

# Employee Retirement Systems Overview

## Overview

Fairfax County employee retirement systems include the Fairfax County Employees' Retirement System (Fund 73000), the Uniformed Retirement System (Fund 73010), and the Police Officers Retirement System (Fund 73020). Each of these systems is funded from employee contributions based on a fixed percentage of pay, County contributions based on a variable percentage of employee pay as determined by actuarial analysis and return on investments. County contributions are paid from multiple sources, including the General Fund, General Fund-Supported and Other Funds, and Fairfax County Public Schools.

In order to assure the continued soundness of each fund, an actuarial valuation is conducted annually and, if appropriate, an adjustment is made to the employer contribution rate. In addition, an experience study – which compares actual experience to actuarial assumptions, both economic and demographic – is conducted once every five years to ensure that the plan is being valued appropriately. Experience studies of each system were conducted in FY 2016. The assumption changes adopted by the Boards of Trustees as a result of those studies were incorporated in the actuarial valuations for FY 2016 and their impacts were included in the employer contribution rates beginning in FY 2018. The next experience study is taking place in FY 2021 and any impact to the employer contribution rates as a result of assumption changes will be included in FY 2023.

### **Funding Policy**

The County is committed to strengthening the financial position of its retirement systems and has established a goal to reach a 90 percent funded status for all plans by FY 2025. In order to meet this goal, the Board of Supervisors approved, as part of the adoption of the FY 2016 Adopted Budget Plan, the following multi-year strategy:

- The employer contribution rates will be increased so that the County will include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for all systems by FY 2020. The County will continue to use a conservative 15-year amortization period.
- Until each system reaches 100 percent funded status, employer contributions to that system will not be reduced. Various factors, such as the historical trend of the County's investment returns exceeding the assumed rate of return, could allow employer contribution rates to be reduced from current levels. However, the County is committed to maintaining the rates and redirecting any potential savings into further improvement in the systems' funded positions.
- Any additional unfunded liability created as a result of approved benefit enhancements, such as ad-hoc Cost-of-Living Adjustments (COLAs), will be fully funded. It is the intent that no adjustments to benefit levels will reduce the funded status of any of the systems.

In keeping with this strategy, the FY 2020 Adopted Budget Plan included the amortization of 100 percent of the unfunded liability in the actuarially determined contributions for all systems. In addition, the employer contribution rates to all three systems have been maintained or increased each year, and benefit enhancements, when approved by the Board, have been accompanied by one-time contributions to fully fund any associated increase in liability in the year that the benefit enhancement is approved.

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The County has also taken multiple steps to limit increases in liabilities:

- In FY 2010, the requirements regarding the award of ad-hoc COLAs were tightened. Retirees are eligible to receive an annual base COLA which is the lesser of the Consumer Price Index (CPI) for the 12 months ending on the previous year's March 31, or 4.0 percent. If certain conditions are met, an additional 1.0 percent ad-hoc COLA can be awarded at the discretion of each retirement system's Board of Trustees. After a staff review at the Board of Supervisors' direction, the Fairfax County Code was changed to require that the retirement system must have an actuarial surplus, demonstrated by having a funding ratio exceeding 100 percent, before an ad-hoc COLA can be considered.
- In FY 2012, the Board of Supervisors adopted modifications to the retirement systems, which apply only to new employees who are hired on or after January 1, 2013. These changes include increasing the minimum retirement age for normal service retirement from 50 to 55 in the Employees' system; increasing the rule of 80 (age plus years of service) to the rule of 85 in the Employees' system; placing a cap on the use of sick leave for purposes of determining retirement eligibility and benefits at 2,080 hours for all three retirement systems; and, for the Deferred Retirement Option Plan (DROP), removing the pre-Social Security supplement from balances accumulated during the DROP period in the Employees' and Uniformed systems. No changes were made to benefits for existing employees.
- In FY 2019, the Board of Supervisors adopted modifications to the retirement benefits provided to new employees hired on or after July 1, 2019. These changes include eliminating the pre-Social Security supplement for employees in the Employees' and Uniformed systems and repealing the additional retirement allowance that increases the calculated retirement annuity by 3 percent for all three retirement systems. No changes were made to benefits for existing employees.

## Funding Status

All three systems failed to reach the 7.25 percent assumed rate of investment return in FY 2020. The Employees' system was up 2.9 percent, the Uniformed system was down 1.2 percent, and the Police Officers system was down 3.9 percent, all net of fees. The FY 2020 investment results, contribution levels, and liability experience affected the funding ratios as demonstrated in the table below. The table displays the market value of each system's assets as a percentage of the total plan liability as published in the County's Comprehensive Annual Financial Report and as required under new GASB requirements. It should be noted that since these calculations utilize asset figures as of a point in time (not smoothed as under previous methodologies), the funding ratios calculated are subject to volatility based on market returns.

	June 30, 2018	June 30, 2019	June 30, 2020*
<b>Employees'</b>	70.5%	70.8%	69.5%
<b>Uniformed</b>	82.8%	82.1%	76.8%
<b>Police Officers</b>	83.8%	83.3%	75.6%

\* The June 30, 2020 funding ratios were included in the County's FY 2020 Comprehensive Annual Financial Report.

# Employee Retirement Systems Overview

## Employer Contribution Rates

Following the County's policy, contribution rates are only adjusted to maintain amortization of 100 percent of the unfunded liability, to fund approved benefit enhancements, or to acknowledge changes in actuarial assumptions. As a result of FY 2020 experience, the required contribution rates have increased from the FY 2021 adopted contribution rates. The FY 2022 employer contribution rates for each of the three retirement systems are as follows:

	FY 2021 Rates (%)	FY 2022 Rates (%)	Percentage Point Change (%)	Net General Fund Impact* (in millions)
<b>Employees'</b>	28.35	28.88	0.53	\$2.2
<b>Uniformed</b>	38.84	39.31	0.47	\$0.8
<b>Police Officers</b>	41.60	46.04	4.44	\$5.4
<b>Total</b>				<b>\$8.4</b>

\* The General Fund impact reflected in the table is based solely on rate changes and does not include other adjustments, including the impact of new positions, employee pay increases, or year-to-date experience.

For more information on the General Fund impact of these employer contribution rate changes, please refer to the Agency 89, Employee Benefits, narrative in the Nondepartmental program area section of Volume 1.

# Employee Retirement Systems Overview

The following table displays relevant information about each retirement system:

EMPLOYEES COVERED							
Police Officers Retirement		Uniformed Retirement			Employees' Retirement		
Fairfax County Police Officers.		Fire and Rescue Personnel; Uniformed Sheriff's Office employees; Animal Protection Police Officers; Helicopter Pilots; Non-administrative staff in the Department of Public Safety Communications.			County employees not covered under Uniformed or Police Officers system; certain FCPS employees including food service, custodial, bus drivers, part-time and substitute teachers, maintenance staff.		
CONDITIONS OF COVERAGE							
Police Officers Retirement		Uniformed Retirement			Employees' Retirement		
At age 55 or after 20 years of police service if hired before July 1, 1981; or 25 years of service if hired on or after July 1, 1981.		At age 55 with 6 years of service or after 25 years of service.			At age 65 with 5 years of service or earlier when age and years of service combined equal 80 if hired before January 1, 2013; or 85 if hired on or after January 1, 2013. Not before age 50 if hired before January 1, 2013; or age 55 if hired on or after January 1, 2013. For reduced "early retirement" benefits, when age and years of service combined equal 75.		
EMPLOYEE CONTRIBUTIONS <sup>1</sup> (% of Pay)							
	Police Officers Retirement	Uniformed Retirement				Employees' Retirement	
	Plans A/B/C	Plan A	Plan B	Plan C	Plans D/E/F	Plans A/C	Plans B/D/E
Up to Wage Base	8.65%	4.00%	7.08%	4.00%	7.08%	4.00%	5.33%
Above Wage Base		5.75%	8.83%			5.33%	
FY 2022 EMPLOYER CONTRIBUTIONS (% of Pay)							
Police Officers Retirement		Uniformed Retirement			Employees' Retirement		
46.04%		39.31%			28.88%		

<sup>1</sup> As of July 1, 2019, new hires in the Uniformed Retirement System are automatically enrolled in Plan F, new hires in the Fairfax County Employees' Retirement System are automatically enrolled in Plan E, and new hires in the Police Officers Retirement System are automatically enrolled in Plan C. Additional plans listed above are earlier plan designs that apply to employees hired prior to July 1, 2019. For additional information regarding the County's retirement plans, please refer to the Retirement Administration Agency website at <https://www.fairfaxcounty.gov/retirement/>.

# Employee Retirement Systems Overview

INVESTMENT MANAGERS AS OF JUNE 30, 2021		
Police Officers Retirement	Uniformed Retirement	Employees' Retirement
<ul style="list-style-type: none"> <li>• Acadian Asset Management</li> <li>• Alpha Simplex</li> <li>• AQR Capital Management</li> <li>• Aspect Capital Ltd.</li> <li>• BlackRock, Inc.</li> <li>• Bridgewater Associates</li> <li>• Cohen &amp; Steers Capital Management</li> <li>• Crestline Investors</li> <li>• Czech Asset Management</li> <li>• DGV Solutions, LP</li> <li>• DoubleLine Capital</li> <li>• DWS</li> <li>• First Eagle Investment Management</li> <li>• King Street Capital</li> <li>• Landmark Partners</li> <li>• Loomis Sayles &amp; Company</li> <li>• Marathon Asset Management</li> <li>• Maverick Fund Quant Neutral LP</li> <li>• Morgan Creek Capital Management</li> <li>• Neuberger Berman Group LLC</li> <li>• Pacific Investment Management Company</li> <li>• Parametric Portfolio Advisors</li> <li>• Prudential Global Investment Management</li> <li>• Sands Capital Management</li> <li>• Solus Alternative Asset Management</li> <li>• Standish Mellon Asset Mgmt.</li> <li>• Starboard Value, LP</li> <li>• WCM Asset Management</li> </ul>	<ul style="list-style-type: none"> <li>• Acadian Asset Management</li> <li>• Alcentra</li> <li>• Anchorage Capital Group</li> <li>• Apollo Financial</li> <li>• AQR Capital Management</li> <li>• Ashmore Investment Management</li> <li>• Aspect Capital Ltd.</li> <li>• Blue Bay Asset Management</li> <li>• Brandywine Global Investment Management</li> <li>• Bridgewater Associates</li> <li>• Cohen &amp; Steers Capital Management</li> <li>• Czech Asset Management</li> <li>• Davidson Kempner Institutional Partners, LP</li> <li>• DoubleLine Capital</li> <li>• Garcia Hamilton</li> <li>• Goldentree Asset Management</li> <li>• Gresham Investment Management</li> <li>• Harbourvest Partners</li> <li>• HG-Vora Capital Management</li> <li>• JP Morgan Investment Mgmt.</li> <li>• Kabouter Management</li> <li>• King Street Capital Management</li> <li>• Landmark Partners</li> <li>• Levine Leichtman Capital Partners</li> <li>• Manulife Asset Management</li> <li>• Marathon Asset Management</li> <li>• Millenium Management LLC</li> <li>• Monroe Capital LLC</li> <li>• Orbimed Healthcare Fund Mgmt.</li> <li>• Pacific Investment Management Company</li> <li>• Pantheon Ventures</li> <li>• Parametric Portfolio Advisors</li> <li>• Siguler Guff &amp; Company, LP</li> <li>• Standish Mellon Asset Mgmt.</li> <li>• Starboard Value, LP</li> <li>• Thoma Bravo, LLC</li> <li>• UBS Realty</li> <li>• Wellington Management, LLP</li> </ul>	<ul style="list-style-type: none"> <li>• Aberdeen Asset Management</li> <li>• Alpha Simplex</li> <li>• AQR Capital Management</li> <li>• Aspect Capital Ltd.</li> <li>• Axiom International Small Cap</li> <li>• BlackRock, Inc.</li> <li>• Brandywine Global Investment Management</li> <li>• Bridgewater Associates</li> <li>• Capstone Investment Advisors</li> <li>• Cohen &amp; Steers Capital Management</li> <li>• Crestline Investors</li> <li>• Czech Asset Management</li> <li>• DePrince, Race &amp; Zollo</li> <li>• DoubleLine Capital</li> <li>• DWS</li> <li>• EJF Alternative Asset Mgmt.</li> <li>• Fairfax County Retirement</li> <li>• Hoisington Management</li> <li>• JP Morgan Investment Mgmt.</li> <li>• Landmark Partners</li> <li>• Lazard Asset Management</li> <li>• Marathon Asset Management</li> <li>• Marathon International</li> <li>• Maverick Fund Quantum Neutral LP</li> <li>• Millennium Management, LLC</li> <li>• Morgan Creek Capital Management</li> <li>• Neuberger Berman Group, LLC</li> <li>• Pacific Investment Management Company</li> <li>• Parametric Portfolio Advisors</li> <li>• Pinnacle Arcadia Cattle Partners</li> <li>• Post Advisory Group</li> <li>• QMS Capital Management Inc.</li> <li>• Sands Capital Management</li> <li>• Shenkman Capital</li> <li>• Standish Mellon Asset Mgmt.</li> <li>• Vanguard</li> <li>• WCM Asset Management</li> </ul>

# Retirement Administration Agency

## Mission

As an agent of the Boards of Trustees of the Employees', Uniformed, and Police Officers Retirement Systems, the mission of the Retirement Administration Agency is to administer the systems according to the terms established by the County of Fairfax and to do so in a manner that:

- Safeguards and invests the assets of the systems;
- Maximizes cost effectiveness of the retirement programs by optimizing long-term investment returns within an acceptable level of variation in required funding and by maintaining efficient administrative operations;
- Maximizes the value of retirement plans in retaining County personnel through communications, education, and counseling programs and by providing quality service;
- Fulfills the obligations of the systems to retirees by providing timely and accurate payments and by providing quality service; and
- Provides technical support and advice to County management and the Board of Supervisors regarding retirement benefits.

## Focus

The Retirement Administration Agency contributes to the County's corporate stewardship through sound management of County resources and assets. To accomplish its specific mission, the Retirement Administration Agency will focus on:

- Support for the Boards of Trustees;
- Services to active employees and retirees;
- Accurate accounting and control of plan assets;
- Accuracy of data;
- Cost efficiency of processes; and
- Investment return and risk control.

Under the direction of the Boards of Trustees for the Fairfax County Employees', Police Officers, and Uniformed Retirement Systems, the Retirement Administration Agency processes benefit payments to eligible Fairfax County retirees and beneficiaries. The agency also processes payments for the retiree health benefit subsidy and provides counseling and comprehensive information pertaining to benefits to active and retired County employees.

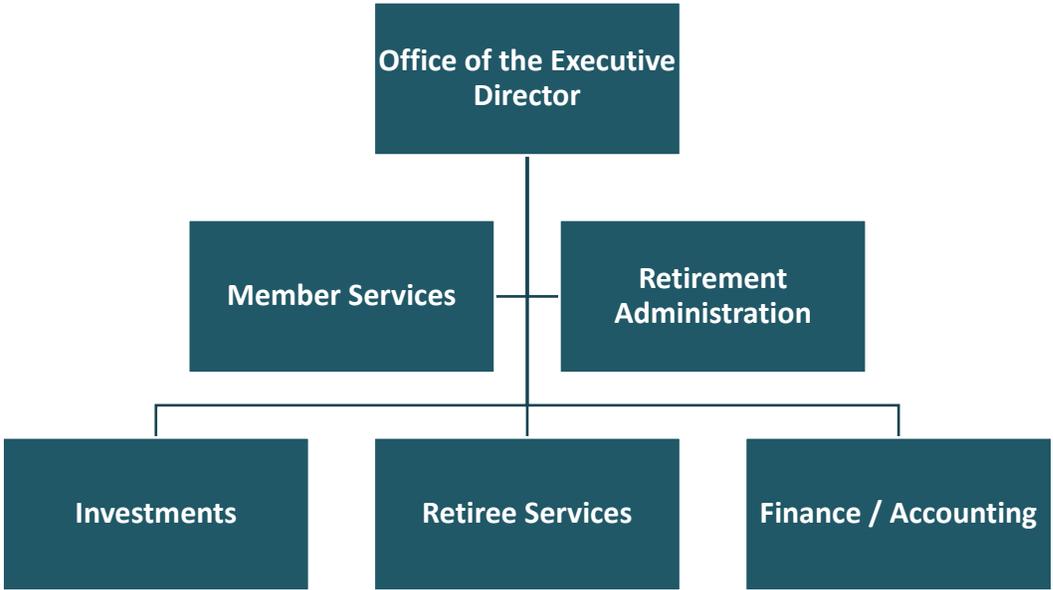
The agency receives revenues from various sources, including employee and employer contributions to the various retirement systems, employee payback, and return on investments, to finance the three employee retirement systems. Employee contributions are based on a fixed percentage of pay. Employer contributions come from Agency 89, Employee Benefits, for County employees in General Fund agencies, the employee's agency for County employees in non-General Fund agencies, and Fairfax County Public Schools (FCPS) for school employees.

Some revenues are also generated through employee payback, a process by which employees who have left the County can make a "payback" contribution and return to their previous standing in the retirement system upon their return to County employment. Additionally, significant revenues are achieved through returns on fund investments. Revenue projections are based on an assumed actuarial rate of return of 7.25 percent.

## Pandemic Response and Impact

The Retirement Administration Agency has had to be creative and flexible in managing the systems' assets and serving its members while working from home. The Retirement Administration Agency has come up with ways to meet all of its members' needs virtually and, just as importantly, all three retirement boards have conducted multiple virtual/electronic meetings to monitor and manage the performance of the systems' investments.

## Organizational Chart



## Budget and Staff Resources

Category	FY 2020 Actual	FY 2021 Adopted	FY 2021 Revised	FY 2022 Advertised	FY 2022 Adopted
<b>FUNDING</b>					
<b>Expenditures:</b>					
Personnel Services	\$4,153,372	\$4,559,372	\$4,592,744	\$4,733,278	\$4,776,960
Operating Expenses	612,844,774	680,493,252	690,493,252	677,973,930	677,973,930
<b>Total Expenditures</b>	<b>\$616,998,146</b>	<b>\$685,052,624</b>	<b>\$695,085,996</b>	<b>\$682,707,208</b>	<b>\$682,750,890</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	29 / 29	29 / 29	29 / 29	29 / 29	29 / 29

## FY 2022 Funding Adjustments

*The following funding adjustments from the FY 2021 Adopted Budget Plan are necessary to support the FY 2022 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 4, 2021.*

**Employee Compensation** **\$43,682**

An increase of \$43,682 in Personnel Services is included for a 1.00 percent market rate adjustment (MRA) for all employees effective July 2021.

**Personnel Services** **\$182,518**

An increase of \$182,518 in Personnel Services reflects adjustments necessary to align the Personnel Services budget with actual expenditure levels.

**Fringe Benefits** **(\$16,764)**

A decrease of \$16,764 in Fringe Benefits reflects adjustments necessary based on actual enrollment and experience.

**Other Post-Employment Benefits** **\$8,152**

An increase of \$8,152 in Other Post-Employment Benefits reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust, in Volume 2 of the FY 2022 Adopted Budget Plan.

**Other Operating Expenses** **(\$855,574)**

A net decrease of \$855,574 in all other Operating Expenses reflects the net impact of several adjustments based on actual experience.

**Investment Management Fees** **\$6,021,987**

An increase of \$6,021,987 in Operating Expenses reflects an increase in investment management fees based on actual experience.

**Benefit Payments** **(\$7,685,735)**

A net decrease of \$7,685,735 in Benefit Payments reflects decreased payments of \$8,981,437 to retirees based on actual experience and a decrease in refunds of \$508,469, partially offset by an increase in payments to beneficiaries of \$1,804,171. Since benefits are pre-funded during an employee's active career, the employer contribution rates as calculated through the actuarial valuation process already reflect this level of benefit payments.

## Changes to FY 2021 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2021 Revised Budget Plan since passage of the FY 2021 Adopted Budget Plan. Included are all adjustments made as part of the FY 2020 Carryover Review, FY 2021 Mid-Year Review, FY 2021 Third Quarter Review, and all other approved changes through April 30, 2021.*

**Third Quarter Adjustments** **\$10,033,372**

As part of the FY 2021 Third Quarter Review, the Board of Supervisors approved funding of \$10,033,372, including \$33,372 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in May 2021. The remaining amount of \$10,000,000 is due to a change in how investment management fees are recorded. These investment management fees were previously netted out of investment income, but are now reflected separately as investment services fees to report total revenues and expenditures more accurately.

## Position Detail

The FY 2022 Adopted Budget Plan includes the following positions:

RETIREMENT ADMINISTRATION AGENCY - 29 Positions <sup>1</sup>			
<b>Office of the Director</b>			
1	Executive Director	1	Administrative Assistant IV
<b>Retirement Administration</b>			
1	Programmer Analyst III	1	Communications Specialist II
1	Programmer Analyst II	1	Administrative Assistant V
1	Information Technology Technician I	3	Administrative Assistants III
<b>Retiree Services</b>			
1	Management Analyst II	4	Administrative Assistants V
<b>Membership Services</b>			
1	Management Analyst III	4	Retirement Counselors
1	Financial Specialist II		
<b>Finance/Accounting</b>			
1	Financial Specialist IV	1	Accountant I
<b>Investments</b>			
3	Senior Investment Managers	2	Investment Analysts
1	Investment Operations Manager		

<sup>1</sup> 1/1.0 FTE Accountant III position resides in the Retirement Administration Agency, but is accounted for and financed by Fund 73030, OPEB Trust. The 29/29.0 FTE positions shown above are financed jointly by the three retirement trust funds (Fund 73000, Fund 73010, and Fund 73020).

## Performance Measurement Results

Overall, FY 2020 was a volatile year for investment performance with the Employees' system up 2.9 percent, the Uniformed system down 1.2 percent, and the Police Officers system down 3.9 percent. The fiscal year ended June 2020 saw the end of the longest economic expansion on record. Economies around the world were disrupted because of the novel coronavirus (COVID-19) and markets reacted with historically fast-paced declines. Governments and central banks from around the world took extraordinary measures to stimulate shuttered economies. In the U.S., fiscal stimulus reached over 12 percent of GDP while Germany, Japan, France, and the U.K. had materially larger stimulus packages. The Federal Reserve provided additional support to the U.S. economy by reducing the Fed Funds Rate to a targeted range of 0.00 percent to 0.25 percent, resumed quantitative easing, and flooded markets with liquidity. Similar actions were taken by central banks globally. These stimulus measures, along with optimism around a potential vaccine for COVID-19 and easing of lockdown restrictions, resulted in a historically dramatic reversal in risk assets in the fourth fiscal quarter. U.S. stocks posted their eleventh consecutive year of positive returns and outperformed international equities, returning 7.5 percent as measured by the S&P 500 Index. International developed-markets equities (-5.1 percent for the year) lagged domestic equities by 12.6 percent. U.S. equity outperformance was driven in large part by big technology stocks that benefitted from a demand surge in the wake of the pandemic. Emerging markets equities returned -3.4 percent, underperforming U.S. equities and outperforming international developed markets equities. Driven by declining interest rates and demand for safe-haven assets, U.S. high quality fixed income investments generated a positive 8.7 percent return in the fiscal year as measured by the Bloomberg Barclays U.S. Aggregate Bond Index Universe.

Compared to their peers across the country in the BNY Mellon public fund universe for FY 2020, the Employees' system gross return for the year was 3.7 percent (2.9 percent, net of fees), placing it in the 38th percentile; the Police Officers system gross return for the year was -2.9 percent (-3.9 percent, net of fees), placing it in the 97th percentile; and the Uniformed system gross return for the year was -0.5 percent (-1.3 percent, net of fees), placing it in the 88th percentile. In addition to comparing one-year returns to general market results, the long-term investments of the retirement systems should also be considered over multi-year periods relative to the returns achieved by other

# Retirement Administration Agency

public pension plans. For the last ten-year period, all three systems had favorable results relative to their peers. The Employees' system placed in the 11th percentile and returned a gross 10.3 percent per year; the Police Officers system placed in the 31st percentile returning 9.8 percent per year; and the Uniformed system placed in the 67th percentile returning 9.2 percent per year.

Employer contribution rates are calculated based on a number of actuarial assumptions, including an actuarially determined rate of return. The actuarial rate of return uses a smoothing methodology to phase in total recognition of a given year's returns above or below the long-term expected rate of 7.25 percent. This smoothing is done to mitigate volatility in funding requirements, recognizing the cyclical nature of capital market returns. However, this smoothing process does not include the impact of any liability gains or losses, which are determined by comparing actual experience, such as rates of retirement and death, against actuarial assumptions. Funding policy and calculations include an average compound return of 7.25 percent over the long-term. Including the results through FY 2020, the actual compound annual returns achieved since 1981, the earliest date for which data is available, have been 9.9 percent for the Employees' system, 9.8 percent for the Uniformed system, and 9.2 percent for the Police Officers system.

Over the past several years, staff has made training and outreach a priority. In FY 2020, training was provided to 1,993 employees in 75 individual class sessions. This is a significant increase from FY 2014 when training was provided to 405 attendees in 16 class sessions. In FY 2019, staff began reaching out to members in all County agencies and select training sites, with a goal of building a network of retirement representatives across the County. These representatives meet regularly with retirement staff for updates on the status of the retirement systems, and provide concerns and issues from members. In FY 2020, staff conducted 44 meetings with a total of 1,661 representatives participated.

Indicator	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Employees' Retirement System funded status	70.5%	70.8%	71.0%	69.5%	69.0%	71.0%
Uniformed Retirement System funded status	82.8%	82.1%	79.0%	76.8%	77.0%	79.0%
Police Officers Retirement System funded status	83.8%	83.3%	77.0%	75.6%	76.0%	78.0%
Deviation from actuarial rate of return (total plan): Fairfax County Employees	0.0%	(0.9%)	0.0%	(4.4%)	0.0%	0.0%
Deviation from actuarial rate of return (total plan): Uniformed	0.9%	(2.8%)	0.0%	(8.5%)	0.0%	0.0%
Deviation from actuarial rate of return (total plan): Police Officers	(0.3%)	(2.3%)	0.0%	(11.1%)	0.0%	0.0%
Number of training classes offered <sup>1</sup>	NA	NA	NA	75	50	60
Number of training class attendees <sup>1</sup>	NA	NA	NA	1,933	1,500	1,600
Number of employee outreach sessions <sup>1</sup>	NA	NA	NA	44	25	15
Number of outreach session participants <sup>1</sup>	NA	NA	NA	1,661	1,000	500
Percent of retiree payments processed on time: Fairfax County Employees	100%	100%	100%	100%	100%	100%
Percent of retiree payments processed on time: Uniformed	100%	100%	100%	100%	100%	100%
Percent of retiree payments processed on time: Police Officers	100%	100%	100%	100%	100%	100%

<sup>1</sup> Prior year data not available due to new performance measurement indicators.

A complete list of performance measures can be viewed at  
<https://www.fairfaxcounty.gov/budget/fy-2022-adopted-performance-measures-pm>

# Fund 73000: Fairfax County Employees' Retirement

## FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2022 Advertised Budget Plan	FY 2022 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$4,101,596,928</b>	<b>\$4,251,128,080</b>	<b>\$4,142,027,111</b>	<b>\$4,324,006,627</b>	<b>\$4,323,983,267</b>
<b>Revenue:</b>					
County Employer Contributions	\$173,869,890	\$175,000,000	\$175,000,000	\$175,212,802	\$175,212,802
County Employee Contributions	29,818,008	30,000,000	30,000,000	30,360,211	30,360,211
School Employer Contributions	60,873,753	64,000,000	64,000,000	65,196,600	65,196,600
School Employee Contributions	10,129,311	10,500,000	10,500,000	12,032,475	12,032,475
Employee Payback	380,041	450,000	450,000	340,673	340,673
Return on Investments	228,965,052	330,476,420	332,476,420	313,772,632	313,772,632
<b>Total Realized Revenue</b>	<b>\$504,036,055</b>	<b>\$610,426,420</b>	<b>\$612,426,420</b>	<b>\$596,915,393</b>	<b>\$596,915,393</b>
Unrealized Gain/(Loss) <sup>1</sup>	(\$78,390,339)	\$0	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$425,645,716</b>	<b>\$610,426,420</b>	<b>\$612,426,420</b>	<b>\$596,915,393</b>	<b>\$596,915,393</b>
<b>Total Available</b>	<b>\$4,527,242,644</b>	<b>\$4,861,554,500</b>	<b>\$4,754,453,531</b>	<b>\$4,920,922,020</b>	<b>\$4,920,898,660</b>
<b>Expenditures:</b>					
Administrative Expenses	\$4,219,469	\$6,090,624	\$6,113,984	\$5,536,750	\$5,566,253
Investment Services	37,380,210	42,569,375	44,569,375	43,678,485	43,678,485
Payments to Retirees	331,721,283	367,216,421	367,216,421	364,893,413	364,893,413
Beneficiaries	7,888,832	7,473,685	7,473,685	8,283,274	8,283,274
Refunds	4,005,739	5,096,799	5,096,799	4,048,713	4,048,713
<b>Total Expenditures</b>	<b>\$385,215,533</b>	<b>\$428,446,904</b>	<b>\$430,470,264</b>	<b>\$426,440,635</b>	<b>\$426,470,138</b>
<b>Total Disbursements</b>	<b>\$385,215,533</b>	<b>\$428,446,904</b>	<b>\$430,470,264</b>	<b>\$426,440,635</b>	<b>\$426,470,138</b>
<b>Ending Balance<sup>2</sup></b>	<b>\$4,142,027,111</b>	<b>\$4,433,107,596</b>	<b>\$4,323,983,267</b>	<b>\$4,494,481,385</b>	<b>\$4,494,428,522</b>

<sup>1</sup> Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

<sup>2</sup> The Employees' Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.

# Fund 73010: Uniformed Retirement

## FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2022 Advertised Budget Plan	FY 2022 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$1,813,717,921</b>	<b>\$1,904,531,784</b>	<b>\$1,762,088,442</b>	<b>\$1,856,706,155</b>	<b>\$1,856,701,149</b>
<b>Revenue:</b>					
Employer Contributions	\$69,930,974	\$75,000,000	\$75,000,000	\$71,512,258	\$71,512,258
Employee Contributions	12,764,189	13,500,000	13,500,000	12,910,625	12,910,625
Employee Payback	45,923	150,000	150,000	73,001	73,001
Return on Investments	43,832,127	150,146,753	156,146,753	134,612,644	134,612,644
<b>Total Realized Revenue</b>	<b>\$126,573,213</b>	<b>\$238,796,753</b>	<b>\$244,796,753</b>	<b>\$219,108,528</b>	<b>\$219,108,528</b>
Unrealized Gain/(Loss) <sup>1</sup>	(\$50,176,979)	\$0	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$76,396,234</b>	<b>\$238,796,753</b>	<b>\$244,796,753</b>	<b>\$219,108,528</b>	<b>\$219,108,528</b>
<b>Total Available</b>	<b>\$1,890,114,155</b>	<b>\$2,143,328,537</b>	<b>\$2,006,885,195</b>	<b>\$2,075,814,683</b>	<b>\$2,075,809,677</b>
<b>Expenditures:</b>					
Administrative Expenses	\$1,545,149	\$1,353,024	\$1,358,030	\$1,572,164	\$1,579,745
Investment Services	14,937,321	18,145,265	24,145,265	18,523,828	18,523,828
Payments to Retirees	109,172,723	122,549,492	122,549,492	120,089,995	120,089,995
Beneficiaries	1,480,045	1,376,178	1,376,178	1,554,047	1,554,047
Refunds	890,475	755,081	755,081	867,581	867,581
<b>Total Expenditures</b>	<b>\$128,025,713</b>	<b>\$144,179,040</b>	<b>\$150,184,046</b>	<b>\$142,607,615</b>	<b>\$142,615,196</b>
<b>Total Disbursements</b>	<b>\$128,025,713</b>	<b>\$144,179,040</b>	<b>\$150,184,046</b>	<b>\$142,607,615</b>	<b>\$142,615,196</b>
<b>Ending Balance<sup>2</sup></b>	<b>\$1,762,088,442</b>	<b>\$1,999,149,497</b>	<b>\$1,856,701,149</b>	<b>\$1,933,207,068</b>	<b>\$1,933,194,481</b>

<sup>1</sup> Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

<sup>2</sup> The Uniformed Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.

## Fund 73020: Police Officers Retirement

### FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2022 Advertised Budget Plan	FY 2022 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$1,483,659,513</b>	<b>\$1,561,222,878</b>	<b>\$1,400,551,048</b>	<b>\$1,474,614,270</b>	<b>\$1,474,609,264</b>
<b>Revenue:</b>					
Employer Contributions	\$50,781,403	\$53,000,000	\$53,000,000	\$57,688,069	\$57,688,069
Employee Contributions	10,553,689	11,000,000	11,000,000	10,886,558	10,886,558
Employee Payback	16,469	75,000	75,000	73,001	73,001
Return on Investments	5,909,691	122,414,902	124,414,902	106,601,633	106,601,633
<b>Total Realized Revenue</b>	<b>\$67,261,252</b>	<b>\$186,489,902</b>	<b>\$188,489,902</b>	<b>\$175,249,261</b>	<b>\$175,249,261</b>
Unrealized Gain/(Loss) <sup>1</sup>	(\$46,612,817)	\$0	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$20,648,435</b>	<b>\$186,489,902</b>	<b>\$188,489,902</b>	<b>\$175,249,261</b>	<b>\$175,249,261</b>
<b>Total Available</b>	<b>\$1,504,307,948</b>	<b>\$1,747,712,780</b>	<b>\$1,589,040,950</b>	<b>\$1,649,863,531</b>	<b>\$1,649,858,525</b>
<b>Expenditures:</b>					
Administrative Expenses	\$1,158,353	\$1,291,959	\$1,296,965	\$1,455,768	\$1,462,366
Investment Services	18,148,895	14,959,376	16,959,376	18,982,947	18,982,947
Payments to Retirees	78,907,924	90,997,648	90,997,648	86,798,716	86,798,716
Beneficiaries	5,179,873	4,737,233	4,737,233	5,553,946	5,553,946
Refunds	361,855	440,464	440,464	867,581	867,581
<b>Total Expenditures</b>	<b>\$103,756,900</b>	<b>\$112,426,680</b>	<b>\$114,431,686</b>	<b>\$113,658,958</b>	<b>\$113,665,556</b>
<b>Total Disbursements</b>	<b>\$103,756,900</b>	<b>\$112,426,680</b>	<b>\$114,431,686</b>	<b>\$113,658,958</b>	<b>\$113,665,556</b>
<b>Ending Balance<sup>2</sup></b>	<b>\$1,400,551,048</b>	<b>\$1,635,286,100</b>	<b>\$1,474,609,264</b>	<b>\$1,536,204,573</b>	<b>\$1,536,192,969</b>

<sup>1</sup> Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

<sup>2</sup> The Police Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.