



The Retiree'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.

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2015
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"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.

Though this award is very humbling and a wonderful recognition, the LAGERS system would not be the system it is without it's membership. So, this one is for our members and beneficiaries!

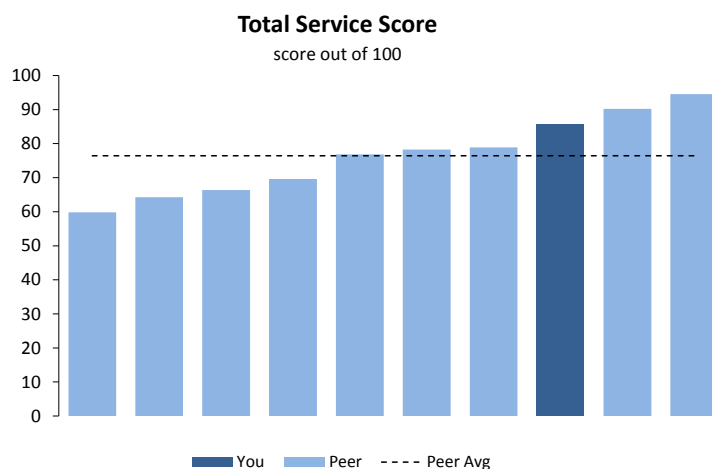
To read the full **PLANSPONSOR** article, visit:
<http://www.plansponsor.com>

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.

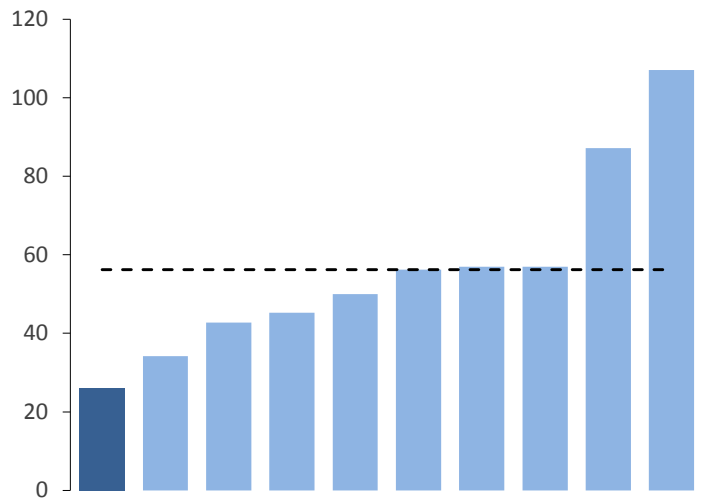
CEM Benchmarking, an independent global benchmarking company, conducted the survey by comparing LAGERS to a group of peers. CEM has surveyed over 75 leading global pensions systems and identified LAGERS' peer group by selecting ten pension funds from their database that are of similar size and structure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

Number of Administration Staff



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!

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Special Tax Exemption Available for Retired Public Safety Officers

If you retired as a public safety officer from LAGERS, you may be eligible for special tax savings through the Health Care Enhancement for Local Public Safety Officers (HELPS) deduction. This law allows LAGERS public safety retirees to have qualified health insurance or long term care premiums directly deducted from their LAGERS retirement benefit, and up to \$3,000 of those deducted premiums can be excluded from your Federal taxable income.

To qualify for this deduction, you must:

- Have been serving as a public safety officer, as defined by federal law, when you retired, -AND-
- Have retired under LAGERS normal retirement or disability provision (meaning you did not take an early retirement). *Rule of 80 is considered a normal retirement.*

A qualified health insurance premium can be any premium for you, your spouse, or eligible dependents and can include health, accident, dental, vision coverage, or long term care. LAGERS must be able to deduct the entire cost of your qualified premium from your monthly benefit in order to be eligible for the deduction. If both you and your spouse are retired public safety officers, each may exempt up to \$3,000 for a total family limit of \$6,000.

Although this deduction cannot be adjusted retroactively, qualified retirees may set up their healthcare deductions at any time. Visit our website or call the LAGERS office to obtain the *Public Safety Retiree Healthcare Deduction* form. Your deduction will become effective with the first payment processed after LAGERS receives your completed form.



Who Does Federal Law Define as 'Public Safety Officers'?

- An individual involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws (including juvenile delinquency), including, but not limited to police, corrections, probation, parole, and judicial officers
- Professional firefighter
- Officially recognized or designated public employee members of a rescue squad or ambulance crew
- Chaplains serving in a police or fire department.

Retirees Continue to Enjoy Full Purchasing Power with Retirement Benefits

LAGERS Cost of Living Adjustments are designed to help protect your benefit from inflation risk. Each year, LAGERS Board of Trustees decides to either grant or not grant an adjustment with consideration to the CPI (Consumer Price Index) and the financial state of the LAGERS system.

For the cumulative past 12 months, the CPI has increased very little, meaning there has been only a slight change in the cost of living. Because of this, most retirees will see a slight increase in benefits on October 1st, and retirees and beneficiaries will continue to enjoy the same purchasing power with their benefit as they have had for the past year! You will receive more information about the 2015 Cost of Living Adjustment in your Fall Newsletter and on the check stub you will receive in October. You may also view your updated benefit amount on the myLAGERS web portal in September.

--- To learn more, visit our website at: www.molagers.org/cost-of-living-adjustments.html





The Retiree's Resource: The Quarterly Newsletter for LAGERS Retirees

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Stay Connected!



myLAGERS

Prefer an e-mail newsletter?
Visit myLAGERS to opt out of paper newsletters!

Retiree Link Meetings

Reconnect with former co-workers, hear system updates from LAGERS staff, acquire medicare information from CLAIM representative, and enjoy breakfast on us!

To Register:

Call 1-800-447-4334 or
visit www.molagers.org/retiree-link.html

Remaining 2015 Dates:

August 13
Springfield

September 10
Jefferson City

