



Understanding Your LAGERS Benefit



MISSOURI LAGERS
A Secure Retirement for All

As a LAGERS member,

You join over 75,000 public servants from more than 850 local government employers across the State of Missouri who serve their local communities.

With your **LAGERS Defined Benefit Plan**, you have a valuable tool to help you plan and reach financial security with lifetime retirement benefits from your employer.



What You Receive from LAGERS

LAGERS provides:

- Guaranteed, protected lifetime income
- A stable benefit not affected by market swings
- A plan that doesn't require you to be an investment expert



How It Works

Your LAGERS benefit is designed to replace income in retirement.

The longer you work, the MORE you receive from LAGERS!



How It Works

LAGERS benefits are based on a set formula, not an account balance.



A lifetime monthly benefit calculation might look like this:

$$1.5\% \times \$4,000 \times 25 \text{ Years} = \$1,500$$

How It Works

If you have 10 years of LAGERS service, your LAGERS benefit will replace:

L-1 $1.00\% \times 10 = 10\%$ of your pre-retirement income

L-3 $1.25\% \times 10 = 12.5\%$

L-7 $1.50\% \times 10 = 15\%$

L-12 $1.75\% \times 10 = 17.5\%$

L-6 $2.00\% \times 10 = 20\%$



How It Works

If you have 20 years of LAGERS service, your LAGERS benefit will replace:

L-1 $1.00\% \times 20 = 20\%$ of your pre-retirement income

L-3 $1.25\% \times 20 = 25\%$

L-7 $1.50\% \times 20 = 30\%$

L-12 $1.75\% \times 20 = 35\%$

L-6 $2.00\% \times 20 = 40\%$



How It Works

If you have 30 years of LAGERS service, your LAGERS benefit will replace:

L-1 $1.00\% \times 30 = 30\%$ of your pre-retirement income

L-3 $1.25\% \times 30 = 37.5\%$

L-7 $1.50\% \times 30 = 45\%$

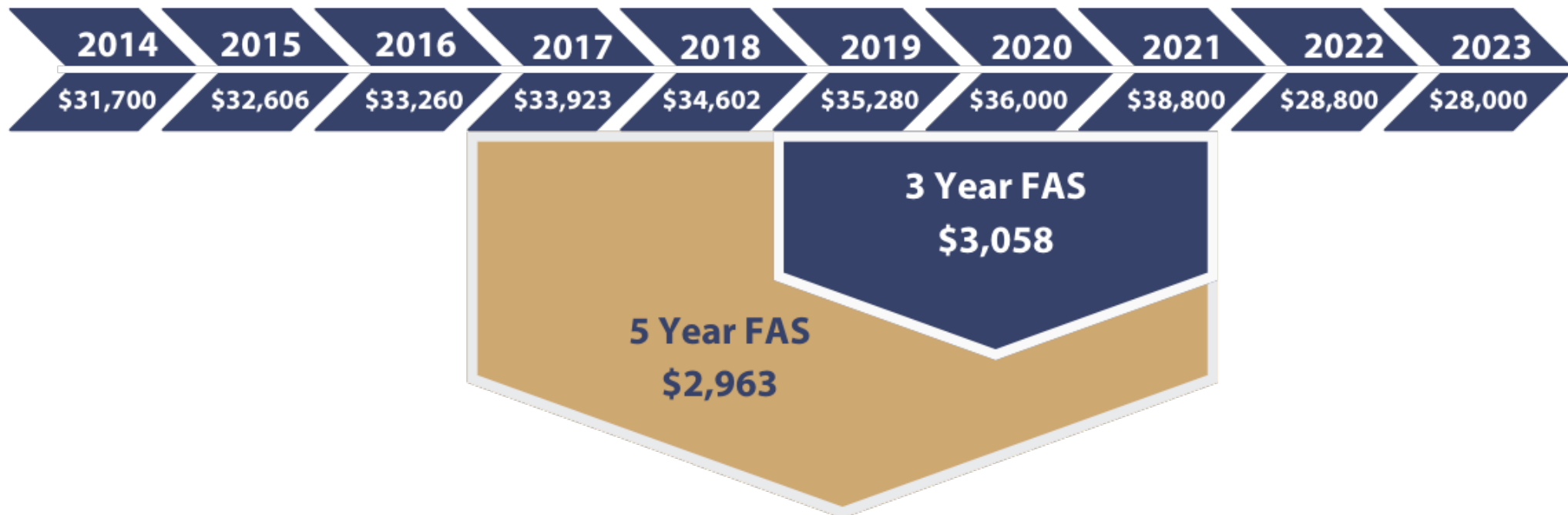
L-12 $1.75\% \times 30 = 52.5\%$

L-6 $2.00\% \times 30 = 60\%$



How It Works

Final Average Salary is calculated using the average from the highest consecutive 36 or 60 months from your last 120 months of credited service.



How It Works

Vesting: 60 months/5 Years of Credited Service

Age Eligibility for Normal Retirement:

- 60 for General Employees
- 55 for Law Enforcement
- 55 for Fire Fighters
- 55 for Public Safety (if employer elects)

You may draw your benefit up to 5 years early with a reduction



How It Works

Age Eligibility for Rule of 80 Retirement:

Once your age plus the number of years of credited service equal 80, you may retire with full benefit.

- Does not affect the amount of benefit, only when you are eligible to begin drawing.
- Only eligible if you go directly from working into retirement.
- The Rule of 80 age does not apply to deferred retirements.
- You are not required to retire when you reach this age.
- If your Rule of 80 age is greater than normal, you can retire at normal retirement eligibility age.



How It Works

Employee Contributions:

Employers have the option to require employees to contribute to LAGERS to assist with funding the benefit.

Employees may contribute 0%, 2%, 4%, or 6%.

Contributions:

- Are guaranteed to be paid back to you or beneficiary
- Are After Tax
- Earn Interest



How It Works

FAQs:

Can I contribute more or less than my employer elects?

Is there any way to increase my future retirement savings?

- Supplement with a DC account
- Work longer
- Purchase Service



How It Works

FAQs:

What happens if I leave before retirement?

- If you are vested, your benefit is guaranteed.
- If you aren't vested, you still have options!

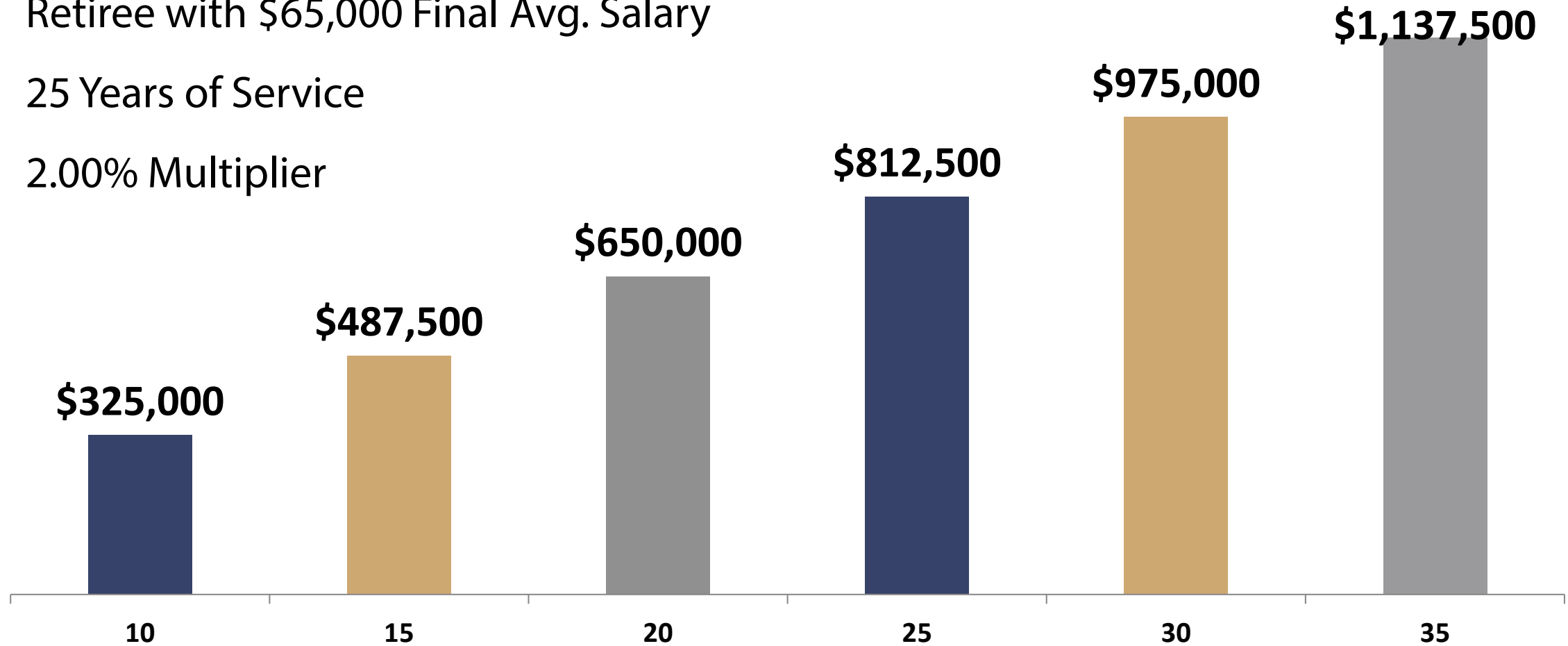


The Value of Your LAGERS Benefit

Retiree with \$65,000 Final Avg. Salary

25 Years of Service

2.00% Multiplier



Disability and Survivor Benefits

A LAGERS member or survivor may be eligible for a monthly disability or survivor benefit in the event of a permanent disability or death.

