



Contact: Becky Sielman
Milliman, Inc.
Tel: +1 860 687 0125
becky.sielman@milliman.com

FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Rocky markets cause \$167 billion drop in public pension funded status during Q1

Milliman PPFi funded status declines to 82.7% as of March 31

SEATTLE – MAY 20, 2022 – Milliman, Inc., a premier global consulting and actuarial firm, today released the first quarter (Q1) 2022 results of its Public Pension Funding Index (PPFI), which consists of the nation's 100 largest public defined benefit pension plans.

During Q1 2022, the Milliman 100 public pensions experienced investment losses of an estimated 3.36% in aggregate, driving down the funded status of these plans by \$167 billion. The PPFi funded ratio declined from 85.5% at 2021 year-end to 82.7% as of March 31, 2022. This funded ratio, however, is still modestly higher than at the end of Q1 2021 (79.0%) and substantially higher than at the end of Q1 2020 (66.0%).

The market decline during Q1 pushed eight plans below the 90% funded mark; now 38 plans still stand above this benchmark compared to 46 at the end of Q4 2021. Meanwhile, at the lower end of the spectrum, two plans fell below 60% funded, bringing the total number of plans under this mark to 20, up from 18 at Q4 2021.

"Market volatility is the prevailing headwind for public pension funding, and over the first three months of 2022 we saw the majority of the plans in our study decline in asset values, ranging from losses of 5.52% to a mild gain of 0.50%," said Becky Sielman, author of Milliman's PPFi. "Given the continued fixed income and equity volatility in April and May, we expect this downward funding trend to continue in the near-term, and will begin providing monthly updates of the PPFi with more real-time analysis on how market movements have impacted public pensions since March 31."

For more information and to view the full Milliman 100 Public Pension Funding Index, go to <http://www.milliman.com/ppfi/>. To see Milliman's full range of annual Pension Funding Studies, go to <https://www.milliman.com/en/retirement-and-benefits/pension-funding-studies>. To receive regular updates of Milliman's pension funding analysis, contact us at pensionfunding@milliman.com.

About Milliman

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit milliman.com.

####