



The Member's Resource

MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

LAGERS' 2015 Legislation Filed

The 2015 Missouri Legislative Session is well underway with several pieces of LAGERS legislation in the works.

LAGERS top priority is a bill termed the "Local Plans Bill." This legislation allows LAGERS-participating entities the opportunity to voluntarily transfer the administration of their frozen pension plan to LAGERS. First proposed during the 2014 session, the bill received wide support from LAGERS members, legislators, and even the media, but was vetoed by Governor Nixon in July. LAGERS board and staff, however, still believe that this legislation is good public policy and this year's bill includes slightly modified language.

LAGERS is also seeking legislation that would give participating employers the option to expand their definitions of 'police officer' and 'fire fighter.' Doing so would change the normal retirement age of certain public safety workers from age 60 to age 55.

LAGERS believes retirement security is an important issue for Missourians and secure, stable retirement plans that provide steady monthly income are the most efficient way to help middle class workers transition into middle class retirees. Our educational outreach, aimed specifically at policy makers, includes new videos and publications that convey the value of the public sector worker and the positive economic impact of LAGERS benefits.

This education is vital as an attempt to negate the well organized and funded movement to abolish pension plans like LAGERS. If this movement succeeds, the retirement stability of countless Missourians would be in serious jeopardy. Not to mention how this would upset the economic fabric of the entire state.

Please visit molagers.org for continuing legislative updates and don't be afraid to contact your state legislators to let them know how important your LAGERS benefit is to you and your community!

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LAGERS is going green in 2016! If you are enrolled in a myLAGERS account, you will only receive an electronic Annual Member Statement in 2016 and going forward.



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 based on your chosen projected retirement date which can more accurately reflect what your future benefit may look like!

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!

Understanding Your Annual Statement

Your Annual Statement details valuable information about your LAGERS benefit including your total years of service, your accumulated account balance (if any), and other important information about the calculation of your future benefit. If you have had employment with more than one LAGERS employer, you will receive only one statement combining all service. **Don't forget, myLAGERS users will only receive an electronic copy of their statement that is available 24/7 on myLAGERS in 2016.**

Here are a few frequently asked questions about your annual statement:

“What You’ve Earned as of 12-31-2014” Section

- Your statement is as of 12-31-2014. Any changes to your account since then, will not be reflected on this year’s statement.
- Benefit amount does not include any temporary benefit (for LT programs) if you are not yet age eligible to retire.
- The Final Average Salary used is your current last 36/60 month average of wages.
- If you are not yet vested, your statement will only include projected benefit amounts.

“What You Could Earn if Your Keep Working” Section

- Service is extended to your normal (or Rule of 80) retirement age.
- If you are already retirement age, you will not see this section.
- The “projected benefit” on your Statement is not the same as a Benefit Estimate. Benefit estimates include much greater detail regarding all of your payout options and are based on a retirement date specified by you.

Missouri Local Government Employees Retirement System
Member Annual Statement as of December 31, 2014

Employee, Joseph C
City of Smalltown

Personal Information					
Membership Date:	01-01-2004	Vested Status:	Vested	Total Years of Service Credit:	8
Date of Birth:	10-04-1951				

What you've earned as of 12-31-2014						
Assumes you do not earn any additional service credit. You cannot begin to draw a monthly benefit if you ever receive from any LAGERS employer for the same month you begin to draw a benefit. For multiple accounts, add the benefits together (see list of pages for details).						
Employer	Dept.	If your benefit begins at:	Benefit Program	Final Average Salary	Years of Service	Monthly Retirement Benefit
City of Smalltown	General	60	L-7	\$21,000	4	\$200.00
Smalltown County	Police	55	L-1	\$28,000	4	\$208.88

What you could earn if you keep working						
Your projected benefit as of the first date you are eligible to retire. Retirement age(s) may vary after if you have service with more than one employer depending on type of eligibility, and/or general vs. special service. For multiple accounts, add the benefits together (see list of pages for details).						
Employer	Dept.	If you retire at:	Benefit Program	Final Average Salary	Years of Service	Monthly Retirement Benefit
City of Smalltown	General	60	L-7	\$22,000	30	\$1,200.00
Smalltown County	Police	64	L-1	\$32,000	4	\$ 694.44

Beneficiaries

If you need to change your beneficiary information, you can find the Change of Beneficiary form at www.mlagers.org.

Primary: Jack Engstrom
Contingent: Joe Engstrom

Your LAGERS Account Balance: \$4,360.00

Your contributions (if required by the employer) DO NOT affect your retirement benefit calculation. The above amount includes your contributions and interest for all of your LAGERS accounts.

Year last 10 years of salary reported to LAGERS					
2013:	\$32,000	2009:	\$32,000	2007:	\$32,000
2012:	\$32,000	2008:	\$32,000	2006:	\$32,000
2011:	\$32,000	2005:	\$32,000	2004:	\$32,000
2010:	\$32,000	2004:	\$32,000	2003:	\$32,000

Your LAGERS Account Balance

- This amount does not represent your benefit amount.
- Includes your member contributions (if any) from all employers, service purchases, and interest earnings.

Don't forget!! You can verify and update your beneficiaries online through your myLAGERS account 24/7, as well as view your past and current statements. If you are not yet enrolled in myLAGERS, you may do so at any time from the LAGERS website.

Your LAGERS Benefit Will Not Be Enough!

The income you will receive from your LAGERS retirement benefit will not be enough. Yes, it will be a stable, dependable, lifetime source of income, but it will not be enough to live on when you retire.

Now that we have your attention, here is a little story that proves our point.

Consider a LAGERS member named Frank. Frank is a 60 year-old, hard-working public works employee for a medium sized city in Missouri. He has dedicated most of his working life to his community and is considering retirement after 30 years of service. His employer has the L-3, 1.25% LAGERS multiplier and Frank's final average monthly salary is \$3,500. This will produce a LAGERS benefit of \$1,313 per month or \$15,750 per year. Frank has not saved any additional funds for his retirement.

Will Frank be able to survive living only off his LAGERS benefit? Probably so. Will Frank find happiness and be able to have the retirement he has dreamed of? Probably not. If Frank decides to retire now, he will be forced to eventually return to work or substantially reduce his standard of living to near hermit levels.

It seems that Frank's only option is to delay his retirement until at least age 62 when he can begin collecting a reduced monthly Social Security benefit. But even delaying Social Security a few more years could help increase retirement income, not to mention staying longer with his employer will also raise his LAGERS benefit.

The point to take away from this example is that even though Frank had dedicated his career to one employer and that employer has provided him with a great benefit, Frank must take responsibility for his future at a young age if he hopes to reach his goal of retiring at age 60. And by the way, because of his years of service, Frank's monthly retirement benefit amount is above the norm. The current monthly LAGERS benefit for an average retiree is \$899 per month or \$10,788 per year.

So where do you stand? What are your plans?

Anytime is a great time to start putting away money for your retirement nest egg or to renew your commitment to your future self. As a LAGERS member, you have a pension that will provide a guaranteed stream of payments in retirement, and that is a wonderful thing! But you still must take initiative to ensure you will be able not only to survive, but thrive in the retirement lifestyle you have chosen. LAGERS is designed to provide a secure base for your financial future and intended to be combined with Social Security and your own personal savings to create the retirement you have envisioned.

So what to do now?

Pay attention to your LAGERS annual statements and maybe even run a benefit estimate using the myLAGERS online web tool. Try an online retirement savings calculator to gauge the progress of your personal savings. Envision your future self and the life that you are creating for that person. Is it a life you would want? Frank must work longer than he planned to make his retirement dreams come true. Are your dreams on track?



Check out more great blogs like this at:
www.lagersbloggers.org

Tell Us How We're Doing: LAGERS Communication Survey

Awesome!!

EXCELLENT

GOOD

AVERAGE

POOR



Your opinion counts! Take our 60 second survey to help us better communicate the information you want know about your retirement system!

Scan the QR code with your smart device to get started, or visit www.molagers.org/members.html



No Excuses! There's a Pre-Retirement Seminar Near You!

LAGERS Pre-Retirement Seminars are a great resource for individuals nearing retirement. Presentations include an overview of benefits, process for retirement, payout options, and other important issues affecting retirees. Full Seminars also have extra sessions on Retirement Planning and Social Security. Afternoon and evening sessions will not include the extra sessions.

March 11	Maryland Heights (evening)
March 12	St. Louis
March 25	Kansas City (evening)
March 26	Blue Springs
April 9	Hannibal
May 7	Jefferson City
May 27	Joplin (afternoon)
May 28	Springfield
June 18	St. Joseph
July 22	Poplar Bluff (afternoon)
July 23	Cape Girardeau
August 12	Springfield (evening)
August 26	Maryland Heights (afternoon)
August 27	Chesterfield
Sept. 17	Blue Springs
Nov. 5	Jefferson City (afternoon)

Register online at www.molagers.org/events.html

Stay Connected with Your Retirement System!

Keep up with the latest pension news, retirement related information, and system updates by following the LAGERS system on social media! It is a great way to stay up to date with the happenings of your retirement system.



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