

# Missouri State Employees' Retirement System Overview



**Cindy Dixon**  
**Chief Operating Officer**

**March 21, 2024**

# Agenda

- About MOSERS
- Benefits Overview
- Demographic Data
- Investment Performance
- Funding
- Employer Contribution Rates
- Education & Outreach
- Questions

# MOSERS Administers the Following Benefits

- Defined Benefit Pension Plan - 401(a)
- Defined Contribution Plans
  - Missouri Deferred Compensation Plan – 457 Plan
  - College & University Retirement Plan (CURP)
- Long-Term Disability (LTD)
- Life Insurance

# MOSERS Covered Employers

- Most state agencies
- Members of the Missouri General Assembly
- Statewide elected officials, judges, administrative judges and legal advisors
- 10 state colleges and universities
  - Harris Stowe State University
  - Lincoln University
  - Missouri Southern State University
  - Missouri State University
  - Missouri Western State University
  - Southeast Missouri State University
  - State Technical College of Missouri
  - Truman State University
  - University of Central Missouri
- Environmental Improvement & Energy Resources Authority
- Missouri Agriculture & Small Business Development Authority
- Missouri Consolidated Health Care Plan
- Missouri Development Finance Board
- Missouri Housing Development Commission
- Missouri Public Entity Risk Management Fund
- Missouri Technology Corporation
- Missouri Wine and Grape Board

# Board of Trustees is comprised of 11 members set by statute



**Crystal Wessing, Chair**  
*Active - Elected*



**Gary Metzger,**  
Vice Chair  
*Governor Appointed*



**Gary Findlay,**  
*Retired - Elected*



**Jenny Jacobs**  
*Active - Elected*



**Joe Keifer**  
*Governor Appointed*



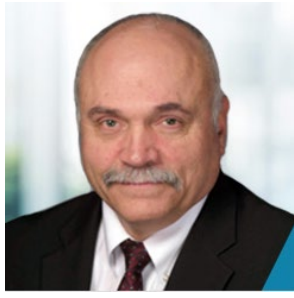
**Sen. John Rizzo**  
*Senate - Appointed*



**Commissioner Ken Zellers**  
*Ex-Officio*



**Rep. Dirk Deaton**  
*House - Appointed*



**Rep. Don Mayhew**  
*House - Appointed*



**Treasurer-Elect Vivek Malek**  
*Ex-Officio*



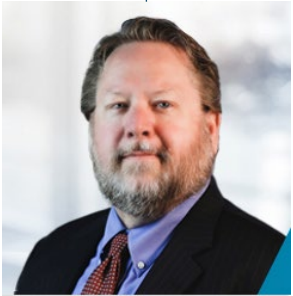
**Sen. Rusty Black**  
*Senate - Appointed*

# MOSERS Executive Staff

MOSERS  
Board of Trustees



*Abby Spieler*  
*Executive Director*



*TJ Carlson*  
*Chief Investment Officer*



*Cindy Dixon*  
*Chief Operating Officer*

# Benefits Overview

# Defined Benefit Plan – Statutory Benefit Formula

*Predictable benefits for the retiree as employer bears the investment risk.*



## *Example:*



\*MSEP 2000 & MSEP 2011



# Reference: Defined Benefit Plans

	MSEP	MSEP 2000	MSEP 2011
<b>First employed...</b>	Before 7/1/2000	Between 7/1/2000 – 12/31/2010	On or after 1/1/2011
<b>Member Contribution</b>	None	None	4% of Pay
<b>Normal Retirement Eligibility</b>	Age 65 w/ 5 YOS Age 60 w/ 15 YOS Rule of 80 w/ age 48	Age 62 w/ 5 YOS Rule of 80 w/ age 48	Age 67 w/ 5 YOS Rule of 90 w/ age 55
<b>Base Benefit Formula</b>	1.6% x FAP x Service	1.7% x FAP x Service	1.7% x FAP x Service
<b>Temporary Benefit Formula</b>	None	0.8% x FAP x Service To age 62 for those retiring under Rule of 80 – Min age 48	0.8% x FAP x Service To age 62 for those retiring under Rule of 90 – Min Age 55
<b>BackDROP Option</b>	Must work at least 2 years beyond normal retirement eligibility	Must work at least 2 years beyond normal retirement eligibility	Not Available

# MO Deferred Compensation Plan Overview

- Available to State of Missouri employees including faculty and staff at 10 state colleges and universities
- Convenient payroll deduction
- 83% participation rate
- Up to \$75 monthly match (state agencies)
- Individual consultations and seminars available

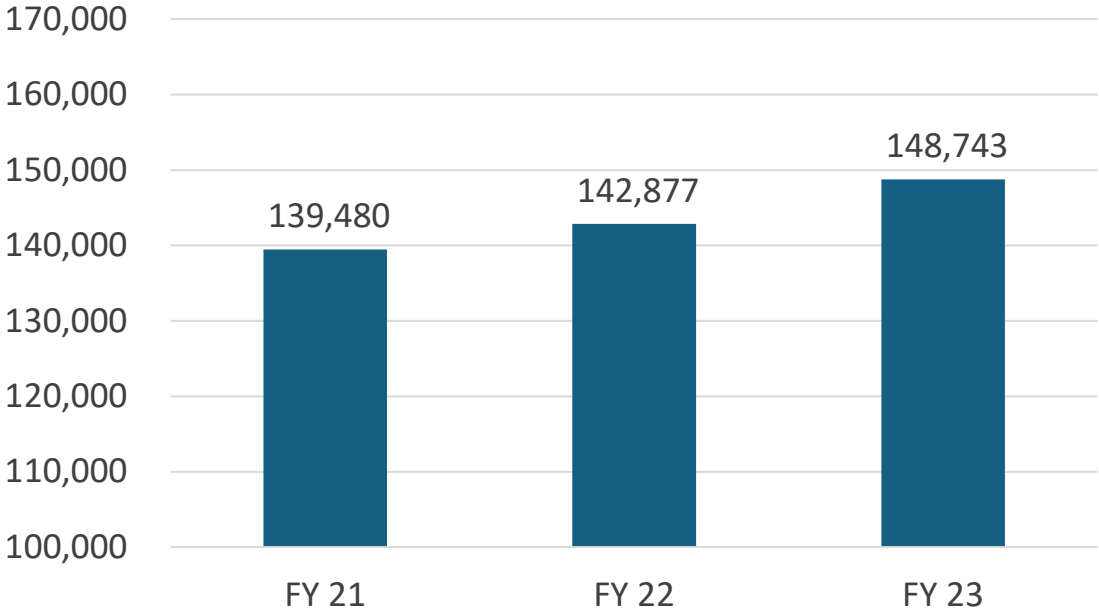


[www.modeferredcomp.org](http://www.modeferredcomp.org)

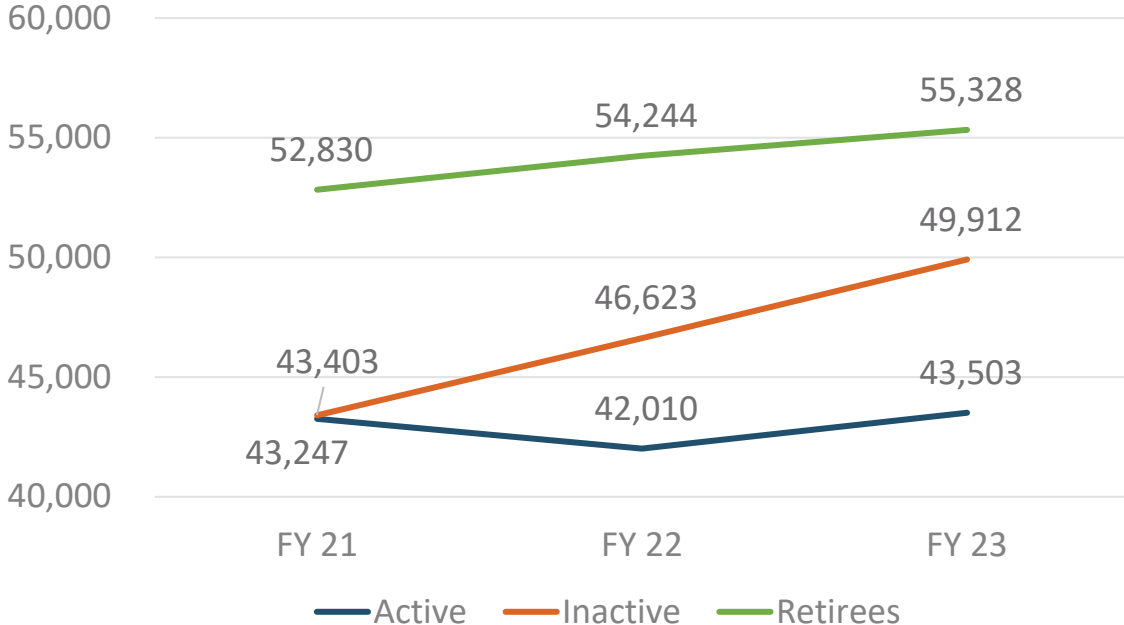
# Demographic Data

# MOSERS Serves Over 148,000 Members

### Membership Growth

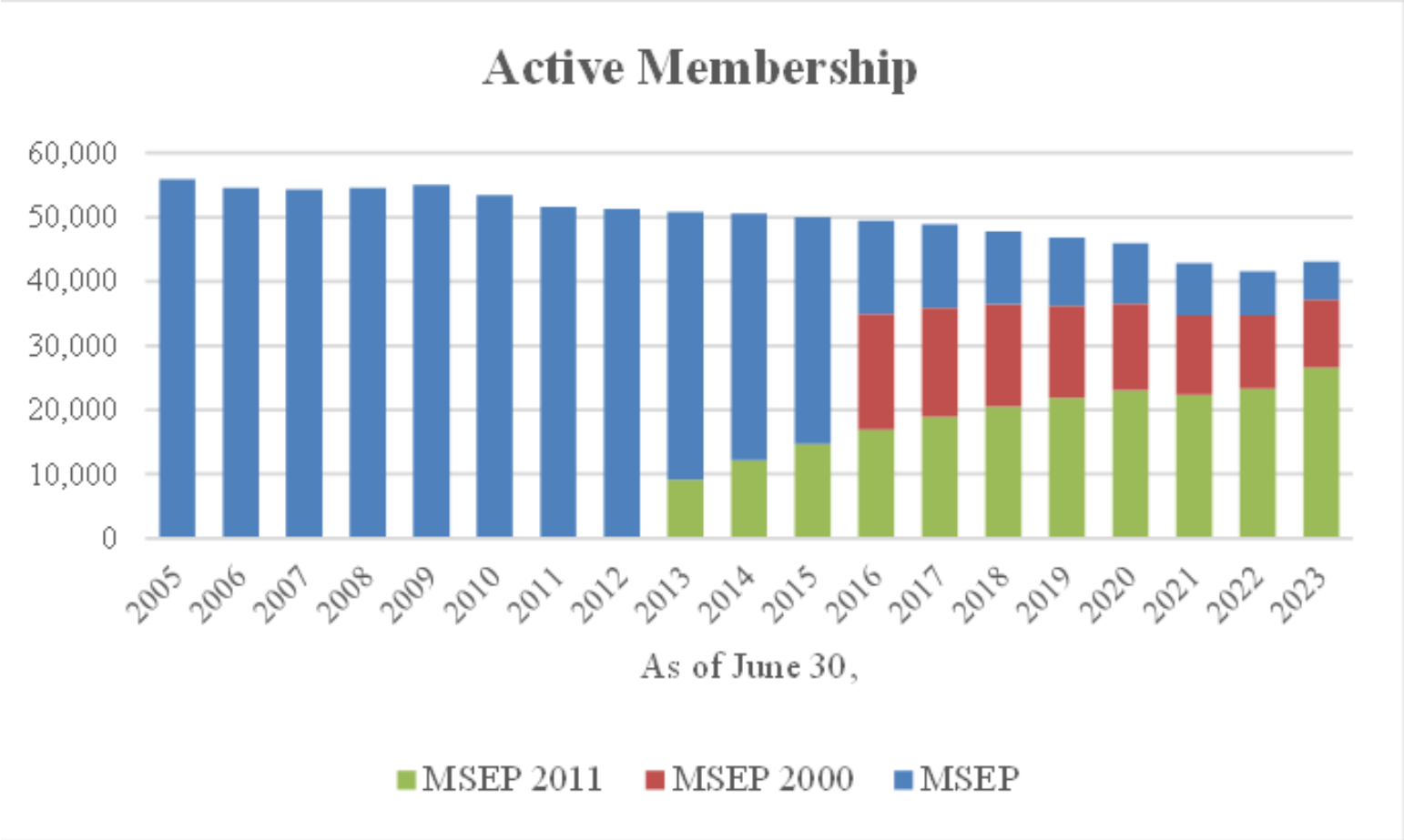


### Member Status by Fiscal Year



# Active Membership by Plan

*62% of active members are now contributing in the MSEP 2011 Plan*



# Funding

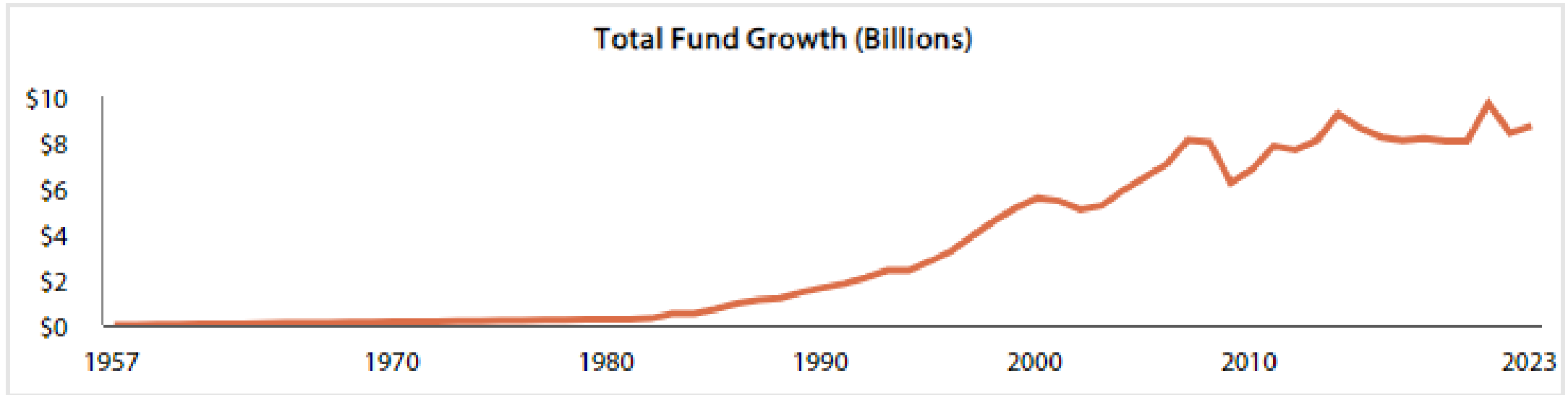
# Funding for Pension Payments

*Annually, MOSERS pays more than \$1 billion in pension benefits.*



# Fund Growth Over Time

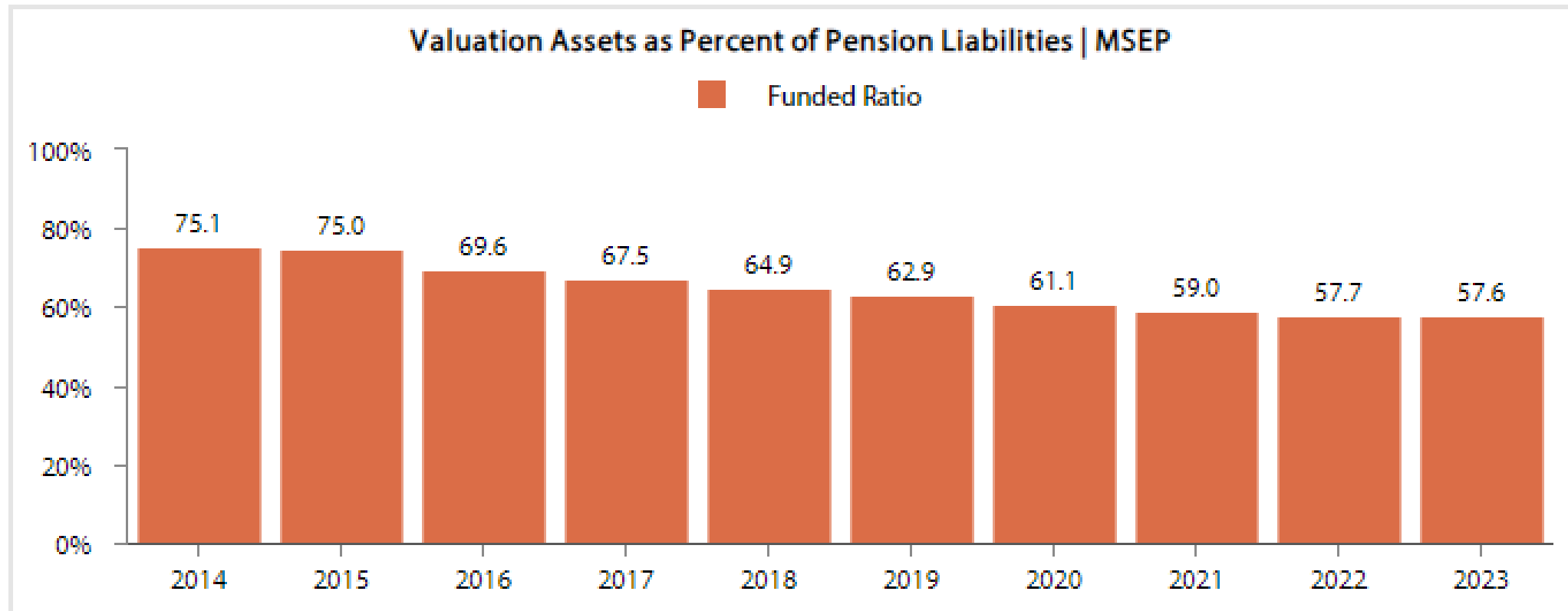
*As of June 30, 2023, the fund was valued at \$8.7 billion.*



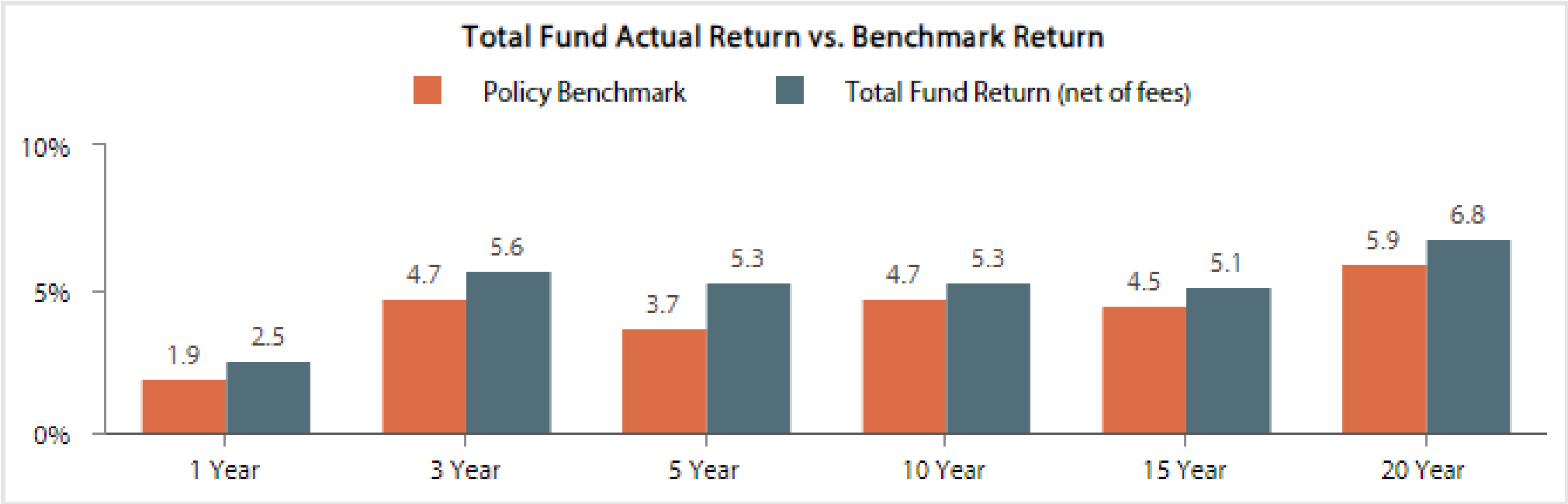


# Funding Ratio Over Time

*Funding ratio equals the value of assets in the plan divided by estimated plan liabilities.*



# Investment Returns

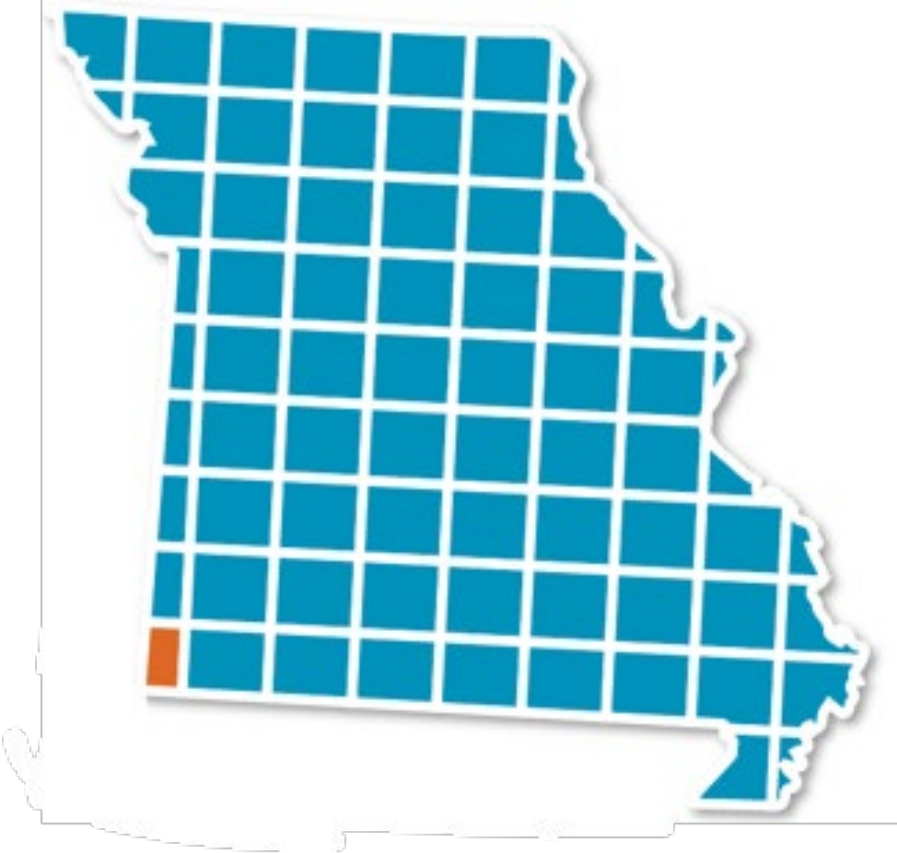


- Long term investors
- The MOSERS Board reviews the Investment Policy every five years – new asset allocation policy just approved by the Board in February.
- Returns consistently higher than benchmark as MOSERS Investment Team actively manages portfolio instead of passive investing.

# Employer Contributions

# Employer Contributions to MOSERS as a Percent of the State Budget

For decades, less than 1.5% of the state budget is allocated to employer retirement contributions.



# Employer Contributions Calculations

*Rates are calculated based on an actuarial analysis.*

## Economic Assumptions

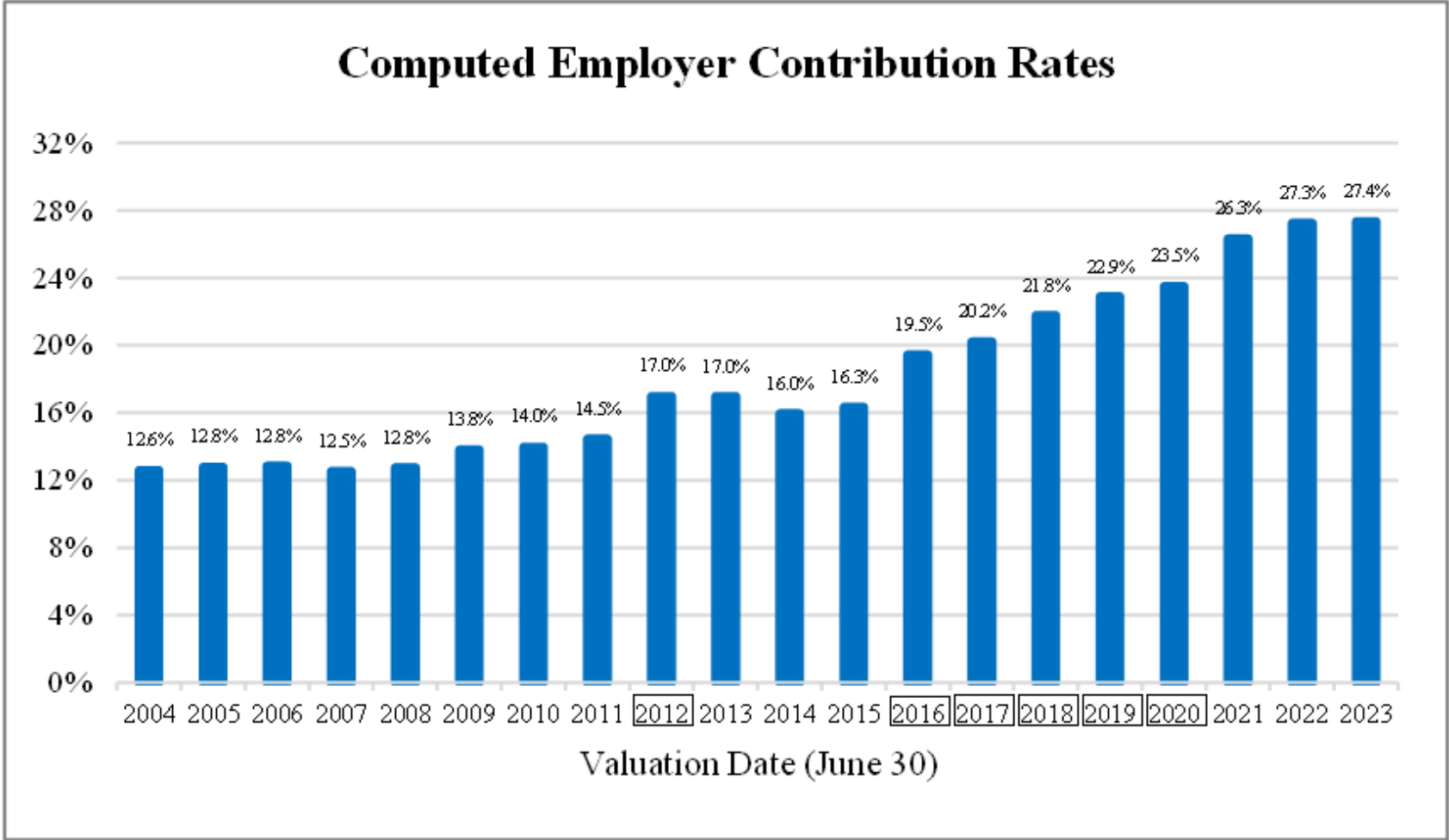
- Investment Return
- Inflation
- Salary Increases & Payroll Growth
- Cost of Living Adjustments (COLAs)

## Demographic Assumptions

- Life Expectancy
- Retirement (Normal vs. Early)
- Termination from Active Employment

Employer contributions are based on a percentage of payroll.

# Historical Employer Contribution Rates



\*Reductions to the investment return assumption in 2012, 2016, 2017, 2018, 2019 and 2020

# Projected MSEP Rate Comparison

*In 2023, the Board adopted a new minimum employer contribution rate.*

## Board Approved Rates

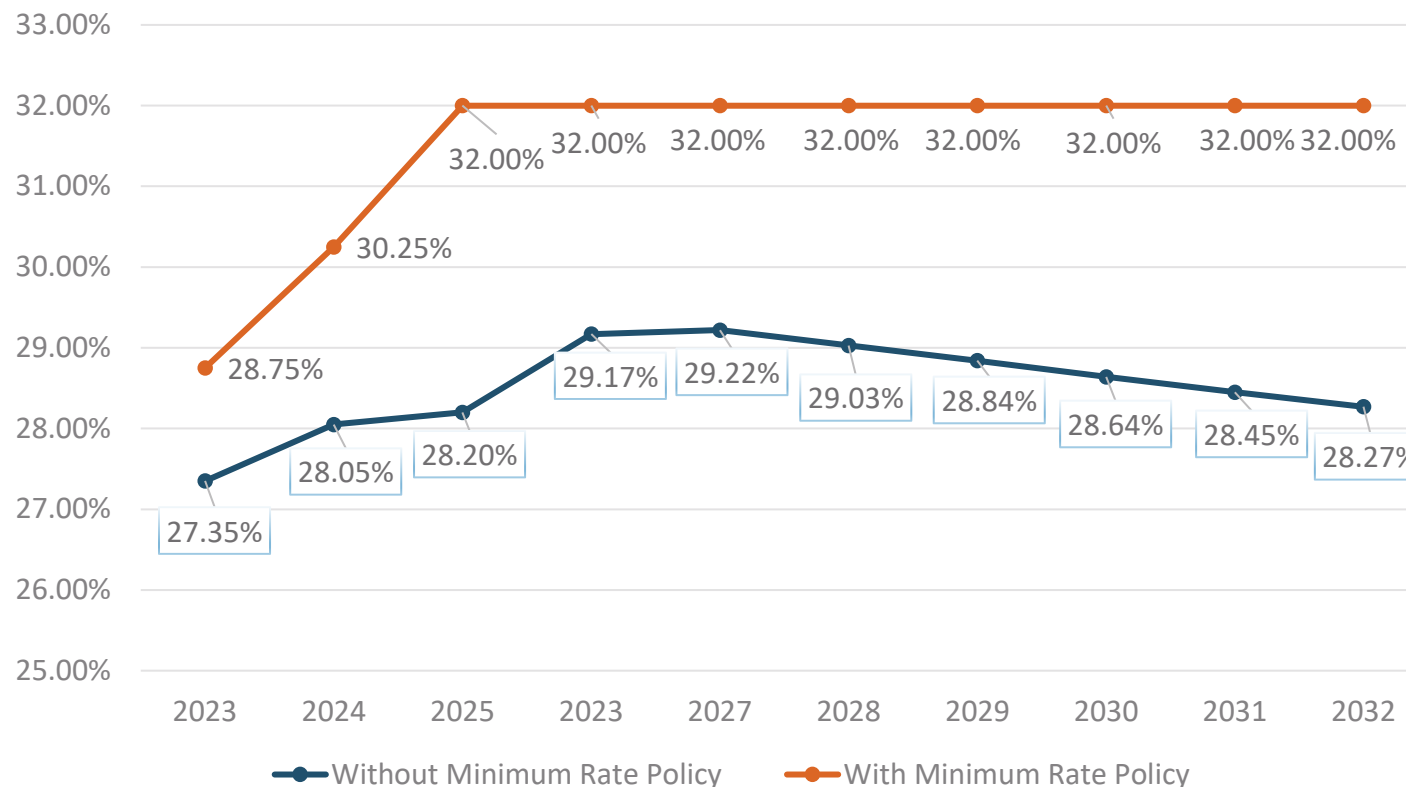
FY 25: 28.75%

\*FY 26: 30.25%

\*FY 27: 32.00%

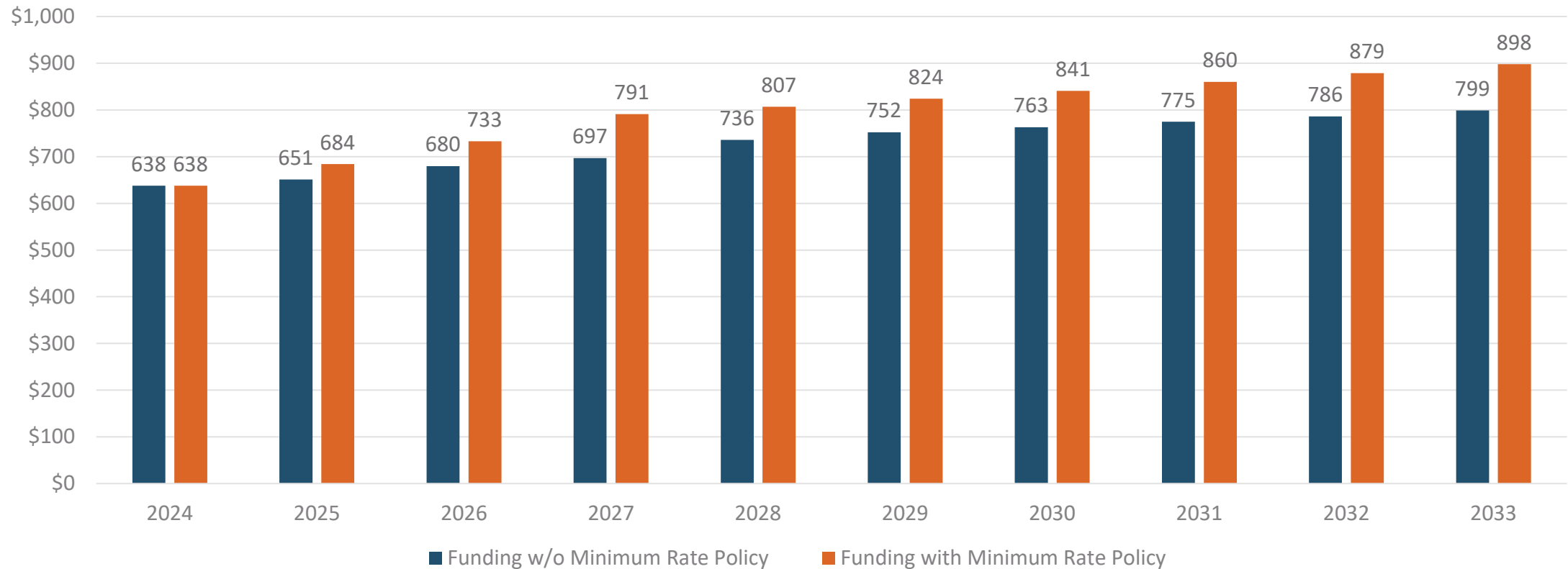
\*Absent Board Action

### Projected Rates With and Without Minimum Rate Policy



# Projected MSEP Employer Contribution Amounts

## Projected Contributions With and Without Minimum Rate Policy





# Member & Employer Education

# Member Education

*MOSERS offers education designed to meet employees at all career stages*

## Regional Seminars and Online Education Available to all Active Members

- New To MOSERS (new employees – up to five years of service)
- Mid-Career
- Ready to Retire (within five years of retirement eligibility)

## Benefit and Career Fairs

*myMOSERS online portal – member account access, retirement estimates*

The screenshot displays the myMOSERS online portal interface. At the top, there are navigation tabs for MEMBERS, RETIREES, and EMPLOYERS. Below these are sub-tabs for EDUCATION, PENSION PAYMENTS, LIBRARY, and LEGISLATION. The myMOSERS logo and a Login link are in the top right corner. The main content area is titled 'MEMBERS' and includes a sidebar menu with the following items: PENSION (+), LIFE INSURANCE, LONG-TERM DISABILITY, DEFERRED COMPENSATION, DEATH, LEAVING STATE EMPLOYMENT, and FORMER STATE EMPLOYEE (+). Below the sidebar is a 'RESOURCES' section with links for NEW TO MOSERS, MID-CAREER, READY TO RETIRE, LIFE EVENTS, and CAREER EVENTS. The main content area features a large image of an elderly couple overlooking a valley, with a 'Pension' section below it stating: 'Your MOSERS defined benefit pension is based on a formula and provides a lifetime monthly benefit in retirement.' There are also smaller images of a family and a person on a bicycle.

# Employer Education

*MOSERS offers multiple resources to keep employers informed*

Benefits U Conference

Monthly HR Update Newsletter

Employer Website



# Questions?

# Contact Us

MOSERS

907 Wildwood Drive

PO Box 209

Jefferson City

(573) 632-6100

[mosers@mosers.org](mailto:mosers@mosers.org)

[www.mosers.org](http://www.mosers.org)

