



April 8, 2020

To Active and Retired Members of Fairfax County's 3 Retirement Systems:

With all that is going on in the world right now, you may be concerned about your retirement benefits. The financial markets have experienced some significant losses during the COVID-19 crisis, but there are a number of reasons why your retirement benefits are still safe.

You Have a Defined Benefit Retirement Plan

Each of the County's three retirement systems, unlike many private sector defined CONTRIBUTION 401/IRA retirement plans, are defined BENEFIT retirement systems. This means that your benefit is guaranteed.

Your Retirement Plan is Pre-Funded

Unlike the Social Security system, Fairfax County's three retirement systems are PRE-funded. This means that money has been set aside and investment earnings have accrued over many years to ensure that money is on hand to pay benefits to retirees.

The County Has Demonstrated a Commitment to Funding Retirement Benefits

The County has significantly increased its contributions to all three systems since the Great Recession and has made changes in its funding policy to ensure that the systems are funded as required each year.

The Systems' Investments are Well Diversified

By design, all three retirement systems' investment portfolios are constructed specifically to limit losses when the markets are down. This is done by spreading investments across a diverse set of investments; not just in stocks and bonds.

While no one can predict what the future might hold, please keep these four points in mind when thinking about your Fairfax County retirement benefits.

Sincerely,

A handwritten signature in black ink that reads 'J Weiler'.

Jeff Weiler

Executive Director – Fairfax County Retirement Systems