



**MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM
CHIEF INVESTMENT OFFICER
POSITION SPECIFICATIONS**

CLIENT

Our client, the **Missouri Local Government Employees Retirement System (LAGERS or the “System”)** was established in 1967 by State statute. **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 **System** is vested in the **LAGERS** Board of Trustees. Three trustees are elected by the employees who participate in the **System**, three trustees are elected or appointed by the members of the governing bodies of those political subdivisions which participate in the **System**, and one trustee is appointed by Governor of the State of Missouri. The regular term of office for members of the Board of Trustees is four years. Members of the Board of Trustees serve without compensation with respect to their duties but are reimbursed by **LAGERS** for their actual and necessary expenses in the performance of their duties.

As of June 30, 2023, there were 861 participating political subdivisions in the **System**. Any political subdivision in Missouri may elect to have its full-time general, police, fire, and public safety employees covered by **LAGERS**. Total membership as of June 30, 2023, totaled 75,833 members.

LAGERS provides retirement, death, and disability benefits to employees of participating political subdivisions. The Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision’s governing body adopts all benefits of the **System**. Benefit terms provide for annual post-retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4 percent per year.

The Missouri Revised Statutes prescribe the “prudent person rule” as **LAGERS** investment authority. The rule requires **LAGERS** to make investments with the same care, skill, prudence, and diligence under the circumstances then prevailing that a

prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims. Within the “prudent person” framework, the Board of Trustees adopts investment guidelines for **LAGERS’** investment managers that are included within the respective manager agreements.

As of June 30, 2023, LAGERS held assets in trust of approximately \$10.4 billion. Net of fees, investment returns for the year were 4.3%. Annualized returns, net for fees, for 3, 5, 10, and 20-year periods were 10.3%, 7.9%, 8.5%, and 8.5%, respectively. The **System’s** assumed rate of return is 7.0%. As of this same date, the System was 95.1% funded.

As of June 30, 2023, holdings by asset class were as follows:

	<u>Actual</u>	<u>Target</u>
Alpha	7.5%	15.0%
Equities	38.4%	35.0%
Fixed Income	31.8%	31.0%
Real Assets/Return	35.7%	36.0%
Strategic Holdings	5.9%	8.0%
Net Leverage	<u>-19.3%</u>	<u>-35.0%</u>
	100.0%	100.0%

The Board’s Investment Consultant is RVK, Inc. Gabriel, Roeder, Smith & Company is **LAGER’s** actuarial consultant. Custodial services are provided by Northern Trust Company.

ABOUT JEFFERSON CITY

Jefferson City, the State Capital of Missouri, is located nearly equidistant from Kansas City to the west and St. Louis to the east. Kansas City is home to the Kansas City Chiefs and Kansas City Royals. St. Louis is home to the St. Louis Blues and the St. Louis Cardinals. Jeff City, as it’s known, was named for President Thomas Jefferson and was named the capital of Missouri in 1821. Jefferson City’s economy is based on the government, health care, manufacturing, retail, education, and tourism industries. The City’s school system is highly regarded and includes two public high schools, two public middle schools, and eleven public elementary schools. There are also five private elementary schools and three private high schools. Jefferson City is also home to Lincoln University, a historically black public university.

Jefferson City sits just south of the Missouri River at the northern edge of the Ozark Plateau, just 40 minutes by car from the Lake of the Ozarks, a major resort area with one of the largest man-made lakes in the world. The city also sits on the popular Katy Trail, a popular destination for bike riders and campers, which stretches for 237 miles across the state, mostly following the path charted by Lewis & Clark along the Missouri River.

Just 30 miles north of Jefferson City is the City of Columbia, home to the University of Missouri Tigers, who compete in the rugged Southeastern Conference (SEC). Founded in 1839, Mizzou is the oldest public university west of the Mississippi. In addition to its highly-regarded School of Journalism, Mizzou offers degree programs in multiple disciplines. The University is credited by many as the originator of the popular American fall tradition known as “homecoming”.

For more information about Jefferson City and the surrounding area, please see:

Jefferson City Convention & Visitors Bureau	www.visitjeffersoncity.com
Jefferson City Chamber of Commerce	www.icchamber.org
Jefferson City News Tribune	www.newstribune.com
Columbia Tribune	www.columbiatribune.com

THE CHIEF INVESTMENT OFFICER ROLE

Reporting to the Executive Director, the **Chief Investment Officer (CIO)**, under administrative direction, is responsible for overseeing the operations and staff of the Investments Department. Tasks include formulating and executing investment policies, selecting investment managers, private partnerships, and direct private investments. The **CIO** is responsible for monitoring performance to meet investment goals and aims to return the actuarial assumed rate of return (7.0%). The CIO recommends and coordinates strategic decisions with the Executive Director, Investment Consultants, and the Board of Trustees.

The **CIO** will lead and manage an investments staff of seven (7) comprised of a Deputy Chief Investment Officer, an Investment Risk and Operations Manager, a Senior Investment Operations Specialist, an Investment Officer, a Senior Investment Analyst, an Investment Analyst, and a Performance Analyst. The role will direct and oversee an investment administrative budget of approximately \$4.5 million.

Essential functions of the **CIO** role include:

This list is neither all-inclusive nor restrictive. Management reserves the right to further define duties based on operational needs.

- Implement and administer the investment program of **LAGERS** in accordance with the **System's** Statement of Investment Policy & Objectives and in compliance with applicable state and federal laws to maximize investment returns and minimize risk.
- Recommend investment policies and changes in policies to the Executive Director and the Board of Trustees.
- Communicate to internal and external stakeholders a clear vision and strategy.
- Work with the Board Investment Consultant to conduct asset/liability studies and prepare asset allocation recommendations to the Board of Trustees.
- Develop asset allocation study based on investment performance history, assumptions of future performance, and application of portfolio theory.
- Serves as the final decision maker (with the Executive Director) on all public market manager investments, hedged asset managers, private equity, private credit and private real estate partnerships and direct credit and equity investments in private companies.
- Negotiates fees and contracts. Makes changes in manager assignments and guidelines as necessary to meet asset allocation goals and replace under-performing investments.
- Performs and supervises investment analysis and due diligence for all investments and manager selections.
- Develops and monitors investment portfolio.

- Prepares budget for all investment-related expenses (including both internal operating budget and fees paid to external investment managers) with the direction and approval of the Executive Director.
- Attracts, retains, motivates, and empowers the investment team. Provides leadership, direction and coaching in areas of problem resolution and planning.
- Represents **LAGERS** at various regional and national meetings pertaining to the **System's** investment program.
- Delivers portfolio reporting to the Board of Trustees including performance measurement and attribution, risk metrics, and benchmark comparisons based upon quantitative and qualitative analysis.
- Communicates to the Board of Trustees and Executive Director any financial, economic, and political developments which are likely to impact **System** activities.
- Builds collaborative relationships with external consultants to ensure strategic vision and goals of the **System** are achieved.
- Monitors various activities with external firm(s) providing custodial or other investment services to **LAGERS** such as custody of securities, cash management, brokerage services, derivatives management, and securities lending.

EDUCATION AND EXPERIENCE REQUIREMENTS

- A Bachelor's degree is required. Master's degree is preferred.
- Minimum of ten (10) years institutional investment experience.
- Supervisory experience is preferred.
- Chartered Financial Analyst (CFA) certification or similar.

Minimum Qualifications Required Knowledge and Skills:

- Knowledge of the principles of investment, finance, economics, and portfolio theory, particularly as they pertain to the operation of a public pension fund.
- Knowledge of accounting, actuarial, and pension principles and practices.
- Knowledge of standard investment structures (funds, partnerships, joint ventures, debt, etc.).
- Knowledge of the laws, rules, regulations, and professional standards regarding the investment of public pension funds.
- Ability to perform in-depth financial analysis.
- Ability to establish positive working relationships with the **LAGERS'** staff, Board members, outside vendors, money managers, CIOs from other systems, and other contacts.
- Ability to demonstrate integrity and high degree of ethics.
- Ability to communicate technical information in a clear and concise manner.

PERSONAL CHARACTERISTICS

- The highest ethics and integrity; strength of character to hold self and others accountable to high standards of performance.

- Highly developed communication skills: an excellent listener who is also an accomplished presenter, both orally and in written communications.
- Proven leadership ability: can articulate a shared vision and obtain staff “buy-in”.
- Solid talent management skills: inspires others to high standards of operational effectiveness and efficiency.
- Outstanding interpersonal skills: ability to work with a wide variety of constituents/personality styles and develop good rapport with consultants, staff, and other stakeholders.
- Visionary and Strategic thinker.
- Strong work ethic and sense of commitment and dedication.
- Intelligence, maturity, common sense, and good judgment.
- Fair, even and impartial; acts and responds factually and without bias.

COMPENSATION

LAGERS will offer the successful candidate a highly competitive compensation package and exceptional comprehensive benefits package. Included in the benefits package is non-contributory participation in the LAGERS Staff defined benefit retirement plan, a deferred compensation program, 100% paid (no premiums to the employee) employee and family health insurance, employee dental, vision, long-term disability, life, and accidental death and dismemberment policy. Similar coverage for dependents is available on a voluntary basis. LAGERS supports continued professional development by reimbursing membership fees to professional organizations, continuing education, and professional certifications. The System also offers a generous paid time off policy. A generous relocation policy, if necessary, is also available to the successful candidate.

Currently, a hybrid in-office policy, subject to the Executive Director’s consent, is available. Employees are required to be in-office on Wednesday’s and most work a 2 in, 3 out framework.

APPLICATION PROCESS

EFL Associates, an executive search firm, is assisting **LAGERS** with this important search. All calls and inquiries should be made through the search firm representatives listed below. All applications and referrals will be held in confidence. Review of applications will begin immediately and will continue until the position is filled. **To apply, please forward your resume and a cover letter to Tamara Wesely at tamara.wesely@eflassociates.com.**

NON-DISCRIMINATION

EFL Associates and **LAGERS** do not discriminate on the basis of race, religion, national origin, sex, age, marital status, sexual orientation, gender identity, gender expression, disability, creed, color, ancestry, or medical condition.

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