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Cal-Tax Report on Public Employees' Pensions and Fringe Benefits Focuses on Growing Cost to Counties

SACRAMENTO – The California Taxpayers' Association today released a report on public employees' pensions and fringe benefits, focusing on the budget impact these benefits have on county governments.

“Spending on government workers' pensions and fringe benefits has increased dramatically in recent years, and it is imperative that policy makers have information to help plan for the long-term budget effects,” Cal-Tax Acting President Teresa Casazza said. “Taxpayers and government employees deserve to know how the pensions and fringe benefits will be paid for, and whether the cost of providing benefits to retirees will impact services like schools, police departments and public health programs.”

The 79-page report, “[A Look at County Employee Fringe Benefits and Retirement](#),” includes a county-by-county comparison of benefits, including medical insurance coverage, life insurance benefits and vacation days available for county employees. The report, based on averages compiled from the California Assessors' Offices and Appeals Boards' Salary and Benefits Survey report for 2005 -2006, also provides information on which counties provide such fringe benefits as gym memberships and tuition assistance for additional education.

The Cal-Tax Research Bulletin, available online at www.caltax.org, also highlights several issues that should be addressed by policy makers, such as the unpredictability of the current system of paying for pensions and fringe benefits. In Sonoma County, for example, taxpayer-funded contributions to public employees' pensions increased more than 1,100 percent in a single year.

“Every benefit has a cost, and it is vital that we lay all the information on the table and make informed decisions about whether county governments will need to make any changes to ensure that pensions and fringe benefits don't overwhelm

their budgets,” Casazza said. “The reality is that under-funded benefits will become a long-term financial liability for California taxpayers.”

Cal-Tax was founded in 1926 to protect taxpayers from unnecessary taxes and to promote efficient, quality government services. The association serves taxpayers through research and advocacy on significant tax and spending issues in the legislative, executive and judicial branches of government.

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