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October 27, 2026 E-Mail

Ms. Mya Bernskoetter
Employer Reporting Analyst
Missouri Local Government
Employees Retirement System
P.O. Box 1665
Jefferson City, Missouri 65102

Re: Clay County (#3719)

Dear Mya:

As you requested, we have performed actuarial valuations as of February 28, 2026 for the active and deferred members reported as Public Safety members and the remaining active and deferred members of the General department of Clay County.

Section A – Summary of Employer Contribution Rates as a Percent of Payroll

	Present Plan	Alternate Plan	
	Current General	Remaining General Subdepartments	New Public Safety Subdepartment
Normal Cost Rate	12.10%	12.60%	12.90%
Casualty Rate	0.50	0.50	0.50
Prior Service Cost Rate [1]	4.60	5.10	5.00
Total Employer Contribution Rate	17.20%	18.20%	18.40%
Change in Employer Contribution Rate as a percent of payroll		**1.00%**	**1.20%**
Increase in Actuarial Accrued Liability [1]		**$0**	**$1,455,656**

1 *The increase in the actuarial accrued liability due to adoption of the alternate plan was amortized over a 20 year period to compute the increase in the Prior Service Cost Rate.*

The Current General and Remaining General Subdepartments results shown above are based upon General benefit provisions (age 60 and 5 years unreduced retirement eligibility; age 55 and 5 years reduced retirement eligibility; deferred age equal to 60). The New Public Safety Subdepartment results shown above are based upon Public Safety benefit provisions (age 55 and 5 years unreduced retirement eligibility; age 50 and 5 years reduced retirement eligibility; deferred age equal to 55).

Section B – Additional Details

	Present Plan	Alternate Plan		Alternate Plan
	General Benefit Provisions	General Benefit Provisions		Public Safety Benefit Provisions
	Current General	Remaining General Subdepartments	New Public Safety Subdepartment	New Public Safety Subdepartment
Member Statistics				
Number Active	374	284	90	90
Payroll	$24,437,781	$18,309,189	$6,128,592	$6,128,592
Average Pay	65,342	64,469	68,095	68,095
Accumulated Contributions (Actives)	-	-	-	-
Number Deferred	239	206	33	33
Actuarial Accrued Liabilities (AAL)				
Active AAL	$44,768,048	$35,484,150	$9,283,898	$10,466,999
Deferred AAL	12,674,494	11,813,039	861,455	1,134,010
Total AAL	$57,442,542	$47,297,189	$10,145,353	$11,601,009
Increase AAL - Public Safety Provisions and Assumptions				$1,455,656
Actuarial Value of Assets				
Members Deposit Fund (MDF)	$0	$0	$0	$0
Employer Accumulation Fund (EAF) [1]	49,126,233	40,449,685	8,676,548	8,676,548
Total Assets	$49,126,233	$40,449,685	$8,676,548	$8,676,548
Funded Ratio	85.5%	85.5%	85.5%	74.8%
Unfunded Actuarial Accrued Liability (UAAL)	$8,316,309	$6,847,504	$1,468,805	$2,924,461
Computed Employer Contribution Rate				
Normal Cost Rate	12.10%	12.60%	10.60%	12.90%
Casualty Rate	0.50	0.50	0.50	0.50
Prior Service Cost Rate	4.60	5.10	3.20	5.00
Total Employer Contribution Rate	17.20%	18.20%	14.30%	18.40%
Estimated First Year Employer Contribution Dollars	$4,203,298	$3,332,272	$876,389	$1,127,661

1 *Assets allocated to each division are estimated.*

The Present Plan results (Current General) shown above are based upon General benefit provisions (age 60 and 5 years unreduced retirement eligibility; age 55 and 5 years reduced retirement eligibility; deferred age equal to 60) and General assumptions.

Please note that the results for the current General department are the same as those reported for the General department in the February 28, 2026 annual actuarial valuation report for Clay County. The Alternate Plan results shown in the middle two columns are based upon General benefit provisions and assumptions but with the General department separated into the requested subdepartments. Adding the results for the requested subdepartments using General benefit provisions and assumptions may not match the current General results due to rounding.

The Alternate Plan results shown in the right most column for the New Public Safety Subdepartment are based upon Public Safety benefit provisions (age 55 and 5 years unreduced retirement eligibility; age 50 and 5 years reduced retirement eligibility; deferred age equal to 55) and Public Safety assumptions.

For members proposed to be covered in the New Public Safety subdepartment, the actuarial accrued liability increased by $1,455,656 and is amortized over 20 years based on the funding policy for benefit changes.

Per LAGERS staff, employer assets were split between the remaining General and new Public Safety subdepartments so that each subdepartment's funded percent would be the same as the current General department based upon the General benefit provisions and assumptions as of February 28, 2026. This would require an accounting transfer based on market value, as of February 28, 2026, of $8,090,776 of employer assets being transferred to the Public Safety department with the remainder staying in the General department. Depending upon actual experience after the valuation date as of February 28, 2026 (e.g., members changing status after the valuation date), an additional asset transfer may be necessary as of the first annual valuation date after the election is made to add the new subdepartment.

Section C – Projections

Below are projections needed to comply with Missouri state disclosure requirements (Section 105.665 of the RSMo) regarding the adoption of LAGERS benefits by a political subdivision.

Remaining General Subdepartments

Under the Present and Alternate Plans, members are valued using General benefit provisions and assumptions.

		Present Plan			Alternate Plan			Change due to Proposed Provisions		
		Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference
Valuation Date	Estimated Projected Payroll	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA
2026	$ 18,309,189	17.20%	$ 3,149,181	$ 6,847,504	18.20%	$ 3,332,272	$ 6,847,504	1.00%	$ 183,091	$ 0
2027	18,858,465	17.20%	3,243,656	6,368,842	18.20%	3,432,241	6,368,842	1.00%	188,585	-
2028	19,424,219	17.20%	3,340,966	5,827,934	18.20%	3,535,208	5,827,934	1.00%	194,242	-
2029	20,006,946	17.20%	3,441,195	5,219,561	18.20%	3,641,264	5,219,561	1.00%	200,069	-
2030	20,607,154	14.90%	3,070,466	4,538,112	15.90%	3,276,537	4,538,112	1.00%	206,071	-
2031	21,225,369	14.90%	3,162,580	4,307,653	15.90%	3,374,834	4,307,653	1.00%	212,254	-
2032	21,862,130	14.90%	3,257,457	4,044,618	15.90%	3,476,079	4,044,618	1.00%	218,622	-
2033	22,517,994	14.90%	3,355,181	3,746,234	15.90%	3,580,361	3,746,234	1.00%	225,180	-
2034	23,193,534	15.30%	3,548,611	3,409,518	16.30%	3,780,546	3,409,518	1.00%	231,935	-
2035	23,889,340	15.30%	3,655,069	2,928,093	16.30%	3,893,962	2,928,093	1.00%	238,893	-

New Public Safety Subdepartment

Under the Present Plan, members eligible to be considered Public Safety members are valued using General plan provisions and assumptions. Under the Alternate Plan, these members are valued using Public Safety plan provisions and assumptions. The projections below only include members eligible for the Public Safety subdepartment.

		Present Plan			Alternate Plan			Change due to Proposed Provisions		
		Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference
Valuation Date	Estimated Projected Payroll	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA
2026	$ 6,128,592	17.20%	$ 1,054,118	$ 1,468,805	18.40%	$ 1,127,661	$ 2,924,461	1.20%	$ 73,543	$ 1,455,656
2027	6,312,450	17.20%	1,085,741	1,366,131	18.40%	1,161,491	2,814,495	1.20%	75,750	1,448,364
2028	6,501,824	17.20%	1,118,314	1,250,105	18.40%	1,196,336	2,687,391	1.20%	78,022	1,437,286
2029	6,696,879	17.20%	1,151,863	1,119,607	18.40%	1,232,226	2,541,666	1.20%	80,363	1,422,059
2030	6,897,785	14.90%	1,027,770	973,435	16.10%	1,110,543	2,375,726	1.20%	82,773	1,402,291
2031	7,104,719	14.90%	1,058,603	924,001	16.10%	1,143,860	2,301,560	1.20%	85,257	1,377,559
2032	7,317,861	14.90%	1,090,361	867,580	16.10%	1,178,176	2,214,989	1.20%	87,815	1,347,409
2033	7,537,397	14.90%	1,123,072	803,576	16.10%	1,213,521	2,114,928	1.20%	90,449	1,311,352
2034	7,763,519	15.30%	1,187,818	731,349	16.50%	1,280,981	2,000,208	1.20%	93,163	1,268,859
2035	7,996,425	15.30%	1,223,453	628,083	16.50%	1,319,410	1,847,446	1.20%	95,957	1,219,363

Section D – Assumptions and Benefit Provisions

The results shown for each subdepartment only include members reported to LAGERS as of the valuation date, February 28, 2026. For the Public Safety department split calculations included in this letter, please note the following:

1) A general active member as of the annual valuation date and identified as an active participant of the Public Safety subdepartment in the data submission is considered to be an active member in the Public Safety subdepartment.

2) A general deferred member as of the annual valuation date and identified as a participant of the Public Safety subdepartment in the data submission is considered to be a deferred member in the Public Safety subdepartment only if the member is also an active Police or Fire member with this employer as of the annual valuation date.

The methods and assumptions used in the actuarial valuations were the same as those used in the annual actuarial valuations as of February 28, 2026. In particular, the assumed rate of investment return was 7.00% and the assumed rate of payroll growth was 3.00%.

The actuarial valuation results presented on the previous pages are based upon the employer's benefit provisions as of February 28, 2026. A summary follows:

Provisions	ER #3719
Benefit Program	L-6
Final Average Salary	3 Years
Member Contribution Rate	0%
Retirement Eligibility	Regular

The long-term cost (C) of providing retirement benefits depends only on the benefits (B) that are paid to participants, the expenses (E) of administering the plan, and the investment return (I) generated on invested assets: $C = B + E - I$. For a given level of benefits, the cost of providing those benefits is lowered if administrative expenses are lowered or investment income is increased.

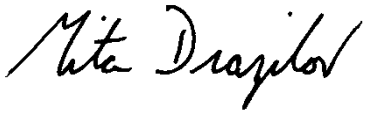
The long-term costs are financed by a series of employer and member contributions. The series of contributions is flexible. If more is contributed in early years, less has to be contributed in later years, and vice-versa. Over time the series of contributions has to have the same value as benefits and expenses. The actuary determines each year's contribution based on a funding method and a set of actuarial assumptions. The chosen funding method and assumptions do not affect the long term cost of providing retirement benefits, but have a strong impact on the series of contributions made to fund the benefits.

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Mita Drazilov is a Member of the American Academy of Actuaries, and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Please call if you have any questions.

Sincerely,
Gabriel, Roeder, Smith & Company



Mita D. Drazilov, ASA, FCA, MAAA

MDD:dj

cc: Judith Kermans (GRS)
Michael Gano (GRS)