



For Immediate Release:
February 4, 2008

Contact: Sarah Dalton
916-654-1483

California Research Bureau report highlights concerns about actuarial practices for public employee benefits

SACRAMENTO – The California Research Bureau (CRB) at the California State Library has released a report that explains in plain language how actuarial practices determine funding levels for public employee pensions and retiree health benefits.

The new CRB report also addresses California’s public retirement systems’ altering of actuarial policies to lower employer contribution rates or to justify benefit increases, a current concern at the Capitol. The Public Employment Benefits Commission issued a [report](#) to the Governor and the Legislature that recommends more transparency in actuarial reporting. Further, California [Senate Bill 1123](#) (Wiggins), introduced January 28th, includes a number of provisions that speak to the Commission’s recommendations, including the establishment of a statewide actuarial advisory panel.

“The American Academy of Actuaries allows a wide range of practices because there is not a one-size-fits-all approach will not work for all systems,” says report author and CRB Senior Research Specialist Grant Boyken. “However, recent history shows that to maintain public trust, public retirement systems should not pursue short-term gains by deviating from actuarial policies that they adopted to fund the benefit over the long-term.”

To view the entire report, *Actuarially Speaking: A Plain Language Summary of Actuarial Methods and Practices for Public Employee Pension and Other Post-Employment Benefits*, visit the California Research Bureau website at <http://www.library.ca.gov/crb/08/08-003.pdf>.

Other recent California Research Bureau reports on public employee pension and retiree health benefits include:

- “Funding the Golden Years in the Golden State: An Overview of Public Employee Post-Employment Benefits and Recent Concerns about How to Provide and Pay for Them (2007),” <http://www.library.ca.gov/crb/07/05/07-005.pdf>
- “The California Research Bureau Public Retirement System Survey (2007).” <http://www.library.ca.gov/crb/07/07-014.pdf>

For more information about this report contact Grant Boyken at (916) 651-9700 or email at gboyken@library.ca.gov.

###