California pension funds running dry

By Marc Lifsher, Los Angeles Times

A decade ago, many of California's public pension plans had plenty of money to pay for workers' retirements.

All that has changed, according to a far-reaching package of data from the state controller. Taxpayers are now on the hook for billions of dollars more to cover the future retirements of public workers, with the bill widely varying depending on where they live.

The state's pension goliath, the California Public Employees' Retirement System, had $281 billion to cover the benefits promised to 1.3 million workers and retirees in 2013. Yet it needed an additional $57 billion to meet future obligations.

The bill at the state teachers' pension fund is even higher: It has an estimated shortfall of $70 billion.

The new data from a website created by state Controller John Chiang come at a time of growing anger from taxpayers over the skyrocketing cost of public workers' retirements.

Until now, the bill for those government pensions was buried deep in the funds' financial reports. By making this data available, Chiang is bound to stir debate about how taxpayers can afford to make retirement more comfortable for public workers when private-sector employees' own financial futures have become less secure. For most non-government workers, fixed monthly pensions are increasingly rare.

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