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## **Sagging Stocks Aren't the Only Threat to Pension Plans.**

**Last year, pension plans enjoyed big returns in the market, bringing their balances back to levels not seen since the Great Recession. They are still \$1 trillion short, however.**

Last year was a great time to manage a pension fund. Thanks to strong stock market gains, plans around the country pulled in returns that exceeded 30 percent in many places, bringing their overall funding levels almost back where they'd been before the Great Recession of 2007 to 2009.

"This is probably the best news that state and local pension plans have received in many years," says Richard Johnson, director of the retirement policy program at the Urban Institute. "These returns have greatly improved their funding levels."

It's hardly time to break out the champagne, however. What the stock market giveth, it can also taketh away. Major indices are down so far in 2022, suffering big drops six trading days in a row before registering slight gains on Monday.

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