



The Member's Resource

MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

LAGERS is Your 2015 Plan Sponsor of the Year!

LAGERS has been named the 2015 Plan Sponsor of the year by Plansponsor Magazine. According to the article highlighting the LAGERS plan, the system was chosen for this award because its strong one, three, and five year investment returns, innovative participant services, strong plan design features, leadership in public policy, and an overall focus on the membership.

"Anything and everything you do, stay focused on the membership, and you will always get the right results,"

-Keith Hughes, LAGERS Executive Director

The magazine specifically noted LAGERS' "Reframing the Debate" campaign that aims to show the value of the public sector workers. LAGERS members dedicate their lives to serving their communities and then 94% of them continue to

live locally after they retire. The retirement benefits they are receiving are then reinvested in their local economy.

Plansponsor magazine is the nation's leading source of information and solutions for retirement benefits administrators. Each year the editors recognize U.S. retirement plans that "show a commitment to their participants financial health and retirement success, and are leaders in their respective categories."

LAGERS is the fourth Missouri public retirement system to be named Plan Sponsor of the Year in the past seven years. The Missouri State Employees Retirement System (MOSERS) received the honor in 2008, the Public School & Education Employee Retirement Systems (PSRS/PEERS) of Missouri in 2011, and the State of Missouri Deferred Compensation Plan was selected in 2013.

LAGERS Funding Level Continues to Rise

LAGERS funding level continues to show steady improvement this year, **rising to 94.4%** (on an actuarial basis). This is up from 91.7% just a year ago.

A large part of this year's increase is due to the outstanding investment performance of LAGERS' portfolio in 2014 of 19.04%.

LAGERS' ultimate goal is to reach 100% pre-funded. This means having enough assets on hand today to pay all promised benefits in the future. While LAGERS won't ever have to pay all future benefits at once, we are committed to ensuring the security of our members' financial futures.

Everyone who works hard deserves the peace of mind of knowing that their future retirement benefit is secure and will be there for them -- something LAGERS works to ensure everyday!

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2015
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OF THE YEAR**
PUBLIC DB

The **Extra** LAGERS Benefits That You May Not Know You Have...

When you think about your LAGERS benefit, probably the first words that come to mind are 'retirement benefit.' After all, Retirement System is in our name. But don't forget that there is more to your benefit than the name may suggest; LAGERS also provides our members with disability and survivor's benefits.

Don't think your employer elected these benefits? Think again. Every LAGERS member is automatically covered by both disability and survivor's benefits. Here's what you need to know about this important benefit:

All LAGERS members are immediately entitled to duty-related disability and survivors benefits, and all vested members may also be eligible for benefits in the event of a non-duty related death or disability.



Because these benefits are designed to protect a member and those who are financially dependent on the member's income from financial hardship in the event of a death or disability, a member (or beneficiary) that becomes eligible for one of these benefits receives monthly protected payments for his or her lifetime, plus any applicable cost of living adjustments.

The amount of benefit payable depends on what caused the death or disability. Duty related benefits are paid when a disability or death was caused by your job, and therefore

generally pay a more robust benefit to make up the difference in years a member would have worked and continued to earn a benefit had he not become disabled or passed away. However, benefits to vested members may also be payable if the cause of death or disability happened off the job; the benefit then is based upon how much service the member had earned to date.

Here's one more thing you should remember about these added benefits: make sure you have saved information regarding LAGERS disability/survivors benefits somewhere that is readily available for you and loved ones. For example, put a LAGERS brochure or statement in with your life insurance policies. Members or spouses of members that becomes eligible for these benefits often find themselves in an unexpected situation. Making it as easy as possible to gather information regarding potential benefits can really help to reduce the stress of an already difficult experience. Even more importantly, simply ensuring that a spouse is aware that benefits may be payable should be an important part of your financial plan.

If you ever consider taking a job outside of the LAGERS system, there may still be some benefits payable on a vested account, but payments wouldn't start until normal retirement age. It's always a good idea when considering a change in employers to consider your entire benefit package, after all, not all retirement plans offer similar benefits. If a potential employer does not offer similar disability and survivor benefits, it may be worth considering purchasing supplemental insurance to make up the difference.

No one wants to ever find themselves disabled or leave a loved one behind who is unable to financially support themselves. With your LAGERS benefits, it's one less worry. Visit our website to learn more about this great benefit!



Read more great blogs like this one at lagersbloggers.org

Are Your Beneficiaries Up to Date?

Although state law decides who your first beneficiary is on a survivors benefit, it is important to still make sure your beneficiary designations are up to date. Member contributions, including purchases of service may be refunded to your beneficiary of record when no monthly survivor benefit is payable. Visit your myLAGERS account to view and update your beneficiaries today!



LAGERS 48th Annual Meeting

See You in St. Louis!

When:

October 29-30, 2015

Where:

Sheraton Westport Chalet Hotel
191 West Port Plaza
St. Louis, MO 63146

Registration:

www.molagers.org

The LAGERS system belongs to you!

The LAGERS Annual Meeting provides a great opportunity for members to come together and set the course of the LAGERS system. Each LAGERS employer, no matter the size, may send two representatives to the meeting to vote for the LAGERS' Board. While there will be no board elections this year due to no vacancies on the board, that should not discourage members and employers from attending the meeting to receive system updates and meet with LAGERS staff. Any member may attend the meeting regardless of whether or not they are attending as an elected or appointed delegate from their employer. This year's Annual Meeting will again be held at the Sheraton Westport Chalet Hotel in St. Louis.



Following a reception and dinner, join us for an exciting evening of Quest for the Best! This Jeopardy style game show, hosted by Game Show America, involves teams that compete through a series of games using wireless audience response keypads. The top respondents from each team will then go on stage to compete in the Quest for the Best!

2015 Legislative Session Wrap-Up

The gridlock that held many bills hostage in the final days of Missouri's 2015 Regular Legislative Session made no exceptions for three LAGERS bills, all of which stalled in the final days of session last week.

LAGERS entered 2015 hopeful that this would be the year that the "Local Plans" bill would pass. LAGERS filed similar language in the 2014, with Senate Bill 675(2014) being Truly Agreed and Passed; however the bill never made it to law as it was vetoed by Governor Nixon last summer. This year, SB 283 became weighted down with extra amendments, most unrelated to LAGERS, and eventually succumbed to its injuries in Conference, and HB 494 found itself among the countless

pieces of legislation held up in the final days of the filibuster that shut down the Senate in its last week.

Although 2015 proved a tough year politically to accomplish anything at the capitol, LAGERS looks forward to continuing to work with law makers next year to help ensure that the best policy for Missouri and Missouri's taxpayers can be reached. And while 2015 did not move forward as hoped, LAGERS is reminded that our ultimate focus is to ensure that our members' benefits are secure and protected today and into the future, something we continue to do every day.

Join us at the Annual Meeting to hear the latest updates on the upcoming 2016 Legislative Session!

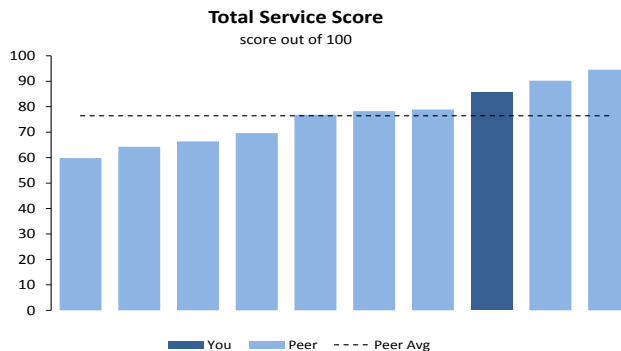
CEM Benchmarking Results: LAGERS is Doing More with Less

LAGERS recently participated for the first time in an international pension benchmarking survey, which analyzed LAGERS performance in areas such as administrative cost efficiencies and customer service.

The survey found that LAGERS is providing superior customer service at a low cost per member.

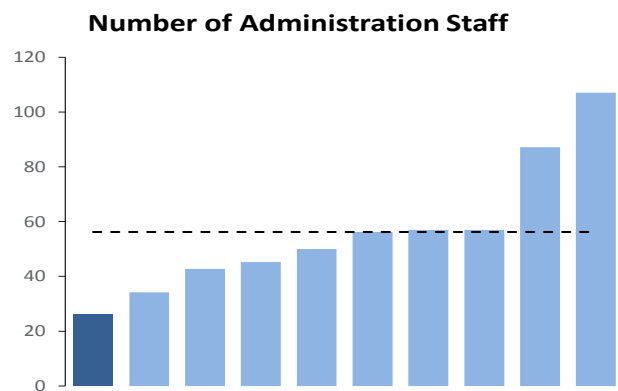
CEM Benchmarking, an independent global benchmarking company, conducted the survey by comparing LAGERS to a group of peers. CEM has surveyed over 75 leading global pensions systems and identified LAGERS' peer group by selecting ten pension funds from their database that are of similar size and structure to LAGERS.

Of the notable findings on the survey, high marks in customer service were at the top, with a total service score of 86 out of 100.



While LAGERS scored above our peer average in nearly every activity surveyed, the greatest impact to this score was the result of high member contacts, such as 1-on-1 counseling sessions, seminars, and targeted communication, as well as shorter call wait times, availability of features on myLAGERS, and less red tape when applying for benefits.

CEM defines service as 'anything a member would like, before considering costs,' and while LAGERS scored very high in service, remaining good stewards of our members' money is also a top priority. CEM found that LAGERS Total Pension Administration cost was \$16 per member below our peer average. One contributing factor to LAGERS cost efficiencies is the low number of administration staff at LAGERS. LAGERS has fewer administrative staff than any of our peers, which is remarkable considering LAGERS also had more member employers in our system than any of our peers, adding additional layers of complexity to the system administration.



These independent benchmarks not only help LAGERS to identify best practices, they also provide measurable information to help us to identify areas where we are excelling as well as areas in which we can improve. As part of our mission, LAGERS takes providing superior customer service in the most efficient and economical manner possible very seriously. The detailed report provided LAGERS with actionable measurements that will help LAGERS continue to provide our members with even better customer service at the lowest cost possible into the future!

Don't Forget! If you are enrolled in a myLAGERS account, you will only receive an electronic Annual Member Statement in 2016!

While on your myLAGERS account, enjoy viewing a wealth of information about your LAGERS benefit including detailed employment and wage history, as well as enjoying the convenience of reviewing and updating beneficiary information in just a click! Also check out your custom benefit estimator which enables you to generate personalized benefit estimates!

If you are not yet enrolled in myLAGERS and wish to only receive an electronic copy of your Annual Member Statement in the future, make sure to sign up for a myLAGERS account today!



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