



To the Members of the MWRA Employees Retirement System:

The MWRA Employees' Retirement Board and staff would like to take this opportunity to assure our members of the long-term stability of our defined benefit Retirement System.

As have other investors, we have experienced some volatility in our investment performance due to the pandemic, and the ensuing economic crisis. However, the MWRA Employees' Retirement Board has an established long-term asset allocation developed for the express purpose of meeting our financial obligations, while minimizing risk. The Board's commitment to this conservative strategy has resulted in a steady annualized return of 6.6% since 1986. In spite of several catastrophic economic crises experienced over this time period, the MWRA Employees' Retirement System remains one of the best-funded public Retirement Systems in the State, and your Retirement Board will continue to work tirelessly to ensure that it remains so.

We would also like to take this opportunity to point out the value of defined benefit plans in general. Unlike with most private employers, MWRA Employees contribute to our defined benefit plan instead of paying into Social Security, and the Employer makes a significant contribution to each employee's benefits as well. Under 401(k)-type plans, an employee's potential retirement benefits rely predominantly upon an employee's ability to save, and to manage the invested savings to earn income. A retiree with a 401(k) could be left with little or no income after retirement in the event of a serious downturn in the markets, or if they simply outlive their savings. Under the MWRA's defined benefit plan, total employee contributions, market fluctuations and similar economic factors do not affect the amount of an employee's potential retirement benefits. More importantly, the MWRA retirement benefits are payable over the retiree's lifetime, in a guaranteed amount, with periodic cost of living increases. Not only does this provide financial security for our individual retirees, but it keeps a reliable stream of funds going into our local and State economies.

Your Retirement Board and Staff have nearly 160 years of Massachusetts Public Retirement System experience combined, and are committed to ensuring a secure retirement for all of our members. We encourage anyone with questions or concerns to email our staff at [carolyn.russo@mwra.com](mailto:carolyn.russo@mwra.com) or [julie.mcmanus@mwra.com](mailto:julie.mcmanus@mwra.com). Thank you.

MWRA Employees' Retirement Board  
Chairman James Fleming  
Thomas Durkin  
Kevin McKenna  
Andrew Pappastergion  
Frank Zecha