County Health Department	9	L-7	yes	5	no	no	08-1974
Madison County Health Department	14	L-1	no	5	yes	no	03-1998
Madison Medical Center	187	L-1	no	5	no	no	10-1972
Marion County Health Department	7	L-9	no	3	yes	no	02-1972
Miller County Health Department	12	L-3	yes	5	no	no	01-1976
Mississippi County Health Department	13	L-7	no	5	no	yes	07-1977
Moniteau County Health Center	7	L-3	no	5	no	no	11-1990
Monroe County Health Department	4	L-7	no	5	no	no	04-1981
Montgomery County Health Department	9	L-3	no	3	yes	no	02-1973
Nevada City Hospital	274	L-1	no	5	no	yes	09-1970
Nevada City Nursing Home	63	L-3	no	5	no	yes	10-1978
New Madrid County Health Department	11	L-6	yes	5	no	yes	06-1968
Nodaway County Health	6	L-1	no	3	yes	no	03-2018
Pemiscot County Health Department	7	L-7	yes	3	no	yes	10-1968
Pemiscot County Memorial Hospital	180	L-7	yes	3	yes	no	02-1981
Pettis County Health Center	17	L-9	no	3	yes	no	01-1987
Pike County Health Department	24	L-11	yes	3	yes	no	12-1971
Platte County Health Department	31	L-7	no	3	no	no	01-1974
Polk County Health Center	19	L-1	no	3	yes	no	02-1991

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

# Participating Political Subdivisions (continued)

Health Department Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Pulaski County Health Department	13	L-3	yes	3	yes	no	01-1979
Putnam County Health Department	5	L-7	yes	3	no	no	03-1995
Ralls County Health Department	7	L-12	no	3	no	yes	04-1973
Randolph County Health Department	14	L-7	no	5	yes	no	04-1981
Ray County Public Health Department	6	L-6	yes	3	yes	no	01-1988
Saline County Health Department	13	L-1	no	3	yes	no	03-2005
Scotland County Health Department	5	L-1	no	3	no	no	06-2020
Scott County Health Department	15	L-7	yes	3	no	yes	10-1970
Shannon County Health Center	12	L-1	no	5	yes	no	07-1982
St. Clair County Health Department	2	L-3	no	5	no	no	01-1981
St. Francois County Health Department	19	L-7	yes	3	yes	no	01-1983
Ste. Genevieve County Health Department	9	L-7	no	3	yes	no	09-1982
Stoddard County Public Health Center	12	L-7	no	5	no	no	07-1989
Stone County Health Department	14	L-1	no	5	yes	no	06-2016
Sullivan County Memorial Hospital	0	L-1	no	5	yes	no	01-2013
Sullivan County Health Department	5	LT-8 (Age 65)	no	3	no	no	04-1995
Texas County Health Department	9	L-12	no	5	no	yes	07-1987
Vernon County Health Department	8	L-6	yes	3	no	yes	05-1987
Washington County Health Department	12	L-3	yes	3	no	no	01-1991
Wayne County Health Center	5	L-12	yes	3	no	no	05-1996
Webster County Health Unit	15	L-1	no	5	yes	no	07-1999

Special District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Abilities First Greene County Senate Bill 40	117	L-6	no	3	no	no	01-2001
Adair Co. Senate Bill 40 Board	17	L-7	no	5	no	no	10-2010
Andrew County Senate Bill 40	2	L-1	no	3	no	no	09-2017
Audrain Developmental Disability Services	59	L-12	no	5	no	no	04-1996
Boone County Family Resources	102	L-12	no	3	yes	no	07-2004
Boonslick Regional Plan Commission	11	L-3	yes	5	yes	no	07-2006
Bootheel Regional Planning Commission	4	LT-4 (Age 65)	yes	5	yes	no	01-2005
Callaway County Special Services	8	L-6	yes	3	no	no	07-1996
Camden County Senate Bill 40	18	L-1	no	3	no	no	01-2008
Carthage Utilities	77	L-6	no	3	no	no	07-1982
Chariton County Sheltered Workshop	1	L-1	no	5	yes	no	02-2000
Chillicothe Township	3	L-7	no	3	yes	no	08-1995
Chillicothe Utilities	47	L-12	no	3	no	yes	05-1978
Christian Co. Bd. For The Dev Disabled	19	L-6	no	3	no	no	02-2013
Clay County Childrens Service Fund	1	L-7	no	3	no	no	02-2020
Clay County Senior Services	4	L-3	no	3	no	no	07-2020
Daviess/Dekalb County Regional Jail	31	L-7	no	3	yes	no	11-2007
Dev. Disability Resource Board of Jasper Co.	43	L-7	no	3	no	no	01-2001
Duckett Creek Sanitary Dist	44	L-7	no	3	yes	no	07-2019
Franklin County Community Resource Board	1	L-7	yes	3	no	no	11-2020

†See Summary of Plan Provisions for benefit program description.

\*Charter Member



Special District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Gasconade County Senate Bill 40	1	L-1	no	5	no	no	07-2001
Green Hills Regional Planning Commission	7	L-7	no	3	yes	no	02-2011
Hannibal Public Works	72	LT-14 (Age 65)	yes	5	no	yes	11-1969
Harry S. Truman Coordinating Council	3	L-12	no	3	yes	no	07-2005
Howell County Sheltered Workshop	9	L-6	no	3	no	no	08-2013
Independence Township	3	L-1	no	3	no	no	07-2006
Jackson Co.Community Childrens Serv. Fund	4	L-6	no	3	yes	no	05-2020
Jefferson County Public Sewer District	5	L-3	no	5	yes	no	02-2015
Kaysinger Basin Regional Planning Comm.	10	L-1	yes	5	no	no	01-2012
Kennett Utilities	64	L-7	yes	3	no	yes	07-1968
Lawrence County Board For Dev.Disabled	7	L-7	no	3	no	no	01-2017
Liberty Township	13	L-6	yes	3	no	no	06-1995
Madison Co. Council For Dev. Disabled	7	L-3	no	5	no	no	04-1998
Mark Twain Regional Council of Governments	4	LT-4 (Age 65)	no	5	yes	no	04-2017
Mid-Missouri Regional Planning Commission	4	L-7	no	5	yes	no	09-2007
Missouri Joint Municipal Electric Utility Comm.	32	L-6	no	3	no	no	01-1990
Mokan Regional Council	6	L-7	no	5	yes	no	09-2017
Moniteau County Senate Bill 40 Board	14	L-7	no	5	no	no	02-2009
Montgomery County Senate Bill 40	15	L-7	no	5	no	no	08-2001
Northeast Missouri Regional Planning	6	L-1	no	5	yes	no	10-2004
Ozark Transportation Organization	5	L-6	no	5	no	no	01-2019
Pemiscot County Port Authority	2	L-1	no	5	yes	no	08-2017
Pike County Senate Bill 40	36	LT-14 (Age 65)	yes	3	no	no	10-1998
Pike Creek Common Sewer District	4	L-1	no	3	no	no	08-2009
Platte County Regional Sewer District	7	L-3	no	5	yes	no	05-2012
Progressive Community Services	34	L-12	no	3	no	no	04-2000
Pulaski County Sewer District # 1	13	L-6	yes	5	no	no	03-2016
Randolph County Dev.Disabled Services	14	L-7	no	5	no	no	01-2018
Rock Creek Public Sewer	11	L-6	yes	3	no	no	03-2000
Rolla Municipal Utilities	55	L-6	no	3	no	yes	01-1969
Salisbury Township	2	L-1	no	3	yes	no	04-1989
Sedalia Water Department	18	L-6	no	3	no	yes	08-1972
Sikeston Utilities	136	L-6	no	3	no	yes	04-1968
South Central Ozark Council Of Governments	6	L-6	no	3	yes	no	11-2005
Southeast Missouri Regional Planning	7	L-7	no	5	no	no	01-2005
Springfield Utilities	910	L-6	no	3	no	yes	06-1968
St. Charles County Development Handicapped	61	L-7	no	3	no	no	03-1996
St. Francois County Joint Commission Center	29	L-6	yes	3	yes	no	06-2007
St. Francois Co. Bd. For Dev. Disabled	37	L-3	no	5	yes	no	07-2005
St. Louis MR Dev. Disabled Resources	28	L-3	no	5	no	no	05-1996
Taney County Regional Sewer District	11	L-6	yes	3	no	no	02-2012
Trenton Municipal Utilities	26	L-6	no	5	no	yes	05-1979
Webster County Senate Bill 40	5	L-6	no	3	no	no	04-2017

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

# Participating Political Subdivisions (continued)

Water District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Public Water Supply District No. 1	7	L-3	no	3	no	yes	01-1992
Audrain Co. Public Water Supply District No. 2	3	L-7	yes	3	no	no	01-2008
Boone County Public Water District No. 4	8	L-7	no	3	no	no	08-1984
Boone Co. Public Water Supply District No. 10	5	L-12	no	5	yes	no	01-1998
Butler County Public Water Supply District No. 1	10	L-6	no	3	yes	no	07-1995
Butler County Public Water Supply District No. 3	3	L-7	yes	3	yes	no	03-1995
Callaway 2 Water District	13	L-6	yes	3	no	yes	02-1985
Callaway Co. Public Water Supply Dist. No. 1	9	L-11	no	3	no	no	01-1994
Camden Co. Public Water Supply Dist. No. 4	8	L-1	no	3	no	no	01-2007
Carroll Co. Public Water Supply Dist. No. 1	0	L-1	no	3	yes	no	06-2008
Clarence Cannon Wholesale Water Comm.	4	L-7	no	3	no	no	10-2004
Clark County Public Water Supply Dist. No. 1	6	L-3	no	3	no	no	07-2000
Clay County Water District No. 2	5	L-3	no	3	yes	no	12-1984
Cole County Water District No. 2	8	L-6	no	5	no	no	02-1974
Cole County Public Water Supply Dist. No. 4	4	L-7	no	5	no	no	02-2001
Daviess Co. Public Water Supply Dist. No. 1	3	L-3	no	5	no	no	06-2000
Greene County Public Water District No. 5	1	L-6	no	3	yes	no	08-1991
Harrison Co. Public Water Supply Dist. No. 2	4	LT-10 (Age 65)	no	3	no	no	08-1998
Jackson County Public Water District No. 1	18	L-6	no	3	no	yes	03-1969
Jasper County Public Water No. 1	5	L-3	no	5	yes	no	01-2002
Jefferson Co. Public Water Supply Dist. No. 3	12	L-7	no	3	yes	no	01-2020
Jefferson Co. Public Water Supply Dist. No. 6	6	L-3	no	3	yes	no	08-1997
Jefferson Co. Public Water Supply Dist. No. 12	4	L-1	no	5	no	no	06-2000
Jefferson County Water District No. 1	12	L-6	no	5	yes	no	04-1972
Jefferson County Water District No. 2	16	L-6	no	5	yes	no	01-1983
Jefferson County Water District No. 5	6	L-7	no	3	no	no	01-1987
Jefferson County Water District No. 7	5	L-12	no	3	no	yes	06-1975
Jefferson County Water District No. 10	5	L-3	no	5	yes	no	02-1989
Laclede Co. Public Water Supply Dist. No. 3	7	L-1	yes	5	yes	no	03-2016
Lewis Co. Public Water Supply Dist. No. 1	2	L-9	no	5	yes	no	09-1997
Linn-Livingston Public Water Supply Dist. No. 3	3	L-3	no	3	yes	no	08-1999
Livingston Co. Public Water Supply Dist. No. 2	3	L-3	no	5	no	no	09-2007
Livingston Co. Public Water Supply Dist. No. 3	3	L-7	no	3	no	no	05-1991
Macon County Public Water District No. 1	8	LT-8 (Age 65)	yes	5	no	no	11-1990
Madison Co. Public Water Supply Dist. No. 1	2	L-7	no	3	no	no	07-2002
Monroe Co. Public Water Supply Dist. No. 2	5	L-3	no	5	no	no	02-2008
North Central MO Regional Water Comm.	4	L-1	no	3	no	no	06-2007
Platte County Public Water Supply District No. 4	6	L-6	no	5	no	no	07-2003
Putnam Co. Public Water Supply District No. 1	6	L-3	no	3	yes	no	02-2001
Southwest Rural Water Supply District No. 1	2	L-6	no	5	yes	no	03-2019
Stoddard Co. Public Water Supply Dist. No. 1	3	L-1	no	5	yes	no	07-2009
Wayne & Butler Co. Pub. Water Supp. Dist. No. 4	3	L-7	yes	5	yes	no	05-2009

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

Road District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Audrain County Special Road District No. 13	2	L-7	no	5	yes	no	01-2013
Cameron Special Road District	2	L-12	yes	5	no	no	11-2000
Cape Special Road District	9	L-6	no	5	no	yes	09-1981
Carl Junction Special Road District	1	L-1	no	5	yes	no	04-2001
Carthage Special Road District	8	L-3	no	3	yes	no	05-2000
Eldorado Springs Spec Road District	2	L-1	no	5	no	no	04-1982
Farley Special Road District	1	L-3	yes	3	no	no	07-1999
Festus Special Road District	4	L-6	no	3	no	yes	02-1969
Higginsville Special Road District	1	L-7	no	3	no	no	05-1970
Horseshoe Bend Spec Rd District No. 1	10	L-1	no	5	yes	no	05-2008
Hudson Township Special Road District	2	LT-10 (Age 65)	yes	5	no	no	04-1990
La Plata Township Special Road District	1	L-1	no	5	yes	no	10-1991
Lexington Special Road District	2	L-1	no	5	yes	no	06-2000
Marshall Special Road District	2	L-7	no	3	yes	no	09-1998
Moberly Special Road District	3	L-3	no	5	yes	no	01-2001
Monett Special Road District	2	L-7	no	3	yes	no	05-2014
Neosho Special Road District	6	LT-10 (Age 65)	no	3	no	no	04-1997
Odessa Special Road District	6	L-7	no	3	no	no	09-1999
Osceola Special Road District	1	L-1	no	5	yes	no	03-2002
Parkville Special Road District	8	L-7	no	3	no	no	06-2019
Platte City Special Road District	4	L-6	no	5	no	no	01-1998
Plattsburg Special Road District	1	L-3	no	3	yes	no	02-1991
Richmond Special Road District	1	L-9	no	5	yes	no	03-2001
Slater Special Road District	1	L-7	yes	3	no	no	11-2006
Ste. Genevieve Special Road District A	3	L-3	no	3	yes	no	07-1990
Union Special Road District	1	L-7	no	5	yes	no	09-1978
Washington Special Road District	0	L-3	yes	3	no	no	05-1974
Weston Special Road District	3	L-3	no	5	yes	no	07-1997

Fire District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Antonia Fire Protection District (Legacy)	0		no		no	no	01-2019
Antonia Fire Protection District	22	L-6	no	3	no	no	07-2012
Battlefield Fire Protection District	41	L-7	no	5	yes	no	01-2013
Boles Fire Protection District	27	L-1	no	3	yes	no	05-2018
Boone County Fire Protection District	24	L-6	no	5	no	no	02-2012
Butler County Fire Protection District	7	LT-8 (Age 65)	no	3	yes	no	11-1994
Central Crossing Fire Protection District	10	L-6	no	5	yes	no	01-2014
Central Jackson County Fire District No. 5	127	L-6	no	3	no	yes	09-1973
Desoto Rural Fire Protection District	16	L-12	no	3	no	no	04-2014
Ebenezer Fire Protection District	13	L-6	no	5	yes	no	01-2013
Fair Grove Fire Protection District	8	L-3	no	3	yes	no	06-2016
Fort Osage Fire Protection District	29	L-6	no	3	no	yes	04-1983
Goldman Fire Protection District	6	L-3	no	5	no	no	01-2012

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

# Participating Political Subdivisions (continued)

Fire District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Gravois Fire Protection District	18	L-3	yes	5	yes	no	11-2017
Hematite Fire Protection District	3	L-1	no	3	no	no	04-2017
Hillsboro Fire Protection District	10	L-7	yes	5	no	no	02-2011
Holt Community Fire Protection District	5	L-7	yes	5	yes	no	01-2019
Jefferson R-7 Fire Protection District	10	L-6	no	3	yes	no	07-2019
Johnson County Fire Protection District	6	L-7	yes	5	no	no	05-2006
Johnson Co Fire Protection District No. 2	1	LT-8 (Age 65)	yes	3	no	no	01-2015
Kearney Fire & Rescue Protection District	27	L-6	yes	3	yes	no	01-1997
Lake Ozark Fire Protection District	45	L-6	no	5	no	no	10-2016
Lawson Fire & Rescue Protection District	11	L-7	no	5	yes	no	05-2008
Little Dixie Fire Protection District	2	L-1	yes	3	no	no	01-2003
Logan-Rogersville Fire Protection District	27	L-1	no	3	yes	no	06-2016
Lotawana Fire Protection District	0	L-3	yes	3	no	no	01-2009
Marshfield Fire Protection District	2	L-6	no	5	yes	no	11-2020
Mid-County Fire Protection District	18	L-6	no	5	yes	no	05-2010
New Melle Fire Protection Dist	13	L-6	no	3	no	no	01-2020
Nixa Fire Protection District	35	L-12	no	3	no	no	01-2005
Odessa Fire & Rescue Protection District	9	L-6	no	5	no	no	01-2010
Osage Beach Fire Protection District	31	L-6	no	5	no	no	07-2006
Ozark Fire Protection District	34	L-12	no	5	no	no	02-2009
Pleasant Hill Fire Protection District	13	L-6	no	3	no	no	11-2008
Prairie Township Fire District	0	L-3	no	3	no	no	01-2009
Raytown Fire Protection District	47	L-6	no	5	yes	no	09-1992
Redings Mill Fire Protection District	20	L-3	no	5	yes	no	01-2007
Rocky Mount Fire Protection District	3	L-7	no	5	yes	no	08-2007
Savannah Fire Protection District	1	L-1	yes	5	yes	no	06-2006
Smithville Fire Protection District	14	L-7	no	5	no	no	04-2004
Sni Valley Fire Protection District	27	L-11	no	3	no	no	07-1986
South Metro Fire Protection District	49	L-11	no	3	no	no	11-1981
Southern Jackson County Fire Protection District	18	L-6	yes	3	no	no	01-2021
Southern Platte Fire Protection District	38	L-6	no	5	yes	no	08-2010
Southern Stone County Fire Protection District	11	L-7	no	5	yes	no	01-2013
St. James Fire Protection District	1	L-12	no	3	yes	no	05-2007
Strafford Fire Protection District	16	L-1	no	5	yes	no	10-2009
Sullivan Fire Protection District	9	L-1	no	5	yes	no	01-2020
Sunrise Beach Fire Protection District	20	L-1	no	5	yes	no	01-2017
Union Fire Protection District	22	L-6	no	3	no	no	11-2006
Warrenton Fire Protection District	11	L-1	no	5	yes	no	12-2017
Waynesville Rural Fire Protection District	10	L-7	no	3	no	no	07-2008
West Overland EMS & Fire Protection District	19	L-6	no	5	yes	no	04-2016
West Peculiar Fire Protection District	13	L-6	no	5	no	no	09-2006
Western Taney County Fire Protection District	8	L-6	no	5	yes	no	07-1993
Willard Fire Protection District	19	L-7	no	5	yes	no	09-2013
Wright City Fire Protection District	13	L-1	no	3	yes	no	01-2020

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

Emergency Services District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Ambulance District	25	L-6	no	5	yes	no	02-2009
Audrain Ambulance District	19	L-6	yes	5	no	no	03-2010
Audrain County Emergency Services	10	L-7	yes	5	no	no	01-2011
Barry County E-911 Emergency Services	16	L-12	yes	5	yes	no	01-2013
Barry-Lawrence County Ambulance District	13	L-6	yes	5	yes	no	01-2014
Barton County Ambulance District	10	L-3	yes	5	no	no	10-1998
Big River Ambulance District	15	L-7	no	5	no	no	01-2011
Caldwell County Ambulance District	4	L-1	no	5	yes	no	01-2014
Callaway County Ambulance District	30	L-9	yes	3	no	no	01-1996
Cameron Ambulance District	11	L-3	yes	5	yes	no	01-2010
Carroll County Ambulance District	6	L-1	no	5	yes	no	05-2017
Cass County Emergency Services	0	L-6	no	3	no	no	05-2013
Chariton County Ambulance District	14	L-3	no	5	yes	no	01-2013
Chariton County Enhanced 911	7	L-3	no	3	yes	no	05-2004
Christian County Ambulance District	1	LT-4 (Age 65)	no	5	yes	no	07-2013
Christian County Emergency Services	20	L-6	no	3	no	no	04-2011
Clark County Ambulance District	8	L-1	yes	3	yes	no	01-2021
Clearwater Ambulance District	10	L-3	no	3	yes	no	11-2017
Cole Camp Community Ambulance District	6	LT-4 (Age 65)	no	5	yes	no	09-2018
Daviess County Community Ambulance District	3	LT-10 (Age 65)	no	3	yes	no	07-2000
Dekalb/Clinton County Ambulance District	5	L-1	no	5	yes	no	03-2017
East Central Dispatch Center	24	L-6	no	3	yes	no	07-2013
Gasconade County 911 Board	12	L-1	no	5	no	no	07-2003
Grand River Regional Ambulance District	14	L-1	no	5	yes	no	11-2014
Henry County Emergency 911 Center	7	L-1	no	5	yes	no	10-2015
Hermann Area Ambulance District	10	L-3	no	5	no	no	10-2009
Howell County 911 Emergency Services	12	L-6	yes	5	no	no	03-2009
Iron County E911 Communications	1	L-3	no	3	yes	no	06-2012
Iron County Ambulance District	19	L-1	no	5	yes	no	05-2019
Jefferson County 911 Dispatch District	44	L-7	yes	3	no	no	01-2009
Joachim-Plattin Ambulance District	41	L-6	no	3	no	no	01-2013
Johnson County Central Dispatch E-911	24	L-6	no	5	no	no	01-2016
Johnson County Ambulance District	41	L-7	yes	5	yes	no	01-2004
Lewis County Emergency E-911	0	L-1	no	5	no	no	03-2003
Lincoln County Ambulance District	42	LT-8 (Age 65)	no	3	no	no	02-1990
Lincoln County Emergency Services	18	L-6	yes	5	yes	no	03-2020
Linn County Ambulance District	12	L-3	no	5	yes	no	01-2010
Linn County E-911 Central Dispatch	7	L-3	no	3	no	no	09-2020
Madison County Ambulance District	13	L-3	no	5	yes	no	01-2014
Marion County E-911 Communications	21	LT-5 (Age 65)	yes	5	no	no	01-1997
Mcdonald County 911	14	L-1	no	5	yes	no	03-2018
Meramec Ambulance District	26	L-1	yes	5	yes	no	03-2019
Monroe City Ambulance District	4	L-7	no	5	yes	no	01-2020
Monroe County Ambulance District	4	L-1	no	5	no	no	08-2012

†See Summary of Plan Provisions for benefit program description.

\*Charter Member

# Participating Political Subdivisions

(continued)

Emergency Services District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Montgomery County Ambulance District	16	L-6	yes	5	yes	no	04-1994
Nodaway County Ambulance District	21	L-6	no	5	yes	no	05-2016
North Scott County Ambulance District	15	L-3	no	5	yes	no	11-2012
Northland Regional Ambulance District	29	LT-8 (Age 65)	no	5	yes	no	07-2012
Pike County 911	7	L-1	no	3	yes	no	06-2019
Pulaski County 911 Communications	11	L-12	yes	3	no	no	03-2008
Ralls County 911 District	0	L-3	no	5	no	no	06-2001
Randolph County Ambulance District	21	L-3	no	5	no	no	01-2008
Ray County 911 Emergency Services Board	8	L-12	no	3	no	no	09-1998
Ray County Ambulance District	18	L-7	no	3	yes	no	04-1997
South Scott County Ambulance District	18	LT-14 (Age 65)	yes	5	yes	no	07-2000
St. Francois County Ambulance District	59	LT-8 (Age 65)	yes	5	yes	no	01-2009
Ste. Genevieve County Ambulance District	18	L-6	no	5	yes	no	01-2012
Stoddard County Ambulance	30	L-6	yes	3	yes	no	07-2001
Stone County Emergency Services	17	L-7	no	3	yes	no	04-2002
Sullivan County E-911	8	L-3	no	5	yes	no	04-2009
Taney County Ambulance District	61	L-6	yes	3	yes	no	01-1987
Texas County Emergency Services	11	L-12	yes	3	no	no	08-2015
Tri-County Ambulance Services	5	L-3	no	5	no	no	02-1996
Union Ambulance District	16	L-7	no	5	yes	no	01-2020
Valle Ambulance District	21	L-7	no	5	no	no	11-2015
Warsaw Lincoln Ambulance District	20	L-1	no	5	yes	no	01-2020
Webster County E-911 Services	12	LT-8 (Age 65)	no	5	no	no	04-2006
West Central Dispatch Center	13	L-7	no	5	yes	no	02-2017

Library District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Public Library	4	L-3	no	3	yes	no	01-1992
Brentwood Public Library	5	L-7	no	3	no	yes	04-1969
Brookfield Carnegie Library District	1	L-1	no	3	no	no	06-1989
Camden County Library	15	L-7	no	3	no	yes	01-1978
Carthage Public Library	6	L-1	no	5	yes	no	08-2001
Cass County Public Library	37	L-6	no	5	no	no	05-1988
Cedar County Library	2	L-3	no	3	yes	no	05-1971
Christian County Library	24	L-6	no	5	no	no	06-1969
Daniel Boone Regional Library	86	L-3	no	5	no	no	04-2019
Douglas County Public Library	2	L-1	no	5	yes	no	05-2013
Ferguson Municipal Library	4	L-1	no	5	yes	no	07-1969
Gentry County Library	2	L-3	no	5	no	no	06-2018
Henry County Library	6	L-3	no	3	yes	no	01-2006
Hickory County Library	1	L-1	no	3	yes	no	05-1971
Jefferson County Public Library	31	L-7	no	3	yes	no	01-1992
Lebanon-Laclede County Library	11	L-9	no	5	no	no	01-1970
Little Dixie Regional Libraries	10	L-7	no	5	no	no	06-1996

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Library District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Livingston County Library	8	L-1	no	5	no	no	02-2006
Maplewood Library	5	L-6	no	3	yes	no	04-1970
Maryville Public Library	3	L-7	yes	5	no	no	01-1973
Mexico-Audrain County Library	10	L-3	no	5	no	no	08-1984
* Mid-Continent Public Library	373	L-6	yes	3	no	yes	04-1968
Mississippi County Public Library	4	L-6	yes	3	yes	no	02-1969
Missouri River Regional Library	32	L-7	no	3	yes	no	01-2003
Neosho/Newton County Library	5	L-3	yes	5	no	no	01-2005
Nevada Public Library	2	L-6	no	3	no	no	04-1969
New Madrid County Library	3	L-7	no	3	yes	no	04-1968
Ozark Regional Library	5	L-6	no	3	no	no	01-2016
Polk County Library	10	L-1	no	3	no	no	05-1971
Poplar Bluff Public Library	10	L-7	no	5	yes	no	01-2013
Pulaski County Library	10	L-3	no	5	no	no	01-1970
Ray County Library	2	LT-10 (Age 65)	no	5	no	no	07-1970
Riverside Regional Library	10	L-12	no	3	no	no	08-1968
Rock Hill Public Library	1	L-3	no	3	yes	no	01-1989
Rolla Free Public Library	3	L-6	no	3	yes	no	05-1989
Rolling Hills Consolidated Library	18	L-1	no	5	no	no	07-2003
Salem Public Library	3	L-7	no	3	yes	no	07-1993
Scenic Regional Library	28	L-6	no	5	yes	no	01-1971
Sedalia Public Library	6	L-6	no	3	no	no	07-1987
Springfield-Greene Co Library	96	L-7	no	3	no	yes	07-1969
St. Charles City-County Library	104	L-7	no	3	no	yes	08-1973
St. Joseph Public Library	32	L-1	no	5	no	no	09-2013
Stone County Library	8	L-1	no	5	yes	no	02-1970
Texas County Library	1	L-6	no	3	yes	no	08-1982
Trails Regional Library	32	L-7	no	3	no	no	10-1970
Washington County Library	5	L-1	no	5	no	no	01-2017
Webster County Library District	6	L-3	yes	3	no	no	01-2007
Webster Groves Municipal Library	11	L-7	no	5	yes	no	10-2013
Wright County Library	2	L-1	no	5	no	no	05-1982

Soil and Water Conservation District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Andrew County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	07-2019
Atchison County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	04-2020
Audrain County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	11-2018
Barton County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2021
Bates County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Benton County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2019
Callaway County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Camden County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	01-2020
Carroll County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2020

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# Participating Political Subdivisions

(continued)

Soil and Water Conservation District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Carter County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Cass County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	07-2019
Cedar County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2019
Chariton County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	01-2020
Clark County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	01-2020
Cole County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	10-2018
Crawford County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Dade County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Dekalb County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	04-2019
Franklin County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Gasconade County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2019
Gentry County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	04-2020
Henry County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	10-2018
Hickory County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2020
Holt County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	01-2019
Howell County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2019
Iron County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	08-2019
Jefferson County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	01-2019
Johnson County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	10-2019
Laclede County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	08-2019
Lafayette County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	07-2019
Lewis County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Lincoln County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Livingtons County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	10-2019
Maries County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
McDonald County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Miller County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2019
Monroe County Soil & Water Conservation Dist.	4	L-7	no	3	no	no	04-2019
Montgomery County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	10-2019
Morgan County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	04-2019
Newton County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	07-2019
Nodaway County Soil & Water Conservation Dist.	4	L-7	no	3	no	no	01-2020
Osage County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	04-2019
Pettis County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2019
Phelps County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	04-2019
Pike County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	10-2019
Randolph County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Ray County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Saline County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2020
Schuyler County Soil & Water Conservation Dist.	0	L-7	no	3	no	no	07-2019
Scotland County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Shelby County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
St. Charles Co. Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
St. Clair County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2019

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\*Charter Member



Soil and Water Conservation District Name:	Employee Members	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Ste. Genevieve County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Stoddard County Soil & Water Conservation Dist.	4	L-7	no	3	no	no	07-2019
Stone County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	01-2019
Sullivan County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019
Texas County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	04-2019
Vernon County Soil & Water Conservation Dist.	3	L-7	no	3	no	no	01-2020
Warren County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	10-2019
Washington County Soil & Water Conservation Dist.	1	L-7	no	3	no	no	07-2019
Wright County Soil & Water Conservation Dist.	2	L-7	no	3	no	no	07-2019

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