



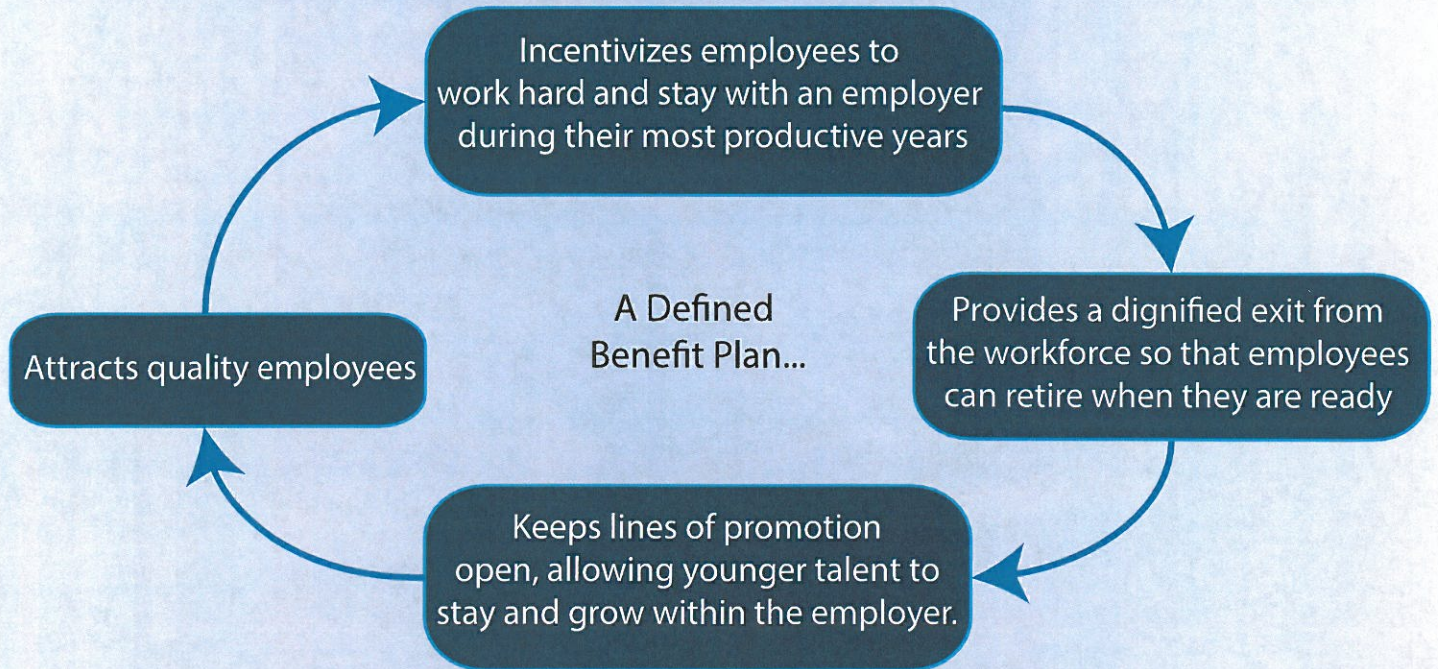
Your Secure Path



MISSOURI LOCAL GOVERNMENT
EMPLOYEES RETIREMENT SYSTEM

Why are Retirement Benefits Important?

Retirement benefits are an important part of an employer's overall benefit package. Providing these benefits helps recruit quality employees, retain those quality individuals throughout their most productive years, and allows a dignified exit from the workforce when an individual's productivity begins to decline. Employees who stay on the job longer than expected because they cannot afford to retire are among the most costly, and often least productive, employees. A well structured retirement plan can help an employer efficiently manage personnel throughout the employee life cycle.



What is a Defined Benefit Pension?

LAGERS is a defined benefit retirement plan. Defined benefit plans provide guaranteed monthly payments based upon a formula that reflects an employee's working career. The payments begin at retirement age and continue for the lifetime of the retiree.

LAGERS benefits are calculated using a formula based upon three factors:

- How long you work
- How much you earn in salary
- A unique set of benefit levels elected by your employer

Benefits are not affected by swings in the markets, do not require individual portfolio management, and are not based on an account balance that can be outlived.

Benefits are permanent, protected, and guaranteed for the lifetime of every LAGERS member.



Who is LAGERS?

LAGERS is helping thousands of local government employees across the state of Missouri from more than 665 local government employers reach their retirement destination. As a non-profit public pension system, LAGERS provides Missouri's local government employers a path to offer affordable and sustainable retirement benefits in the most efficient and economical manner possible.



How Does LAGERS Work?

$$\begin{array}{r} \text{Benefit Program} \\ \times \\ \text{Credited Service} \\ \times \\ \text{Final Average Salary} \\ = \\ \text{Monthly Benefit for Life} \end{array}$$

All LAGERS benefits are calculated using this formula. Members earn their monthly benefit by accumulating credited service: the longer they work and the more they earn in salary, the more they receive at retirement. Calculating benefits in this way encourages employees to stay with an employer long-term.

Employee Eligibility

All full time employees are eligible for LAGERS membership. To receive a benefit, an employee must become **vested** and reach a **retirement age**.

Vesting

A member becomes vested when they earn **60 months** of credited service with one or more LAGERS employer(s)

***Once a member is vested, they are guaranteed a benefit regardless of whether or not they continue work with their current employer until retirement age.*

Retirement Ages

General Employees: **Age 60**
Police and Fire Employees: **Age 55**

All members may individually choose to retire up to five years early of normal retirement age with a reduced benefit.

Disability and Survivor Benefits

Because LAGERS has hundreds of members across the state of Missouri, LAGERS is able to provide every member with **Disability and Survivor** benefits at a nominal cost to each employer.

All vested members are eligible for these lifetime benefits and non-vested members are eligible if the cause of disability or death is duty-related.

These benefits are automatic for all members; no separate election must be made.



