

Calif. cities: Pension costs 'unsustainable'

By Adam Ashton, Sacramento Bee

Most California cities expect their spending on public employee pensions to climb by at least 50 percent over the next seven years, restricting their ability to fund basic services like public safety and parks, according to a study their lobbying organization released on Thursday.

The report escalates the League of California Cities' appeal for more flexibility in negotiating pension obligations. Almost all of California's cities belong to the \$360 billion California Public Employees' Retirement System, and some cities over the past year have raised increasingly loud complaints that fee hikes from the pension fund are "crowding out" other spending priorities.

The new report warns that pension costs are becoming "unsustainable."

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