Trust Funds

Overview

Trust Funds account for assets held by the County in a trustee capacity and include four retirement trust funds, a trust fund to pre-fund other post-employment benefits, and a holding fund for revenue collected for the Route 28 Tax District.

Retirement Trust Funds

Each of the four retirement funds derives income from employer contributions, employee contributions, and returns on investments. Payments are made from these funds to eligible retirees based on established benefit formulas. Three retirement trust funds comprise the Fairfax County Employee Retirement Systems and are administered by the Fairfax County Retirement Administration Agency. The fourth retirement fund is for educational employees and is administered by Fairfax County Public Schools.

- **Fund 600 - Uniformed Retirement System**
- **Fund 601 - Fairfax County Employees' Retirement System**
- **Fund 602 - Police Officers Retirement System**
- **Fund 691 - Educational Employees Supplementary Retirement**

Other Post-Employment Benefits (OPEB) Trust Fund

Beginning in FY 2008 the County's financial statements are required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits. GASB 45 requires that the County accrue the cost of the County's retiree health subsidy and other post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits. Fund 603, OPEB Trust Fund, will allow the County to capture long-term investment returns, make progress towards reducing the unfunded liability, and pre-fund the cost of post-employment health care and other non-pension benefits. It should be noted the legal authority to establish a trust fund to pre-fund OPEBs was provided by the Virginia General Assembly and Governor in March 2007.

- **Fund 603 – OPEB Trust Fund**

Route 28 Tax District

Fairfax County, in partnership with Loudoun County, formed the Route 28 Highway Transportation Improvement District in 1987. The District was formed to provide improvements to State Route 28 to accelerate planned highway improvements. The owners of industrial and commercial property within the District are subject to a maximum additional tax assessment of 20 cents per $100 of assessed value.

- **Fund 700 - Route 28 Tax District**