44th Comprehensive Annual Financial Report

For fiscal Year: July 1, 2011 - June 30, 2012

Missouri Local Government Employees Retirement System

LAGERS

Forty-Fourth Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2012

Keith E. Hughes, CEBS
Executive Secretary

Melissa Rackers, CPA, RPA
Director of Finance and Human Resources

Missouri Local Government
Employees Retirement System
701 W. Main St.
P.O. Box 1665
Jefferson City, MO 65102
(573) 636-9455
(800) 447-4334

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Administrative Organization

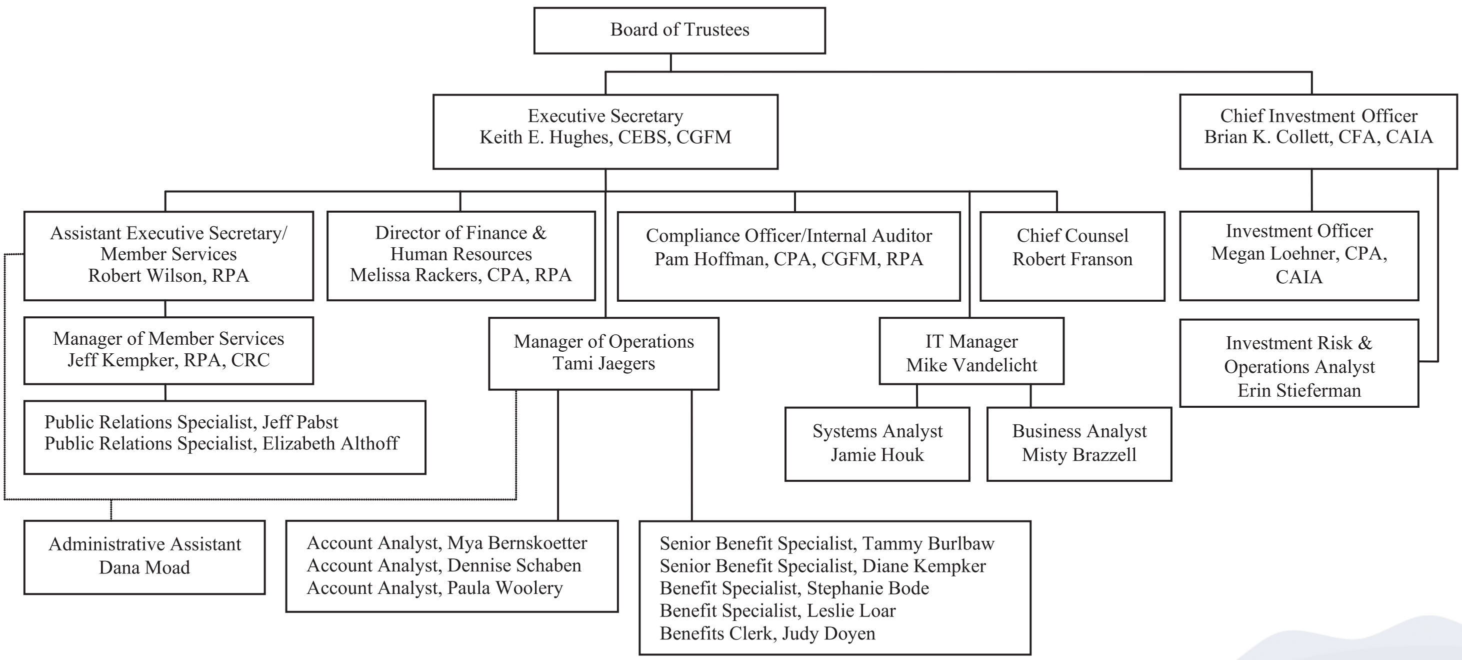
Administrative Organization — Board

The board operates with the assistance of five committees, appointed by the chairperson: administrative, disability, investment, legislative, and governance.

Administrative Committee	Disability Committee	Investment Committee	Legislative Committee	Governance Committee
Arby Todd*	Nancy Yendes*	Robert Ashcroft*	Barry Hovis*	Frank Buck*
Robert Ashcroft	Frank Buck	Arby Todd	Nancy Yendes	Arby Todd
Nancy Yendes	Barry Hovis	Paul Thomson	Paul Thomson	Paul Thomson

*Committee Chairperson

Administrative Organization - Staff



Consulting Services

Actuary
Gabriel, Roeder, Smith & Co.
Mita D. Drazilov
Judith A. Kermans
Southfield, MI

Auditor
Williams Keepers, LLC
Certified Public Accountants
Michael J. Oldelehr, CPA
Jefferson City, MO

Medical Advisors
Andrew Matera, M.D.
P.A. Boyer, M.D.
Janie Vale, M.D.

Eclipse Consultant
Sagitec Solutions, LLC
Paul Eberhart
Little Canada, MN

Legal Counsel
Armstrong Teasdale, LLP
Attorneys at Law
Sherry Doctorian
Jefferson City, MO

Legal Counsel
Husch Blackwell, LLP
Attorneys at Law
Lowell Pearson
Jefferson City, MO

For a list of investment professionals, see page 35.

Certificate of Achievement

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Missouri Local Government Employees Retirement System

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

Linda C. Davison

President

Jeffrey R. Esser

Executive Director

PPCC Achievement Award

Public Pension Coordinating Council

Public Pension Standards Award
For Funding and Administration
_2011_

Presented to

Missouri Local Government Employees Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator

Letter of Transmittal

Missouri Local Government Employees Retirement System
701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102
Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671
www.molagers.org
Keith E. Hughes, CEBS, Executive Secretary

October 1, 2012

The Board of Trustees
Missouri Local Government
Employees Retirement System
Jefferson City, MO 65102

The Annual Report of the Missouri Local Government Employees Retirement System (LAGERS) for the fiscal year ended June 30, 2012, is submitted herewith. The management of LAGERS is responsible for the compilation and accuracy of the financial, investment, actuarial and statistical information contained in this report. Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, rests with the management of the system. I trust that you and the members of the system will find this annual report helpful in understanding your public employee retirement system – a system which continues to maintain a strong and positive financial future.

The LAGERS system was established in 1967 consisting of 10 employers and has subsequently expanded to include 622 political subdivision of the state. A listing of the current employers begins on page 55.

MISSION STATEMENT

The Missouri Local Government Employees Retirement System's mission is to provide secure retirement, survivors', and disability benefits to Missouri local government employees members and beneficiaries in the most efficient and economical manner possible, while providing superior service and fulfilling its fiduciary obligations.

STRATEGIC PLANNING

The Planning and Budgeting Process provides the framework for the annual Business Plan. According to the policy, the scope of the Business Plan is to be limited to benefit administration initiatives only. Planning for investment-related initiatives is to be addressed through other established means and resources. The Business Plan corresponds to LAGERS fiscal year as well as long-term objectives ranging from the current year to five years in the future. The development of the Business Plan is a coordinated effort of the entire LAGERS management team. LAGERS staff intends for all activities to be guided by the focused Mission Statement. Each of the initiatives is categorized according to the applicable section of the Mission Statement that is being fulfilled.

ACCOUNTING SYSTEMS AND REPORTS

The report was prepared to conform with the principles of governmental accounting and reporting as put forth by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants.

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the LAGERS system for its comprehensive annual financial report for the fiscal year ended June 30, 2011. LAGERS has received this prestigious award for its annual report in each of the last thirty-four years.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe this report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

The Financial section of the report contains the independent auditors' letter, management's discussion and analysis, the financial statements, notes and other required supplementary information. Management's discussion and analysis provides a narrative introduction and overview of the financial statements and should be read in conjunction with those statements.

Transactions of the LAGERS system are reported on the accrual basis of accounting. The management of the system is charged with maintaining a sound system of internal controls. The objectives of such a system are to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use and they are recorded properly to permit the preparation of financial statements. Even though there are inherent limitations in any system of internal controls, the management of LAGERS makes every effort to ensure that through systematic reporting and internal reviews, errors or fraud are quickly detected and corrected.

REVENUES

The collection of employer and employee contributions, as well as income from investments, provides the reserves needed to finance retirement benefits. Contributions and investment income for fiscal year 2012 total $345,763,858. This amount includes realized and unrealized gains/losses. Contribution rates are stabilizing with approximately half the rates decreasing due to the asset smoothing methodology utilized in the actuarial valuation process and actuarial gains related to smaller pay increases. Reserves have increased slightly, with the exception of the casualty reserve, as a result of the above actuarial experience in fiscal year 2012. A transfer was made from the casualty reserve fund to the income-expense reserve fund, in the amount of $12 million, due to excess reserves. The employer contribution rate to the casualty reserve fund was also lowered in 2011 and subsequent periods.

EXPENSES

The principle purpose for which LAGERS was created was to provide retirement annuities, survivor benefits, and total and permanent disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments as designated by the plan, refund of contributions to terminated employees, and the cost of administering the system. Expenses for fiscal year 2012 totaled $201,894,800, an increase of 13.3% over fiscal year 2011 expenses. The increase in expenses resulted primarily from monthly payments to the additional number of retirees and partial lump-sum payments to retirees.

INVESTMENTS

The investments of LAGERS system are governed primarily by an investment authority known as the "prudent person rule". The prudent person rule establishes a standard for all fiduciaries, which includes anyone who has authority with respect to the fund. The prudent person standard states that fiduciaries shall discharge their duties solely in the interest of the fund participants and beneficiaries and with the degree of diligence, care, and skill which prudent men and women would ordinarily exercise under similar circumstances in a like position. By permitting further diversification of investments within a fund, the prudent person standard may enable a fund to reduce overall risk and increase return. A summary of the asset allocation can be found on page 30 of this report.

The prudent person rule permits the fund to establish an investment policy based upon certain investment criteria and allows for the delegation of investment authority to professional investment advisors. The statement of investment policy outlines the responsibility for the investment of the fund and the degree of risk that is seemed appropriate for the fund. Investment advisors are to execute the investment policy in accordance with the statutory authority, the Board policy and their respective guidelines, but are to use full discretion within the policy and guidelines. For fiscal year 2012 investments provide a 3.6% rate of return. The LAGERS annualized rate of return over the last five years was 3.1% and 7.2% over the last ten years.

FUNDING

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. The LAGERS funding objective is to meet long term benefit promises through contributions that remain approximately level as a percent of member payroll. The greater the level of funding, the larger the ratio of assets accumulated to the actuarial accrued liability and the greater the level of investment potential. At June 30, 2012 the system has a funded status of 83.5%. The advantage of a well funded plan is that the participants can look at assets that are committed to the payment of benefits. A detailed discussion of funding is provided in the Actuarial Section of this report.

PROFESSIONAL SERVICES

Professional consultants are appointed by the Board of Trustees to perform professional services that are essential to the effective and efficient operation of LAGERS. An opinion from the certified public accountant and the actuary are included in this report. The consultants appointed by the Board are listed on page 5 of this report.

ACKNOWLEDGMENTS

The compilation of this report reflects the combined effort of the LAGERS staff under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means for determining responsible stewardship of the funds of the system.

The report is being mailed to all employer members of the system. They form the link between LAGERS and its membership. Their cooperation contributes significantly to the success of LAGERS. We trust the employers and their employees find this report informative.

On behalf of the Board of Trustees, I would like to take this opportunity to express my gratitude to the staff, the advisors, and the many people who have worked so diligently to assure the successful operation of the system.

Respectfully submitted,

Keith E. Hughes

Keith E. Hughes, CEBS, CGFM
Executive Secretary

In Memory - Richard G. Roeder

Richard G. Roeder (1926 - 2012)

In the mid 1960's the then new director of the Missouri Municipal League, Jay Bell, initiated a bold undertaking – amend the Missouri Constitution to remove the provision that prohibited all but the largest jurisdictions from having retirement plans for their general employees and establish a statewide plan that political subdivisions could join voluntarily. For assistance and guidance, Jay enlisted the services of a young actuary from Michigan who was a recognized authority on public employee retirement – that actuary was Dick Roeder. The blank Missouri statutes on this subject were the canvas on which Dick painted the LAGERS law which was, in fact, his masterpiece. That law became effective October 13, 1967 and the system opened its doors for business on April 1, 1968. The rest, as they say, is history, but the success of that history must in very large measure be attributed to the initial sound design crafted by Dick Roeder. His life ended in March of this year but his positive impact on Missouri local government employees will live on indefinitely.

Chairperson's Report

Missouri Local Government Employees Retirement System
701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102
Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671
www.molagers.org
Keith E. Hughes, CEBS, Executive Secretary

October 1, 2012

To all LAGERS members:

As Chairperson of the Board of Trustees of the Missouri Local Government Employees Retirement System, I am pleased to present the 2012 Comprehensive Annual Financial Report. This report provides a detailed analysis of the financial and actuarial status of your retirement system.

The investment markets for the one-year ending June 2012 were challenging once again, with a return of 3.6%. The ten-year return through June 2012 was 7.2%, in spite of the deep economic recession of 2008 and 2009. This return places LAGERS in the top quartile of public pension plans and soundly beats the LAGERS Custom Benchmark. It is very important to note that the ten-year return is almost identical to the assumed investment rate of return of 7.25%. The Board continues to diversify the portfolio into alternative asset classes providing stability to the LAGERS portfolio.

LAGERS continues to present a strong 83.5% pre-funded ratio. Twelve new employers elected LAGERS participation seeking the security and professional administration provided through the system. LAGERS provides that secure monthly benefit permitting members to plan for a successful retirement.

I am pleased to report that the new computer replacement project entitled ECLIPSE (Ensuring Complete LAGERS Integrated Pension System Excellence) was successfully completed in the summer of 2012. ECLIPSE provides members access to all their LAGERS related data via a member web portal. This portal will provide 24 hour/7 day a week access to the member's personal data, permitting them to work on retirement planning at their convenience.

In April 2012 the Board accepted with regret the resignation of Dick Franklin from the Board. Mr. Franklin served as the Governor's appointee and provided a unique perspective due to his past experience as a State Representative and a previous Board Member of two other statewide public retirement plans. The seriousness with which the LAGERS Board takes on their oversight role is admirable and is one of the primary reasons LAGERS is one of the most sound public pension plans in the country.

Finally, I appreciate the opportunity of serving on the LAGERS Board and as your Chairperson. Thank you for your continued interest and support. Be assured that LAGERS will maintain the financial integrity of the system in these volatile financial times.

Respectfully,

Arby Todd

Arby Todd, Chairperson
LAGERS Board of Trustees

Board of Trustees

** Citizen Trustee is currently vacant. The citizen trustee is appointed by the State Governor.*

LAGERS Executive Staff

Keith Hughes,
CEBS, CGFM
Executive Secretary

Brian Collett,
CFA, CAIA
Chief Investment Officer

Robert Wilson,
RPA
Asst. Executive Secretary / Member Services

Pam Hoffman,
CPA, CGFM, RPA
Compliance Officer / Internal Auditor

Robert Franson
Chief Counsel

Melissa Rackers,
CPA, RPA
Director of Finance & Human Resources

Independent Auditors' Report

WILLIAMS KEEPERS LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

2005 West Broadway, Ste. 100, Columbia, MO 65203
OFFICE (573) 442-6171 FAX (573) 777-7800

3220 West Edgewood, Ste. E, Jefferson City, MO 65109
OFFICE (573) 635-6196 FAX (573) 644-7240

www.williamskeepers.com

The Board of Trustees
Missouri Local Government
Employees Retirement System

We have audited the accompanying statement of plan net assets of the Missouri Local Government Employees Retirement System (the System) as of and for the year ended June 30, 2012, and the related statement of changes in plan net assets for the year then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net assets of the System at June 30, 2012, and the changes in plan net assets for the year then ended, in conformity with U.S. generally accepted accounting principles.

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 15 and 16 and the schedules of funding progress and employer contributions on pages 25 and 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Systems' financial statements as a whole. The introductory, investment, actuarial and statistical sections and the schedule of operating expenses presented on page 27 are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of operating expenses on page 27 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information on page 27 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance U.S. generally accepted auditing standards. In our opinion, the information on page 27 is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory, investment, actuarial and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Williams-Keepers LLC

October 1, 2012

Management's Discussion & Analysis

Management is pleased to present this overview and analysis of the financial activities of the Missouri Local Government Employees Retirement System(LAGERS) for the year ended June 30, 2012. We encourage readers to consider the information presented in conjunction with the Letter of Transmittal on page 8 of this report, the financial statements, required supplementary information, and supplementary information, which follow the MD&A.

Required Financial Statements

LAGERS, an agent multiple-employer public employee retirement system, prepares its financial statements on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. The Statement of Plan Net Assets indicates the net assets available to pay future benefits and provides a snapshot at a particular point in time. The Statement of Changes in Plan Net Assets provides a view of the current year's additions and deductions from net assets. The Notes to the Financial Statements are necessary for a full understanding of the financial statements. The Required Supplementary Information and related disclosures present the historical funding status of LAGERS, LAGERS Staff Retirement Plan, and LAGERS Staff Retiree Healthcare Supplement.

In June 2012, the Governmental Accounting Standards Board approved new accounting and reporting standards for pensions provided by state and local governments. The new statements are GASB 67, *Financial Reporting for Pension Plans* and GASB 68, *Accounting and Financial Reporting for Pensions*. GASB 67 applies to LAGERS and other state and local pension plans established as trusts, to be implemented in fiscal years beginning after June 15, 2013. GASB 68 applies to the employers that participate in LAGERS as well as other governmental employers that sponsor or contribute to pension plans, to be implemented in fiscal years beginning after June 15, 2014. The new accounting and reporting standards break the link between accounting and funding. While these changes will affect the accounting measures, they do not have an effect on the actuarial methods and assumptions used by LAGERS to determine the employer contributions needed to fund the plan. The new standards will, however, impact the financial statement presentation for pension accounting and related disclosures for LAGERS and participating employers.

Financial Analysis of LAGERS

The funding ratio (actuarial value of assets divided by the actuarial accrued liability) is computed on the last day of February each year in conjunction with the annual valuation of the system. Below are the most recent results:

2012	2011	2010
83.5%	81.6%	81.0%

This ratio gives an indication of how well LAGERS funding objective is being met. The 2012 change in the funding ratio is largely attributable to the investments markets of the past two years. LAGERS actuary uses a five-year smoothed market-related value to determine the actuarial value of assets. The smoothing prevents extreme volatility in employer contribution rates due to short-term fluctuations, positive or negative, in the investment markets.

Management's Discussion & Analysis (continued)

Comparative Financial Statements

Statement of Plan Net Assets

LAGERS provides retirement, death, and disability benefits to employees of participating political subdivisions. The following table is a summary of LAGERS Plan Net Assets (in millions) as of June 30.

Assets	2012	2011	% Change
Cash	$ 6	$ 4	50%
Receivables	30	22	36
Investments	5,120	4,997	2
Capital Assets	9	8	13
Total Assets	$ 5,165	$ 5,031	3
Liabilities	486	495	(2)
Total Plan Net Assets	$ 4,679	$ 4,536	3

This table presents a $143 million increase in net assets. The increase in investments reflects the favorable investment markets this past year which resulted in a 3.6% annualized return. The majority of the increase in capital assets is due to ECLIPSE, the pension administration system implemented in 2012. As a pension fund LAGERS must retain a long-term investment horizon and the table below presents the returns for such time frames.

	3 Years	5 Years	10 Years	15 Years
Annualized Returns	13.85%	3.14%	7.17%	7.08%

Statement of Changes in Plan Net Assets

Additions	2012	2011	% Change
Member contributions	$ 12	$ 12	0%
Employer contributions	167	154	8
Net investment income	167	852	(80)
Total additions	$ 346	$ 1,018	(66)
Deductions			
Benefit payments	$ 196	$ 171	15
Refunds	2	2	0
Administrative expenses	5	5	0
Total deductions	$ 203	$ 178	14
Changes in net assets available for benefits	$ 143	$ 840	(83)

Additions to fund benefits are accumulated through contributions and investment income. Employer contributions increased slightly from fiscal year 2011 to 2012. LAGERS net investment gain reflects the investment markets for fiscal year 2012. Benefit payments continue to escalate as LAGERS fulfills its mission of providing retirement benefits to the membership. This amount will continue to escalate as the demographics of the LAGERS population continues to mature.

Statement of Plan Net Assets

June 30, 2012

Assets		
Cash		$ 6,483,393
Receivables:		
Member	$ 1,019,947	
Employer	15,413,533	
Accrued interest and dividends	13,862,883	
Total receivables		30,296,363
Investments at fair value:		
Short-term investments	$ 40,402,684	
Government bonds	373,483,583	
Corporate bonds	60,648,893	
International bonds	416,591,571	
Mortgage and asset-backed securities	292,528,157	
Domestic stocks	1,341,983,588	
International stocks	1,021,306,360	
Alternative investments	1,094,611,738	
Total investments		$ 4,641,556,574
Invested securities lending collateral		477,233,306
Capital assets, net of accumulated depreciation of $1,733,787		9,263,464
Total assets		$ 5,164,833,100
Liabilities		
Accounts payable and accrued expenses	$ 8,471,784	
Collateral for securities on loan	477,233,306	
Total liabilities		$ 485,705,090
Net assets held in trust for pension benefits		$ 4,679,128,010

See accompanying notes to financial statements.

Statement of Changes in Plan Net Assets

Year Ended June 30, 2012

		Reserves				
	Total	Member	Employer	Benefit	Casualty	Income (Expense)
Additions:						
Contributions:						
Member	$ 12,158,422	$ 12,158,422	—	—	—	—
Employer	166,947,336	—	$ 160,877,034	—	$ 6,070,302	—
Total contributions	$ 179,105,758	$ 12,158,422	$ 160,877,034	—	$ 6,070,302	—
Investment income:						
Interest income	$ 27,346,470	—	—	—	—	$ 27,346,470
Dividend income	44,005,944	—	—	—	—	44,005,944
Other income	15,357,584	—	—	—	—	15,357,584
Net appreciation in fair value of investments	120,306,080	—	—	—	—	120,306,080
Total investment income	$ 207,016,078	—	—	—	—	$ 207,016,078
Less investment expenses	43,785,841	—	—	—	—	43,785,841
Net investment income	$ 163,230,237	—	—	—	—	$ 163,230,237
Securities lending income	$ 3,847,281	—	—	—	—	$ 3,847,281
Less securities lending expenses:						
Borrower rebates	(77,858)	—	—	—	—	(77,858)
Management fees	497,276	—	—	—	—	497,276
Net securities lending expenses	$ 419,418	—	—	—	—	$ 419,418
Net securities lending income	$ 3,427,863	—	—	—	—	$ 3,427,863
Net additions	$ 345,763,858	$ 12,158,422	$ 160,877,034	—	$ 6,070,302	$ 166,658,100
Deductions:						
Benefits Paid:						
Annuity benefits	$ 195,626,000	—	$ 2,104,609	$ 193,521,391	—	—
Refunds	1,745,403	$ 1,745,403	—	—	—	—
Total benefits paid	$ 197,371,403	$ 1,745,403	$ 2,104,609	$ 193,521,391	—	—
Administrative expenses	$ 4,523,397	—	—	—	—	$ 4,523,397
Total deductions	$ 201,894,800	$ 1,745,403	$ 2,104,609	$ 193,521,391	—	$ 4,523,397
Other changes in reserves:						
Annuities awarded	—	$ (6,845,597)	$ (218,512,468)	$ 232,133,456	$ (6,816,714)	$ 41,323
Earnings allocated	—	461,700	187,840,930	133,781,349	(9,957,118)	(312,126,861)
Total other changes in reserves	—	$ (6,383,897)	$ (30,671,538)	$ 365,914,805	$ (16,773,832)	$ (312,085,538)
Net increase (decrease)	$ 143,869,058	$ 4,029,122	$ 128,100,887	$ 172,393,414	$ (10,703,530)	$ (149,950,835)
Net assets held in trust for pension benefits at June 30, 2011	$ 4,535,258,952	$ 101,252,071	$ 2,094,072,784	$ 1,521,011,167	$ 30,511,037	$ 788,411,893
Net assets held in trust for pension benefits at June 30, 2012	$ 4,679,128,010	$ 105,281,193	$ 2,222,173,671	$ 1,693,404,581	$ 19,807,507	$ 638,461,058

See accompanying notes to financial statements.

Notes to Financial Statements (Year Ended June 30, 2012)

(1) Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting:

The financial statements were prepared using the accrual basis of accounting. Employee and employer contributions are recognized in the period in which the contributions are due and for which employee services have been rendered. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Use of Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires LAGERS to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Reporting Entity:

The accompanying financial statements include only the accounts of the LAGERS retirement system pursuant to RSMo 70.605.18 which requires an audit to be performed by a certified public accountant. RSMo 70.605.21 provides the LAGERS Board of Trustees with the authority to govern its own proceedings and administer the LAGERS retirement system. The LAGERS Board of Trustees established retirement and postemployment healthcare plans (Notes (5) and (6)), for its employees who administer the LAGERS retirement system. Such plans are not considered to be part of the reporting entity and thus are not included in the accompanying financial statements.

Method Used to Value Investments:

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Bonds and stocks traded on a national or international exchange are valued at the reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Fair values for alternative investments in timberland represent net asset value estimates provided by the general partner's administrators or portfolio managers and are compared to independent appraisals. The fair value of private equity alternative investments that do not have an established market are determined based upon the values of the underlying companies as determined by the general partner.

Capital Assets:

The office building, equipment and fixtures, which are presented at cost, are depreciated on the straight-line method over the estimated useful lives of the related assets, which have an original cost of $500 or greater. The estimated useful lives are as follows: building - 25 years, furniture - 8 years, equipment - 3 years and pension administration system -15 years.

(2) Plan Description

The Missouri Local Government Employees Retirement System (LAGERS) was established in 1967 and is administered in accordance with RSMo. 70.600-70.755. LAGERS is an agent multiple-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the state of Missouri. Responsibility for the operation and administration of the plan is vested in the LAGERS Board of Trustees which is elected by the membership. At June 30, 2012, there were 622 participating political subdivisions in the system. Any political subdivision in Missouri may elect to have its full-time general, police and fire employees covered by LAGERS. At June 30, 2012, LAGERS membership consisted of the following:

	General	Police	Fire	Total
Retirees and beneficiaries currently receiving benefits:	12,699	2,556	815	16,070
Terminated employees entitled to benefits but not yet receiving them:	4,152	1,143	177	5,472
Active employees:	25,111	5,774	2,040	32,925
Total	**41,962**	**9,473**	**3,032**	**54,467**

LAGERS provides retirement, death and disability benefits to employees of participating political subdivisions. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

If the political subdivision participates under the contributory plan, each member contributes 4% of gross salary. If an employee leaves covered employment or dies before attaining 5 years of credited service, accumulated employee contributions are refunded to the employee or designated beneficiary. Each participating employer is required by statute to contribute the remaining amounts necessary to finance the coverage of its own employees. Benefit and contribution provisions are fixed by state statute and may be amended only by action of the state legislature.

Schedule of Funded Status: (in thousands)

Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Funded Ratio
2-29-12	$4,274,440	$5,120,274	83.5%

Valuation Date	Unfunded Accrued Liability (UAL)	Annual Covered Payroll	UAL as a % of Covered Payroll
2-29-12	$845,834	$1,359,656	62.2%

Notes to Financial Statements (continued)

Multi-year trend information regarding whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits can be found in the required supplementary information following the Notes to the Financial Statements. Additional information as of the June 30, 2012 actuarial valuation follows:

Valuation date	2-29-12
Actuarial cost method	Individual entry-age
Amortization method	Closed for all periods in excess of 15, upon attainment of 15 years liabilities are amoritized over an open 15-year period by level percent of payroll contributions
Remaining amortization period	Varies between 15 and 30 years, by employer
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	3.5% - 8.6%
*Includes inflation component of	3.0%
Cost-of-living adjustment	Contingent upon investment return, with a maximum of the lower of 4% or cumulative CPI since retirement

The actuarial assumptions used for valuation purposes were updated as a result of the 5 year Experience Study conducted in 2010.

(3) Cash, Investments and Securities Lending

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, LAGERS deposits may not be returned. The deposits are held in one financial institution with a balance of up to $250,000 insured by the Federal Deposit Insurance Corporation (FDIC). Effective July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act provided unlimited insurance coverage for these deposits through December 31, 2012, at which time the covered amount returns to $250,000. Subsequent to December 31, 2012, LAGERS mitigates custodial credit risk for deposits by requiring the bank to pledge securities in an amount over the FDIC insured amount at least equal in market value to 100% of the aggregate amount of the deposits. These securities are required to be delivered to a third party institution mutually agreed upon by the bank and LAGERS.

Investment Summary:

The following table presents the summary of LAGERS investments by type at June 30, 2012.

Short-term investments	$ 40,402,684
Government bonds	373,483,583
Corporate bonds	60,648,893
International bonds	416,591,571
Mortgages & asset backed securities	292,528,157
Domestic stocks	1,341,983,588
International stocks	1,021,306,360
Alternative investments	1,094,611,738
Total	$ 4,641,556,574

Custodial Credit Risk for Investments:

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, LAGERS will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. As of June 30, 2012, investments in the amount of $1,440,366 were uninsured and unregistered, with securities held by the counter party or by its trust department or agent but not in LAGERS name.

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. External investment management firms manage the fixed income portfolio. The allocation of assets among various asset classes is set by the Board with the objective of optimizing the investment return of LAGERS with framework of acceptable risk and diversification. As of June 30, 2012, no single issue exceeded 5% of the portfolio, excluding U.S. government securities.

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to LAGERS. At June 30, 2012, 44% of the fixed income portfolio represents obligations that are not guaranteed by the U.S. government. Below is a list of fixed income credit qualities.

Quality Rating

U.S. governments	$ 196,444,928
AAA	403,847,844
AA	21,017,047
A	79,014,875
BBB	93,475,242
BB	32,308,794
B	52,998,514
Not rated	264,144,960
Total Credit Risk Debt	$ 1,143,252,204

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt instrument's exposure to a change in interest rates and the related sensitivity of market price to parallel shifts in the yield curve. It uses the present value of cash flows, weighted for those cash flows as a percentage of the instruments' full price. LAGERS benchmarks for the fixed income portfolio include the Barclay's U.S. Aggregate Bond Index, Barclay's Global Bond Index, Barclays Capital US 20+ Year Treasury Bond Index, Barclays Capital Global Inflation-Linked Bond Index, and 50% EMBI Global Diversified and 50% GBI-EM Global Diversified. At June 30, 2012, the effective duration for the fixed income benchmark portfolio was 8.4 years, whereas, the LAGERS fixed income portfolio had an effective duration of 5.8 years.

Investment	Fair Value	Effective Duration Rate
Government bonds	$ 707,200,080	8.3 years
Corporate bonds	172,790,557	2.0 years
Mortgage & asset-backed securities	263,261,567	1.6 years
Total	$1,143,252,204	

Foreign Currency Risk:

The international portfolio is constructed on the principles of diversification, quality, value and growth. Risk of loss arises from changes in currency exchange rates. LAGERS external managers may or may not hedge the portfolio's foreign currency exposures with currency forward contracts depending upon their views on a specific foreign currency relative to the U.S. dollar. Currency trading may not be used for speculative purposes. LAGERS exposure to foreign currency risk is as follows:

Foreign Equities

Australian dollar	$ 19,611,283
Brazilian real	15,102,210
British pound sterling	69,636,594
Canadian dollar	10,938,804
Danish krone	13,005,706
Euro	71,889,273
Hong Kong dollar	30,991,720
Hungarian forint	1,502,305
Indonesian rupiah	3,683,744
Israeli shekel	139,910
Japanese yen	49,691,906
Malaysian ringgit	5,680,472
Mexican peso	3,174,732
Norwegian krone	5,270,417
Philippine peso	638,633
Singapore dollar	9,514,238
South African rand	12,712,990
South Korean won	18,301,751
Swedish krona	13,148,155
Swiss franc	26,090,486
Thai baht	9,817,229
Total Foreign Equities	$ 390,542,558

Foreign Fixed Income

Argentine peso	$ 403,512
Australian dollar	15,677,825
Brazilian real	17,432,558
British pound sterling	92,080,574
Canadian dollar	12,699,557
Chilean peso	107,466
Chinese yuan renminbi	40,732
Columbian peso	4,636,930
Danish krone	1,115,716
Euro	115,519,384
Hong Kong dollar	4,620,585
Hungarian forint	2,497,928
Indonesian rupiah	6,870,749
Israeli Shekel	701,861
Japanese yen	62,733,349
Malaysian ringgit	10,599,390
Mexican peso	16,946,664
New Zealand dollar	506,364
Norweigian krone	1,364,589
Peruvian nuevo sol	439,700
Philippine peso	138,888
Russian ruble	9,379,399
Polish zloty	9,609,276
Singapore dollar	2,804,011
South African rand	12,090,555
South Korean won	1,484,862
Swedish krona	10,848,872
Swiss franc	319,739
Taiwan dollar	615,583
Thai baht	5,429,420
Turkish Lira	10,233,818
Total Fixed Income	$ 429,949,856
Total Foreign Currency	$ 820,492,414

Notes to Financial Statements (continued)

Derivatives:

LAGERS investment managers may enter into derivative transactions as permitted by their guidelines. A derivative financial instrument is an investment whose value depends on the values of one or more underlying assets, financial indexes, or commodity prices. These investments include futures contracts, swap contracts, options contracts, and forward foreign currency exchange. LAGERS investment managers may buy and sell futures, forwards and option contracts and enter into swap transactions to hedge against currency fluctuations. The notional value related to these derivative instruments are generally not recorded on the financial statements; however, the amounts for the exposure on these instruments are recorded. The notional/market value for the various contracts in the portfolio as of June 30, 2012 of $278,283,736 is recorded in investments on the Statement of Plan Net Assets. The change in fair value for the year ended June 30, 2012 of $158,659,074 is recorded in investment income on the Statement of Changes in Plan Net Assets.

Derivative financial instruments involve, in various degrees, credit risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. LAGERS investment managers seek to control credit risk through counterparty credit evaluations and approvals, counterparty credit limits and exposure monitoring procedures. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle. The market risk is controlled by imposing strict limits as to the types, amounts and degree of risk that investment managers may take. LAGERS anticipates that the counter parties will be able to satisfy their obligations under the contract.

	Notional/MV	Cost	Unrealized Gain (Loss)
Futures	$ 275,970,732	$120,603,214	$ 155,367,518
Options	(681,727)	(794,479)	112,752
Swaps	3,289,415	139,142	3,150,273
Other	(294,684)	(323,215)	28,531

Securities Lending Program:

LAGERS participates in a securities lending program administered by Northern Trust Company (the custodian) in accordance with the provisions of RSMo. 70.745. Brokers who borrow the securities provide collateral usually in the form of cash, valued at 102 percent and 105 percent for domestic and international securities, respectively. There are no restrictions on the amount of securities that can be lent at one time.

LAGERS or the borrower can terminate any security loan on demand. Though any loaned security can be sold and reclaimed at any time from the borrower, the weighted average loan life of overall loans was 137 days as of June 30, 2012. Cash collateral is invested in a custom collateral account through Northern Trust Company with a weighted average life of 36 days. LAGERS cannot pledge or sell non-cash collateral unless the borrower defaults. The following table represents the balances relating to the securities lending transactions (in thousands) at June 30, 2012.

Securities Cash:

Securities Lent	Underlying Securities	Securities Collateral Value	Cash Collateral Value
U.S. government & agency securities	$219,593	$ -0-	$224,790
Global agency securities	4,012	4,165	-0-
International bonds	72,603	15,777	59,258
U.S. corporate bonds	13,269	-0-	13,443
U.S. equities	172,410	1,329	172,117
Global equities	55,456	49,806	7,627
Total	$537,343	$71,077	$477,235

The lending agent provides indemnification if the borrowers fail to return the underlying securities (and if the collateral is inadequate to replace the securities lent) or fails to pay income distributions. There were no violations of legal or contractual provisions and no borrower or lending agent default losses to the security lending agent. LAGERS had no credit risk as a result of its securities lending program as the collateral held exceeded the market value of securities lent.

(4) Contributions

(a) Each participating unit of local government is obligated by state law to make all required contributions to the plan based upon an annual actuarial valuation.

(b) LAGERS is a pension plan covering substantially all employees of participating units of local government in the state. Each participating unit of government is obligated by state law to make all required contributions to the plan. The required contributions are actuarially determined using the individual entry-age actuarial cost method. There are no long-term contracts for contributions to the plan. All liabilities are amortized over a period of 30 years or less, with a minimum amortization period of 15 years. Administrative costs of LAGERS are financed through investment earnings of the system.

(c) Employee contributions are determined at the election of the governing body of the local subdivision. Should the governing body elect to participate in the contributory plan, all employees shall contribute 4 percent of gross salary. The governing body may elect to participate in the non-contributory plan which would result in no employee contributions.

(d) The state statutes require LAGERS to maintain five separate reserves which are funded and described below:

Member Reserve Fund — The fund in which member contributions and interest credits are accumulated, and from which transfers are made for retirements and refunds, as applicable. The balance at June 30, 2012 was $105,281,193.

Employer Reserve Fund — The fund in which employer contributions and interest credits are accumulated, and from which transfers are made to pay applicable benefits. The fund from which contributions are accumulated and benefit payments in excess of IRC Section 415 are made.The balance at June 30, 2012 was $2,222,173,671.

Benefit Reserve Fund — The fund from which all retirement, disability and survivor benefits are paid. At the time of retirement, this fund receives the necessary transfers to pay such benefits. All retired individuals and the assets of this fund become the sole responsibility of the LAGERS Board of Trustees and result in no further liabilities to the previous employers. The balance at June 30, 2012 was $1,693,404,581.

Casualty Reserve Fund — The fund in which the employer contributions and interest credits are accumulated and from which transfers are made to pay for members retired as a result of disability. The balance at June 30, 2012 was $19,807,507.

Income-Expense Reserve Fund — The fund which accumulates the investment income and pays the administrative expenses of the system. This fund provides for the transfer of investment credits to the other reserves of the system. The balance at June 30, 2012 was $638,461,058.

(5) Staff Retirement Plan

Plan Description:

The LAGERS Staff Retirement Plan is a single-employer defined benefit pension plan administered by the LAGERS Board of Trustees. The plan provides retirement, death and disability benefits to LAGERS employees and beneficiaries. The plan document is controlled by the LAGERS Board of Trustees. The LAGERS Board of Trustees issues a publicly available audited financial report that includes financial statements and required supplementary information for the Staff Retirement Plan.

Funding Policy:

The contribution requirements of the plan members and the employer are governed by the plan document, which may be amended by the LAGERS Board of Trustees. Plan members do not contribute toward the retirement plan. The employer is required to contribute an actuarially determined rate; the current rate is 20.74 percent of annual covered payroll.

Funded Status and Funding Progress:

For 2012, 2011, and 2010, the employer's respective annual pension cost was $336,857, $313,687, and $222,160 for the Staff Retirement Plan and was equal to the required and actual contributions. For 2012, an additional employer contribution of $600,000 was made by the Board of Trustees to improve the plan funding. An additional contribution of $1,250,000 was made in 2011. As of June 30, 2012, the plan was 87.3% funded. The actuarial accrued liability for benefits was $7,517,792 and the actuarial value of assets was $6,561,538, resulting in an unfunded actuarial accrued liability (UAAL) of $956,254. The covered payroll (annual payroll of active employees covered by the plan) was $1,672,378, and the ratio of the UAAL to the covered payroll was 57.2%. A schedule of funding progress represents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. This information can be found on page 26.

Actuarial Methods and Assumptions:

The annual required contribution was determined as part of the June 30, 2010 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.25 percent investment rate of return and (b) projected salary increase ranging from 3.5 to 6.8 percent per year. Both (a) and (b) include an inflation component of 3.0 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2010 was 15 years.

Notes to Financial Statements (continued)

(6) Staff Postemployment Healthcare Supplement

Plan Description:

The LAGERS Staff Retiree Healthcare Supplement (LSRHS) is a single-employer defined benefit healthcare supplement administered by LAGERS. LSRHS provides a healthcare subsidy to eligible staff retirees, spouse and minor children. The supplement does not provide access to retiree health coverage but will pay for a portion of a retiree's health premium (subsidy) based upon coverage that the retiree is able to obtain through the open market. To be eligible for the subsidy a retiree must have at least 10 years of service credit and retire from active status.

The subsidy is equal to 2.5% x years of credited service (maximum 30 years) x healthcare premium. Under no circumstances can the healthcare premium exceed the premium that LAGERS would pay for an active member of the same age participating in the LAGERS Staff healthcare supplement. The LAGERS Board of Trustees issues a publicly available audited financial report that includes financial statements and required supplementary information for the LSRHS.

Funding Policy:

The contribution requirements are established and may be amended by the LAGERS Board of Trustees. The required contribution is based upon the most recent actuarial valuation dated June 30, 2012. For fiscal year 2012, the Board contributed $112,506 to the plan, including $56,999 for current normal cost and $55,507 to fund the current unfunded accrued liability. LAGERS staff makes no contributions to the plan.

Annual OPEB and Net OPEB Obligation:

The LAGERS postemployment benefit (OPEB) cost is calculated based on the annual actuarially determined required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following shows the components of the LAGERS OPEB cost for the year:

Annual required contribution	$112,506
Contributions made	(112,506)
Net OPEB obligation - June 30, 2012	$ 0

LAGERS contributed 100% of the annual required contribution in 2012.

Funded Status and Funding Progress:

For 2012, 2011, and 2010, the employer's respective annual pension cost was $112,506, $112,830, $92,500 for the Staff Postemployment Healthcare Supplement and was equal to the required and actual contributions. As of June 30, 2012, the plan was 39% funded. The actuarial accrued liability for benefits was $1,233,057 and the actuarial value of assets was $483,791, resulting in an unfunded actuarial accrued liability (UAAL) of $749,266. The covered payroll (annual payroll of active employees covered by the plan) was $1,672,378, and the ratio of the UAAL to the covered payroll was 45%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. A schedule of funding progress represents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. This information can be found on page 26.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The June 30, 2012 actuarial valuation was calculated using the entry age actuarial cost method. The actuarial assumptions included a 7.25% investment rate of return (net of administrative expenses), and an annual healthcare cost trend rate of 9 percent initially, reduced by decrements to an ultimate rate of 3.5 percent after ten years. Both rates include a 3 percent inflation assumption. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period.The UAAL is being amortized as a level percentage of projected payroll over a period of 24 years on a closed basis.

(7) Investment Funding Commitments

LAGERS has committed $1,367,967,406, of which $778,342,256 has been invested, leaving total unfunded commitments to real estate, private equity, and other alternative investments of $589,625,150 as of June 30, 2012. The total unfunded investment commitments are not recorded in the accompanying Statement of Plan Net Assets.

Required Supplementary Information

LAGERS Schedule of Funding Progress

Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Covered Payroll
2-29-12	$ 4,274,440,345	$ 5,120,274,198	$ 845,833,853	83.5 %	$ 1,359,655,784	62.2 %
2-28-11	3,945,085,880	4,837,423,311	892,337,431	81.6	1,350,646,560	66.1
2-28-10	3,592,225,739	4,432,331,886	840,106,147	81.0	1,331,226,335	63.1
2-28-09	3,330,662,923	4,161,775,258	831,112,335	80.0	1,285,952,041	64.6
2-29-08	3,957,068,611	4,058,828,886	101,760,275	97.5	1,222,745,363	8.3
2-28-07	3,557,389,198	3,700,813,660	143,424,462	96.1	1,146,094,426	12.5

The information presented in the required supplementary schedules was determined as part of the annual actuarial valuations. Additional information as of the latest actuarial valuation follows:

Valuation date 2-29-12

Actuarial cost method.......... Individual entry-age

Amortization method ....Closed for all periods in excess of 15, upon attainment of 15 years liabilities are amortized over an open 15-year period by level percent of payroll contribution

Remaining amortization period .... Varies between 15 and 30 years, by employer

Asset valuation method .... 5-year smoothed market

Actuarial assumptions:

Investment rate of return* 7.25%

Projected salary increases* .... 3.5% - 8.6%

*Includes inflation component of..........3.0%

Cost-of-living adjustment ....Contingent upon investment return, with a maximum of the lower of 4% or cumulative CPI since retirement

The actuarial assumptions used for valuation purposes were updated as a result of the 5 year Experience Study conducted in 2010.

LAGERS Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2012	$ 166,947,336	100 %
2011	154,244,689	100
2010	137,849,763	100
2009	132,715,295	100
2008	130,007,191	100
2007	128,938,636	100

Required Supplementary Information (continued)

LAGERS Staff Retirement Plan

Schedule of Funding Progess

Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Covered Payroll
6-30-12	$ 6,561,538	$ 7,517,792	$ 956,254	87.3 %	$ 1,672,378	57.2 %
6-30-11	5,641,227	6,716,653	1,075,426	84.0	1,453,875	61.0
6-30-10	4,288,417	5,927,701	1,639,284	72.3	1,553,466	105.5
6-30-09	4,024,969	5,531,160	1,506,191	72.8	1,380,333	109.1
6-30-08	4,191,595	4,839,679	648,084	86.6	1,164,996	55.6
6-30-07	3,882,433	4,337,107	454,674	89.5	1,099,400	41.4

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2012	$ 936,857	278 %
2011	1,563,687	499
2010	222,160	100
2009	195,439	100
2008	162,890	100
2007	184,233	100

LAGERS Staff Retiree Healthcare Supplement

Schedule of Funding Progress

Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Covered Payroll
6-30-12	$ 483,791	$ 1,233,057	$ 749,266	39.2 %	$ 1,672,378	44.8 %
6-30-10	257,176	1,183,221	926,045	21.7	1,553,466	59.6
6-30-08	75,000	950,753	875,753	7.9	1,164,996	75.2

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2012	$ 112,506	100 %
2011	112,830	100
2010	92,500	100

Operating Expenses

Administrative Expenses

Year Ended June 30, 2012

Personnel Services:		
Staff salaries	$ 1,305,564	
Social Security	114,258	
Staff retirement plan	892,095	
OPEB	112,506	
Insurance	300,513	
Professional Development	41,046	
Total Personnel Services		$ 2,765,982
Professional Services:		
Actuarial services	$ 307,172	
Data processing	252,420	
Audit	43,500	
General counsel	55,864	
Medical advisors	64,555	
Consultants	99,515	
Total Professional Services		823,026
Communications:		
Public information	$ 69,498	
Printing	26,209	
Telephone	33,212	
Postage	68,572	
Meetings and travel	114,344	
Total Communications		311,835
Miscellaneous:		
Utilities	$ 34,545	
Insurance premiums	61,537	
Equipment maintenance	51,648	
Office supplies	49,200	
Building maintenance	33,338	
Depreciation	392,286	
Total Miscellaneous		622,554
Total Administrative Expenses		$ 4,523,397

Investment Expenses

Year Ended June 30, 2012

Investment Manager Fees:		
Equity managers	$ 14,882,149	
Fixed income managers	7,938,904	
Alternative managers	19,946,096	
Securities lending managers	497,276	
Total Investment Manager Fees		$ 43,264,425
Other Investment Expenses:		
Investment custodial services	$ 312,360	
Internal investment expenses	706,332	
Total Other Investment expenses		1,018,692
Total Investment Expenses		$ 44,283,117

Chief Investment Officer's Report

Missouri Local Government Employees Retirement System
701 West Main, P.O. Box 1665, Jefferson City, Missouri 65102
Telephone (573) 636-9455 • 800-447-4334 • FAX (573) 636-9671
www.molagers.org
Keith E. Hughes, CEBS, Executive Secretary

October 1, 2012

Dear LAGERS Members:

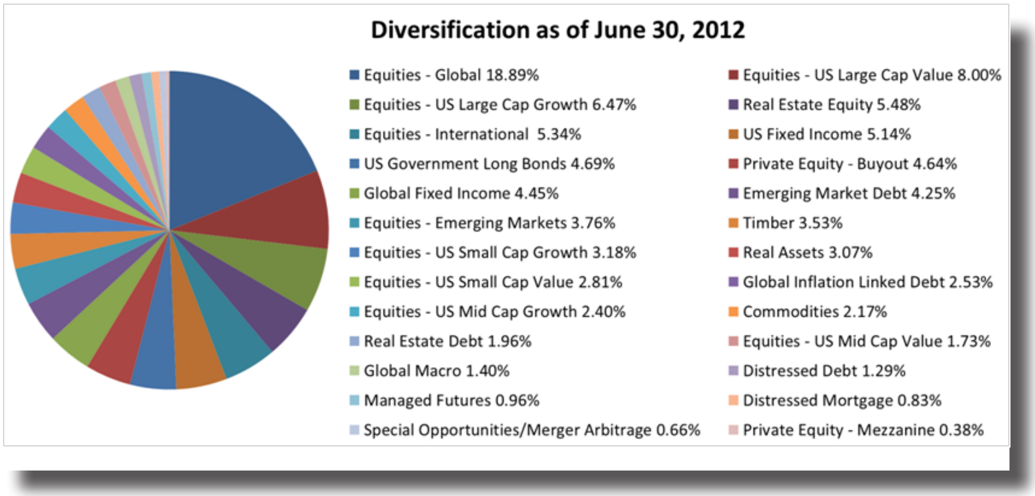
The fiscal year ending June 30, 2012 was spent trying to recover from the investment turmoil created in the third quarter of 2011. This turmoil was caused by the markets' risk aversion to the Greece financial crisis and its fellow European counterparts that drove the equity markets down. The S&P 500 index had a return of (13.9%) for the third quarter of 2011. This was somewhat offset by the flight to quality seen in the bond market, despite the US government's near-default on its debt and the eventual downgrade of the country's sovereign credit rating. The US bond market, represented by Barclays US Aggregate Bond Index moved up 3.8%. Even with the gains in the bond market, LAGERS' portfolio started the year off with a (8.7%) for the first quarter of the fiscal year.

The earnest recovery started in the fourth quarter of 2011 and continued in the first quarter of 2012, with a slight pull back in the second quarter of 2012. The S&P 500 index was up 22.4% and the Barclays US Aggregate Bond Index had a gain of 2.1% for the nine months ending June 30, 2012. The LAGERS' portfolio had a similar recovery for the nine months ending June 30, 2012 with a gain of 13.5%. This nine month gain coupled with the loss from the third quarter of 2011 enabled LAGERS' portfolio to finish the fiscal year with a gain of 3.6% net of fees.

This modest gain for the year is due to the wide diversification of the returns within the different asset types in LAGERS' portfolio. These returns ranged from the high 45.2% return in LAGERS' US Government Long Bonds portfolio and the low (16.6%) return in the LAGERS' Emerging Market Equities portfolio. LAGERS' portfolio had mixed results across all three major asset classes: stocks, bonds and alternatives. For the fiscal year, stocks, bonds, and alternatives had returns of (5.26%), 17.7%, and 4.7%, respectively. The key to LAGERS' returns, as depicted in the "rainbow" of asset types in the pie chart below, is the diversification that is within these major asset classes. The pie chart shows each of the different asset types with their respective weights held in the portfolio.

The true diversification of LAGERS' portfolio moved the total assets up to $4.6 billion ending June 30, 2012. The return on these assets was 3.6% net of fees for fiscal year 2012, placing LAGERS in the top ten percent among other public funds for the fiscal year. This well diversified portfolio had a:

- 13.9% return for three years,
- 3.1% return for five years,
- 7.2% return for ten years and,
- 7.1% return for fifteen years.



For the periods of one, three, five, ten, and fifteen years, the portfolio has exceeded the policy benchmark returns. For the long-term of ten years, the excess return is 1.1% net of fees. These returns were calculated by our custodian, Northern Trust, using time-weighted rates of return.

The long-term success of LAGERS' portfolio will be determined by our risk-aware asset allocation, which is continually being analyzed and fine-tuned. For example, this year LAGERS' Board and Investment Staff added Emerging Market Debt to the portfolio. We are continuously looking for new asset types that will help diversify the portfolio and achieve the assumed rate of return of 7.25%, while adding the least amount of risk possible.

Current allocations among asset classes are based on short-and long-term goals, liability needs, and market conditions. Please have every confidence that the prudent investment strategy that LAGERS continues to use will assure that long-term obligations to members and retirees are met.

Sincerely,

Brian K. Collett

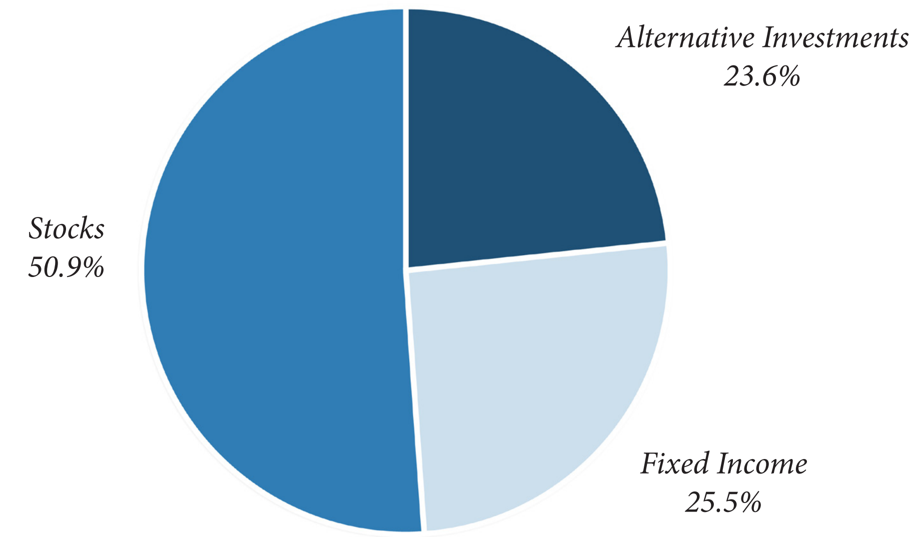
Brian K. Collett, CFA, CAIA
Chief Investment Officer

Asset Allocation

Asset Class by Holdings	June 30, 2012 % of Total Market Value	June 30, 2012 Market Value	June 30, 2011 % of Total Market Value	June 30, 2011 Market Value
Fixed Income:				
Governments	15.2 %	$ 707,200,080	15.3 %	$ 693,817,653
Corporates	3.7	172,790,557	3.0	136,898,444
Mortgage Backs & Asset Backs	5.7	263,241,862	7.2	324,683,312
Short-term Investments	0.9	40,422,393	2.0	91,343,088
Fixed Income	25.5 %	$ 1,183,654,892	27.5 %	$ 1,246,742,497
Stocks:				
Domestic:				
Large-Cap[1]	15.5 %	$ 721,498,239	19.3 %	$ 874,889,835
Mid-Cap[2]	10.9	506,436,294	5.1	228,817,341
Small-Cap[3]	4.1	192,316,590	5.4	242,277,185
International	20.4	943,038,825	24.4	1,103,774,125
Stocks	50.9 %	$ 2,363,289,948	54.2 %	$ 2,449,758,486
Alternative Investments:	23.6 %	$ 1,094,611,738	18.3 %	$ 825,426,976
Total Assets	100.0 %	$ 4,641,556,578	100.0 %	$ 4,521,927,959

1. Companies with market capitalization above $15.72 billion
2. Companies with market capitalization between $1.98 billion and $15.72 billion
3. Companies with market capitalization below $1.98 billion

Asset Allocation-Asset Class as of June 30, 2012



Investment Policy

Investment Policy

The LAGERS Board of Trustees, operating within the "prudent person" framework, has adopted a Statement of Investment Policy and Objectives for the investment managers and others who serve in a fiduciary capacity to the Fund. A summary of that policy follows. For a complete copy of the investment policy, please contact the LAGERS office.

Investment Goals

The goal of the Fund shall be to achieve a rate of return net of manager fees of at least 7.25% per annum as measured over a market cycle. The Trustees and Investment Staff will use the Fund's asset allocation as the primary tool to achieve this goal. As this is a long-term projection and investments are subject to short-term volatility, the main investment review focus of the Trustees and Investment Staff will be towards the Total Fund. Each asset manager, individual investment and/or security selection will be judged on performance relative to its asset class and to its relative benchmark over a full market cycle, usually 3-5 years. With respect to the given purpose, the System's liquidity requirement, and the source and predictability of contributions, the Board elects to target portfolio risk of 10% standard deviation in pursuing an investment program. Thus, LAGERS actively seeks to lower/stabilize the cost of funding the Plan's pension promise by prudently taking on types of risk that best serves the long-run interest of the Fund and, therefore, of plan participants.

The Trustees have established the following asset-mix guidelines for the Pension Fund:

Asset Class	Pension Fund Guidelines
Equity Investments	48.75%
Fixed-Income Investments	24.00%
Alternative Asset Investments	27.25%

The Pension Fund's total return should exceed the total return of an index composed as follows:

22.25%	Russell 3000 Index
19.00%	MSCI All Country World Index ND (non-hedged)
5.00%	MSCI All Country World Index ex US ND (non-hedged)
2.50%	MSCI Emerging Markets Index ND (non-hedged)
7.50%	Barclays US Aggregate Bond Index
5.00%	Barclays Global Bond Index
5.00%	Barclays Capital US 20+ Year Treasury Bond Index
2.50%	Barclays Capital Global Inflation - Linked Bond Index
4.00%	50% EMBI Glob. Diversified/50% GBI-EM Glob. Diversified
4.00%	Consumer Price Index (CPI) +4.0% (Timber)
7.50%	Consumer Price Index (CPI) +4.0% (Real Estate)
2.50%	Consumer Price Index (CPI) +4.0% (Other Real state)
4.00%	Consumer Price Index (CPI) +5.0% (Alpha Portfolio)
6.50%	Consumer Price Index (CPI) +5.0% (Private Equity)
2.75%	Dow Jones AIG Commodity Index

The time period for this objective is one market cycle (usually 3-5 years).

General Fixed Income Portfolio Guidelines

Diversification

The diversification of securities among sectors and issuers is the responsibility of the investment manager and Investment Staff. Therefore, full discretion is delegated to the investment managers to carry out the Investment Policy within applicable general and specific guidelines agreed upon with Investment Staff for the managers' respective mandates. The Investment Staff has further diversification responsibility at the asset class level and the Trustees have diversification responsibility at the total portfolio level. All investments made shall be subject to the quality and diversification restrictions established by Section 70.745, 70.746, 70.747, 105.688 and 105.689 of the Revised Statutes of Missouri.

Style Adherence

The most important feature any individual manager brings to a multi-manager portfolio is style adherence. At least quarterly, fundamental portfolio characteristics and style benchmark comparisons will be monitored for adherence to a manager's identified style.

Performance Objectives

Primary emphasis is to be placed on relative rates of return. Over a market cycle (usually 3-5 years), the following are the performance expectations for the portfolio:

Fixed Income

- The total return of the US fixed income portfolio should exceed the total return of the Barclays US Aggregate Bond Index.
- The total return of the global fixed income portfolio should exceed the total return of the Barclays Global Bond Index.
- The total return of the US long fixed income portfolio should exceed the total return of the Barclays Capital U.S. 20+ Year Treasury Bond Index.
- The total return of the inflation linked fixed income portfolio should exceed the total return of the Barclays Capital Global Inflation-Linked Bond Index.
- The total return of the emerging markets fixed income portfolio should exceed the total return of the 50% EMBI Global Diversified / 50% GBI-EM Global Diversified.
- The total return should exceed the return of the Barclays Capital US Aggregate Bond Index.
- The goal of the fixed income composite portfolio shall be to achieve a total annualized real rate of return net of fees of at least 2.5% over the CPI as measured over a market cycle.

Equity

- The total return of the domestic equity composite should exceed the total return of the Russell 3000 Index.
- The total return of the international equity composite should exceed the total return of the MSCI All Country World Index ex US (non-hedged).
- The total return of the global equity composite should exceed the total return of the MSCI All Country World Index (non-hedged).
- The total return of the combined domestic, international and global equity composites should exceed the total return of a weighted index consisting of the MSCI All Country World Index (non-hedged).
- The goal of the combined domestic, international, and global equity composite portfolio shall be to achieve a total annualized real rate of return net of fees of at least 5% over the CPI as measured over a market cycle.
- The total return of each portfolio should exceed the total return of an index of similar mandate or style.

Alternative Assets

- *Timberland:* The goal of the timberland composite portfolio shall be to achieve a total annualized real rate of return of at least 4% over the CPI as measured over a market cycle.
- *Commodities:* The total return should exceed the return of the Dow Jones AIG Commodity Index. The goal of the commodities composite portfolio shall be to achieve a total annualized real rate of return of at least 5% over the CPI as measured over a market cycle.
- *Private Equity:* The goal of the private equity composite portfolio shall be to achieve a total annualized real rate of return of at least 5% over the CPI as measured over a market cycle.
- *Real Estate:* The goal of the Real-Estate composite portfolio shall be to achieve a total annualized real rate of return of at least 4% over the CPI as measured over a market cycle.
- *Alpha Portfolio:* The goal of the Alpha Portfolio shall be to achieve a total annualized real rate of return of at least 5% over the CPI as measured over a market cycle.
- *Other Real Assets:* The goal of the Real Assets composite portfolio shall be to achieve a total annualized real rate of return of at least 4% over the CPI as measured over a market cycle.

Securities Lending Guidelines

The custodian may lend any eligible securities, such as U.S. and non-U.S. equities, corporate bonds and U.S. and non-U.S. government securities. The custodian shall have full discretion over the selection of borrowers and shall continually review credit worthiness of potential borrowers through adequate analysis of all material provided to them. All loans shall be fully collateralized with cash, government securities or irrevocable bank letters of credit. Collateralization of such loans shall be 102% domestic/105% international of the market value of the loaned securities plus accrued income for U.S. and non-U.S. loans, respectively. Such collateralization procedures should be marked-to-market daily.

Investment Results

Periods Ending June 30, 2012

	1 Year	3 Years	5 Years	10 Years	15 Years
Total Portfolio:					
LAGERS	3.58 %	13.85 %	3.14 %	7.17 %	7.08 %
LAGERS Custom Index	2.90 %	10.74 %	1.84 %	6.06 %	5.45 %
Actuarial Assumed Rate of Return	7.25 %	7.42 %	7.45 %	7.47 %	7.38 %
Median Public Fund	1.35 %	12.14 %	1.89 %	6.89 %	6.28 %
Consumer Price Index (CPI)	1.66 %	2.09 %	1.95 %	2.46 %	2.42 %
Fixed Income Portfolio:					
LAGERS	17.65 %	15.65 %	11.99 %	8.77 %	8.40 %
Barclay's US Aggregate Index	7.47 %	6.93 %	6.79 %	5.63 %	6.27 %
Barclay's Global Aggregate Index	2.73 %	6.03 %	6.70 %	6.49 %	5.94 %
Domestic Stock Portfolio:					
LAGERS	(5.26) %	13.73 %	(1.00) %	6.59 %	6.26 %
MSCI All Country World Index	(7.07) %	10.38 %	(3.57) %	6.43 %	4.26 %
Russell 3000 Index	3.84 %	16.73 %	0.39 %	5.81 %	5.15 %
Standard & Poor's 500 Index	5.45 %	16.40 %	0.22 %	5.33 %	4.77 %
Alternative Portfolio:					
LAGERS Alternative Portfolio	4.73 %	8.72 %	5.48 %	4.71 %	5.64 %
Consumer Price Index (CPI) +4.00%	5.73 %	6.17 %	6.00 %	6.50 %	6.48 %

Note: Performance calculations were prepared using time-weighted rates of return

Largest Holdings

Largest Bond Holdings (By Market Value)
June 30, 2012

	Par	Bonds	Market Value
1)	$ 54,000,000	US Treas Bds DTD 00210 4.25% Due 05-15-2039 Reg	$ 70,529,076
2)	76,300,000	US Treas Bds Stripped Prin Pmt - STR 02-15-2037 (UNDDATED) Reg	38,287,874
3)	77,107,000	US Treas Bds Stripped Prin Pmt 00074 05-15-2038 (UNDDATED) Reg	37,086,154
4)	50,000,000	US Treas Bds Stripped Prin Pmt 11-15-2027 Reg	34,415,900
5)	26,600,000	FNMA Mortgage 3.50 MAT 30 Years Settles August	27,884,275
6)	9,400,000	UK (Govt of) 1.875% I/L Stk 22/11/22 Gbp	22,069,530
7)	13,236,000	US Treas Bds 00202 4.75% Due 02-15-2037 Reg	18,449,740
8)	15,400,000	US Treas Nts Tips DTD 07-15-2011 07-15-2021 07-15-2021	17,505,934
9)	15,100,000	FNMA Mtg 4.00 30 Years Settles Aug	16,041,394
10)	13,426,000	US Treas Bds DTD 02-15-2012 3.125% Due 02-15-2042 Reg	14,420,356

Largest Stock Holdings (By Market Value)
June 30, 2012

	Shares	Stock	Market Value
1)	89,220	Apple	$ 52,104,480
2)	303,214	Exxon Mobil Corp	25,946,022
3)	195,411	Chevron Corp	20,615,861
4)	721,722	Pfizer Inc.	16,599,606
5)	760,748	General Electric Co	15,848,362
6)	435,956	JP Morgan Chase & Co	15,576,708
7)	34,292	Master Card Inc	14,749,332
8)	147,797	Alexion Pharmaceuticals Inc	14,676,242
9)	386,791	AT&T Inc	13,792,967
10)	22,621	Google Inc	13,121,763

Note: A complete list of holdings is available upon request.

Schedule of Advisors

EQUITY

Aronson Johnson Ortiz - Philadelphia, PA

BlackRock - San Francisco, CA

Brandywine Global Investment Management - Philadelphia, PA

Bridgewater Associates - Westport, CT

Brown Advisory - Baltimore, MD

Dimensional Fund Advisors - Austin, TX

Jennison Associates, New York, NY

Lord Abbett & Company - Jersey City, NJ

PanAgora Asset Management - Boston MA

Seizert Capital Partners - Birmingham, MI

Systematic Financial Management - Teaneck, NJ

Turner Investment Partners - Berwyn, PA

Wells Capital Managment - Menomonee Falls, WI

FIXED INCOME

Bridgewater Associates - Westport, CT

CBRE Capital Partners - New York, NY

Cowen Healthcare Royalty Partners - Stamford, CT

Hoisington Invesment Management - Austin, TX

Pacific Investment Management Co. - Newport Beach, CA

Pyramis Global Advisors - Smithfield, RI

Stone Harbor - New York, NY

ALTERNATIVE

Alchemy Partners - London, England

Avenue Capital Group - New York, NY

Blue Vista Capital Management - Chicago, IL

Brentwood Associates - Westport, CT

Bush O'Donnell Capital - St. Louis, MO

Catterton Partners - Greewich, CT

CBRE Capital Partners - New York, NY

CBRE Investors - Los Angeles, CA

Cowen Healthcare Royalty Partners - Stamford, CT

Crown Holdings - Dallas, TX

EIG Global Energy Partners - Washington D.C.

Fireside Financial - Edwardville, IL

Garrison Investment Group - New York, NY

Global Infrastructure Partners - New York, NY

Pacific Investment Management Co. - Newport Beach, CA

Portfolio Advisors - Darien, CT

RFE Investment Partners - New Canaan, CT

RMK Timberland Group - Atlanta, GA

Taconic Capital Partners - New York, NY

Tailwind Capital - New York, NY

Waddell & Reed - Overland Park, KS

Winton Capital - London, England

CUSTODIAN

Northern Trust Company - Chicago, IL

Schedule of Advisor Fees

Investment Advisors:	Fair Value of Assets at 6-30-12	Fees Paid
Alchemy Partners	$ 12,972,800	$ 227,219
Aronson+Johnson+Ortiz	109,964,874	152,543
Avenue Capital Group	58,963,317	804,958
BlackRock	284,905,467	8,075,585
Blue Vista	32,690,331	871,237
Brandywine Asset Management	104,480,567	656,959
Brentwood Associates	34,176,447	489,598
Bridgewater Associates	188,584,030	5,669,742
Brown Advisory	94,770,283	-
Bush O'Donnell Capital	8,194,013	607,317
Catterton Partners	57,385,567	1,161,097
CB Richard Ellis Capital Partners	152,190,881	2,909,392
CB Richard Ellis Investors	45,463,194	511,661
Cowen Healthcare Royalty Partners	42,704,968	882,182
Crow Holdings	26,774,696	592,153
Dimensional Fund Advisors	174,323,830	990,608
EIG Global Energy Partners	79,259,479	2,189,139
Fireside Financial	55,416,171	618,750
Garrison Investment Group	11,729,228	261,208
Global Infrastructure Partners	63,295,613	2,440,367
Hansberger Global Investors	-	82,312
Hoisington Global Investors	217,836,683	380,000
Invesco Capital Management	22,044,277	840,139
Jennison Associates	212,065,242	525,994
Lord Abbett & Co.	130,612,078	619,693
Northern Trust Company	77,083,910	-
Pacific Investment Management Company	463,058,051	649,387
PanAgora Asset Management	379,844,505	1,963,331
Portfolio Advisors	24,766,945	275,108
Pyramis Global Advisors	156,092,532	317,783
RFE Investment Partners	52,993,298	719,137
RMK Timberland Group	163,712,015	1,000,202
Seizert Capital Partners	80,419,848	213,604
Stone Harbor Investment Partners	197,061,846	175,744
Systematic Financial Management	242,544,466	76,995
Taconic	30,833,101	164,404
Tailwind	46,448,723	2,391,218
Turner Investment Partners	258,768,938	596,069
Waddell & Reed	35,543,343	197,825
Wells Capital Management	166,897,176	496,251
Winton Capital	44,683,842	858,958
Total	$ 4,641,556,574	$ 42,655,869
Other Investment Payments:		
Northern Trust Company, Custody		$ 312,360
Northern Trust Company, Securities Lending		497,276
Northern Trust Company, Cash Equitization		92,174
Global Equities Tax Reclaim Services		19,106
Internal Investment Expenses		706,332
Total		$ 1,627,248

Brokerage Schedule

Schedule of Brokerage Commissions

Broker Name	Shares	Commissions	Per Share
Goldman Sachs	27,389,858	$ 452,433	$ .01652
Credit Suisse	15,226,248	193,210	.01269
Barclays	9,771,821	134,585	.01377
Bloomberg	6,800,266	131,258	.01930
Royal Bank of Scotland	45,659,600	127,492	.00279
Liquidnet	6,293,586	124,589	.01980
Citigroup	28,445,708	123,788	.00435
Merrill Lynch	43,967,950	122,090	.00278
Duetsche Bank	5,352,949	120,327	.02248
Bank of New York	3,146,420	119,636	.03802
Morgan Stanley	8,718,611	117,428	.01347
UBS	4,921,833	103,200	.02097
JP Morgan	4,648,938	89,132	.01917
Instinet	8,998,164	82,330	.00915
Jeffries	2,821,300	57,592	.02041
Noruma	11,500,893	50,494	.00439
Robert Baird	1,232,122	46,269	.03755
Broadcort	1,129,087	45,151	.03999
RBC Dain Rauscher	2,438,584	40,343	.01654
Northern Trust	2,644,207	36,548	.01382

Note: Brokerage commissions on purchase and sales are too numerous to list; therefore, only the top 20 brokers, by amount of commission paid are presented

Actuary's Certification Letter

GRS
Gabriel Roeder Smith & Company
Consultants & Actuaries
One Towne Square
Suite 800
Southfield, MI 48076-3723
248.799.9000 phone
248.799.9020 fax
www.gabrielroeder.com

October 1, 2012

The Board of Trustees
Missouri Local Government
Employees Retirement System
Jefferson City, MO 65102

The fundamental financial objective of LAGERS is to establish and receive contributions which:

- when expressed as percents of active member payroll, will remain approximately level from generation to generation of local citizens, and
- when combined with present assets and future investment return will be sufficient to meed the financial obligations of LAGERS to present and future retirees and beneficiaries

To test how well the fundamental objective is being achieved, annual actuarial valuations are made. These valuations adjust employer contribution rates, up or down as the case may be, for differences in the past year between assumed financial experiences and actual financial experiences. In addition, these valuations determine the reserve strength of each employer group.

Using data as of February 29,2012, separate actuarial valuations were made for 1,007 employer groups. The data was reviewed in the aggregate by the actuary for internal and year to year consistency and reasonableness prior to use in the actuarial valuation process. It was also summarized and tabulated in order to analyze trends. Summary information about the resulting new employer contribution rates is shown in the Comprehensive Annual Financial Report.

Assumptions concerning future experience are needed for computing employer contribution rates. As time passes and actual experience develops, assumed and actual experience is compared. From time to time one or more of the assumptions about the future are changed by the Board after consulting with the actuary. The last major changes were in economic assumptions and non-economic assumptions, and these were first used in the 2011 valuations. The assumptions comply with the requirements of Statement No. 25 of the Governmental Accounting Standards Board.

The current benefit structure is outlined in the actuarial section of the Comprehensive Annual Financial Report. We provided the information used in the supporting schedules in the actuarial section and the Schedule of Funding Progress in the financial section, as well as the employer contribution rates that were the basis for the annual required contributions shown in the Schedule of Employer Contributions in the financial section.

On the basis of the 2012 valuations, it is our opinion that LAGERS continues in sound condition in accordance with actuarial principles of level cost financing.

The actuaries submitting this statement are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Mita Drazilov　　Judith A. Kermans

Mita D. Drazilov, ASA, MAAA　　Judith A. Kermans, EA, MAAA

MDD:JAK:rmg

Summary of Actuarial Assumptions

1. The investment return rate used in making the valuations was 7.25% per year, compounded annually. This rate of return is not the assumed real rate of return. The real rate of return is the portion of total investment return which is more than the wage inflation rate. Considering wage inflation recognition of 3.5%, the 7.25% investment return rate translates to an assumed real rate of return of 3.75%. Adopted 2011.
2. The mortality table used to evaluate mortality among active members was 75% of the RP-2000 Combined Healthy Table. It was assumed that 50% of pre-retirement deaths would be duty related. Adopted 2011.
3. The mortality table used in evaluating allowances to be paid was 105% of the 1994 Group Annuity Mortality (GAM) Table projected to 2000, set back 0 years for men and 0 years for women. The disability post-retirement rates were equal to the standard rates set forward 10 years. Adopted 2011.
4. The probabilities of withdrawal from service, together with individual pay increase assumptions, are shown in Schedule 1. Adopted 2011.
5. The probabilities of retirement with an age and service allowance are shown in Schedule 2. Adopted 2011.
6. Total active member payroll is assumed to increase 3.5% a year, which is the portion of the individual pay increase assumptions attributable to wage inflation. In effect, this assumes no change in the number of active members per employer. Adopted 2011.
7. An individual entry-age normal cost method of valuation was used in determining age and service allowance normal costs and the allocation of actuarial present values between service rendered before and after the valuation date. Actuarial gains and losses reduce or increase the unfunded liability and are amortized over the remaining amortization period. Adopted 1987.
8. Present assets (cash and investments at 2-29-12) are valued using smoothing techniques of market value over a five-year period. Funding value is not permitted to deviate from market value by more than 20%. Adopted 2003.
9. The data about persons now covered and about present assets were furnished by the system's administrative staff. Although examined for general reasonableness, the data was not audited by the actuary.
10. The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (M.A.A.A.).

SCHEDULE 1

Withdrawal From Active Employment Before Age & Service Retirement and Individual Pay Increase Assumptions

		Percent of Active Members Separating Within Next Year				
		General Members				Percent Increase In Individual's Pay During
Sample Ages	Years of Service	Men	Women	Police	Fire	Next Year#*
All	0	18.0%	21.0%	18.0%	8.0%	
	1	16.0	20.0	17.0	7.0	
	2	14.0	16.0	16.0	6.0	
	3	11.0	13.0	13.0	6.0	
	4	9.0	12.0	12.0	5.0	
25	5 & Over	7.5	10.7	10.1	5.0	6.8%
30		6.5	9.4	8.0	4.0	6.0
35		5.1	7.2	6.1	2.8	5.5
40		3.8	5.5	4.7	2.2	5.0
45		3.0	4.2	3.6	1.8	4.5
50		2.4	3.4	1.8	1.0	4.1
55		1.8	2.5	1.0	0.5	3.9
60		1.0	1.2	0.0	0.0	3.8
65		0.0	0.0	0.0	0.0	3.5

*Pay increase rates for fire employees differ slightly.

#Individual pay increase rates relate to all years of service.

Summary of Actuarial Assumptions (continued)

SCHEDULE 2

Percent of Eligible Active Members Retiring Within Next Year
Without Rule of 80 Eligibility

Retirement Ages	General Members: Men*	General Members: Women*	Retirement Ages	Police*	Fire*
55	2.5%	3.0%	50	3.0%	2.5%
56	2.5	3.0	51	3.0	2.5
57	2.5	3.0	52	3.0	2.5
58	2.5	3.0	53	3.0	2.5
59	2.5	3.0	54	3.0	2.5
60	10.0	10.0	55	10.0	15.0
61	10.0	10.0	56	10.0	15.0
62	25.0	15.0	57	10.0	10.0
63	25.0	15.0	58	10.0	15.0
64	20.0	15.0	59	10.0	15.0
65	25.0	20.0	60	10.0	20.0
66	25.0	25.0	61	10.0	10.0
67	20.0	20.0	62	25.0	30.0
68	20.0	20.0	63	20.0	30.0
69	20.0	15.0	64	20.0	25.0
70	100.0	100.0	65	100.0	100.0

Percent of Eligible Active Members Retiring Within Next Year
With Rule of 80 Eligibility

Retirement Ages	Men	Women	Police	Fire
50	15.0%	15.0%	25.0 %	25.0%
51	15.0	15.0	25.0	15.0
52	15.0	15.0	15.0	15.0
53	15.0	15.0	15.0	15.0
54	15.0	15.0	15.0	15.0
55	15.0	15.0	15.0	15.0
56	15.0	15.0	15.0	15.0
57	15.0	15.0	15.0	15.0
58	15.0	15.0	15.0	15.0
59	15.0	15.0	15.0	20.0
60	15.0	15.0	15.0	30.0
61	15.0	15.0	25.0	30.0
62	30.0	15.0	30.0	45.0
63	30.0	15.0	30.0	45.0
64	30.0	20.0	30.0	45.0
65	30.0	25.0	100.0	100.0
66	30.0	25.0		
67	30.0	25.0		
68	30.0	25.0		
69	30.0	25.0		
70	100.0	100.0		

*First 5 years of retirement only apply to early retirement.

Actuarial Valuation Data

Participating Employers and Active Members

Valuation Date	Number of Participating Employers	Number of Valuation Groups	Active Members Number	Active Members Annual Payroll	Active Members Average Pay	Active Members % Increase	Inflation Increase % (CPI)
2-29-12	618	1,007	32,690	$ 1,359,655,784	$ 41,592	1.2 %	2.9 %
2-28-11	608	995	32,851	1,350,646,560	41,114	1.8	2.1
2-28-10	597	971	32,975	1,331,226,335	40,371	1.4	2.1
2-28-09	578	945	32,291	1,285,952,041	39,824	1.6	0.2
2-29-08	563	920	31,187	1,222,745,363	39,207	4.4	4.0
2-28-07	546	893	30,521	1,146,094,426	37,551	3.9	2.4

Retirant and Beneficiary Data

Year Ended	Added to Rolls No.	Added to Rolls Annual Allowances*	Removed from Rolls No.	Removed from Rolls Annual Allowances	Rolls End of Year No.	Rolls End of Year Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
2-29-12	1,519	$ 22,768,228	528	$ 4,421,797	16,483	$ 169,170,529	12.2 %	$ 10,263
2-28-11	1,399	16,372,009	529	4,939,905	15,492	150,824,098	8.2	9,736
2-28-10	1,197	12,647,092	481	4,595,332	14,622	139,391,994	6.1	9,533
2-28-09	1,227	16,525,323	490	4,025,037	13,906	131,340,234	10.5	9,445
2-29-08	1,259	15,530,468	496	3,952,480	13,169	118,839,948	10.8	9,024
2-28-07	1,060	13,753,477	441	3,750,959	12,406	107,261,960	10.3	8,646

**Includes post-retirement adjustments.*

Each employer participating in the system is financially responsible for its own liabilities. Accordingly, the aggregate numbers presented on this and the following page are indicative only of the overall condition of the system and are not indicative of the status of any one employer.

Actuarial Valuation Data (continued)

Short Condition Test

The LAGERS funding objective is to meet long term benefit promises through contributions that remain approximately level from year to year as a percent of member payroll. If the contributions to the system are level in concept and soundly executed, the system will pay all promised benefits when due — the ultimate test of financial soundness. Testing for level contribution rates is the long-term test.

A short condition test is one means of checking a system's progress under its funding program. In a short condition test, the plan's present assets (cash and investments) are compared with: (1) active member contributions on deposit; (2) the obligations for future benefits to present retired lives; (3) the obligations for service already rendered by active members. In a system that has been following the discipline of level percent of payroll financing, the obligations for active member contributions on deposit (obligation 1) and the obligations for future benefits to present retired lives (obligation 2) will be fully covered by present assets (except in rare circumstances). In addition, the obligations for service already rendered by active members (obligation 3) will be at least partially covered by the remainder of present assets. Generally, if the system has been using level cost financing, the funded portion of obligation 3 will increase over time.

The schedule below illustrates the history of obligation 3 of the system and is indicative of the LAGERS policy of following the discipline of level percent of payroll financing.

	Entry Age Accrued Liability For				Portion of Accrued Liability Covered by Assets		
Valuation Date	(1) Active Member Contributions	(2) Retirants and Beneficiaries*	(3) Active Members (Employer Financed Portion)	Actuarial Value of Assets	(1)	(2)	(3)
2-29-12	$ 102,637,353	$ 1,954,579,782	$ 3,063,057,063	$ 4,247,440,345	100 %	100 %	72 %
2-28-11	98,127,911	1,737,107,211	3,002,188,189	3,945,085,880	100	100	70
2-28-10	92,054,693	1,562,886,567	2,777,390,626	3,592,225,739	100	100	70
2-28-09	86,881,969	1,473,463,652	2,601,429,637	3,330,662,923	100	100	68
2-29-08	83,469,819	1,508,613,771	2,466,745,296	3,957,068,611	100	100	96
2-28-07	80,282,208	1,327,231,970	2,293,299,482	3,557,389,198	100	100	94

**Includes reserve for future benefit increases.*

Employer Contribution Rate Changes

Annual actuarial valuations are conducted by the system to determine employer contribution rates for the ensuing fiscal year of the employer. As of February 29, 2012, there were 1,007 separate contribution rates determined for the 622 participating political subdivisions in the system. Of these new employer contribution rates, 439 were increases over the previous year and 507 were decreases from the previous year's rate. A six year comparative schedule of contribution rate adjustments is shown below:

Valuation Date	Decreases	Increases	Unchanged	Total*
2-29-12	507	439	61	1,007
2-28-11	230	724	41	995
2-28-10	201	707	63	971
2-28-09	71	820	54	945
2-29-08	577	233	110	920
2-28-07	536	239	118	893

**There are thirty-four groups presently without active members for which dollar contribution rates were computed. They are not included in the totals.*

Employer Contribution Rates

Life Benefit Programs

Number of Valuation Groups

	Contributory Groups				Non-Contributory Groups				
	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Under 2.00%	2.00-4.99%	5.00-7.99%	Over 8.00%	Totals*
Benefit Program L-1									
General	8	22	21	24	10	18	27	16	146
Police	4	15	6	3	11	6	9	4	58
Fire	0	1	5	1	1	0	4	3	15
Total:	12	38	32	28	22	24	40	23	219
Benefit Program L-3									
General	4	11	12	14	6	9	13	21	90
Police	2	6	7	1	5	1	2	14	38
Fire	0	0	2	2	0	1	2	2	9
Total:	6	17	21	17	11	11	17	37	137
Benefit Program L-6									
General	1	0	2	33	0	3	0	65	104
Police	2	3	2	14	2	1	2	30	56
Fire	0	0	0	6	0	0	0	11	18
Total:	4	3	4	53	2	4	2	106	178
Benefit Program L-7									
General	3	4	23	17	3	3	32	64	149
Police	3	3	10	7	4	8	15	26	76
Fire	0	0	1	4	1	3	3	7	19
Total:	6	7	34	28	8	14	50	97	244
Benefit Program L-9									
General	1	3	1	3	1	0	3	10	22
Police	0	0	1	0	0	1	1	8	11
Fire	0	0	0	0	0	1	0	2	3
Total:	1	3	2	3	1	2	4	20	36
Benefit Program L-11									
General	0	0	0	0	0	0	0	1	1
Police	0	0	0	1	0	0	0	1	2
Fire	0	0	0	1	0	0	0	4	5
Total:	0	0	0	2	0	0	0	6	8
Benefit Program L-12									
General	0	0	0	3	0	3	1	19	26
Police	0	0	0	1	0	3	2	9	15
Fire	0	0	0	1	0	2	0	4	7
Total:	0	0	0	5	0	8	3	32	48
Totals*	29	68	93	136	44	63	116	321	870

**There are thirty-four groups presently without active members for which dollar contribution rates were computed. They are not included in the totals.*

Employer Contribution Rates (continued)

Life and Temporary Benefit Programs

	Contributory Groups: Under 2.00%	Contributory Groups: 2.00-4.99%	Contributory Groups: 5.00-7.99%	Contributory Groups: Over 8.00%	Non-Contributory Groups: Under 2.00%	Non-Contributory Groups: 2.00-4.99%	Non-Contributory Groups: 5.00-7.99%	Non-Contributory Groups: Over 8.00%	Totals*
	Number of Valuation Groups								
Benefit Program LT-4(65)									
General	0	0	0	2	0	0	1	1	4
Police	0	0	0	0	0	0	0	1	1
Fire	0	0	0	0	0	0	0	1	1
Total:	0	0	0	2	0	0	1	3	6
Benefit Program LT-5(62)									
General	0	0	0	0	0	1	2	0	3
Police	0	0	0	0	0	1	1	0	2
Fire	0	0	0	0	0	0	1	0	1
Total:	0	0	0	0	0	2	4	0	6
Benefit Program LT-5(65)									
General	0	0	3	0	0	0	5	1	9
Police	0	0	1	1	1	2	0	1	6
Fire	0	0	1	2	1	0	1	1	6
Total:	0	0	5	3	2	2	6	3	21
Benefit Program LT-8(62)									
General	0	0	0	1	0	0	1	2	4
Police	0	0	0	0	0	0	0	1	1
Fire	0	0	0	0	0	0	0	2	2
Total:	0	0	0	1	0	0	1	5	7
Benefit Program LT-8(65)									
General	0	1	3	2	0	0	6	18	30
Police	1	0	2	0	0	1	3	12	19
Fire	0	0	0	0	1	0	2	7	10
Total:	1	1	5	2	1	1	11	37	59
Benefit Program LT-10(65)									
General	0	0	0	2	0	1	0	8	11
Police	0	0	0	0	0	1	0	2	3
Fire	0	0	0	0	0	0	0	1	1
Total:	0	0	0	2	0	2	0	11	15
Benefit Program LT-14(65)									
General	0	0	0	2	0	0	1	10	13
Police	0	0	1	1	1	0	0	4	7
Fire	0	0	0	0	0	0	0	3	3
Total:	0	0	1	3	1	0	1	17	23
Totals*	1	1	11	13	4	7	24	76	137

**There are thirty-four groups presently without active members for which dollar contribution rates were computed. They are not included in the totals.*

Schedule of Gains & Losses

in Accrued Liabilities for the Year Ended February 29, 2012

Type of Activity	Gain or (Loss) For Year Ended 2/29/2012
Age & Service Retirements. If members retire at older ages or with lower final average pay than assumed, there is a gain. If younger ages or higher average pays, a loss.	$ (6,372,918)
Death-in-Service Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	750,612
Withdrawal From Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	4,332,761
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	57,133,300
Investment Income. If there is greater investment return on assets than assumed, there is a gain. If less return, a loss.	60,158,495
Retiree, Beneficiary and Deferred Activity. Includes members living longer than expected, COLA increases different than expected, etc.	(10,493,587)
Benefit Reserve Fund. Release of reserve for future experience.	0
Other. Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(17,056,383)
Gain (or Loss) During Year From Experience	$88,452,280

Summary of Plan Provisions

PURPOSE

The Missouri Local Government Employees Retirement System (LAGERS) is a body corporate created and governed by the State of Missouri to provide retirement, survivors and disability benefits to the state's local government employees in the most efficient and economical manner possible. As such, LAGERS is a non-profit entity which has the responsibility of administering the law in accordance with the expressed intent of the General Assembly and bears a fiduciary obligation to the State of Missouri, the taxpayers and the public employees who are its beneficiaries.

This summary of LAGERS plan provisions is included for informational purposes only. System eligibility requirements and benefits provisions are determined pursuant to Chapter 70, RSMo. and LAGERS Administrative Rules, 16 CSR 20. Accordingly, members, retirees, beneficiaries, and participating political subdivisions are urged to contact LAGERS before making any decisions related to matters included in the following summary.

ADMINISTRATION

The statutes provide that the administration of LAGERS be vested in a seven member Board of Trustees. Three of these trustees are "Member Trustees" who must be participating members of the system. Three members of the Board are "Employer Trustees" who must be members of the governing body of a member subdivision, but who do not personally participate in LAGERS. The statutes which govern LAGERS require that an Annual Meeting be held in the last calendar quarter of each year. Each participating political subdivision is to conduct a secret ballot election allowing each member in that subdivision to vote to elect a "member" delegate to the Annual Meeting. The governing body may then select one of their own, or another person acting in their behalf, to serve as "employer" delegate for the subdivision. All Member and Employer Trustees are elected by their respective delegates at the LAGERS Annual Meeting. The remaining Board member is a "Citizen Trustee" appointed by the governor, who can be neither a member nor employer. A complete listing of the current Board of Trustees is included on page 12.

The management of LAGERS is vested in an Executive Secretary who is appointed by the Board and serves at their pleasure. The Executive Secretary acts as advisor to the Board on all matters pertaining to the system and, with the approval of the Board, contracts for professional services and employs the remaining staff needed to operate the system. A listing of the LAGERS staff and advisors is included on page 5.

NORMAL RETIREMENT

A member may retire with an age and service allowance after completing: 1.) at least 5 years of credited service, and 2.) attaining his minimum service retirement age. This minimum service retirement age is 60 for general members and 55 for law enforcement or fire personnel.

A participating LAGERS subdivision may, by a majority vote of the governing body, select an alternate unreduced retirement for employees whose age and service total 80 or more. This provision also requires 5 years of credited service.

FINAL AVERAGE SALARY

Final average salary is the average of a member's monthly pay during the period of 60 consecutive months of credited service producing the highest monthly average, which is contained within the 120 consecutive months of credited service immediately preceding retirement. For most members, this is the last 5 years of employment. A participating LAGERS subdivision may, by majority vote of the governing body, elect to have their future retirants' benefits calculated using a 36 month final average salary period.

CREDITED SERVICE

Credited service is a combination of the prior service a member accrued prior to his employer joining LAGERS and the membership service he accrues after that date. Because LAGERS is a state-wide retirement system with hundreds of member subdivisions, credited service can be a combination of service with several employers.

AGE AND SERVICE ALLOWANCE

This is the normal retirement benefit and is payable monthly for the lifetime of a member. It equals a specified percent of a member's final average salary multiplied by his number of years of credited service. Each employer elects the percent applicable to his members from ten available programs: L-1 (1% for life); L-3 (1.25% for life); LT-4(65) (1% for life, 1% to age 65); LT-5(65) (1.25% for life, .75% to age 65); L-6 (2% for life); L-7 (1.5% for life); LT-8(65) (1.5% for life, .5% to age 65); L-12 (1.75% for life); LT-14(65) (1.75% for life, .25% to age 65); and L-11 (2.5% for life – non-OASDI coverage only). All LT programs denoted LT(62) extend temporary benefits to age 62, rather than age 65. These benefit programs can be changed by majority vote of the subdivision's governing body, but not more often than biennially.

EARLY RETIREMENT

A member in service may retire with an early retirement benefit after completing: 1.) at least 5 years of credited service, and 2.) attaining age 55 if a general member or age 50 for a law enforcement or fire member. The early retirement benefit is computed in the same manner as an age and service allowance but reduced by ½ of 1% for each month the retirant is younger than his minimum service retirement age.

DEFERRED RETIREMENT

If a member leaves LAGERS covered employment before attaining his early retirement age, but after completing 5 or more years of service, he becomes eligible for a deferred allowance; provided he lives to his early retirement age and does not withdraw his accumulated contributions, if applicable. Deferred members with less than 10 years of credited service and greater than 10 years until their minimum service retirement age may be eligible for a lump-sum payment. Any deferred benefit paid prior to the member attaining his minimum service retirement age will be reduced ½ of 1% for each month the retirant is younger than his minimum service retirement age.

NON-DUTY DISABILITY BENEFIT

A member with 5 or more years of credited service who becomes totally and permanently disabled from performing his job from other than duty connected causes is eligible for a non-duty disability benefit computed in the same manner as an age and service allowance, based upon his service and salary to time of disability.

DUTY DISABILITY BENEFIT

A member who becomes totally and permanently disabled from performing his job from a duty related injury or disease is eligible for a duty disability benefit computed in the same manner as an age and service allowance, but based upon the years of service the member would have completed had he continued in LAGERS covered employment to age 60. Continuing medical examinations are required to confirm the disability once per year for the first 5 years and once every 3 years thereafter until reaching the minimum service retirement age.

SURVIVORS BENEFIT, NON-DUTY DEATH

Upon the death of a member who had completed at least 5 years of credited service, his eligible surviving dependents receive the following benefits: 1.) the surviving spouse receives an allowance equal to the Option A allowance (joint and 75% survivor benefits) computed upon the deceased member's service and salary to time of death. If no spouse benefit is payable, the dependent children under age 18 (23 if they are full-time students) each receive an equal share of 60% of an age and service allowance computed upon the deceased member's service and salary to time of death.

SURVIVORS BENEFIT, DUTY DEATH

If a member's death was the natural and proximate result of a personal injury or disease arising out of and in the course of his actual performance of duty as an employee, the spouse is eligible for a duty death benefit computed in the same manner as an age and service allowance, but based upon the years of service the member would have completed had he continued in LAGERS covered employment to age 60. The surviving spouse receives an allowance equal to the Option A allowance (joint and 75% survivor benefits). If no spouse benefit is payable, the dependent children under age 18 (23 if they are full-time students) each receive an equal share of 60% of the life allowance computed for the deceased.

POST RETIREMENT ADJUSTMENT

All retired members are eligible for an annual post retirement adjustment beginning the October first twelve months after the effective date of their allowance. The adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year. The Board of Trustees determines annually the amount of the post retirement adjustment subject to the 4% maximum or the increase in the Consumer Price Index.

OPTIONAL FORMS OF PAYMENT

When a LAGERS member makes application for retirement, his benefits are calculated in several optional forms and he selects the one that best fits his retirement needs. This election of an optional form of payment is made immediately prior to the receipt of the first benefit check and once the election is made, it is irrevocable. The options are as follows:

LIFE OPTION: This is the largest payment available to a retirant. Upon the death of the retirant monthly payments cease. If the member has not withdrawn at least his accumulated contributions before death, a refund of the balance of his account is made to his beneficiary of record.

OPTION A: This is a continuing spouse option which allows the retirant to receive less (85% if spouse age is the same) of the Life Option with the provision that the surviving spouse will receive 75% of the member's benefit for the remainder of his or her lifetime.

OPTION B: This option is also a continuing spouse option similar to Option A except the percentages are slightly changed. Under Option B, the retirant would receive a higher benefit (90% of the Life Option if spouse is the same age) with the surviving spouse receiving 50% of the member's benefit for the remainder of his or her lifetime.

OPTION C: The final of the four options is referred to as a "ten-year certain" option. As with the other options, the benefit (95% of the Life Option) is payable for the lifetime of the member but with an added provision that the system will make at least 120 monthly payments. If the employee lives over 10 years after retirement, monthly payments will cease upon his death.

PARTIAL LUMP SUM FEATURE (PLUS): This feature provides the option to elect a partial lump sum distribution of the monthly retirement benefit, coupled with a reduced future monthly benefit. The lump sum distribution would be equal to 24 monthly payments of the life allowance amount (does not include any temporary allowance payable under a Life and Temporary plan) at time of retirement. The lump sum payment would result in a reduction (approximately 16 percent) of the retiree's future monthly benefit adjusted for age. All the current options (Life, Option A, Option B and Option C) still apply and may be elected with or without the partial lump sum feature.

MEMBER CONTRIBUTIONS

Political subdivisions may participate in LAGERS under either a contributory or non-contributory plan. If the subdivision participates under the contributory plan, each member contributes 4% of his gross salary, beginning after he has completed sufficient employment for 6 months of credited service. If a member leaves LAGERS covered employment before an allowance is payable upon his behalf, his accumulated contributions are refunded to him. If he dies prior to accruing 5 or more years of credited service, his accumulated contributions are refunded to his designated beneficiary(s) unless a duty-related death benefit is payable. If the subdivision participates under the non-contributory plan, the employing political subdivision pays the entire cost, while the members make no contributions.

Local governments participating in LAGERS are permitted, if the governing body elects, to grant refunds of members' contributions after two years of participation in the system under the non-contributory option. The cost of this option would be borne by the governmental unit.

EMPLOYER CONTRIBUTIONS

The statutes require each employer to contribute the remaining amounts above that contributed by their members to finance the benefits that political subdivision has promised their employees through their participation in LAGERS. These employer contributions are determined annually by the system's retained actuary and are based upon level-percent-of-payroll funding principles so that the contribution rates do not have to increase over decades of time. A chart showing the employer contribution rates for all LAGERS employers is included on pages 43-44 of this report.

Statistical Summary

The objectives of the statistical section are to provide additional historical perspective, context, and relevant details to assist readers in using information in the financial statements, notes to the financial statements, and required supplementary information in order to understand and assess LAGERS overall financial condition.

The schedules beginning on page 49 show financial trend information about the change in LAGERS' assets for the past 10 years. These schedules provide detailed information about the trends of key sources of asset additions and deductions, which assist in providing a context framing how LAGERS financial position has changed over time. The financial trend schedules presented are:

- Change in Net Assets
- Interest Credits to Reserve Accounts

The schedules beginning on page 51 show demographic and economic information. This information is designed to assist in understanding the environment in which LAGERS operates. The demographic and economic information and the operating information presented include:

- Retired Member Data
- Benefit Expenses by Type
- Average Monthly Benefit Payments
- Participants by Classification
- Participating Political Subdivisions

Change in Net Assets

	2012	2011	2010	2009	2008
Additions:					
Member contributions	$ 12,158,422	$ 11,603,205	$ 10,563,158	$ 8,132,046	$ 7,974,093
Employer contributions	166,947,336	154,244,689	137,849,763	132,715,295	130,007,191
Net investment income	166,658,100	852,214,883	492,574,492	(731,386,113)	(113,434,235)
Total additions to plan net assets	$ 345,763,858	$ 1,018,062,777	$ 640,987,413	$ (590,538,772)	$ 24,547,049
Deductions:					
Benefits	$ 195,626,000	$ 171,494,586	$ 157,702,725	$ 149,048,361	$ 138,069,554
Refunds	1,745,403	1,704,094	1,563,179	2,793,448	2,550,466
Administrative expenses	4,523,397	4,945,684	3,415,311	3,402,017	3,167,541
Total deductions from plan net assets	$ 201,894,800	$ 178,144,364	$ 162,681,215	$ 155,243,826	$ 143,787,561
Change in net assets	$ 143,869,058	$ 839,918,413	$ 478,306,198	$ (745,782,598)	$(119,240,512)

	2007	2006	2005	2004	2003
Additions:					
Member contributions	$ 7,588,622	$ 7,189,700	$ 8,298,846	$ 7,786,865	$ 7,265,502
Employer contributions	128,938,636	115,550,424	104,282,742	94,205,597	84,574,502
Net investment income	602,801,435	273,849,051	342,286,798	395,664,373	39,384,943
Total additions to plan net assets	$ 739,328,693	$ 396,589,175	$ 454,868,386	$ 497,656,835	$ 131,224,947
Deductions:					
Benefits	$ 121,741,881	$ 111,023,777	$ 100,540,484	$ 87,054,856	$ 73,193,238
Refunds	1,718,953	2,289,098	3,967,389	3,361,153	2,186,992
Administrative expenses	2,711,067	2,759,577	2,466,270	2,750,653	2,176,278
Total deductions from plan net assets	$ 126,171,901	$ 116,072,452	$ 106,974,143	$ 93,166,662	$ 77,556,508
Change in net assets	$ 613,156,792	$ 280,516,723	$ 347,894,243	$ 404,490,173	$ 53,668,439

Interest Credits to Reserve Accounts

A retirement system acquires and invests assets as the result of following the financial objective of level contribution rates. The Board of Trustees of LAGERS has the responsibility for seeing that the assets are invested effectively and within the limits imposed by law. The Board retains professional money managers to assist in the investment process and reviews their activities throughout the year. The Board retains other professional firms to provide measurements of investment performance and their reports are also reviewed regularly.

The investment process continues to be volatile because of major disturbances in the economic environment.

Following is a table showing investment credits to the various reserves of the system for the last 10 years.

Rates of Investment Return Allocated to LAGERS Reserve Accounts

Investment Credits as a Percent of Fund Balance

Year Ended June 30	Casualty Reserve	Benefit Reserve	Member Reserve	Employer Reserve	Inflation Percent (CPI)
	(A)	(B)	(C)	(D)	
2012	7.25%	8.7%	0.5%	9.1%	1.7%
2011	7.5	9.8	0.5	10.2	3.6
2010	7.5	5.4	4.0	5.4	1.1
2009	7.5	(9.1)	4.0	(9.7)	(1.4)
2008	7.5	7.5	4.0	7.7	5.0
2007	7.5	9.4	4.0	9.6	2.7
2006	7.5	15.3	4.0	15.9	4.3
2005	7.5	7.5	4.0	7.7	2.5
2004	7.5	11.4	4.0	11.8	3.2
2003	7.5	(5.4)	4.0	(5.9)	2.1

(A) Casualty Reserve assets are for the non-accrued service portion of disability benefits to future retired lives. The investment percent is the rate set for actuarial purposes.

(B) Benefit Reserve assets are for benefits to present retired lives. The investment credit is the remainder of net investment return after crediting the Casualty Reserve assets. This revised allocation of investment credits is intended to provide the resources for additional benefit increases after retirement.

(C) Member Deposit assets are the contributions of present members. The investment percent, set by the Board, affects amounts payable to members who request a refund. The percent does not affect the monthly benefit of a retiring member.

(D) Employer Reserve assets are for benefits to future retired lives including the accrued service portion of disability benefits. The investment credit is the remainder of the net investment return after crediting the Casualty Reserve assets, followed by a further adjustment for the investment credit to the Member Deposit assets. The Employer Reserve is responsible for covering liability increases resulting from inflation losses. The percentages shown include net realized capital gains on sale of investments.

Retired Member Data

	Employee Classification			*Type of Retirement								*Option Selected			
Amount of Monthly Benefit	General	Police	Fire	#40	#60	#71	#72	#73	#81	#82	#83	Life	Opt. A	Opt. B	Opt. C
DEFERRED	4,152	1,143	177	5,472											
$ 1 - $ 100	1,019	293	39		93	23	26	24	564	473	148	620	409	128	194
$ 101 - $ 200	1,843	381	31		146	14	59	32	1,129	660	215	1092	659	178	326
$ 201 - $ 300	1,515	275	34		97	21	62	41	990	435	178	912	493	175	244
$ 301 - $ 400	1,113	236	35		72	16	61	32	784	287	133	685	369	163	168
$ 401 - $ 500	957	190	35		62	27	54	33	656	237	113	586	307	135	154
$ 501 - $ 600	792	149	42		38	27	49	19	571	193	86	482	253	127	121
$ 601 - $ 700	636	145	34		27	14	45	13	536	115	65	412	190	108	105
$ 701 - $ 800	579	101	32		27	24	29	6	468	110	48	342	189	95	86
$ 801 - $ 900	481	77	36		20	30	32	8	379	94	31	281	148	105	60
$ 901 - $ 1000	413	66	35		12	27	22	3	337	78	35	248	128	98	40
$ 1001 - $ 1100	395	66	25		7	35	25	5	325	60	29	233	121	87	45
$ 1101 - $ 1200	328	52	27		11	25	15	4	279	52	21	183	113	67	44
$ 1201 - $ 1300	292	44	29		5	28	21	1	252	38	20	177	80	79	29
$ 1301 - $ 1400	259	32	38		10	24	9	2	221	48	15	135	99	59	36
$ 1401 - $ 1500	228	48	23		10	16	7	1	212	36	17	132	84	51	32
$ 1501 - $ 1600	197	39	22		5	17	9	1	186	27	12	114	64	52	27
$ 1601 - $ 1700	182	42	24		2	20	11	0	187	19	9	108	63	49	28
$ 1701 - $ 1800	157	30	27		3	19	6	0	155	20	11	90	62	43	19
$ 1801 - $ 1900	146	33	23		2	19	7	0	154	17	3	99	58	37	8
$ 1901 - $ 2000	105	17	16		2	6	5	0	113	11	1	57	41	26	14
OVER $ 2000	1,062	241	207		13	79	20	1	1,259	117	21	714	360	320	116
SUBTOTALS	16,851	3,700	991	5,472	664	511	574	226	9,757	3,127	1,211	7,702	4,290	2,182	1,896
TOTALS	21,542			21,542								16,070			

*See Summary of Plan Provisions for description of retirement and benefit options.

#40—Deferred Retirement

#60—Deceased & Monthly Benefit Payable

#71—Duty Disability Retirement

#72—Non-Duty Disability Retirement

#73—Survivor Payment-Disability Retirement

#81—Normal Retirement

#82—Early Retirement

#83—Survivor Payment-Normal Retirement

Benefit Expenses by Type

Benefit Expenses by Type:	2012	2011	2010	2009	2008
Normal benefits	$187,148,905	$163,723,382	$150,404,024	$142,028,574	$131,786,647
Survivor benefits	8,477,095	7,771,204	7,298,701	7,019,787	6,282,907
Total benefits	$195,626,000	$171,494,586	$157,702,725	$149,048,361	$138,069,554
Total refunds	$ 1,745,403	$ 1,704,094	$ 1,563,179	$ 2,793,448	$ 2,550,466

Benefit Expenses by Type:	2007	2006	2005	2004	2003
Normal benefits	$116,146,782	$106,002,170	$ 93,500,004	$ 82,837,171	$ 69,461,738
Survivor benefits	5,595,099	5,021,607	7,040,480	4,217,685	3,731,500
Total benefits	$121,741,881	$111,023,777	$ 100,540,484	$ 87,054,856	$ 73,193,238
Total refunds	$ 1,718,953	$ 2,289,098	$ 3,967,389	$ 3,361,153	$ 2,186,992

Average Monthly Benefit Payments

RETIREMENT EFFECTIVE DATES		YEARS OF CREDITED SERVICE BY CATEGORY					
For Fiscal Years Ended June 30:		**5-10**	**10-15**	**15-20**	**20-25**	**25-30**	**30 +**
2012	Average Monthly Benefit	$ 267	$ 632	$ 976	$ 1,334	$ 1,956	$ 2,697
	Average Final Average Salary	3,135	3,320	3,729	3,954	4,562	4,921
	Number of Active Retirants	504	262	190	148	105	171
2011	Average Monthly Benefit	$ 277	$ 590	$ 994	$ 1,384	$ 1,780	$ 2,556
	Average Final Average Salary	3,081	3,189	3,726	4,049	4,060	4,798
	Number of Active Retirants	452	213	165	158	110	146
2010	Average Monthly Benefit	$ 251	$ 544	$ 856	$ 1,374	$ 1,951	$ 2,477
	Average Final Average Salary	2,782	3,337	3,378	3,949	4,362	4,589
	Number of Active Retirants	410	185	132	145	100	139
2009	Average Monthly Benefit	$ 219	$ 524	$ 853	$ 1,274	$ 1,886	$ 2,333
	Average Final Average Salary	2,757	3,008	3,400	3,833	4,180	4,382
	Number of Active Retirants	455	162	131	105	119	104
2008	Average Monthly Benefit	$ 221	$ 554	$ 813	$ 1,208	$ 1,853	$ 2,337
	Average Final Average Salary	2,586	3,082	3,141	3,577	4,110	4,402
	Number of Active Retirants	407	160	143	111	138	99
2007	Average Monthly Benefit	$ 234	$ 495	$ 809	$ 1,186	$ 1,771	$ 2,181
	Average Final Average Salary	2,582	2,715	3,122	3,488	3,954	4,089
	Number of Active Retirants	343	177	125	120	94	84
2006	Average Monthly Benefit	$ 224	$ 493	$ 857	$ 1,246	$ 1,989	$ 2,143
	Average Final Average Salary	2,557	2,707	3,271	3,502	4,310	4,108
	Number of Active Retirants	317	112	117	109	111	84
2005	Average Monthly Benefit	$ 211	$ 521	$ 760	$ 1,151	$ 1,888	$ 2,100
	Average Final Average Salary	2,397	2,848	2,927	3,278	4,236	4,138
	Number of Active Retirants	349	132	122	108	95	74
2004	Average Monthly Benefit	$ 220	$ 461	$ 805	$ 1,259	$ 1,735	$ 2,445
	Average Final Average Salary	2,230	2,548	3,157	3,483	3,907	4,345
	Number of Active Retirants	333	10	94	102	105	72
2003	Average Monthly Benefit	$ 211	$ 500	$ 866	$ 1,177	$ 1,917	$ 2,067
	Average Final Average Salary	2,468	2,372	3,018	3,087	3,786	3,447
	Number of Active Retirants	274	114	110	104	90	80
From July 1, 2002 through June 30, 2012							
Average Monthly Benefit		$ 234	$ 531	$ 859	$ 1,259	$ 1,873	$ 2,334
Average Final Average Salary		2,658	2,913	3,287	3,620	4,147	4,322
Number of Active Retirants		3,844	1,617	1,329	1,210	1,067	1,053

Participants by Classification

POLITICAL SUBDIVISIONS

Year	Cities	Counties	Health Agencies	Special Districts	Water Districts	Road Districts	Fire Districts	Emergency Services	Libraries	Total
2012	285	60	62	46	39	25	32	34	39	622
2011	281	60	60	43	39	26	30	32	39	610
2010	278	60	58	59	41	27	25	14	40	602
2009	274	60	58	52	40	27	25	14	40	590
2008	267	60	56	146	N/A	N/A	N/A	N/A	40	569
2007	263	60	56	134	N/A	N/A	N/A	N/A	40	553
2006	254	60	56	122	N/A	N/A	N/A	N/A	39	531
2005	250	60	53	117	N/A	N/A	N/A	N/A	37	517
2004	249	60	51	110	N/A	N/A	N/A	N/A	36	506
2003	243	60	50	105	N/A	N/A	N/A	N/A	35	493

Numbers reported as “N/A” were previously reported under Special Districts.

EMPLOYEE MEMBERS

Year	Cities	Counties	Health Agencies	Special Districts	Water Districts	Road Districts	Fire Districts	Emergency Services	Libraries	Total
2012	17,944	8,508	1,811	2,305	212	83	596	572	894	32,925
2011	18,148	8,637	1,852	2,269	211	86	572	544	922	33,241
2010	18,016	8,742	1,866	2,375	209	87	491	310	936	33,032
2009	17,911	8,684	1,913	2,307	206	84	471	324	931	32,831
2008	17,134	8,538	1,776	3,073	N/A	N/A	N/A	N/A	903	31,424
2007	16,762	8,289	1,813	2,857	N/A	N/A	N/A	N/A	886	30,607
2006	18,918	9,620	1,879	2,851	N/A	N/A	N/A	N/A	904	34,172
2005	18,722	9,282	1,625	2,743	N/A	N/A	N/A	N/A	885	33,257
2004	18,327	9,278	1,546	2,547	N/A	N/A	N/A	N/A	870	32,568
2003	17,746	8,878	1,485	2,323	N/A	N/A	N/A	N/A	848	31,280

Numbers reported as “N/A” were previously reported under Special Districts.

Participating Political Subdivisions

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Advance (6)	L-1	no	5	no	no	10-2005
Airport Drive (1)	L-7	no	3	no	no	05-2000
Albany (17)	L-7	yes	3	yes	no	07-1989
Anderson (9)	L-3	no	5	yes	no	06-1990
Annapolis (2)	L-7	no	3	yes	no	07-2001
Arnold (79)	L-6	yes	3	no	no	01-1984
Ash Grove (7)	L-7	no	3	yes	no	04-1972
Ashland (15)	L-7	no	5	yes	no	06-1970
Aurora (46)	L-7	no	3	no	yes	07-1972
Auxvasse (4)	L-7	yes	5	no	no	01-1994
Ava (51)	LT-8(65)	yes	3	no	no	09-1997
Ballwin (89)	L-3	no	3	no	yes	11-1969
Belle (7)	L-7	no	5	yes	no	05-1987
Bellefontaine Neighbors (62)	L-6	no	3	no	no	07-1968
Bellflower (2)	L-6	no	3	yes	no	08-1990
Belton (196)	L-9	no	3	no	yes	02-1974
Belridge (17)	L-1	no	5	yes	no	02-2002
Berkeley (47)	LT-10(65)	yes	3	no	no	07-1968
Bernie (18)	L-3	no	3	no	no	08-1978
Bethany (38)	L-6	no	5	yes	no	01-1976
Beverly Hills (7)	L-1	no	5	yes	no	07-1991
Bevier (3)	L-1	no	5	yes	no	07-1999
Bland (2)	L-1	yes	5	no	no	09-1994
Bloomfield (10)	L-1	no	5	no	no	10-2001
Blue Springs (242)	L-7	no	3	no	yes	09-1973
Bolivar (54)	L-7	no	3	yes	no	02-1973
Boonville (74)	L-9	no	3	no	yes	05-1971
Bourbon (12)	L-1	no	3	no	no	01-2000
Bowling Green (19)	L-7	no	5	no	yes	01-1979
Branson (225)	L-6	yes	3	yes	no	01-1978
Braymer (4)	LT-8(62)	no	3	yes	no	12-1970
Brentwood (69)	L-7	no	3	no	yes	04-1969
Brookfield (42)	L-3	no	5	no	no	02-1989
Buckner (14)	L-1	no	3	no	no	10-1987
Buffalo (23)	L-7	yes	3	yes	no	01-1974
Butler (54)	LT-5(65)	no	3	yes	no	06-1993
Cabool (30)	L-12	no	3	no	yes	10-1969
Camdenton (37)	L-1	no	3	no	no	07-2008
Cameron (58)	L-6	no	3	no	no	07-1968
Campbell (18)	L-1	no	5	yes	no	02-2005
Canton (12)	L-7	no	3	no	yes	07-1979
Cape Girardeau (359)	LT-8(65)	no	3	no	yes	02-1973
Carl Junction (32)	L-7	no	5	yes	no	06-1971
Carthage (54)	L-7	no	3	no	no	07-1982
Caruthersville (42)	L-1	no	5	no	yes	01-1979
Cassville (21)	L-7	no	5	yes	no	02-2010
Centralia (32)	L-7	no	5	no	yes	07-1972
Charleston (30)	L-1	no	5	no	no	05-1980

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Participating Political Subdivisions (continued)

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Chillicothe (73)	L-12	no	3	no	yes	05-1978
Clarksville (4)	L-3	no	5	no	no	10-1974
Claycomo (25)	L-12	no	5	no	no	04-2007
Cleveland (3)	L-1	no	5	yes	no	04-2007
Clever (8)	L-1	yes	5	yes	no	07-1998
Clinton (67)	L-7	no	5	no	yes	02-1972
Columbia (955)	L-6	yes	3	no	yes	02-1969
Concordia (19)	L-12	yes	3	yes	no	05-1978
Cool Valley (10)	L-7	no	5	no	no	07-1972
Cottleville (17)	L-3	no	5	yes	no	06-2010
Crestwood (85)	L-7	no	3	no	yes	07-1968
Crocker (7)	L-1	no	5	no	no	09-1988
Crystal City (54)	L-6	no	5	no	yes	04-1970
Cuba (42)	L-6	yes	3	no	yes	04-1971
Dardenne Prairie (4)	L-7	yes	5	no	no	11-2006
Dellwood (9)	L-12	no	3	no	no	01-1975
De Soto (51)	L-7	no	5	no	no	01-1983
Dexter (61)	L-6	yes	3	no	no	08-1973
Dixon (9)	L-7	no	5	yes	no	12-2000
Doniphan (21)	L-7	no	5	yes	no	01-1993
Drexel (4)	L-7	no	5	no	no	06-1998
Edmundson (14)	L-7	no	5	yes	no	01-2012
El Dorado Springs (43)	L-6	no	3	no	yes	07-1975
Eldon (45)	L-1	no	5	yes	no	05-2005
Ellington (9)	L-1	no	5	yes	no	07-2009
Ellisville (52)	L-7	no	3	no	no	08-1971
Elsberry (5)	L-3	yes	5	no	no	01-1998
Eminence (2)	L-3	no	5	no	yes	09-1996
Eureka (60)	L-6	yes	3	no	no	11-1973
Excelsior Springs (106)	L-7	no	5	no	yes	12-1972
Fair Grove (8)	L-1	no	5	yes	no	09-2005
Farmington (119)	LT-8(65)	yes	3	no	no	02-1969
Fayette (25)	L-7	yes	5	no	yes	07-1970
Fenton (43)	LT-8(65)	no	3	no	yes	01-1971
* Festus (102)	L-12	no	5	no	yes	04-1968
Foristell (11)	L-3	no	3	no	no	10-2003
Forsyth (18)	L-7	no	5	no	yes	07-1985
Fredericktown (40)	LT-8(65)	yes	5	yes	no	05-1968
Frontenac (52)	LT-8(65)	no	3	no	yes	08-1972
Fulton (178)	L-7	yes	5	no	yes	08-1968
Gainesville (2)	L-1	no	5	yes	no	12-1984
Garden City (8)	L-1	no	5	yes	no	04-1993
Gerald (9)	L-1	no	3	yes	no	04-2003
Gideon (6)	L-3	yes	5	yes	no	10-1970
Gladstone (182)	L-6	yes	3	yes	no	09-1968
Glasgow (7)	L-3	no	5	no	no	10-1974
Glendale (8)	LT-8(62)	no	5	no	yes	02-1971
Golden City (5)	L-1	no	5	yes	no	01-2012
Gower (6)	L-1	no	5	yes	no	1-2010

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Grain Valley (53)	L-7	no	5	no	no	01-1999
Grandview (172)	LT-5(65)	no	3	no	no	07-1971
Grant City (8)	L-1	no	5	yes	no	05-1999
Green City (5)	L-1	no	5	no	yes	04-1988
Hale (2)	L-7	no	3	no	no	06-1998
Hannibal (72)	LT-14(65)	yes	5	no	yes	11-1969
Hardin (4)	L-1	no	3	yes	no	02-1997
Harrisonville (107)	LT-14(65)	no	3	no	no	08-1972
Hartville (5)	L-7	no	3	yes	no	07-2001
Hayti (27)	L-3	no	5	yes	no	01-1994
Henrietta (1)	L-1	no	3	yes	no	02-2009
Hermann (37)	L-1	no	3	no	no	09-1980
Higginsville (69)	LT-10(65)	yes	3	no	yes	08-1970
Hillsboro (14)	L-7	no	5	no	no	07-1980
Holden (10)	L-9	no	5	no	no	04-1974
Hollister (40)	L-6	yes	3	yes	no	05-1998
Holts Summit (22)	L-1	no	5	no	no	01-1998
Houston (31)	L-6	yes	3	no	yes	05-1971
Humansville (6)	L-1	yes	5	yes	no	06-2006
Huntsville (11)	L-1	no	5	no	no	05-2001
Independence (1,009)	L-6	no	3	yes	no	11-1968
Ironton (11)	L-1	no	5	no	no	10-2008
* Jackson (119)	L-6	no	3	no	yes	04-1968
Jefferson City (416)	L-6	yes	3	no	yes	01-1970
Jennings (68)	L-12	no	3	no	no	09-1968
Jonesburg (5)	L-1	no	3	no	no	01-1997
Joplin (287)	LT-14(65)	no	5	no	no	01-1973
Kearney (31)	L-7	no	3	no	no	04-1992
Kennett (67)	L-7	no	3	no	yes	07-1968
Kimberling City (18)	LT-8(65)	no	3	no	no	03-1994
Kingdom City (2)	L-1	no	5	no	no	04-2011
Kirksville (137)	L-7	no	5	no	yes	01-1977
Knob Noster (20)	LT-4(65)	yes	5	no	no	02-1999
La Grange (21)	L-12	no	3	no	yes	02-1977
La Plata (10)	L-3	no	5	no	yes	11-1972
Lake Lotawana (12)	L-1	yes	5	no	no	08-2002
Lake Ozark (33)	L-1	no	5	no	no	05-2000
Lake Saint Louis (82)	LT-8(65)	yes	3	no	yes	11-1985
Lake Winnebago (7)	L-1	no	3	yes	no	04-1999
Lamar (65)	L-3	no	5	no	no	09-1998
Lathrop (9)	L-3	no	5	no	no	07-1996
Lawson (10)	L-1	no	5	no	no	08-2000
Lebanon (151)	L-7	no	5	no	no	11-1984
Lee's Summit (620)	L-6	no	5	no	yes	04-1970
Liberty (205)	LT-5(65)	no	5	no	yes	07-1970
Licking (11)	L-12	no	3	no	no	01-1985
Lincoln (6)	L-1	no	5	no	no	02-2012
Linn (7)	L-1	yes	5	no	no	05-2003

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Participating Political Subdivisions (continued)

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Lockwood (7)	L-9	no	3	no	no	04-1968
Louisiana (32)	L-3	no	5	no	no	07-1968
Macon (88)	LT-8(65)	yes	3	no	no	06-1968
Malden (54)	L-6	no	5	yes	no	07-1976
Mansfield (15)	L-1	no	3	yes	no	04-2003
Maplewood (79)	L-6	no	3	yes	no	04-1970
Marceline (21)	L-6	no	5	yes	no	04-1981
Marionville (5)	L-7	no	3	yes	no	12-1988
Marshall (193)	L-12	no	5	no	no	04-1971
Marshfield (39)	L-6	no	5	yes	no	01-1990
Maryland Heights (197)	L-6	no	5	no	no	01-2004
Maryville (71)	L-12	no	3	no	no	01-1973
Matthews (6)	L-1	yes	5	no	no	08-2006
Memphis (24)	L-6	yes	3	yes	no	01-1972
Mercer (2)	L-3	no	3	yes	no	06-1988
Merriam Woods (5)	L-1	no	5	yes	no	11-2006
* Mexico (81)	L-6	yes	3	no	no	04-1968
Milan (15)	L-1	no	3	no	yes	01-1987
Miner (17)	L-6	yes	3	no	no	03-1995
Moberly (123)	LT-8(65)	yes	3	no	yes	08-1968
Moline Acres (22)	LT-5(65)	no	5	no	no	04-1974
Monett (115)	L-6	yes	3	no	yes	03-1978
Montgomery City (20)	L-1	no	3	no	no	03-1971
Mound City (6)	L-6	no	3	yes	no	04-1971
Mount Vernon (29)	L-7	yes	5	no	yes	09-1972
Mountain Grove (49)	LT-8(62)	no	5	no	no	07-1987
Mountain View (36)	L-7	no	5	no	yes	07-1989
Neosho (95)	LT-8(65)	yes	3	no	yes	07-1971
Nevada (70)	LT-8(65)	yes	5	no	no	11-1968
New London (4)	L-1	no	5	yes	no	1-2011
New Madrid (28)	L-6	no	3	no	no	08-1968
Nixa (109)	L-6	no	5	yes	no	01-1990
Norborne (5)	L-3	no	5	yes	no	09-1969
Normandy (34)	L-7	no	5	no	no	06-1969
Northwoods (35)	L-6	no	5	no	no	07-1972
North Kansas City (82)	L-6	yes	3	no	no	11-1969
O'Fallon (373)	LT-8(65)	no	5	no	yes	02-1975
Oak Grove (45)	L-7	no	3	no	no	08-1969
Oak Grove (1)	L-1	no	5	yes	no	2-2012
Oakland (0)	LT-8(65)	no	5	no	no	04-2004
Oakview (7)	L-1	no	5	yes	no	05-2009
Odessa (42)	L-7	no	3	no	yes	07-1975
Osceola (8)	L-1	no	3	yes	no	09-2001
Owensville (18)	L-6	yes	5	no	no	05-1972
Ozark (99)	L-7	no	3	no	yes	07-1990
Pacific (46)	L-6	yes	5	no	yes	04-1987
Pagedale (22)	L-3	no	5	no	no	03-1972
Palmyra (34)	LT-14(65)	yes	3	no	no	04-1968

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Paris (12)	L-7	no	3	no	no	02-1969
Parkville (34)	L-1	no	5	yes	no	08-2009
Pattonsburg (2)	L-1	no	5	yes	no	06-1975
Peculiar (25)	LT-14(65)	yes	3	no	yes	10-1986
Perry (7)	L-6	no	3	yes	no	01-1971
Perryville (95)	L-6	no	3	no	yes	03-1969
Piedmont (20)	LT-5(62)	yes	3	no	yes	08-1974
Pilot Knob (4)	L-7	no	3	yes	no	06-1992
Pine Lawn (29)	L-1	no	5	no	no	07-1970
Platte City (34)	L-3	no	5	yes	no	05-1987
Plattsburg (16)	L-3	no	5	no	yes	02-1972
Pleasant Hill (42)	L-6	yes	3	no	yes	05-1978
Poplar Bluff (265)	LT-8(65)	no	5	no	yes	02-1971
Portageville (32)	L-3	no	5	no	no	09-1996
Potosi (28)	L-7	no	3	no	yes	04-1973
Princeton (10)	L-6	no	5	yes	no	01-1973
Puxico (5)	L-3	no	5	yes	no	07-2007
Ravenwood (1)	L-1	no	3	yes	no	11-2000
Raymore (90)	L-7	no	3	no	no	01-1990
Raytown (92)	LT-5(65)	no	5	no	no	07-2003
Republic (115)	L-1	no	3	yes	no	03-2009
Richland (20)	L-1	no	5	no	yes	07-1988
Richmond (46)	L-3	no	3	no	no	12-1990
Richmond Heights (81)	L-6	no	3	yes	no	05-1968
Riverside (67)	L-6	no	5	no	no	01-1997
Riverview (14)	L-3	no	5	yes	no	08-1989
Rock Hill (29)	L-3	no	5	no	no	04-1968
Rolla (189)	LT-14(65)	yes	3	no	yes	01-1969
Russellville (3)	L-1	no	3	no	no	05-1999
Salem (57)	L-6	yes	3	yes	no	12-1984
Savannah (22)	L-9	no	5	no	yes	07-1976
Scott City (28)	L-7	no	5	yes	no	01-1993
Sedalia (177)	L-6	no	3	no	yes	08-1972
Seneca (12)	L-3	no	3	no	no	05-1975
Seymour (19)	L-9	no	3	no	no	04-1996
Shelbina (26)	L-6	yes	3	yes	no	11-1969
Shelbyville (3)	L-1	no	5	yes	no	12-2006
Sheldon (2)	LT-4(65)	yes	3	yes	no	01-2008
* Shrewsbury (50)	LT-5(62)	no	3	no	yes	04-1968
* Sikeston (118)	LT-8(65)	no	3	no	yes	04-1968
Slater (18)	L-7	no	5	no	no	02-1969
Smithville (37)	L-3	no	3	yes	no	01-2004
Sparta (5)	L-7	no	3	no	no	07-2007
Springfield (1,203)	L-6	no	3	no	no	06-1968
St. Ann (87)	L-6	yes	3	yes	no	06-1968
* St. Charles (426)	LT-8(65)	yes	3	no	yes	04-1968
St. Clair (32)	L-6	no	5	no	yes	05-1980
St. James (42)	L-6	no	3	yes	no	06-1974

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Participating Political Subdivisions (continued)

Cities: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
St. John (41)	L-7	no	5	no	yes	03-1970
St. Joseph (520)	L-3	no	3	no	no	04-1970
St. Mary (4)	L-1	no	5	yes	no	11-2007
St. Peters (387)	L-6	yes	3	yes	no	01-1976
St. Robert (82)	L-7	no	3	yes	no	04-1983
Ste. Genevieve (24)	LT-8(65)	no	5	yes	no	10-1984
Steelville (17)	L-7	no	3	no	no	03-1997
Stockton (7)	L-1	no	5	yes	no	10-1988
Strafford (14)	L-1	no	3	no	no	02-2009
Sugar Creek (60)	LT-5(65)	no	3	no	yes	05-1968
Sullivan (55)	L-6	yes	3	no	yes	03-1972
Sunrise Beach (5)	L-3	no	3	no	no	06-2005
Sunset Hills (65)	L-7	no	3	no	yes	10-1972
Sweet Springs (11)	L-1	yes	5	no	yes	04-1973
Thayer (28)	L-1	no	5	yes	no	01-1997
Tipton (11)	LT-5(65)	yes	3	yes	no	04-1981
Town & Country (43)	LT-14(65)	no	3	yes	no	02-2007
Trenton (39)	L-6	no	5	no	yes	05-1979
Troy (54)	L-3	no	5	no	no	08-2008
Twin Oaks (4)	L-7	no	3	yes	no	01-2007
Union (68)	L-6	no	3	no	yes	01-1974
Unionville (21)	LT-14(65)	yes	5	yes	no	10-1982
Valley Park (19)	L-9	no	5	yes	no	11-1972
Van Buren (5)	L-1	no	5	no	no	01-2003
Vandalia (25)	L-1	no	5	no	no	05-1988
Vienna (5)	L-1	no	5	no	no	09-2002
Vinita Park (22)	L-6	no	3	no	no	08-1971
Warrensburg (117)	L-7	no	5	no	yes	07-1968
Warsaw (28)	L-3	no	5	no	no	05-1999
Washington (124)	LT-10(65)	yes	3	no	no	01-1971
Waverly (4)	L-3	no	5	yes	no	10-1986
Waynesville (41)	LT-14(65)	no	3	no	yes	09-1985
Webb City (93)	L-7	no	3	no	no	03-1975
Wellston (22)	L-1	no	5	no	no	07-1971
Wentzville (169)	L-7	no	5	no	no	02-1973
West Plains (185)	LT-10(65)	yes	3	no	no	02-1973
Weston (14)	L-1	no	5	yes	no	07-1997
Willard (31)	L-3	no	5	yes	no	04-2004
Willow Springs (31)	L-7	no	5	no	no	06-1993
Winchester (3)	LT-5(62)	no	5	no	no	10-1982
Windsor (10)	L-9	no	3	yes	no	08-1973
Winfield (4)	L-1	no	5	yes	no	05-2003
Wood Heights (1)	L-3	no	3	yes	no	01-1999
Woodson Terrace (32)	L-7	no	5	no	yes	12-1969

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Counties: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County (82)	L-12	no	5	no	yes	03-1977
Andrew County (58)	L-6	no	3	no	no	03-1976
Atchison County (45)	L-1	no	3	no	no	01-1974
Audrain County (80)	L-7	no	3	no	no	04-1968
Buchanan County (231)	L-6	no	5	no	yes	06-1971
Butler County (121)	L-6	yes	3	no	yes	04-1968
Caldwell County (56)	L-1	no	5	yes	no	01-1984
Callaway County (145)	L-7	no	5	no	yes	01-1977
Camden County (280)	L-6	yes	5	no	yes	02-1969
Cape Girardeau County (163)	L-6	no	3	no	yes	01-1985
Cass County (196)	L-1	no	3	no	yes	01-1991
Chariton County (34)	L-7	no	3	yes	no	01-1988
Christian County (180)	L-9	no	3	no	yes	03-1989
Clark County (41)	L-1	no	5	yes	no	01-1980
Clay County (519)	L-9	no	3	no	yes	11-1975
Clinton County (54)	L-3	no	5	yes	no	01-1986
* Cole County (288)	L-7	no	5	no	yes	04-1968
DeKalb County (32)	L-3	no	3	no	no	12-1983
Dunklin County (72)	L-7	no	3	yes	no	01-1969
Franklin County (303)	L-6	yes	3	no	yes	01-1970
Gasconade County (47)	L-7	no	5	no	yes	01-1974
Greene County (664)	L-7	no	3	no	yes	01-1972
Holt County (34)	L-3	no	3	yes	no	01-1974
Howard County (43)	L-1	no	5	no	no	06-1976
Howell County (88)	L-6	yes	5	no	yes	01-1974
Iron County (41)	L-7	no	5	yes	no	01-1970
Jasper County (284)	L-9	no	3	no	yes	01-1983
Jefferson County (585)	L-12	no	3	no	yes	03-1969
Lafayette County (95)	L-7	no	3	yes	no	01-1970
Lawrence County (85)	L-7	no	3	yes	no	01-1973
Lewis County (43)	LT-8(65)	no	3	no	yes	11-1974
Lexington County(44)	L-3	no	3	no	yes	12-1988
Macon County (52)	L-3	no	5	yes	no	01-1990
Marion County (92)	L-12	no	3	no	yes	02-1972
Miller County (98)	L-6	no	5	yes	no	01-1976
Mississippi County (64)	L-7	no	5	yes	no	02-1973
Monroe County (39)	L-7	no	3	no	no	02-1980
Montgomery County (76)	LT-8(65)	no	3	yes	no	02-1973
* New Madrid County (75)	L-6	yes	5	no	yes	04-1968
Nodaway County (53)	L-3	no	5	yes	no	07-1973
* Pemiscot County (83)	L-7	no	3	no	yes	04-1968
Perry County (82)	L-7	no	3	no	yes	05-1968
Pettis County (116)	L-12	no	3	no	no	10-1971
Phelps County (138)	L-6	yes	3	yes	no	01-1969
Pike County (73)	L-6	yes	3	yes	no	12-1971
Platte County (253)	L-7	no	3	no	no	01-1974
Ralls County (40)	L-7	no	5	no	yes	01-1973
Randolph County (74)	L-9	no	3	yes	no	04-1969

†See Summary of Plan Provisions for benefit program description.
*Charter Member

Participating Political Subdivisions (continued)

Counties: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Ray County (85)	L-7	no	3	no	no	04-1969
Scott County (96)	L-7	no	3	no	yes	05-1969
Shannon County (55)	L-1	no	5	yes	no	02-1978
St. Charles County (974)	LT-8(65)	no	3	no	yes	08-1973
St. Clair County (78)	L-3	no	5	yes	no	07-1979
St. Francois County (184)	L-6	no	3	yes	no	10-1969
Ste. Genevieve County (104)	L-7	no	3	yes	no	05-1970
Stoddard County (69)	L-7	no	5	no	no	01-1969
Taney County (270)	L-7	no	5	no	yes	08-1985
Texas County (66)	L-9	yes	3	no	yes	09-1975
Vernon County (55)	L-3	no	3	no	yes	01-1969
Wright County (58)	L-12	yes	3	no	no	12-1981

Health Agencies: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Health Department (18)	L-6	no	5	yes	no	07-1981
Andrew County Health Department (5)	L-1	no	3	yes	no	01-2011
Bates County Health Center (7)	L-3	no	5	no	no	08-1992
Butler County Health Department (39)	L-1	no	5	no	yes	08-1968
Caldwell County Health Department (5)	LT-8(65)	yes	5	yes	no	03-1987
Cape Girardeau Co. Health Dept. (32)	L-7	no	3	no	yes	01-1987
Carter County Health Center (9)	L-1	no	5	no	no	06-1978
Chariton County Health Department (5)	L-1	yes	5	yes	no	05-2006
Clark County Health Department (7)	L-6	no	3	no	yes	01-1981
Clay County Health Department (57)	L-9	no	3	no	yes	06-2005
Clinton County Health Department (6)	L-3	no	5	yes	no	01-1986
Dallas County Health Department (7)	L-1	no	5	no	no	01-1991
Daviess County Health Department (7)	L-1	no	3	yes	no	07-2003
Dent County Health Center (7)	L-3	no	3	yes	no	02-1991
Douglas County Health Department (12)	L-1	no	3	yes	no	06-2010
Dunklin County Health Department (9)	LT-10(65)	no	3	yes	no	02-1969
Gasconade Co. Health Department (5)	L-1	no	5	no	yes	04-1981
Grundy County Nursing Home (98)	L-1	no	5	no	no	07-2005
Henry County Health Department (9)	L-1	yes	3	yes	no	01-2009
Iron County Health Department (8)	L-3	yes	5	yes	no	03-1973
Jefferson County Health Department (51)	L-7	yes	3	no	no	10-1987
Laclede County Health Center (12)	L-3	no	5	yes	no	08-1991
Lafayette Co. Health Department (9)	LT-8(65)	no	3	no	no	01-1982
Lewis County Health Department (10)	L-3	no	3	no	yes	05-1974
Lincoln County Health Department (22)	L-7	no	3	yes	no	01-2002
Linn County Health Department (9)	L-7	no	3	yes	no	05-1993
Livingston Co. Health Department (8)	L-3	yes	3	yes	no	12-1988
Macon County Health Department (7)	L-7	yes	5	no	no	08-1974
Madison County Health Department (11)	L-1	no	5	yes	no	03-1998
Madison Memorial Hospital (203)	L-3	no	5	no	no	10-1972
Marion County Health Department (18)	L-9	no	3	yes	no	02-1972
Miller County Health Department (10)	L-3	no	5	no	no	01-2001

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*Charter Member

Health Agencies: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Mississippi County Health Dept. (12)	L-1	no	5	no	yes	07-1977
Moniteau County Health Center (5)	L-3	no	5	no	no	11-1990
Monroe County Health Department (9)	L-7	no	5	no	no	04-1981
Montgomery Co. Health Department (8)	L-3	no	3	yes	no	01-1988
Nevada City Hospital (281)	L-3	no	5	no	yes	09-1970
Nevada City Nursing Home (61)	L-3	no	5	no	yes	10-1978
New Madrid County Health Department (9)	L-6	yes	5	no	yes	06-1968
Pemiscot County Health Department (7)	L-7	yes	3	no	yes	10-1968
Pemiscot County Memorial Hospital (386)	L-7	yes	3	yes	no	02-1981
Pettis County Health Center (20)	L-9	no	3	yes	no	01-1987
Pike County Health Department (23)	L-9	yes	3	yes	no	01-2002
Platte County Health Center (33)	L-7	no	3	no	no	01-1986
Polk County Health Center (10)	L-1	no	3	yes	no	02-1991
Pulaski County Health Department (16)	L-6	yes	3	no	yes	01-1979
Putnam County Health Department (6)	L-7	yes	3	no	no	03-1995
Ralls County Health Department (14)	L-12	no	3	no	yes	04-1973
Randolph County Health Department (36)	L-7	no	5	yes	no	04-1981
Ray County Health Department (6)	L-6	yes	3	yes	no	01-1988
Saline County Health Department (12)	L-1	no	3	yes	no	03-2005
Scott County Health Department (17)	L-7	no	3	no	yes	10-1970
St. Clair County Health Department (10)	L-1	no	5	no	no	01-1981
St. Francois Co. Health Department (25)	L-7	yes	3	yes	no	01-1983
Sullivan County Health Department (6)	LT-8(65)	no	3	no	no	04-1995
Texas County Health Department (10)	L-7	no	5	no	yes	07-1987
Vernon County Health Department (6)	L-7	no	3	no	yes	05-1987
Washington County Health Department (10)	L-3	no	3	no	no	01-1991
Wayne County Health Center (9)	L-3	yes	3	no	no	05-1996
Webster County Health Department (15)	L-1	no	5	yes	no	07-1999

Special Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County SB40 for DD (13)	L-7	no	5	no	no	10-2010
Audrain Handicapped Services (68)	L-12	no	5	no	no	04-1996
Boone Co. Group Home (106)	L-12	no	3	yes	no	07-2004
Booneslick Regional Planning Comm. (16)	L-3	yes	5	yes	no	07-2006
Bootheel Regional Planning Comm. (5)	LT-4(65)	yes	5	yes	no	01-2005
Callaway Co. Special Services (11)	L-6	yes	3	no	no	07-1996
Camden Co. SB40 (5)	L-1	no	3	no	no	01-2008
Carthage Utilities (64)	L-7	no	3	no	no	07-1982
Chariton Co. Sheltered Workshop (2)	L-1	no	5	yes	no	02-2000
Chillicothe Township (3)	L-7	no	3	yes	no	08-1995
Chillicothe Utilities (48)	L-12	no	3	no	yes	05-1978
Daviess/Dekalb Co. Regional Jail (39)	L-7	no	3	yes	no	11-2007
Gasconade Co. SB40 (3)	L-1	no	5	no	no	07-2001
Greene Co. SB40 (69)	L-6	no	3	no	no	01-2001
Green Hills Regional Planning Comm. (10)	L-1	no	3	yes	no	02-2011
Hannibal Public Works (67)	LT-14(65)	yes	5	no	yes	11-1969

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*Charter Member

Participating Political Subdivisions (continued)

Special Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Harry Truman Coor. Council (8)	L-7	no	3	no	no	07-2005
Independence Township (4)	L-1	no	3	no	no	07-2006
Jasper Co. Sheltered Facilities (28)	L-7	no	3	no	no	01-2001
Kaysinger Basin Regional Planning Comm. (8)	L-1	yes	5	no	no	01-2012
Kennett Utilities (64)	L-7	yes	3	no	yes	07-1968
Liberty Township (14)	LT-8(65)	yes	3	no	no	06-1995
Madison Co. Council for DD (25)	L-3	no	5	no	no	04-1998
Mid-Mo Regional Planning Comm. (6)	L-7	no	5	yes	no	09-2007
MO Joint Municipal Elec. Util. Comm (20)	L-6	no	3	no	no	01-1990
Moniteau Co. SB40 (17)	L-1	no	5	no	no	02-2009
Montgomery Co. SB40 (16)	L-7	no	5	no	no	08-2001
Northeast MO Regional Planning Comm. (8)	L-1	no	5	yes	no	10-2004
Pike Co. Senate Bill 40 (45)	LT-14(65)	yes	3	no	no	10-1998
Pike Creek Common Sewer District (2)	L-1	no	3	yes	no	08-2009
Platte Co. Regional Sewer District (7)	L-1	no	5	yes	no	05-2012
Progressive Community Services (112)	L-12	no	3	no	no	04-2000
Rock Creek Public Sewer (12)	L-6	yes	3	no	no	03-2000
Rolla Municipal Utilities (54)	L-6	no	3	no	yes	01-1969
Salisbury Township (2)	L-1	no	3	yes	no	04-1989
Sedalia Water Department (22)	L-6	no	3	no	yes	08-1972
Sikeston Utilities (140)	LT-8(65)	no	3	no	yes	04-1968
South Central Ozark Council (8)	L-6	no	3	yes	no	11-2005
Southeast MO Regional Planning Comm. (11)	L-7	no	5	no	no	01-2005
Springfield Utilities (960)	L-6	no	3	no	yes	06-1968
St. Charles County DDR (30)	L-7	no	3	no	no	03-1996
St. Francois County Joint Comm. (21)	L-7	no	3	yes	no	06-2007
St. Francois County DD (31)	L-1	no	5	yes	no	07-2005
St. Louis MR/DD Resources (57)	L-3	no	5	no	no	05-1996
Taney Co Regional Sewer District (7)	L-7	yes	5	no	no	02-2012
Trenton Municipal Utilities (37)	L-6	no	5	no	yes	05-1979

Water Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair Co. Water District #1 (6)	L-3	no	3	no	yes	01-1992
Audrain Co. Water District #2 (1)	L-7	yes	3	no	no	01-2008
Boone Co. Water District #4 (6)	L-7	no	3	no	no	08-1984
Boone Co. Water District #10 (4)	L-3	no	5	yes	no	01-1998
Butler Co. Water District #1 (8)	L-6	no	3	yes	no	07-1995
Butler Co. Water District #3 (4)	L-7	yes	3	yes	no	03-1995
Callaway Co. Water District #1 (8)	L-11	no	3	no	no	01-1994
Callaway Co. Water District #2 (14)	L-12	yes	3	no	yes	02-1985
Camden Co. Water District #4 (9)	L-1	no	3	no	no	01-2007
Carroll Co. Water District #1 (4)	L-1	no	3	yes	no	06-2008
Clarence Cannon Wholesale Water (4)	L-7	no	5	no	no	10-2004
Clark Co. Water District #1 (5)	L-3	no	3	no	no	07-2000
Clay Co. Water District #2 (4)	L-3	no	3	yes	no	12-1984
Cole Co. Water District #2 (7)	L-6	no	5	no	no	02-1974
Cole Co. Water District #4 (3)	L-7	no	5	no	no	02-2001
Daviees Co. Water District #1 (2)	L-3	no	5	no	no	06-2000

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*Charter Member

Water Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Harrison Co. Water District #2 (4)	LT-10(65)	no	3	no	no	08-1998
Jackson Co. Water District #1 (16)	L-6	no	3	no	yes	03-1969
Jasper Co. Water District #1 (4)	L-3	no	5	yes	no	01-2002
Jefferson Co. Water District #1 (12)	L-6	no	5	yes	no	04-1972
Jefferson Co. Water District #2 (17)	L-6	no	5	yes	no	01-1983
Jefferson Co. Water District #5 (6)	L-7	no	3	no	no	01-1987
Jefferson Co. Water District #6 (6)	L-3	no	3	yes	no	09-1997
Jefferson Co. Water District #7 (6)	L-12	no	3	no	yes	06-1975
Jefferson Co. Water District #10 (4)	L-3	no	5	yes	no	02-1989
Jefferson Co. Water District #12 (4)	L-1	no	5	no	no	06-2000
Lewis Co. Water District #1 (1)	L-9	no	5	yes	no	09-1997
Linn-Livingston Co. Water District #3 (3)	L-1	no	3	yes	no	08-1999
Livingston Co. Water District #2 (3)	L-1	no	5	no	no	09-2007
Livingston Co. Water District #3 (2)	L-7	no	3	yes	no	05-1991
Macon Co. Water District #1 (7)	LT-8(65)	yes	5	no	no	11-1990
Madison Co. Water District #1 (2)	L-7	no	3	no	no	07-2002
Monroe Co. Water District #2 (5)	L-3	no	5	no	no	02-2008
Nodaway Co. Water District #1 (4)	L-1	no	5	no	no	08-2001
North Central MO Water Comm. (4)	L-1	no	3	no	no	06-2007
Platte Co. Water District #4 (5)	L-7	no	5	no	no	07-2003
Putnam Co. Water District #1 (4)	L-1	no	3	yes	no	02-2001
Stoddard Co. Water District #1 (3)	L-1	no	5	yes	no	07-2009
Wayne & Butler Co. Water District #4 (1)	L-7	yes	5	yes	no	06-2009

Road Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Cameron Special Road District (2)	L-7	yes	5	no	no	11-2000
Cape Special Road District (11)	L-6	no	5	no	yes	09-1981
Carl Junction Special Road District (1)	L-1	no	5	yes	no	04-2001
Carthage Special Road District (5)	L-3	no	3	yes	no	05-2000
El Dorado Springs Spec. Road District (2)	L-1	no	5	no	no	04-1982
Farley Special Road District (2)	L-3	yes	3	no	no	07-1999
Festus Special Road District (5)	L-6	no	3	no	yes	02-1969
Higginsville Special Road District (2)	L-7	no	3	yes	no	05-1970
Horseshoe Bend Spec. Road Dist. #1 (12)	L-1	no	5	yes	no	05-2008
Hudson Township Spec. Road District (2)	LT-10(65)	yes	5	no	no	04-1990
LaPlata Township Special Road Dist. (1)	L-1	no	5	yes	no	10-1991
Lexington Special Road District (2)	L-1	no	5	yes	no	06-2000
Marshall Special Road District (3)	L-1	no	3	yes	no	09-1998
Moberly Special Road District (5)	L-3	no	5	yes	no	01-2001
Neosho Special Road District (5)	LT-10(65)	no	3	no	no	04-1997
Odessa Special Road District (4)	L-7	no	3	no	no	09-1999
Osceola Special Road District (1)	L-1	no	5	yes	no	03-2002
Platte City Special Road District (4)	L-6	no	5	no	no	01-1998
Plattsburg Special Road District (2)	L-3	no	3	yes	no	02-1991
Richmond Special Road District (2)	L-9	no	5	yes	no	03-2001

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Participating Political Subdivisions (continued)

Road Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Slater Special Road District (2)	L-7	yes	3	no	no	11-2006
Ste. Genevieve Spec. Road Dist. A (2)	L-3	no	3	yes	no	07-1990
Union Special Road District (1)	L-7	no	5	yes	no	09-1978
Union Special Road District (1)	L-7	no	5	yes	no	09-1978
Washington Special Road District (1)	L-3	yes	3	no	no	05-1974
Weston Special Road District (4)	L-3	no	5	yes	no	07-1997

Fire Districts: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Boone Co Fire Protection District (21)	L-6	no	5	no	no	02-2012
Butler County Fire Protection District (5)	LT-5(65)	no	3	yes	no	11-1994
Central Jackson Co. Fire District #5 (128)	L-6	no	3	no	yes	09-1973
Fort Osage Fire Protection District (29)	L-9	no	3	no	yes	04-1983
Goldman Fire Protection District (7)	L-3	no	5	no	no	01-2012
Hillsboro Fire Protection Dist (9)	L-3	no	5	yes	no	02-2011
Johnson County Fire Prot. District (1)	L-7	yes	5	no	no	05-2006
Kearney Fire & Rescue (24)	L-7	yes	3	no	no	01-1997
Lawson Fire & Rescue (9)	L-1	no	5	yes	no	05-2008
Little Dixie Fire Protection District (2)	L-1	yes	3	no	no	01-2003
Lotawana Fire Protection District 3 (7)	L-1	yes	3	no	no	01-2009
Mid-County Fire Protection District (9)	L-1	no	5	yes	no	05-2010
Nixa Fire Protection District (30)	L-7	no	3	no	no	01-2005
Odessa Fire & Rescue Prot District (3)	L-6	no	5	no	no	01-2010
Osage Fire Protection District (30)	L-6	no	5	no	no	07-2006
Ozark Fire Protection District (22)	L-1	no	5	no	no	02-2009
Pleasant Hill Fire Prot. District (12)	L-1	no	3	no	no	11-2008
Prairie Township Fire District (14)	L-1	no	3	no	no	01-2009
Raytown Fire Protection District (38)	LT-8(62)	yes	5	no	no	09-1992
Redings Mill Fire Prot. District (13)	L-3	no	5	yes	no	01-2007
Rocky Mount Fire Prot. District (2)	L-7	no	5	yes	no	08-2007
Savannah Fire Protection District (2)	L-1	yes	5	yes	no	06-2006
Smithville Fire Protection District (11)	L-7	no	5	no	no	04-2004
Sni Valley Fire Protection District (19)	L-11	no	3	no	no	07-1986
South Metro Fire Protection District (49)	L-11	no	3	no	no	11-1981
Southern Platte Fire Protection District (33)	LT-5(Age 65)	no	5	yes	no	08-2010
St. James Fire Protection District (1)	L-12	no	3	yes	no	05-2007
Strafford Fire Protection District (15)	L-1	no	5	yes	no	10-2009
Union Fire Protection District (17)	LT-14(65)	no	5	no	no	11-2006
Waynesville Fire Protection District (13)	L-1	no	3	no	no	07-2008
West Peculiar Fire Prot. District (12)	LT-4(65)	no	5	no	no	09-2006
Western Taney Co. Fire Prot. Dist. (9)	L-3	no	5	yes	no	07-1993

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Emergency Services: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Ambulance District (18)	L-7	no	5	yes	no	02-2009
Audrain Ambulance District (13)	L-6	yes	5	no	no	03-2010
Audrain County Emergency Services (12)	L-7	yes	5	no	no	01-2011
Barton County Ambulance District (9)	L-1	yes	5	no	no	10-1998
Big River Ambulance District (15)	L-1	no	5	yes	no	01-2011
Callaway Co. Ambulance District (31)	L-9	yes	3	no	no	01-1996
Cameron Ambulance District (9)	L-3	yes	5	yes	no	01-2010
Chariton Co. E-911 (6)	L-1	no	3	yes	no	05-2004
Christian Co Emergency Services (24)	L-6	no	3	no	no	04-2011
Daviess Co. Ambulance District (3)	LT-10(65)	no	3	yes	no	07-2000
Gasconade Co. 911 (9)	L-1	no	5	no	no	07-2003
Hermann Area Ambulance District (8)	L-1	no	5	no	no	10-2009
Howell Co. 911 (7)	L-6	yes	5	no	no	03-2009
Iron County E911 Communications (4)	L-3	no	3	yes	no	06-2012
Jefferson Co. 911 (24)	L-7	yes	3	no	no	01-2009
Johnson Co. Ambulance District (28)	L-7	yes	5	yes	no	01-2004
Lewis Co. E-911 (6)	L-1	no	5	no	no	03-2003
Lincoln Co. Ambulance District (35)	LT-8(65)	no	3	no	no	02-1990
Linn County Ambulance District (17)	L-1	no	5	yes	no	01-2010
Marion County E-911 (11)	LT-5(65)	no	5	no	no	01-1997
Montgomery Co. Ambulance District (13)	L-6	yes	5	yes	no	04-1994
Pulaski Co. 911 (12)	L-1	no	3	no	no	03-2008
Ralls County 911 (8)	L-1	no	5	no	no	06-2001
Randolph Co. Ambulance District (21)	L-3	no	5	no	no	01-2008
Ray County Ambulance District (12)	L-1	no	3	yes	no	04-1997
South Scott Co. Ambulance District (17)	L-1	yes	5	no	no	07-2000
St. Francois Co. Ambulance District (58)	L-7	yes	5	yes	no	01-2009
Ste Genevieve Co Ambulance District (20)	L-7	no	5	yes	no	01-2012
Stoddard Co. Ambulance District (26)	L-12	yes	3	yes	no	07-2001
Stone Co. Emergency Services (13)	L-7	no	3	yes	no	04-2002
Sullivan Co. E-911 (7)	L-1	no	5	yes	no	04-2009
Taney Co. Ambulance District (57)	LT-8(65)	yes	3	yes	no	09-1987
Tri-County Ambulance District (5)	L-3	no	5	no	no	02-1996
Webster County E-911 (14)	LT-8(65)	no	5	yes	no	04-2006

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Participating Political Subdivisions (continued)

Libraries: (Employee Members)	Benefit Program†	Rule of 80	Final Average Salary Period	Employee Contrib.	Non-Contrib. Refund	Membership Date
Adair County Public Library (4)	L-1	no	5	no	no	01-1992
Brookfield Carnegie Library (2)	L-1	no	3	no	no	06-1989
Camden County Library (14)	L-7	no	3	no	no	01-1978
Carthage Public Library (7)	L-1	no	5	yes	no	08-2001
Cass County Public Library (36)	L-3	no	5	no	no	05-1988
Cedar County Library (2)	L-3	no	3	yes	no	03-1997
Christian County Library (7)	L-6	no	5	no	no	06-1969
Ferguson Municipal Library (4)	L-1	no	5	yes	no	07-1969
Henry County Library (7)	L-1	no	5	no	no	01-2006
Hickory County Library (1)	L-1	no	3	yes	no	03-1997
Jefferson County Public Library (31)	L-3	no	3	yes	no	01-1992
Lebanon-Laclede Library (9)	L-9	no	5	no	no	01-2000
Little Dixie Regional Libraries (11)	L-7	no	5	no	no	06-1996
Livingston County Library (7)	L-1	no	5	no	no	02-2006
Maryville Public Library (2)	L-7	yes	5	no	no	12-2000
Mexico-Audrain County Library (8)	L-3	no	5	no	no	08-1984
* Mid-Continent Public Library (420)	L-6	yes	3	no	yes	04-1968
Mississippi County Library (5)	L-6	yes	3	yes	no	02-1969
Missouri River Regional Library (30)	L-7	no	3	no	no	01-2003
Neosho/Newton County Library (7)	L-3	yes	5	no	no	01-2005
Nevada Public Library (2)	L-6	no	3	no	no	04-1969
New Madrid County Library (4)	L-7	no	3	yes	no	04-1968
Polk County Library (2)	L-1	no	3	no	no	04-1997
Pulaski County Library (5)	L-3	no	5	no	no	01-2000
Ray County Library (3)	LT-10(65)	no	5	no	no	07-1970
Riverside Regional Library (14)	L-12	no	3	no	no	08-1968
Rock Hill Library (1)	L-3	no	5	yes	no	01-1989
Rolla Public Library (1)	L-6	no	3	yes	no	05-1989
Rolling Hills Consolidated Library (17)	L-1	no	5	no	no	07-2003
Salem Public Library (3)	L-7	no	3	yes	no	07-1993
Scenic Regional Library (14)	L-6	no	5	yes	no	01-1971
Sedalia Public Library (6)	L-6	no	3	no	no	07-1987
Springfield-Greene County Library (97)	L-7	no	3	no	yes	07-1969
St. Charles City-County Library (67)	L-7	no	3	no	yes	08-1973
Stone County Library (3)	L-1	no	5	yes	no	02-1970
Texas County Library (2)	L-3	no	5	yes	no	08-1982
Trails Regional Library (31)	L-7	no	3	no	no	10-1970
Webster County Library (6)	L-3	yes	3	no	no	01-2007
Wright County Library (2)	L-1	no	5	no	no	05-1982

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Missouri Local Government Employees Retirement System