

TEXAS PENSION PLANS

With Lower Returns on the Horizon, Public Pensions Will Turn to Riskier Assets, Moody's Says
February 27, 2021, By Andrea Riquier

“State and local government pension systems are increasingly dependent on investment returns, and at risk of increasingly volatile results, as funding levels remain depressed and systems increasingly start to pay out more than they take in, according to a new report from Moody’s.

The credit-ratings agency anticipates higher volatility and lower returns across asset classes in 2021 compared to 2020, even as many pension sponsors have spent the past few years lowering their assumed returns from previous loftier targets that they rarely hit.

Investment volatility also keeps assets from growing over time. If Texas Teachers hits its 7.25% target annually over the next decade, assets would reach about \$275 billion, Moody’s reckons.”

[Fitch Ratings](#)

Atalaya Capital Raises \$1 Billion with Latest Direct Lending Fund

March 2, 2021, By James Comtois

“Atalaya Capital Management closed its latest direct lending fund, Atalaya Asset Income Fund V, at \$1 billion. The fund closed at its hard cap, exceeding its \$900 million target...

Investors in AIF V include the \$67.9 billion Alaska Permanent Fund Corp., Juneau; and the \$29.1 billion Texas County & District Retirement System, Austin.”

[Pensions & Investments](#)

TEXAS ECONOMIC INDICATORS

Texas Governor Lifts Covid-19 Mask Mandate, Business Restrictions

March 2, 2021, By Elizabeth Findell

Texas businesses will be able to operate at full capacity and state residents will no longer be required to wear masks to visit them, Gov. Greg Abbott said Tuesday.

Rochelle Walensky, director of the Centers for Disease Control and Prevention, warned states Monday against relaxing restrictions. She said she understood the temptation to do so, given the reduction in cases from a few months ago, but that progress had stalled and more transmissible variants of the disease were a threat.

[The Wall Street Journal](#)

Cooperative's Bankruptcy Underscores Risks to Texas Electric Utilities

March 1, 2021, By Richard Williamson

"The Chapter 11 bankruptcy filing Monday of a large-scale electric power cooperative underscores the fallout from February's market failure of Texas' deregulated electrical grid after a deep freeze gripped the state.

Rating agencies have placed public utilities and cities with their own utilities on watch for possible downgrade in the wake of the storm that brought blackouts and nearly caused the collapse of the Texas grid."

[The Bond Buyer](#)

Few Texas Voters Say They're Doing Better Economically than They Were a Year Ago, Poll Finds

March 3, 2021, By Ross Ramsey

"Fewer than 1 in 5 Texas voters say they and their families are better off than they were a year ago, according to the latest University of Texas/Texas Tribune Poll.

When asked the same question about the state economy, 13% said the economy is a lot or somewhat better off, 31% said the economy is about the same as it was a year earlier and 49% said it's worse.

The poll was in the field during last month's electric blackouts and was being completed just as the state began to thaw. As a result, little of that episode had registered with voters as they completed the survey."

[The Texas Tribune](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

Funded Status of Largest U.S. Pension Plans Climbs in 2020

March 2, 2021, By Rob Kozlowski

"The average funding ratio of 19 U.S. publicly listed corporations with more than \$20 billion in global pension fund liabilities totaled 86.2% at the end of 2020, up from 84.9% at the start of the year, according to a report from [Russell Investments](#).

Contributions by the 19 corporations totaled \$19.8 billion for 2020, up from the \$11.9 billion the club contributed in 2019, although both years were significantly below the \$28.1 billion in contributions recorded in 2018 and the \$37.5 billion in contributions in 2017."

[Pensions & Investments](#)

California Teachers' Pension System Increases Co-investing

March 3, 2021, By Preeti Singh for *The Wall Street Journal*

“One of California’s largest public pension plans meaningfully stepped up its co-investment activity during the six-month period ended 30 September as it sought to reduce fee expenses and become more engaged in the investing process.

The collaborative model became a priority for Calstrs in 2017. It is meant to reduce interest and fee costs and to let staff play a more active role in the pension’s investments in both private and public markets, through techniques such as separately managed accounts and joint ventures as well as co-investing, according to Calstrs documents.”

[RoseFerro](#)

Proposed Bill Would End Illinois Lawmaker Pensions

March 3, 2021, By WTVO Staff

“Rockford state Rep. Dave Vella (D) has filed a bill which would prohibit future legislators from receiving a taxpayer funded pension when they leave office.

Vella also announced his decision to refuse a pension.”

[MyStateline](#)

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