Argument in Favor of Measure H – Special Tax Measure

Vote "YES" on Measure H! It makes financial sense and saves taxpayers millions.

Almost all California cities, including Fort Bragg, face the financial challenge of increasing pension obligations. Like most cities in California, Fort Bragg must rely on the California Public Employees' Retirement System (CalPERS) to manage its pension plans. Unlike a 401(k) or other pension programs, Fort Bragg cannot shop for a new pension provider, change investments or change the benefits that have been or will be offered. Those decisions are made in Sacramento and set in law.

The most current CalPERS Reports set the Unfunded Accrued Liability (UAL) for the City's CalPERS plans at $9.4 million. The unfunded accrued liability is the additional amount needed to fund pension benefits that were established in years past. This pension shortfall is owed and represents service already earned. This is a City obligation that must be paid.

Measure H spreads the tax burden to our tourist and regional populations who use our services. Tourists will generate about 40% of the sales tax revenue and regional residents who live outside City limits but shop in the City will generate about 33%. City residents will generate the smallest portion, about 27% of the sales tax revenue.

The City's budget was balanced this year in part by freezing one Police Officer position. Without additional revenue more City positions and programs are likely to be eliminated in the years to come, resulting in reduced City services. The success or failure of Measure H will not change the amount due - only the ability to keep pace with increasing costs and repay the debt early. With the passage of Measure H, the City will commit to a 15-year payment payoff plan (instead of 30-year) which will save the taxpayers more than $4.1 million.