



2025

LEARN

Conference



MISSOURI LAGERS



Supporting the secure retirement of our members by partnering with Missouri's local governments

Welcome

We're glad you're here.

Welcome to the 2025 LAGERS Employer Administrators and Reporters Network (LEARN) Conference!

Held for the first time last year, LEARN is designed specifically for our employer contacts to give you the information and tools you need to successfully administer your employer's benefits.

Over the next day and a half, you are invited to attend educational sessions led by industry experts, participate in roundtable discussions where you can learn best practices for employers, and gain the latest information on administering benefits.

Don't forget to attend the welcome reception on Wednesday, May 21 at 5 p.m. in the Hearth Room, where you can build connections with other local government employer professionals.

Thank you so much for the time and talent you contribute to making the LAGERS system exceptional. As always, please feel free to let us know how we can continue to support you in promoting the financial stability of our members' futures.



Bill
Betts

Executive Director

From **Inside**

04 What You Need to Know

05 Our Speakers

07 Monthly Reporting 101

10 Roundtable Discussions

11 Welcome Reception

13 State of the System

14 CLA Awards

16 Cybersecurity Best Practices

18 Employee Departures

20 The Retiring Employee

22 Understanding Actuarial Valuations
and LAGERS Funding

★ **Advanced**

24 Back to Basics: Benefits 101

26 LAGERS and Financial Reporting

★ **Advanced**

28 Disability and Survivor Benefits

★ **Advanced Sessions**

Breakout sessions in the **Grand Ballroom** will focus on more advanced topics for experienced administrators and reporters. These are great for those needing CLA recertification. CLA's need to be recertified annually.

General Sessions

Breakout sessions in **Ballroom B** are focused on essential LAGERS topics and designed for administrators and reporters just starting out. These sessions are ideal for those seeking initial CLA certification.

Agenda



Wednesday
May 21

11 a.m.–3:30 p.m.

REGISTRATION

Lodge Lobby

1:30–3 p.m.

MONTHLY REPORTING 101:

Fundamentals for Success

Grand Ballroom

3:10–4:30 p.m.

ROUNDTABLE:

Discussions

Hearth Room

5–6 p.m.

RECEPTION

Hearth Room

Thursday
May 22

7–10 a.m.

REGISTRATION

Lodge Lobby

7:30–8:15 a.m.

BREAKFAST

Sponsored by CLA Coffee Connections

Hearth Room

8:15–8:45 a.m.

WELCOME

System Update

Grand Ballroom

8:45–9:15 a.m.

CLA AWARDS

Ceremony

Grand Ballroom

9:20–10 a.m.

CYBERSECURITY BEST PRACTICES

Grand Ballroom

10–10:15 a.m.

BREAK

Grand Ballroom

10:15–11:15 a.m.

EMPLOYEE DEPARTURES:

Reporting and Benefit Essentials

Grand Ballroom

11:15 a.m.– 12:15 p.m.

THE RETIRING EMPLOYEE:

What Employers and Employees Need to Know

Grand Ballroom

12:15–1:30 p.m.

LUNCH

Hearth Room

BREAKOUTS

1:30–2:15 p.m.

★UNDERSTANDING ACTUARIAL

Valuations and LAGERS Funding

Grand Ballroom

1:30–2:15 p.m.

BACK TO BASICS:

Benefits 101

Ballroom B

2:15–3 p.m.

★LAGERS & FINANCIAL REPORTING

What You Need to Know

Grand Ballroom

2:15–3 p.m.

**LAGERS DISABILITY &
SURVIVOR BENEFITS OVERVIEW**

Ballroom B

What You NEED TO KNOW

We've tried to answer some of the most frequently asked questions about LEARN. If you have additional questions, please don't hesitate to ask LAGERS employees who will be wearing yellow lanyards!

Also, remember to fill out the brief online survey via the QR code below to help us make LEARN better year after year.

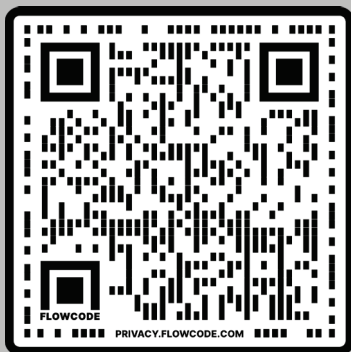


Photo Disclaimer

By attending this event, you acknowledge and agree that photographs and videos may be taken for use in print and digital communications, including but not limited to publications, social media, and our website. If you prefer not to be photographed, please notify event staff.

WiFi Network and Password

Network: Old Kinderhook Guest

Password: wifipass593

Where's the Coffee?

Coffee, water, and beverages will be provided throughout the conference in the Grand Ballroom. Help yourself!

Breakout Sessions

***Advanced sessions:** Breakout sessions in the Grand Ballroom will focus on more advanced topics for experienced administrators and reporters. These are great for those needing CLA recertification. CLA's need to be recertified annually.

General sessions: Breakout sessions in Ballroom B are focused on essential LAGERS topics and designed for administrators and reporters just starting out. These sessions are ideal for those seeking initial CLA certification.

How Do I Become CLA Certified?

By attending the LEARN Conference, filling out the CLA form on the LAGERS website, and attending the CLA Awards Ceremony on Thursday, May 22 at 8:45 a.m., administrators and reporters will receive their lapel pin and official CLA certification.



Bill Betts

Executive Director

Bill is LAGERS' Executive Director and joined the system in 2023.



Ciara Bauer

Chief Technology Officer

Ciara is LAGERS' Chief Technology Officer and joined the system in 2023.



Tami Jaegers

Chief Benefits Officer

Tami is LAGERS' Chief Benefits Officer and joined the system in 2001.

**Our
SPEAKERS**



Melissa Rackers

Chief Financial Officer

Melissa is LAGERS' Chief Financial Officer and joined the system in 2010.



Jeff Pabst

Education & Outreach
Manager

Jeff is LAGERS' Education and Outreach Manager and joined the system in 2010.



Dennise Schaben

Employer Services
Manager

Dennise is LAGERS' Employer Services Manager and joined the system in 2011.



Kathy Rolwes

Education & Outreach
Specialist I

Kathy is LAGERS' Education and Outreach Specialist and joined the system in 2023.

Wednesday

Monthly Reporting 101:

Fundamentals for Success

Wednesday
May 21 at 1:30 p.m.

Benefit Calculation

LAGERS benefits are calculated using a formula based on an employee's working career, not an account balance. It is based on three factors multiplied together:

- Benefit Multiplier (Benefit Program)
- How Much You Make (Final Average Monthly Salary)
- How Long You Work (Credited Service)

Employer Elections

Each of our employers elects their own set of benefits, and they can change their elections once every two years. The four benefit elections that can be changed are:

- Benefit Programs (Multiplier): This is the benefit multiplier that ranges from 1% to 2%. The higher the multiplier, the larger the benefit.
- Final Average Salary: This is calculated by using either the highest consecutive 60 or 36 month average out of the last 120 months of LAGERS credited service.

- Employee Contributions: An employer may elect to have LAGERS-eligible employees share in the cost of funding the benefit. Each employer may choose either a 0%, 2%, 4%, or 6% employee contribution amount.

- Retirement Eligibility: An employer can choose to have a regular retirement age of 60 for general employees and 55 for police, fire, and public safety (if elected) departments. Employers can also choose to offer the Rule of 80, an early retirement provision that allows employees to retire when their age and service credit equal 80.

Monthly Reporting Checklist

1. Complete enrollments
2. Enter monthly wages and submit to LAGERS
3. Complete Statement of Account
4. Make online payment

Benefit Multiplier
(Benefit Program)

X

How Much You Make
(Final Average Salary)

X

How Long You Work
(Credited Service)

Enrollments

When a new employee is hired into a covered position, it is important that they be enrolled in ECLIPSE immediately.

Covered employment was identified by your employer when they joined the system by a one-time election of 1,500, 1,250, or 1,000 annual hours required for coverage.

Every new member receives one free six-month waiting period. During this six-month waiting period, no contributions are to be paid on the new member's behalf. The member will also receive service credit for the six-month period.

If an employee has fulfilled their six-month waiting period with a previous LAGERS employer and has not forfeited that service through a refund or lump sum, contributions begin immediately.

The "Free Six Months Schedule" on ECLIPSE will keep track of this period and add the member's account to the wage report after they have used their free six months.

Enrollment Directions

1. Enter the SSN first and last name in the field provided in the search criteria panel
2. Click the "Search" button
3. If no search results are displayed, click the "New" button
4. Enter all required fields
5. Enter all other information including previous employment history and beneficiary information
6. Click the "Save and Validate" button
7. Click the "Submit to LAGERS" button

Re-Employment

A retiree may re-employ within LAGERS and continue to receive full benefits if:

They re-employ in a non-covered position with any LAGERS employer

- If they are reemployed by the same employer they retired from, they must stay under the annual hours elected for LAGERS coverage by their employer
- *Do not* complete an enrollment

They re-employ in a covered position with a different LAGERS employer

- After a one calendar month break in service, they re-employ and work at or above the annual hours elected for LAGERS coverage by their employer
- Complete an enrollment on ECLIPSE
- They *will not* have a free six-month waiting period

A retiree's benefit will be suspended if they re-employ in a covered position with the same employer.

If this happens:

- Complete an enrollment in ECLIPSE immediately
- Their benefit will be suspended during covered employment but reactivated after their second retirement
- There is no free six-month waiting period

Entering Monthly Wages and Submitting to LAGERS

Reportable Wages

- Wages when paid, not when earned
- Gross wages, including overtime and recurring bonuses
- Sell or buy back of leave time (recurring)
- Fees counted as wages
- Allowances (car, clothing, etc.)
- Employee contributions to a defined contribution plan

Not Reportable

- One-time lump sum payments
- Payments to an employee while on worker's compensation, military, or educational leave
- Reimbursement of expenses (travel, etc.)
- Employer contributions to a deferred compensation account or payments for any insurance premiums

Vacation, Sick, and Severance Pay

Reportable if:

- The same leave type has been paid in the past
- On the employee's last day of employment, (termination) it is paid out in regular payrolls to extend the employee's last working day

Not reportable if:

- It is paid out in a one-time lump sum payout

Military, Worker's Compensation, and Educational Leave:

The employee must be out for at least one full working day during the month

- Change status on the wage report to indicate which type of leave
- Enter the date the leave began (For military leave only, it is the date when unpaid leave begins)
- The employee is still earning service credit while out on these types of leave
- Wages are not reportable

Return From Worker's Compensation, Military, or Educational Leave:

- Change status on the wage report to "Return to Work"
- Enter the date they returned
- Wages are not reportable unless the employee returns on the first of the month
- For worker's compensation leave only – the employee must return to work working full hours, receiving full pay, and not receiving a work compensation check

Leave of Absence:

- Change member status on the wage report to "Leave of Absence"
- Date is when unpaid leave begins
- Service credit is dependent on date of absence entered
- Wages and paid leave (at full pay) are reportable

Return From a Leave of Absence:

- Change status on the wage report to "Return to Work"
- Enter the date they returned to work from unpaid leave
- Wages are reportable

Transferring Departments

Between Actuarial Departments:

- Change status on the wage report to "Terminated" in the current department
- Complete a new enrollment for the new department
- The hire date on the new enrollment should be the first date of employment in the new department

Within Actuarial Departments:

- Change status to "Transferred" in the current department
- Select the new department the employee is transferring to in the dropdown
- *Do not* complete a new enrollment

Complete Statement of Account

1. The "Current Balance" amount sums the balances from each section
2. Enter the amount you are going to pay in the "Payment Amount" field
3. Enter the amount(s) to be paid in the "Allocation Amount" fields
4. Click the "Save" button
5. Click the "Submit to LAGERS" button

Make Online Payment

1. Select your bank account from the "Bank Account" drop-down
2. Enter the "Payment Date"
3. Check the authorization checkbox
4. Select one of the "Statement Payment" options
5. Click the "Save" button
6. Click the "I Authorize" button
7. A "Submitted" status should be displayed at the top of the screen

JOIN THE

Roundtable Discussions

Wednesday
May 21 at 3:10 p.m.

Join the roundtable discussions to engage with colleagues facing similar opportunities and challenges. Participating in these conversations not only broadens your professional network but also deepens your understanding of timely and impactful issues. You'll have the opportunity to hear firsthand experiences, gather practical insights, and leave equipped with fresh strategies and ideas.

Build Connections

Create a strong support network and meet colleagues from various backgrounds and roles who can share their unique perspectives on shared challenges.

Discuss Trending Topics

Engage with other plan professionals on topics such as changing benefit levels, communicating benefits effectively, navigating financial pain points, shifts in the workforce, and strategies for hosting impactful LAGERS events.

Understand Key Issues

Deepen your understanding of the complex subjects shaping public service retirement today. These facilitated discussions provide a chance to ask LAGERS staff questions and gain clarity on complex issues—from benefit structures and actuarial funding to legislative updates.



Welcome Reception

Wednesday
May 21 at 5 p.m. in the Hearth Room

Continue the conversation at the reception following the roundtable discussions! This informal gathering provides an excellent opportunity to further explore insights gained, solidify new connections, and discuss practical applications of ideas exchanged during the sessions.

Relax in a casual setting while enhancing your professional relationships and gaining deeper insights from peers.



**CONTINUE THE
CONVERSATION**



ATTEND THE WELCOME RECEPTION

All conference
attendees are
invited to attend

Thursday

State of the System

Thursday

May 22 at 8:15 a.m.

The Missouri Local Government Employees Retirement System's (LAGERS) mission is to support a secure retirement for our members by partnering with Missouri's local governments to provide a sustainable defined benefit plan.

The Value of LAGERS

LAGERS benefits provide local governments with a powerful tool to recruit, retain, and retire dedicated public employees. For many career public servants, a LAGERS benefit represents their most significant financial asset. These benefit payments are ultimately reinvested in Missouri communities as retirees spend their income on local goods and services, supporting the state's economy.

Vision 2030: Our Drive to Be More

LAGERS is committed to continuous improvement across four strategic pillars:

1. Exceptional Customer Experience:

LAGERS' commitment to exceptional service is reflected in consistently high satisfaction scores. New retirees report a Net Promoter Score (NPS) of 93 out of 100, surpassing peer retirement systems by 19%. Members also experience a 39% increase in their understanding of LAGERS benefits after attending educational events, which receive an average satisfaction rating of 9.4 out of 10. While the Employer NPS saw a decline from 77 in 2024 to 69 in 2025, overall employer satisfaction improved, rising from 9.1 to 9.4 over the same period.

2. Plan Sustainability:

LAGERS maintains a strong funded ratio of 93.4% and continues to prioritize transparency by enhancing financial reporting and promoting financial literacy. Demonstrating a long-standing commitment to excellence, LAGERS has earned the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for 47 consecutive years. Additionally, we have received the Public Pension Standards Award for Funding and Administration from the Public Pension Coordinating Council for 31 consecutive years.

3. Organizational Excellence and Growth:

LAGERS' total membership has grown to 78,432, marking a 13% increase over the past five years. In the last year alone, fourteen new employers joined the system, bringing the total number of participating local governments to 884. As LAGERS looks to the future, its roadmap for continued growth includes advancing Vision 2030 goals, enhancing technology infrastructure and cybersecurity, and investing in staff and organizational development to ensure long-term success and sustainability.

4. Emerging Technology:

LAGERS is laying the foundation for secure, modern systems through its focus on emerging technology. These efforts aim to expand and improve customer portals and digital services, enhancing the experience for both members and employers. Looking ahead, LAGERS remains committed to excellence, innovation, and the people we serve by continuing to support secure retirements and strong communities across Missouri.

CLA Awards ceremony

Thursday
May 22 at 8:45 a.m. in the Hearth Room

Celebrate Certified LAGERS Administrators (CLAs) who have maintained certification for five years or more and welcome the newest CLAs into the network



What is CLA?

Certified LAGERS Administrator (CLA) is a certification given to employer contacts upon completed attendance at specified LAGERS educational events. CLAs must be recertified each year to retain their certification.



Does It Cost?

No, becoming a CLA is completely free! To become certified, simply complete an online form and attend the LEARN Conference *or* the required webinars listed on molagers.org.



Why Get Certified?

Becoming a CLA gives administrators access to an exclusive community of professionals in similar roles. As a CLA, you'll gain additional support, knowledge, and tools for your LAGERS toolbox.



REQUEST A CUSTOM PRESENTATION

AT YOUR
ORGANIZATION

Did you know LAGERS
can design tailored
educational programs
to fit your
employees'
unique needs?



From pre-retirement seminars and early or mid-career presentations to benefit overviews and interactive Q&A sessions, LAGERS offers customized presentations that equip your organization's employees with the knowledge they need to make confident decisions about their future.

Let's work together to bring valuable, customized education directly to your employees!

- Request a presentation at molagers.org/presentation-request/
- A LAGERS staff member will work with you to select a presentation date that fits your schedule
- Work with a LAGERS staff member to determine presentation content

Cybersecurity Best Practices

Thursday
May 22 at 9:20 a.m.

In today's digital landscape, protecting sensitive data is more important than ever. Whether you're sharing files with LAGERS or managing employee records, following strong cybersecurity practices helps ensure your information stays secure. Here are some essential tips and tools to help you stay safe online.

Secure Ways to Share Data with LAGERS

Always use encrypted email when transmitting sensitive information to ensure data security. Alternatively, employers can use the secure Employer Web Portal (ECLIPSE), which is specifically designed for safely sharing data with LAGERS.

Strong Password Practices

For strong password security, aim for a length of 12 to 16 characters or more. Use a combination of uppercase and lowercase letters, numbers, and special characters to increase complexity. Avoid reusing the same password across multiple platforms, and steer clear of including personal information—such as pet names, children's names, or street addresses—that could be easily guessed.

Helpful Password Management Tools

Using a password manager makes it easier to store and generate secure passwords, helping you maintain strong, unique credentials for each account. Recommended tools include Bitwarden, LastPass, and 1Password. You can test the strength of your passwords at bitwarden.com/password-strength and check if they've been compromised at haveibeenpwned.com/Passwords.

Additional Security Tips

Protecting your data requires vigilance and smart browsing habits.

Be cautious of phishing attempts—don't click on links or share information unless you've verified the source, as scammers often mimic legitimate contacts.

Use password-protected Wi-Fi networks and avoid public Wi-Fi when possible; turning off auto-connect and using a VPN or personal hotspot can offer added security.

Only enter sensitive information on secure websites that begin with "https://" and display a padlock icon.

Install an ad blocker like uBlock Origin to prevent malicious ads from compromising your device, and download software only from reputable sources.

Regularly restart your devices to help clear out threats and apply updates, and always lock your screen or log out when stepping away to keep your information safe.



Employee Departures:

Reporting and Benefit Essentials

Thursday

May 22 at 10:15 a.m.

When an employee leaves covered employment, LAGERS provides several benefit options based on age and service credit:

- Refund
- Deferred retirement
- Lump sum
- Delayed retirement
- Early retirement
- Normal retirement

Non-Vested Employees

Employees with less than five years of service credit (non-vested) may request a refund of their contributions. This includes the employee's contributions and any earned interest. *Important: Accepting a refund forfeits service credit.*

If a member who took a refund returns to LAGERS-covered employment within 10 years, they may restore their lost service credit by repaying the refunded amount plus applicable interest.

Vested Employees Younger Than Retirement Age

Employees with five or more years of service credit have the following options:

1. A refund of contributions (as detailed above)
2. Deferred retirement, where they can delay benefit payments until reaching the early (reduced benefit) or normal retirement age
3. A limited present value lump sum, which is available only if the employee has fewer than 10 years of service and is more than 10 years away from their normal retirement age. The lump sum is considered full payment of the benefit and cannot be reinstated. Employees who do not meet both criteria may defer their retirement benefit instead

Vested Employees Within Five Years of Retirement

Employees within five years of normal retirement age have two options:

1. Apply for early retirement. This option results in a 6% reduction in benefits for each year the member is under their normal retirement age.
Exception: If the employer has adopted the Rule of 80 and the employee meets the rule, the reduction does not apply.
2. Defer retirement until reaching normal retirement age with no reduction in benefits.

A background image showing a person's hand holding a pen over a document. The document contains a table with columns labeled 'Date', 'Description', and 'Amount'. The table has several rows of data, including dates like '1/1/2020' and '2/1/2020', and amounts like '100.00' and '200.00'.

Reporting Employee Departures

If the employee is within the initial free six-month period, LAGERS will update their account automatically.

If the employee is beyond the initial six months, employers must update the account in ECLIPSE.

How to Terminate a Member in Eclipse:

1. On the wage report in the "Member Status" dropdown menu, select "Terminated." In the "Member Status Date" field, enter the last day the employee worked. Report their wages (excluding one-time lump sum payouts).

2. Report their last date of employment. If leave is paid out like a regular paycheck, the last day of employment (termination date) is when leave runs out. The reported termination date affects their service credit.

3. Report their leave payouts. Leave payouts are reportable if the same leave type has been paid previously and is paid as part of the regular payroll to extend the employment period. They are not reportable as one-time lump sum payouts.

Certification Requirement

When an employee leaves an organization, employers must complete a certification request on ECLIPSE. Refer to the Retiring Employee section for detailed certification instructions.

The Retiring Employee:

What Employers and Employees Need to Know

Thursday

May 22 at 11:15 a.m.

Preparing for retirement is a significant step in any employee's journey, and both employers and employees play a role in ensuring the process goes smoothly. Missouri LAGERS offers structured guidance to help employees navigate the final years before retirement. Here's what you need to know at each stage:

Employees Within Five Years of Retirement

When an employee is within five years of retirement eligibility, it's a great time for them to begin learning more about the specifics of their LAGERS benefits. Employers can offer support by encouraging them to take the following steps:

1. Attend a pre-retirement seminar. These are offered both virtually and in-person. Upcoming events are listed on LAGERS' website.
2. Review the Summary of Benefits available on the LAGERS website.
3. Create a myLAGERS account to generate personalized benefit estimates.
4. Consult a financial advisor for help with broader retirement planning.

Employees Within Two Years of Retirement

As retirement approaches, employees should take a few additional steps.

1. Attend a pre-retirement seminar if they haven't already.

2. Begin gathering documents that may be required during the application process. Acceptable documents include: a birth certificate, passport, baptismal certificate, school or college records, military discharge papers, or a marriage certificate.

30 to 90 Days Prior to Retirement

Once an employee has selected their retirement date, they must begin the formal retirement process with LAGERS. They need to:

1. Submit an application for retirement at least 30 days before their first benefit payment. Applications can be submitted up to 90 days in advance and can be completed online or by paper. Required documents should be submitted along with the application.
2. Notify their employer. LAGERS will also notify the employer via a benefit certification request.
3. Notify other benefit providers, such as a retirement savings account administrator.

Completing a Benefit Certification (Employer Step)

Once LAGERS receives a retirement application, the employer will receive an email notification through ECLIPSE requesting the employee's work history and wage verification. Certifications are accessed in ECLIPSE under "Pending Requests."

To complete a benefit certification:

1. Review the employment history by confirming the employee's dates of employment and entering the employee's last day of work, if needed.

2. Review the "Other Details" section by verifying wages and confirming that the reported wages are accurate. If adjustments are needed, enter the corrected amounts in the "New Wage" field. If recent months show \$0, estimate and enter appropriate wages. For "Free Six-Month," "Prior," or "Military Wages," provide the necessary wage details for Final Average Salary calculations.

3. Submit the certification by clicking "Save" and then "I Certify."

30 Days Prior to First Benefit Payment

LAGERS will send a retirement packet to the employee approximately 30 days before their first payment. This packet includes their election of payment form, tax withholding form, direct deposit form, and beneficiary designation form.

Employees may select from several payment options:

- Life Option: Lifetime benefit for the member only
- Options A & B: Joint survivor options that reduce the member's benefit to provide ongoing monthly payments to a designated beneficiary
- Option C: Guarantees a minimum of 120 monthly payments to the member or beneficiary
- Partial Lump Sum (PLUS): Provides a one-time lump sum equal to 24 monthly payments plus ongoing lifetime payments (can be combined with any option)

Once the Employee is Retired

When the employee is retired, they will begin receiving monthly payments, which are subject to both state and federal income taxes.

To ensure proper withholding, retirees must complete the appropriate withholding forms.

Each January, LAGERS issues a 1099-R tax form, with any Partial Lump Sum payments reported on a separate 1099-R. If a retiree made member contributions during their career, a portion of their benefit may be tax-exempt.

Additionally, Missouri residents may qualify for the Missouri Public Pension Exemption under RSMo 143.124.

LAGERS also provides annual cost-of-living adjustments (COLAs), which are payable each year on Oct. 1. These adjustments are based on the Consumer Price Index and are capped at 4% annually; however, increases are cumulative over time. To be eligible for a COLA, retirees must have been retired for a full 12 months prior to the adjustment.

Returning to Work After Retirement

Retirees can return to work without affecting their LAGERS benefits in several cases:

- Employment with a non-LAGERS employer has no impact on benefits
- Part-time employment with a LAGERS employer is allowed as long as the retiree stays under the employer's elected annual hour limit
- Full-time employment with a different LAGERS employer is also permitted, provided the retiree takes a one-month break in service before beginning the new role

In this case, a new, separate LAGERS benefit will begin to accrue, and the retiree will become vested after 12 consecutive months of employment. By following these guidelines, retirees and employers can help ensure a smooth and informed transition back into the workforce.

★Understanding Actuarial Valuations and LAGERS Funding

Thursday
May 22 at 1:30 p.m.

LAGERS Maintains Strong Funding at 93% Pre-Funded

Understanding LAGERS Funding and Actuarial Valuations

Missouri LAGERS is committed to supporting a secure retirement for local government workers across the state. At the heart of that promise is a strong, sustainable funding strategy backed by sound actuarial practices.

How LAGERS Is Funded

LAGERS' pension funding model follows a simple formula:

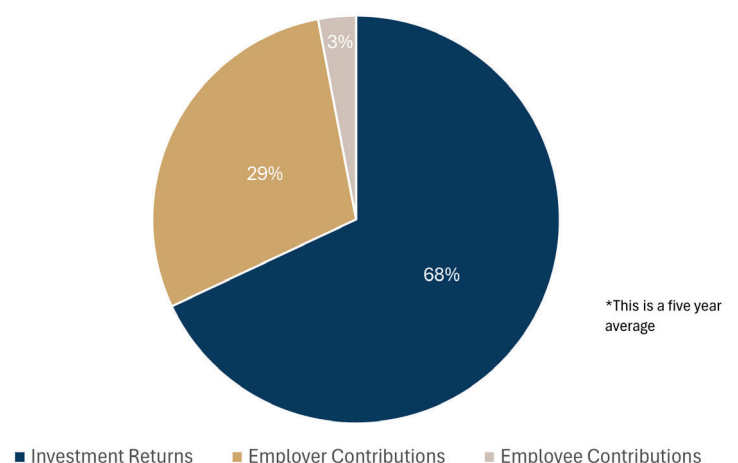
$$\text{Contributions} + \text{Investment Earnings} = \text{Benefits} + \text{Expenses}$$

Over the last five years, the sources of LAGERS funding have averaged:

Investment Returns – 68%
Employer Contributions – 29%
Employee Contributions – 3%

This funding structure ensures that most of the money used to pay benefits comes from long-term investment growth—not just contributions.

Average Distribution of LAGERS Funding Sources



Funding Policy Objectives

LAGERS maintains a disciplined funding policy designed to ensure the long-term stability and sustainability of the system. This approach focuses on maintaining adequate assets to meet future benefit obligations, stabilizing employer contribution rates over time, and upholding transparency and accountability for members and stakeholders.

The policy also includes actively monitoring material risks to the fund, promoting intergenerational equity to ensure fairness, regularly reviewing investment return assumptions, and continuing the systematic reduction of any unfunded actuarial accrued liabilities.

Thanks to this responsible approach, LAGERS is currently 93% pre-funded, a strong position compared to many public pension systems nationwide.

What Does It Mean to be Pre-Funded?

When a pension system is pre-funded, it means that money is being set aside and invested in advance of when benefits are due—so the system builds up assets now to pay for future retirement benefits.

LAGERS is 93% pre-funded, which allows the system to keep contributions rates stable for its employers, deliver on promised benefits, and remain resilient during market downturns.

Actuarial Assumptions

To determine future funding needs, LAGERS uses a set of demographic and economic assumptions.

Demographic assumptions:

- Member terminations
- Disability occurrences
- Retirement patterns
- Salary growth
- Mortality rates of active and retired members

Economic assumptions:

- Investment return: 7% annually
- Price inflation: 2.25% annually
- Wage inflation: 2.75% annually
- Payroll growth: 2.75% annually

These assumptions are reviewed regularly by the system's actuaries to reflect real-world trends and ensure funding remains accurate and fair.

How Employer Contribution Rates Are Determined

Each employer's contribution rate is unique and recalculated annually through LAGERS' actuarial valuation process. These rates are determined by several factors, including the specific benefit program selected by the employer, the demographic and economic experience of the organization, and the overall financial experience of the LAGERS system.

To calculate these costs accurately, LAGERS relies on detailed census data, which includes information such as employees' dates of birth, hire, eligibility, and termination or leave, as well as gender and current wages.

Annual Valuation Process

Each year, LAGERS performs an actuarial valuation that is issued July 1. The valuation takes effect at the beginning of your fiscal year the following calendar year. The report will include:

- Your contribution rate and, if applicable, the uncapped rate (page 12 of your annual valuation)
- Your funding progress—how your assets compare to liabilities (starting on page 13 of your annual valuation)

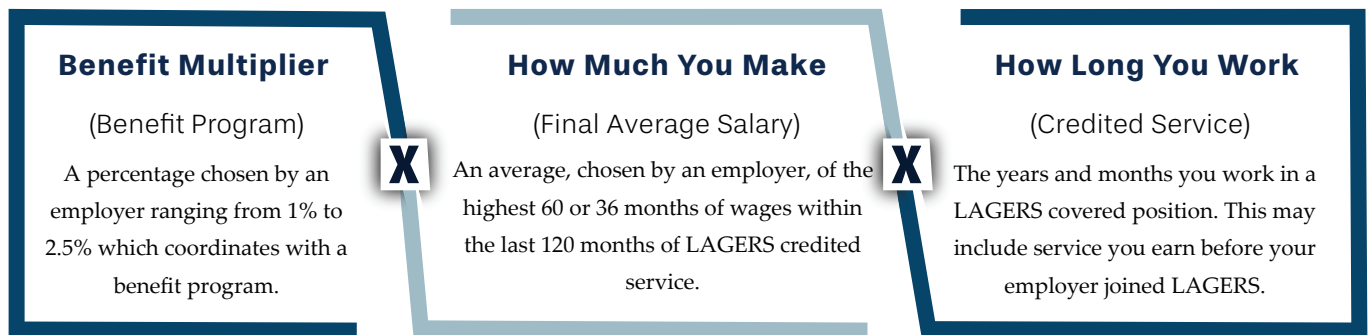
State law limits employer contribution rate increases to 1% of payroll annually. If your calculated rate exceeds that limit, both capped and uncapped rates are included in your report for full transparency.

Back to Basics: Benefits 101

Thursday
May 22 at 1:30 p.m.

How LAGERS Benefits Work

LAGERS retirement benefits are not tied to an account balance. Instead, your monthly benefit is based on a set formula designed to provide predictable, secure income for life. A sample calculation might look like this: $1.5\% \times \$5,000 \times 25 \text{ years} = \$1,875$ per month for life. This structure ensures that as your career and salary grow, so does your future benefit.



Eligibility and Retirement

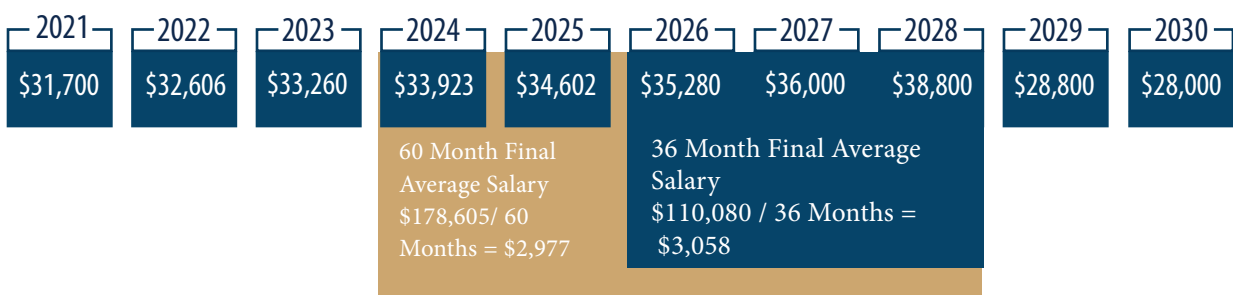
You become vested in your LAGERS benefits after earning five years (60 months) of service credit. The normal retirement age is 60 for general employees, while police, fire, and public safety personnel (if elected) may retire at age 55. Additionally, LAGERS offers a Rule of 80 provision, allowing members to retire earlier if their age plus years of service credit equals 80 or more.

Employee Contributions

Employers may require employees to contribute 0%, 2%, 4%, or 6% of their pay to help fund their benefit.

Working for Multiple LAGERS Employers

If you work for more than one LAGERS employer, your service credit is calculated separately for each. At retirement, your benefits from each employer are combined into one monthly payment.



Life Programs

Understanding Benefit Programs

LAGERS offers two primary types of benefit programs: Life Programs, and Life and Temporary Programs.

Life Programs

Life programs are the most common type of benefit structure used by LAGERS employers and use a consistent multiplier for calculating retirement benefits. The purpose of a Life Program is to provide a stable, predictable monthly retirement benefit for the rest of a member's life, beginning at retirement and continuing without change, except for cost of living adjustments. There are no temporary adjustments—just one consistent benefit amount that never decreases.

Life and Temporary Programs

The purpose of a Life and Temporary (LT) Program is to provide a higher monthly benefit in the early years of retirement, before transitioning to a lower lifetime benefit amount—typically at age 65.

Final Average Salary (FAS)

Your final average salary is a key part of your benefit formula. It is calculated using the average of either your highest 36 or 60 consecutive months within the last 120 months (10 years) of LAGERS-covered employment.

L-1

$$1\% \times 20 = 20\%$$

When 1% is the employer's chosen multiplier, 20 years of service will result in a 20% salary replacement benefit.

L-3

$$1.25\% \times 20 = 25\%$$

When 1.25% is the employer's chosen multiplier, 20 years of service will result in a 25% salary replacement benefit.

L-7

$$1.5\% \times 20 = 30\%$$

When 1.5% is the employer's chosen multiplier, 20 years of service will result in a 30% salary replacement benefit.

L-12

$$1.75\% \times 20 = 35\%$$

When 1.75% is the employer's chosen multiplier, 20 years of service will result in a 35% salary replacement benefit.

L-6

$$2\% \times 20 = 40\%$$

When 2% is the employer's chosen multiplier, 20 years of service will result in a 40% salary replacement benefit.

★LAGERS & Financial Reporting

Thursday
May 22 at 2:15 p.m.

Investment Policy Objectives

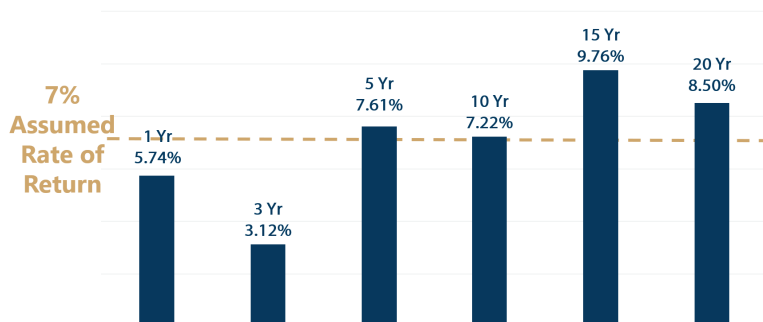
LAGERS' investment strategy is centered on accumulating the financial reserves necessary to provide secure retirement benefits for members. The portfolio is managed on a total return basis, aiming to achieve the most favorable long-term returns while maintaining reasonable levels of risk.

Asset Allocation

Asset allocation is approved by LAGERS' Board of Trustees and serves as a key driver of the portfolio's overall risk and return. It defines how LAGERS distributes its total investment portfolio, is monitored for compliance, and is reviewed and adjusted regularly to reflect market conditions and fund needs.

Investment Returns

As Of June 30, 2024



Financial Highlights

(as of June 30, 2024)

Fiduciary Net Position: \$10.8 billion

Cash Inflows:

Member contributions: \$28.9 million

Employer contributions: \$349.9 million

Investment earnings: \$545.3 million

Cash Outflows:

Refunds: \$2.6 million

Administrative expenses: \$10.5 million

Retirement benefits: \$489.5 million

Economic Impact:

Total refunds and retirement benefits paid: \$492 million to 30,687 recipients

92% of benefit payments remain in Missouri, reinvesting in local communities.

Reserve Accounts

LAGERS maintains four reserve accounts to track and allocate funding: employer, member, benefit, and casualty.

Employer | \$4.5 billion | 86% Funded

Member | \$218 million | 100% Funded

Benefit | \$6 billion | 117% Funded

Casualty | \$30.6 million | 100% Funded

Administrative Expenses

Employers: 40%

Benefit Reserve: 40%

What is GASB?

The Governmental Accounting Standards Board (GASB) issued pension accounting standards for public pension plans that require the plans and their sponsoring government agencies to report future pension liabilities on their balance sheet. The standards became effective beginning with fiscal years starting after June 15, 2014.

GASB and Audit Information

Key differences include the measurement date (Feb. 28 vs. June 30), asset methodology (smoothed vs. market value), and the inclusion of retiree experience (excluded vs. included).

GASB 68 Accounting Schedules

- Prepared as of the measurement date – June 30
- Net pension liability or asset
- Pension expense
- Deferred inflows and outflows
- Data for financial statement notes
- Required supplementary information

GASB 68 Audit Reports

- Schedule of Changes in Fiduciary Net Position
- Reconciles LAGERS' Changes in Fiduciary Net Position by participating employer
- Data by employer will match the GASB 68 accounting schedules
- Explains how LAGERS handles your proportionate share of the plan's pooled funds
- SOC 1 Type 2 Report
- Reviews LAGERS controls over census data, related financial data, and changes in employer and member accounts
- Assumes employers have complementary user entity controls

Schedule of Contributions and Timing

The Schedule of Contributions is based on each employer's fiscal year, with covered payroll determined by the "reporting month," which refers to when wages are paid. If wage corrections

are needed, they are processed through the Statement of Account system, while adjusted wages require direct coordination with LAGERS staff. Actuarially determined contributions use uncapped rates, and employers make contributions using the official rates provided by LAGERS.

Census Data and Common Questions

Active Members:

For active members, if 12 months of wages are not reported, LAGERS annualizes the wages by dividing the total reported wages by the number of months and multiplying by 12; wages from partial months are excluded. Members in their "free six months" of service do not appear on the active report. If service credit does not match employer records, it may indicate prior LAGERS service, which is noted in the "Link" column of the report.

Deferred Members:

Deferred members appear on the census only if they are vested or actively working for another LAGERS employer. Those who take a refund or lump sum payment are removed from the deferred report. In some cases, a member may appear on both the active and deferred reports if they have multiple LAGERS IDs.

Retired Members:

For retired members, the monthly benefit totals listed on the retiree census may not match those in the GASB 68 schedule due to differences in reporting periods—March 1 to Feb. 28 for the census, versus July 1 to June 30 for GASB 68. Additionally, lump-sum payment options and refunds can affect the reported totals.

LAGERS Disability and Survivor Benefits Overview

Thursday
May 22 at 2:15 p.m.

Disability Benefits

Every LAGERS member is covered by disability benefits. This means that if an employee were to become permanently disabled and could no longer perform their current job, they may be eligible for monthly benefits.

The amount of monthly payments, if any, will depend on the nature of the disability. LAGERS has two different types of disability: duty-related and non-duty related.

Disability Retirement Benefit

Duty Disability	Non-Duty Disability
Disability caused by work-related injury or disease	Disability caused by non-work-related injury or disease
Member must be permanently unable to do current job	Member must be permanently unable to do current job
No vesting requirement	Member must be vested
Benefit is based on service extended to age 60	Benefit is based on accrued service
No reduction for early retirement	No reduction for early retirement
Benefit is payable for life	Benefit is payable for life
Restatement of disability required until member reaches normal retirement age of 55 for police, fire, public safety (if elected) and 60 for general employees.	Restatement of disability required until member reaches normal retirement age of 55 for police, fire, public safety (if elected) and 60 for general employees.

Survivor Benefits

In the event a member should pass away before retiring, additional monthly survivors' benefits may be payable to their eligible beneficiaries. Survivors' benefits are payable on vested and non-vested accounts for duty-related deaths and are payable only on vested accounts for non-duty related deaths.

Deferred Member Death Benefit

- Member was no longer employed with a LAGERS-covered employer at time of death
- Member must have been vested
- Benefit is based on accrued service at the time they left LAGERS-covered employment
- Eligible spouse (married at least two years at time of death) would receive a monthly benefit for their lifetime
- Benefit is not payable until member would have attained normal retirement age of 55 for police, fire, public safety (if elected) and 60 for general employees.

- If no eligible spouse, a refund of the member's contributions (if applicable) will be paid to the beneficiary of record.

Retired Member Death Benefit

- Benefit is payable upon retiree's death will depend on option chosen at time of retirement
- If no monthly benefit is payable, a refund of remaining contributions will be made
- Pop-Up Provision – If Option A or B was chosen at the time of retirement, be sure to notify LAGERS if the spouse pre-deceases the retiree so the benefit can be increased to the full Life option amount

Survivor Benefits

Duty Death	Non-Duty Death
Death caused by work-related injury or disease	Death caused by non-work-related injury or disease
Member must have been actively employed with a LAGERS-covered employer at time of death	Member must have been actively employed with a LAGERS-covered employer at time of death
No vesting requirement	Member must have been vested
Benefit is based on service extended to age 60	Benefit is based on accrued service
Eligible spouse (married at time of death) would receive lifetime monthly benefit starting on the first of the month following the member's date of death	Eligible spouse (married at least two years at time of death, unless accidental death) would receive lifetime monthly benefit starting on the first of the month following the member's date of death
If no eligible spouse, eligible dependent children* would receive a monthly benefit as long as they meet the requirements to be eligible	If no eligible spouse, eligible dependent children* would receive a monthly benefit as long as they meet the requirements to be eligible
If no eligible spouse or dependent children, a refund of the member's contributions (if applicable) will be paid to the beneficiary of record	If no eligible spouse or dependent children, a refund of the member's contributions (if applicable) will be paid to the beneficiary of record

**A child is considered "dependent" until death, marriage, or reaching age 18, whichever occurs first. Benefits can be extended as long as the child is a full-time student--without a break--up to age 23.*

Join Us At

Annual Meeting



October
2025

DOUBLETREE HOTEL
SPRINGFIELD, MO