

FLORIDA PUBLIC PENSION TRUSTEES ASSOCIATION



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Public pensions are 'resilient': Funded ratios reach a 5-year high, says NCPERS

By Lynn Cavanaugh, ALM Benefits Pro, February 28, 2025

Public pensions continue to see improvements in fiscal performance as average funded ratios, which refers to the calculated average percentage of a group of pension plans' assets compared to their total liabilities, reached a five-year high of 83.1%, according to the National Conference of Public Employee Retirement Systems' [2025 Public Retirement Systems Study](#): Trends in Fiscal, Operational and Business Practices. Overall, the study tells a story of resilience. In the span of 20 years, public sector pensions have endured two major economic crises, but by implementing best practices and appropriate plan changes, pensions have shored up funding levels and improved their sustainability. Respondents indicate that public pension priorities for 2025 include improving cyber- and fraud-prevention systems and sustaining target funding levels. Notably, the report reinforces findings from previous research about the impact of employers' funding discipline on the health of pension plans. Responding systems that received their full actuarially determined contribution reported funded ratios an average of 20 percentage points higher than those that did not receive the full contribution. For 2025, the top priorities for pension plans include improving cybersecurity and fraud prevention systems (67%) and sustaining target funding levels (64%). Systems with education beneficiaries and those with 20,000 or more members prioritize improving cybersecurity and updating/acquiring pension administration systems. Those with fewer than 20,000 members prioritize sustaining funding levels.

Public pension funding up in January after a down December — Milliman

By Rob Kozlowski, P&I, February 27, 2025

The overall estimated funding ratio of the 100 largest U.S. public pension plans rose in January after falling in December, according to the Milliman 100 Public Pension Funding index. As of Jan. 31, Milliman's estimated funding ratio was 81.1%, up from 80% a month earlier primarily due to positive investment returns. The month represented a bounce back from a negative December, in which the estimated funding ratio had dropped from 81.7% as of Nov. 30. Milliman's estimated aggregate investment returns of 1.9% in January helped offset some of the losses experienced in December, which saw an estimated aggregate loss of 1.7%. "Recent market volatility caused two plans to slip below the 90% funded mark since November, with 31 plans above this level as of Jan. 31. At the lower end of the spectrum, 11 plans are less than 60% funded, which is unchanged from November in a positive sign for public pensions."

Social Security Fairness Act: Over \$7.5B in Retroactive Payments Sent So Far

By Blake Stimacm, CNET, March 6, 2025

The Social Security Fairness Act is now in full effect, with the Social Security Administration announcing that as of March 4, it has issued more than \$7.5 billion in retroactive payments to nearly 1.13 million eligible beneficiaries. The act gets rid of two rules and will result in a boost in monthly payments for former and current public employees who previously had their benefits reduced due to having "noncovered pensions." Before the boost in monthly payments takes place, the SSA is prioritizing retroactive payments, which will continue to be sent incrementally throughout the month of March. The SSA says the average retroactive payment so far is \$6,710. Collectively, only about 4% of all Social Security beneficiaries (PDF) are affected by the WEP and GPO.

[February Fickle for Pension Funding](#)

By John Ikel, ASPPA, March 10, 2024

Aon showed the mildest drop, reporting that by their reckoning the aggregate pension funded status for pension plans run by the S&P 500 fell by just under 1% from 103.5% to 102.6%. Milliman's 100 Pension Funding Index, which gauges the funded status of the 100 largest corporate pension plans, says that the aggregate funded status fell by 1.2 percentage points from 106% at the end of January to 104.8% by the end of February. In dollars and cents, that translates to a loss of \$13 billion. Aon reports that pension plan assets grew by 2.2% overall, that the value of long-duration corporate bonds grew by 3.5%. And for its part, Milliman says that while their increase in value was not high enough to offset increases in liabilities, assets grew in February. And—although funded status fell by all four measures in February, it is worth noting that despite that, those funding levels nevertheless were still above 100%.

[State Plans Important Ingredient in Retirement Readiness, Says Report](#)

By John Ikel, ASPPA, March 17, 2025

Retirement readiness is growing, and state-facilitated retirement savings programs are part of the reason, says a just-released study. The Georgetown University Center for Retirement has issued the report “Who Lacks Access to Retirement Savings? The Benefits of State-Facilitated Retirement Savings Programs.” It provides a comprehensive look at retirement savings access across the United States, as well as a look at some of the state programs that are under way. The long and short of it is that state-run programs add to the progress made by employer-sponsored retirement plans (ESRPs). Employer plans are available to a majority of employees, and state-run programs bolster the effort to help individuals achieve a stable and secure retirement. The researchers observe that in the absence of national action, many states have put in place their own retirement programs to expand access to retirement plan coverage. Many of them have set in place auto-IRA programs, which require employers not already offering retirement savings plans to enroll their employees in an individual retirement account (IRA). State-facilitated retirement savings programs “provide a simple pathway for workers without employer-sponsored plans to save for retirement,” says the report, and “make saving easy and automatic while giving workers full control to adjust their contribution levels or opt out at any time.”

[The average Social Security payment in every U.S. state](#)

By Kamaron McNair, CNBC Make It, March 18 2025

Depending on your work history and other savings, Social Security income may be a crucial part of your retirement strategy. In fact, 77% of current retirees in the U.S. rely on Social Security income to make ends meet, according to a recent Bankrate survey. But not everyone gets the same amount. In Connecticut, for example, retirement beneficiaries receive an average payment of \$2,114 a month, the most in the country, according to the latest available Social Security Administration data. Beneficiaries in Mississippi receive the lowest average payment of \$1,756 a month. **FLORIDA:** Average monthly payment: \$1,894; Median monthly payment: \$1,839.

[Less than 30% of large pension plans say they use ESG in investment process](#)

By Larry Rothman, P&I, March 18, 2025

Only 35 large pension funds out of 123 incorporated environmental, social and governance factors into the portfolio management process. That's based on responses concerning ESG to Pensions & Investments' latest annual top 1,000 retirement plan sponsor survey. Breaking out the responses by plan type, 24 out of 73 public pension plans used ESG factors in the investment process. Only three out of 34 corporate pension plans said they used ESG.

[Public Pension Funds Stabilize in Latest Milliman Analysis](#)

By Amanda Umpierrez, 401(K) Specialist, March 20, 2025

Milliman's latest public pension funding index (PPFI) saw its funded ratio at a stable 81.1%, unchanged from January. The global consulting and actuarial firm, which analyzes data from the country's 100 largest public defined benefit (DB) plans, finds that estimated aggregate market returns in February of 0.3% left the funded ratio

unchanged compared to the month prior. Previously, market volatility at the end of 2024 and start of 2025 caused the Milliman 100 PPFI funded ratio to dip from 81.7% as of November 30 to 80.0% as of December 31, before rising back up to 81.1% as of January 31. According to today's findings, individual plans' estimated returns ranged from -0.3% to 2.1% during this time, as the value of plan assets grew from \$5.281 trillion on January 31 to \$5.290 trillion on February 28.

Pensions making a comeback? Unions push for defined benefit plans in strikes

By Kristen Beckman, ALM Benefits Pro, March 25, 2025

Unions have asked for a restoration of defined benefit (DB) retirement plans in recent strike negotiations, signaling a renewed appetite for pensions rather than defined-contribution plans that have dominated the employer-sponsored retirement landscape for several decades. Since 1989, participation in DB retirement plans has fallen from about 60% of employees to about 20%, while DC plans have grown from about 55% of savers in employer-sponsored plans in 1989 to 80% today, according to the study. The decline in DB pension plan participation has been consistent across industries except public administration workers, who remain in pension plans at a higher rate than other workers because of the Federal Employees Retirement System, which offers both a DB and DC option to federal employees.

'We will not retreat one inch': NYC pension funds double down on climate commitments

By Mona Dohle, Net Zero Investor, March 26, 2025

The New York City comptroller, who acts as custodian and trustee for five major retirement funds collectively managing around \$284.2bn, has pledged to increase climate disclosures and step up investments in climate solutions, defying the US government's retreat from climate action. Calling out the Trump administration's departure from the Paris Agreement, Lander warned: "Others may walk back their climate commitments and cave to the current administration's climate denialism, but we will not be cowed." The New York City pension funds have long taken a vocal stance on climate change, divesting from fossil fuel reserve owners in 2018 and becoming the first major city pension fund to introduce fossil fuel divestment policies. In 2023, they voted to exclude upstream fossil fuel investments across their private markets holdings.

California pension fund accuses UnitedHealth of securities fraud

By Jakob Emerson, Becker's Pay Issues, March 28, 2025

The California Public Employees' Retirement System is accusing UnitedHealth Group of securities fraud related to its Medicare Advantage billing practices. The class action, first filed in May 2024 and amended March 21, alleges that UnitedHealth misled investors about its operations, including Medicare Advantage upcoding practices that inflated the company's revenue. The complaint, filed in the U.S. District Court of Minnesota, also names CEO Andrew Witty, former UnitedHealthcare CEO Brian Thompson, and Chairman Stephen Hemsley. According to the complaint, the company pushed providers to increase diagnoses through incentives and other pressures through the use of its HouseCalls program, which involved sending nurse practitioners to perform in-home health assessments that allegedly resulted in unsupported diagnoses. The lawsuit also claims that UnitedHealth executives engaged in insider trading by selling millions of dollars worth of stock based on nonpublic information about a Department of Justice [investigation](#) into the company's practices. CalPERS, which lost millions of dollars on its UnitedHealth stock holdings, is seeking compensatory damages for investors who purchased company stock between September 2021 and February 2025. The pension fund oversees about \$500 billion in assets for public sector retirees in California.

What's Better For A Pension Plan?

By Russ Kamp, CEO, Ryan ALM, Inc., Ryan ALM Blog, March 28, 2025

The latest thought piece from Ron Ryan, Chairman, Ryan ALM, Inc. shares his wisdom regarding what is the better outcome for a pension plan. Is it a 20% asset growth or a 20% reduction in the cost of liabilities? As you'll see, he (and I) firmly believes that a 20% cost reduction is the more preferred outcome given the near certainty that the cost savings will be realized, as opposed to the very uncertain outcomes around asset performance. Plan

sponsors focused on the return on asset (ROA) assumption as the primary objective in managing a DB pension continually ride the performance rollercoaster leading to excessive volatility in the funded status and contribution expenses. That makes the process of managing these critical entities and their outcomes so uncertain. Decreasing a portion of the liabilities with the purpose of securing the promised benefits is a sleep-well-at-night strategy that should be adopted by every plan sponsor. As Ron points out, there are many benefits to this approach with enhanced liquidity being just one.

Some Florida lawmakers pushing to restore 3% cost-of-living adjustment for state retirees

James Call, USA TODAY NETWORK, March 17, 2025

Two Republican lawmakers want to restore a 3% cost-of-living adjustment, or COLA, to the Florida Retirement System (FRS), the pension system for more than 600,000 people who work for Florida cities, counties, school districts, and state government. The bill (HB 945) by Rep. Omar Blanco, R-Miami, and its counterpart by Sen. Ana Maria Rodriguez, R-Miami (SB 1126), would reverse a cut to benefits imposed in 2011 during the financial crisis to balance budgets for Florida's governments. That move created a two-tier pension system for firefighters, teachers, and other public sector workers.

Florida's lawsuit against Target: hypocrisy

By Adrian Moore, Ari Cohn, Opinion Piece, Observer, March 12, 2025

Florida's attorney general filed a federal lawsuit against the Target Corp. on behalf of the State Board of Administration. The lawsuit alleges that Target defrauded investors by not properly disclosing the risk to investors posed by its Pride month activities and products. The lawsuit's genesis is a legally and factually inaccurate letter sent in July 2023 to Target by a group of seven Republican state attorneys general threatening Target with lawsuits over their Pride month merchandise and donations. The letter made clear the objection to Target's activities was about its message — aka its speech — on Pride month and LGBTQ issues in general. The SBA's fiduciary duty is to maximize returns for the plan to ensure a secure retirement benefit for state workers at the least feasible cost to state taxpayers. Going after Target for its environment, social and governance policies rather than for bona fide financial mismanagement or fraud puts state worker pensions at risk. When partisan objectives take precedence over maximizing investment returns, public pension system investments face a higher risk of underperformance, ultimately placing the financial burden on taxpayers through increased taxes and contributions. For Florida to fail its fiduciary duty to taxpayers and state workers while also trampling on free speech rights is shameful.

Florida's Foray into Cryptocurrency, State Pension Funds and Legislative Initiatives

By Space Coast Daily, March 20, 2025

Twelve US states, Florida included, have reported holdings in Strategy (formerly MicroStrategy) stock within their state pension funds and treasuries as of the end of 2024, totaling a substantial \$330 million. This trend underscores a growing institutional interest in cryptocurrency exposure, particularly Bitcoin, through conventional investment vehicles. Florida's engagement with cryptocurrency extends beyond indirect exposure through Strategy stock. Republican Senator Joe Gruters introduced Senate Bill 550, proposing that the state's Chief Financial Officer be authorized to invest up to 10% of certain public funds in Bitcoin and other digital assets. The bill emphasizes Bitcoin's potential as a hedge against inflation and its growing acceptance as a medium of exchange. This legislative initiative reflects a proactive approach to integrating digital assets into the state's investment portfolio.

ESG Ruling Puts New Pressure on Public Pension Funds and Blackrock

L. A. "Tony" Kovach, Patch, March 26, 2025

A federal court ruling regarding ESG investing with BlackRock could put public pension funds on the defense, a consumer group is warning. Consumers' Research sent letters to the largest public pensions boards in each state warning BlackRock's focus on ESG—an acronym for environmental, social, and governance—could lead to serious liabilities and a breach of fiduciary duty and put trillions of dollars in American pension money at risk. In a first-of-its kind federal court decision on ESG, U.S. District Judge Reed O'Connor, of the Northern District of Texas, held in January in the case of Spence v. American Airlines that the airline's pension was in breach of its fiduciary

duty for allowing BlackRock to weigh ESG consideration in employees' retirement plans. BlackRock was not a party in the lawsuit. The Consumers' Research letter asserts state pension boards should review their investment with BlackRock to ensure similar problems—such as politicized investments—aren't happening.