

**CITY OF BRIDGEPORT
BUDGET & APPROPRIATIONS
PUBLIC HEARING
APRIL 27, 2011**

ATTENDANCE: Angel dePara, Co-chair; Bob Curwen, Co-chair; Susan Brannelly, AmyMarie Vizzo-Paniccia, Lydia Martinez, Council President Thomas McCarthy

OTHERS: Council Member Martin McCarthy; Council Member Michelle Lyons, Council Member Robert Walsh; Council Member M. Evette Brantley

CALL TO ORDER

Chairman dePara called the meeting to order at 6:15 p.m. and introduced the members of the Committee that were present, along with the other Council Members. He then reviewed the procedure for the public hearing and stated that each speaker would be given five minutes to address the Committee.

The following comments by all speakers are summarized and not verbatim.

Dr. John Ramos, Superintendent of Schools, 45 Lyon Terrace – Dr. Ramos came forward and greeted the Committee. He said that he was not present to defend the budget proposal, because it is not the time to do that. He was present to describe the impact that the budget would have. He said he was not present with scare tactics. He said that people needed to be prepared to deal with the consequences. If the present recommended amount is approved, the BOE will need to reduce the proposed budget by 19 million dollars. He said that the stimulus funding would end this year. The BOE has already made substantial cuts and that this was a perfect storm as it relates to the budget. Over 90% of the budget of the Board of Education is for personnel. It is a people business and 20,000 students will show up expecting a quality education. In previous years, many cuts were made. A worse case scenario would be having to reduce the budget by 6 million dollars, which equates to 300 teachers who have a normal teacher's salary. Another possibility is to build the system anew. He reminded everyone that once the mandatory items have been factored in, such as mandatory half day kindergarten, the final amount does not leave over a lot of money. The cuts will be to teachers and support staff, or to administrators, or to services, no matter it is, it must equal 19 million dollars. He said that he just wanted everyone to be prepared for those eventualities. Dr. Ramos concluded by saying that he was praying that the Committee would find a way to get through these difficult times. He then thanked the Committee for listening.

Ms. Mary Pat Healy, 2470 Fairfield Avenue – Ms. Healy greeted the Committee and said that the Bridgeport Child Advocacy appreciates the opportunity to submit testimony. She said that she was the Bridgeport Child Advocacy Executive Director and it was hard to be here with the same budget as last year. There is not question about the budget crisis and the fact that the State and the City are both in crisis. She expressed concerns about the children’s future and said that difficult choices would have to be made. Ms. Healy then referred to a recent article in Sunday’s Connecticut Post about the budget and pointed out that there was only one reference to education. While she appreciated the hard work that the Committee was doing, she wanted to know what would be cut. Would it be programs for autistic children, expansion of Discovery magnet school or would teachers have to be laid off? Parents want the best for their children and their children deserve a quality education. She then urged the City and the schools need to work together to insure that the students’ education is not harmed by the cuts in the budget. Ms. Healy then asked the Committee to engage the community and help the parents understand how and why the decisions are made and what plans are in place to address the situation. Communication must a priority. She then thanked the Committee for their time.

Ms. Mimi Nelsen, 219 Anson St. – Ms. Nelsen came forward and greeted the Committee. She said that she had heard that the Librarian Assistants were in line to be cut. Ms. Nelsen said that the L.As do Tier 2 interventions as mandated by the State These are small groups of students that are removed from the larger classroom for more individualized instruction. The students scores are improving. She said that she was also a certified teacher, but liked this particular position, which she had been doing it for thirteen years. She then asked the Committee to consider this when deciding on the budget and thanked the Committee for listening.

Mr. Charles Coviello – 83 Willow St. – Mr. Coviello came forward and greeted the Committee. He said that there were request for more money for this, or more money for that while in the background was the refrain of “don’t raise taxes”. It’s the same old story. There are more union concessions or there will be lay offs. Guess what? It’s going to get worse. What Bridgeport really needs is some new leadership. Buildings are being demolished because people want to save on taxes. They are taking big commercial buildings down all over the City, not because they are going to be developed, but because they want to save money. And Bridgeport residents will have a smaller grand list next year, which means that everyone will be taxed more. That will mean an even bigger problem. There’s been no development in Bridgeport for the last ten years. The Office of Economic Development should start doing something. They keep passing the buck. What about the twenty years of vacant space at Steele Point? That’s what we get. There has been a promise for a shopping center for the East End. The people that proposed it and said that they had the money to do it don’t have the money to do it.

And this is a tribute to our political campaigns for the leadership that is there in the City. It’s the same old thing. And guess what? Bridgeport gets the same results. Mr. Sherwood

is has been the advisor on budgets for years, and Mr. Sherwood is still there. And he's gone through I don't know how many administrations. Maybe Bridgeport should replace some key leadership. The City needs total transparency throughout all the City's budgetary items. The Committee is not getting it, and it's obvious. The department directors appear before the Committee, but they don't give you all the facts.

There should be total transparency on the Board of Education. Mr. Coviello said that he had been speaking before the Board frequently and said that the money was going to the wrong places. It wasn't possible to keep a program alive that was only spending \$100,000 that was focused on keeping kids in school. The BOE will say that they did something, but it wasn't the same program.

The Bridgeport residents need to find new sources of revenue other than taxes on houses. Mr. Coviello said that he had several ideas but no one will listen. He said that if people followed his campaign for Mayor, there would be some new ideas for creating new revenue. The City might have to do some investments in the new ideas. But the City needs new ideas, new solutions for revenue for the City's problems. He then asked the Committee not to start out the new fiscal year with a deficit. That was a mistake last year because the Committee is facing the same type of problems this year. He encouraged them to balance the budget and thanked them for their time.

Mr. Thomas Mulligan, 20 Armitage Dr. – Mr. Mulligan came forward and greeted the Committee. He said that he was on the Board of Education and was present to support the request of \$233,800,000 for the schools. That and the 2.2 million is for stable services, which have been provided in the past year. The 2.2 million allocation is to provide 1.1 million for increased services to the autistic students and the second 1.1 million for the Discovery School where the grades have to be added. Both of these items are State requirements, as is so many things in the budget. There will not be much room for discretion when the time comes to make the inevitable cuts. Other than the 2.2 million, this is just for the basic services that have been provided before. During the past few years, the services have been maintained because of Federal funding, which are coming to an end on June 30th, 2011. Dr. Ramos has already spoken about the dramatic cuts that may be necessary and this will not be an evolutionary process of a decrease in services. He then asked the Committee to consider if there are any funds to increase the allocation to the BOE over what the Mayor has recommended, it would be very appreciated. It also might save some services that could be very important. He added that when the cuts do come, the Committee members will be hearing from their constituents. He then reminded everyone that the BOE is experiencing financial difficulties just like the City side. He then thanked the Committee.

Mr. Barry Piesner, 4190 Park Ave. – Mr. Piesner came forward and greeted the Committee. He said that about 10 years ago, he had become concerned about the budget. He encourage the Budget and Appropriations Committee to look at the priorities. When

the Federal funds go away, no one will be able to replace the funding. Now was the time to cut the fat from the system and get serious.

Mr. Joseph Borges, 218 Norman St. – Mr. Borges came forward and greeted the Committee. He said that as the former Registrar of Voters, he wanted to speak about the problems that had occurred last year. When the problems cropped up, some of the politicians stood by the Registrars, for which they were thankful. Others, however, when the cameras started rolling, set the stage for how to do things. He reminded everyone that people had formed a committee to recommend improvements. When the cameras stopped rolling, then things disappeared. At the public hearing held at the time, the people came forward and said what they needed. Council President McCarthy had included a number of items in the budget for the Registrar's Office, but that line item had been cut. The people set the standard and said how it was going to be. Now the Federal money is gone and the budget is going to be cut again. There will be a City election this year, for the Council and for the Mayor. And there will be a Democratic primary, too. There is one every year. Now the responsibility for the finances is on the City. The new equipment there are maintenance costs, the booths need repair, ballots have to be purchased along with supplies. The maintenance cost for each machine is \$200.00 a year and Bridgeport has 54 machines. These machines were mandated by the State. The stage has been set and the Mayor set the bar by saying that there will not be problems again. The stage is now set for more problem. There is a small staff, the supplies need to be bought and the equipment needs to be put in place. When the finger pointing starts, remember this and point it at them.

Mr. Jeffrey Kohut, 30 Wickcliff Circle – Mr. Kohut came forward and greeted the Committee. He then read a lengthy document into the record.

To the Budget Committee and citizens of Bridgeport, as a citizen of Bridgeport, I feel it is important to address the budget situation in which the general public might not be familiar but about which they need to be fully informed. It should be known that the current Bridgeport development policy which determines the grand list and revenue building, is being driven by regional planning and crafted by the regional land use to perpetuate the importation and [inaudible] our City and its people. This regional planning is long standing planning, which goes back actually to the creation of Route 25/8, which siphoned off a lot of our development potential and extra and generally has been undermining our development since then. And there [inaudible] inefficient [inaudible] with the public sewer system, things of that nature. So, this plan has been in operation probably for fifty years. It's now called [inaudible].

In this plan, Bridgeport plays host as the regional labor force as the regional housing hub, while other [inaudible] support the situation such as

new roads, new train stations called feeder [inaudible] which will provide a feeder hub while having a negative impact on Bridgeport municipal revenue. A new municipal train station will not pay taxes and feeder hubs are designed to give a low cost rate to cars riding our streets with huge trucks that belch diesel fuel and ruin our infrastructure and damage [inaudible] taxes generated by such an operation. These are development issues.

This pool is the reason why the mission description which we have [inaudible] with the Fairfield County Council, the FCBC and its stepchild, the Bridgeport Regional Business Council, BRBC, are making a [inaudible] to insure that the 600 to 2,000 jobs [inaudible] solar panels manufacturing from G.E. [inaudible] can be located here. That adds up to [inaudible] to the East Side and East End. [Inaudible] a move over the objection of the [inaudible] should be part of the plan in what is now called Steele Point and the [inaudible]. In 2001, the [inaudible] chairman, Chris Rule, asked about the Bridgeport casino because he said, and this is a quote, "Take away our [inaudible] labor force." This is what is happening now.

We are presently rezoning industrial property for residential to make sure [inaudible] and jobs. [Inaudible] We are fulfilling the Stamford/Norwalk [inaudible] Instead, our leaders are taking us down the Seaview Avenue corridor, the road to [inaudible]. It's really the \$50 million dollar road, with no return. We have every [inaudible] can't support the school system [inaudible] roads and train stations and no parks as well as schools that we can't support. The use of the G.E. property for a high school is extremely poor and actually subversive economic development. It will only result in the destruction of [inaudible] in Remington Woods. [Inaudible] for transit oriented jobs requires services and infrastructure at tax payer's expense. Despite the [inaudible] of Mayor Finch and what the BRBC is saying, to develop the road would be [inaudible] and increase our taxes. The zoning will simply just benefit Stamford, Norwalk and the other Gold Coast towns as well as [inaudible]. Bridgeport provides the Gold Coast towns with municipal services as well as schools and Stamford, Norwalk get a lucrative tax base and the advantage of the commuting, non-local work force.

This is the plan for Bridgeport, endorsed by all the Mayors, Congressmen, [inaudible] We need G.E. back with 2,000 jobs. Harding High School should get a new location along the Pequonnock River near the new waterfront park.

In closing, I'd like to mention the Stamford budget is about the same size ours, about 470 million dollars. [Inaudible] people less people for which to provide services. Furthermore, municipal pension plans have got to get out of [inaudible] as well. How do they do this? [Inaudible] They provide an attractive business environment to retain high end base and a large grand list and keeping tax rates low and the physical attractive [inaudible] at the work force's expense with the help of hosting the infrastructure on Bridgeport. They get a free ride on Bridgeport's back. This is what the [inaudible] future is all about. This is Bridgeport's own development plan. Now, the Connecticut Post is saying our Mayor with the help of the [inaudible] forced his greenness while pushing the ahead full throttle [inaudible] preserving Remington Woods [inaudible] into tiny Bridgeport. Is this madness? Is this green? Is this part of the development plan? This is [inaudible] in Bridgeport We need a radical change. We need a new regime change [inaudible] and we have to keep Bridgeport separate and start doing things for Bridgeport. [Inaudible] Thank you.

Ms. Carol Nunley, 84 Anson St. – Ms. Nunley came forward and greeted the Committee. Ms. Nunley asked the Committee to help her and her family and to let her help the Committee. She said that she had been attending the B&A meetings and reminded everyone that they needed to consider the people and the children who are represented by the numbers. It will be the children who will impact our futures. They need their schools and libraries. The teachers need professional development. There have been many cuts in the past year that have adversely affected education. Ms. Nunley said that she now has a grandchildren Park City and seen the old computers and other needs. She then repeated her request for the Committee to support education for the children and added that it didn't take much money. She encouraged the Committee to invest more in everyone's future.

Ms. Karen Jackson, Bridgeport – Ms. Jackson came forward and greeted the Committee. Ms. Jackson said that 64 million dollars will be taken from Bridgeport according to Governor Malloy if the unions did not make concessions. This will be even more difficult if the Federal Government allows the various states to file bankruptcy. In addition, the Mayor will have to lay off city workers, which will be cut back on services for the public and the Mayor is not going to raise taxes.

Ms. Jackson then went on to comment about the Committee meeting that was held on Good Friday, a Christian Good Friday at the Hansen Building in Bridgeport. She said she felt that it was a very sad time to hold the meeting. Chairman dePara said that the meeting was held on Saturday, April 23rd. Ms. Jackson replied that the public hearing was basically held on Good Friday week-end when no one was around and said that she did not think it was a proper time to hold a public hearing

on the Capital Budget, or any budget. Only two or three people attending, including herself. That needs to be changed.

She then said that at the meeting she heard the Director of Civil Service request that the Charter be changed so that more Bridgeport residents with records could be seen on a case to case basis and more points given to Bridgeport residents. As a Bridgeport resident, she would strongly like to express her support that this recommendation be implemented.

One additional thing that she discovered was that those who are Bridgeport City employees are not necessarily domiciled in Bridgeport. She said that she felt that the employees should be domiciled in Bridgeport. Another thing that she heard about was about the bridge to Pleasure Beach, which has been shut down, should be make into a green way, a walkway and keep Pleasure Beach as a wildlife preserve. She felt that the boat taxi that will be operating in the summer was very good.

Ms. Jackson said that she agreed that the bus depot needs to be revamped. The passengers need an enclosed structure for bad weather. She said that the last one was improper and needs to be redone. She said that it would be important to ask the residents what they want the bus depot to look like and not what it is right now.

Ms. Jackson said that she was also present for the discussion about the Gilman Street sidewalk. She said that when it is built, it will look like a bike path and families with children will be walking almost in a street. Ms. Jackson thought it should actually be a sidewalk, not a bike path.

Ms. Jackson then presented a way for Bridgeport to create some revenue and went on to speak about the blight on the East Side. She thought that correcting this could bring revenue to Bridgeport.

The topic of school construction came up repeatedly. She then said that with the State reimbursement, it would be a zero balance, especially with the magnet school, which would be another zero balance. She said that she didn't know why it was included in the budget book if it was a zero balance. She then said that could be put towards the BOE budget.

She said that she spoke to Mr. Walsh about having an ordinance regarding the young people who wear their pants on their butts. He suggested that she create some language for this. That would also bring in revenue. She felt that having indecent exposure for young people to be wearing their pants off their butts.

Ms. Jackson said that the Board of Education budget that was presented should be approved without interference from the Mayor. She said that there should be an additional ten million dollars added to it. She attended a State Educational Resource Assessment. Parents were allowed to attend the meeting in Farmington, Connecticut. The group has methodologies about how to lower the achievement gap. So, it should be approved, but the Education gap should be implemented to lower the achievement gap. She said that proof was given about this from Chicago and Hartford to show that this could be done. The budget should be based on that implementation of lowering the achievement gap, which is the worst in the State. She said that approve the BOE budget as presented would show that the Committee cares about the children.

Ms. Jackson then listed a few things that bothered her about the meeting. She said that Mr. Curwen and Mr. McCarthy spoke about the Barnum Museum and the half a million dollars being allocated for it. She said that they couldn't vote on it, but she felt that both the Federal OSHA and State OSHA should be called in and once they evaluate the building, then the repairs could go forward. She then spoke about a comment Mr. McCarthy made about something being "off the record". The rules were not suspended and Ms. Jackson found that very disconcerting. She then said that if the Council Members were dictating what was said in the minutes, how would the public know what was in the minutes.

She then presented the Committee with a copy of an article that she had written and was published in the Bridgeport News about additional State and Federal cuts. She said that she would like this to be included in the record.

Ms. Karene Garcia. 454 Gordon St. – Ms. Garcia came forward and greeted the Committee. She said that she had two children in the schools, but hope that she would be seen as representing all residents and all the students in Bridgeport. She said that the students in the school were struggling and that the staff was trying to provide more services. Additional cuts will be devastating to the children and the instruction they receive. She went on to speak about how one class has 26 students in one class and there is a paraprofessional in the room with a teacher. It is a difficult task to give differentiated instruction to those students in kindergarten. What happens in eighth grade, when the students don't have a reading specialist or library specialist to help them through. Ms. Garcia said that she knew of a woman who was struggling to help her grandchild and the student needs remedial services. Ms. Healy was correct that investing in children was a great investment. These are not just any children, but our children. Ms. Garcia said that she was aware that this was an election year, no one wants to raise taxes and that everyone was hurting. It is important to invest in children because they can't fight back. They can't get a second job or a third job. She said it was time to stand up for the residents, for the children, but they can't do that without a solid,

quality education. She said that she would close by saying that by having a budget hearing where the Committee is hearing from parents from their hearts. Parents want to give their children everything they need, but they need the help of the City. The parents can't do it alone. Ms. Garcia said that she was sending her children to public schools because when she was growing up, that was the best education ever. The Committee could make this happen again.

Mr. John Marshal Lee, 30 Beacon – Mr. Lee came forward and displayed a strainer, a towel, and a book. He then proceeded to read the following statement into the record and submitted the following copy for inclusion in the minutes:

“A strainer, a towel and some material worth full reading4-27-11

INTRODUCTION: The City Council members are the elected representatives from the ten districts of Bridgeport. Those who elected you expect that you represent government to them, even though it is the Mayor who gets the photo-ops usually. You have structured the Council to use sub-committees to do the hard work of the Council, deliberating, researching, becoming expert on, and recommending a course of action to the Council as a whole. For instance, if the ordinance committee comes back with a unanimous recommendation, it can go on the consent calendar of your Council meeting and be approved without further discussion. You know that already, but perhaps there are those who do not know your process in the audience this evening.

The Budget is crafted by the Mayor and key persons on his staff. They have all the necessary information to review, product of their own research or that provided by outside consultants hired by them and paid for by the taxpayers. The budget plan as a whole contemplates one year of expenses by and revenues to operate the City and it must balance. The Council through its B&A acts as a strainer, attempting to look at the presentations individually and come up with a sense of what works and what doesn't for the coming year. It is a difficult job. It probably can use some help from the legislative assistant whose services do not appear to have been mentioned once in the sessions I have attended. It may indicate a use of “unexpected stipends” in the range of \$80,000-90,000 per year that is available for real municipal education, research and guidance on budget matters for those on your “strainer” committee. (Last year the public sense was that on B&A and the Council as a whole did little or no straining and accepted the Mayor's produced budget whole.)

My last comment on structural reform today is to suggest that Council Committee meetings might end with a fifteen-thirty minutes period for

questions and comments from any audience that attends such meetings. There are not many visitors historically. Yet they represent a reservoir of knowledge, experience and, yes, opinion, that might help the “straining” process. Another set of eyes to indicate a typographical error in this year’s actuarial report (page iv) that suggested an additional \$10 Million due in 2020 in addition to the projected \$60 Million.

COMMENTS: Tonight’s hearing is the City budget for July 1, 2011 until June 30, 2012, the only meeting where the public can talk to this subject and possibly be heard. For the past four weeks members of your Budget and Appropriations committee have met. Those meeting [sic] are open to the public for listening only and handouts for the public are not normally available. While open to all members of the Council, generally only 3 or 4 others are observed in attendance. *That means that approximately half the Council have minimal or zero contact with the B&A process. Those people may be very financially savvy or very trusting of their fellow Council members, or they may be woefully unprepared to cast an informed, unconflicted and positive vote for the City’s Annual Budget. That would not be good for the City or the people in the Districts represented.*

Three years of no municipal tax increases in an economy with big percentage increases in healthcare, for instance, from a Mayor who campaigned on but failed to deliver on a promise of a \$600 tax credit, has created some skepticism in Bridgeport. And that is how Budget Observer Bridgeport 2011 (BOB) came into being this year. About 30 people, basically any Bridgeport resident, voter, taxpayer I met was invited to be part of an observation group to attend every budget hearing. They were asked to sense what they could from listening, identifying questions they might like to ask, and submit a one page report. A simple concept with no expense except some copying. And time away from family and personal pursuits that is no different from your investment as City Council members.

Let me focus on two items of significant importance to the City at this moment: *Pension Plan A that has 866 retired beneficiaries and 33 still active public safety employees.* Information on this plan is available in this year’s budget in the Comprehensive Annual Financial Report -2010 by the City auditor, in the actuarial valuation report produced annually by a “pension plan” specialist in calculating needed funding for a plan with assets, in Pension Committee minutes and a letter from the City to

the State of CT OPM and Treasurer in April 2010. Is there anyone on the City Council who has reviewed each of these sources or documents, specific to coverage of Pension Plan A? I doubt that anyone wishes to answer that question, possibly because one or more of these resources has never been presented to you by the City as an opportunity to learn and become more informed in your “strainer” duty. This year the individual actuary from Segal and Company talked for over one hour on Pension Plan A. This was the first time he appeared in person although he has worked on this assignment for over 15 years.

He brought multiage reports for three City plans. These contained much info on *what has happened over the past ten years to show us where we are with major underfunding, as well as what we will be called to pay in the years out to 2020*. He also delivered a single page summary of current state for Pension Plan A. There was no appetite at that meeting for opening up the multipage document and digging in to the message it delivers to the City. There was evidence of concern on the part of some members by types of questions asked as to how correct our underfunded plans with less than minimum recommended funding.

How did we get where we are? In 2,000 [sic] a different Mayor knew that the State wanted to see funded pension plans at 78.6 of the actuarial liability. Our City was not there. The City voted to issue \$350 Million of Pension Obligation Bonds committing the City to pay about \$30 Million per year for 30 years. We have paid 11 years, but face 19 more years of this amount, due and payable. Look in the current Police \$15,437,327 and Fire \$14,831,942 budgets for the two numbers totaling \$30,269,269 and you will understand that these Millions make our public no safer today, but only meets an obligation due to bondholders who originally funded Pension Plan A. It does benefit former public safety employees 96% of whom have retired and/or died where their spouses earn a reduced benefit for their life.

Let's think of Pension Plan A as "sodded field purchased by the City with a 30 year mortgage that is to be maintained by the City" until the last employee or spousal heir is dead. The actuary is our supervision groundskeeper. \$350 Million sodded the field. In 2000 that put them in compliance with State regulations at 78.6% of actuarial liability. They were also instructed by their actuaries to water, feed and mow the grass regularly. Feeding, watering and mowing the dos did not occur in any meaningful manner for six years. The fund immediately ran into the "tech bubble" and significant funds were lost. The City appealed to the State in 2009 to make payments less than minimum actuarial requirements. We no

longer care about getting to 78.6%. We are actually at 56.8%. During the same period, retirees have also been drawing from the fund currently at a rate of \$8 Million per most recent quarter. That's \$32 Million per year in addition to the bond repayment for the next 10 years. What does the plan have today or how does the closed field look today? Unfortunately, like many of our other fields in Bridgeport. Only 6 years or less of income benefits are likely with the current market values, based on assumptions and certainly with the below minimum funding levels that the City has negotiated with the State. Where we are guided to be putting away \$15-20 Million per year we have been putting away only 25-33% or even less. The Mayor is looking for better investment returns to bail out this commitment. The B&A was asking similar questions. The answer is that minimum actuarial funding is necessary. Pay today or pay later at greater cost and greater public anger.

A final comment about Plan A: When the City negotiated with Police and Fire labor unions recently, increases in compensation to current employees has an effect on the compensation referenced for income benefits for the 900 persons covered by Plan A.

Why is there not one reference about the added cost to Pension Plan A from the recent union negotiations? Why not? City difficulties with finances might offer some pushback to union negotiations as to automatic increases per the NYU times article yesterday. But if City Leaders keep it secret, no one is the wiser and the concerns of the taxpayer are ignored instead of providing a reason for moderation or relief.

The other major item concerns Other Post Employment Benefits. You can find Note 12 in the CAFR-2010 to show you that the City self-insured health plans for the years 2008,09, and 10 had annual OPEB healthcare costs of \$50 Million but payments of only \$30 Million, thus creating \$61 Million of liability with an interest expense. Self insured healthcare for current and former employees as well as self-insured Worker's Compensation costs are handled inside an internal service fund., But where is information on that fund shown? If it is not paid with budgeted revenues or bonded revenues what device is used to mask the payments? Is the increasing use of tax anticipation notes the device used temporarily? And if this \$20 Million per year adds to the City current \$800 Million OPEB liability for which we are "pay as you go", how long can these liabilities be deferred? Has B&A looked at the consulting actuary reports from AON for this liability? What is the projection for the next ten years and beyond of "pay as you go" to this responsibility?

Pension Plan A and OPEB are two significant examples of having responsibilities yet failing to deal with them directly. *Conflict of interest in elected office is a critical subject today. It comes into play with Pension Plan A I believe. The Mayor and two of his key financial team are identified as Trustees. Trustees are fiduciaries and have a higher than ordinary duty to act in the interest of beneficiaries in most cases. But the Mayor and his financial team as elected or appointed employees want to stay in office. Perhaps it is easier to find ways to defer minimum actuarial costs rather than raise taxes and pay them today? Is that decision a conflict for a Mayor? Paying what we need to as we go must be dealt with fully today, even if it increases taxes.* Mayor Vincent Cianci “Buddy” to his friends has written a new book POLITICS AND PASTA. His advice to other Mayors, **“The first thing a new mayor should do when he takes office is raise taxes, and then blame it on the previous administrations.”** as Providence struggles with revenues for OPEB and Pensions also.

I raise pension plan A funding, OPEB disclosure and funding and City procedure in reviewing City finances as three areas that need immediate attention and reform. The City Council, [sic] needs to play a genuine role as check and balance or “strainer”. Now it is time to get answers. I, for one, am happy to sit and discuss these matters. Fear of raising taxes is a politician’s fear, the fear of losing votes. But fear of even higher tax payments in the future that include increasing interest expense should be a greater fear for taxpayers as voters.

A towel can be used by those who wish to cover their butts. (As an example I draw your attention to Segal and Company actuary points 1-6 on pages. i and ii)

The towel is not to be used by Bridgeporters who think that nothing can be done. It is not to be thrown in.

And it is not present tonight as a crying towel in place of real work by capable motivated representatives.

Let’s use it as the towel we use to wipe our brows when enough capable and responsible people use their energies in a common exercise of dealing fully with these true problem areas. Get all of the facts. Let’s assemble a realistic plan. Let’s enact it and get on with it.

John Marshall Lee
30 Beacon Street
Bridgeport, CT 06605
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Ms. Crystal Mack came forward and greeted the Committee. She said that she had worked with eight different administrations pertaining to education. She added that she was a former City employee. Ms. Mack then gave an overview of the magnet school program that started in 1984 and said that the State originally had wanted every school to be a magnet school by 1996. If the BOE had followed through on this, Bridgeport would not be in the situation that it is today. She then related the case of a Bridgeport woman who had enrolled her child into the Norwalk schools and had been arrested. Every child deserves the right to an education. Many of the children come from foster homes, broken homes and other situations. It's about the kids.

In 1997, the City of Bridgeport only had three jails, but today the City has 21, but they can't afford the schools. If a child gets to third grade without knowing how to read, it's the child's fault, but if the student get through to sixth grade, it's important to find out whose accountable. Rather than having substitute teachers, the District should have good teachers. Another big problem is the safety of our children. She said that when she goes to the schools to see her grandchildren, she sees mold and asbestoses and people are getting sick. She then went on to point out that the various schools are using different curriculum so that when the students get to twelfth grade, everyone is on the same page.

Ms. Mack expressed concerned about the number of students that have been put on medication. She added that she had purchased supplies for her grandchildren to learn and it cost \$20.00. Ms. Mack said that she felt that people were playing games with this. She said that the Board of Education has been making decisions without giving the parents input.

Ms. Mack concluded by saying that everyone needed to support and teach one another. She reminded everyone that eventually, these children will be the ones caring for us.

Chairman dePara then asked if there was anyone else present who wished to address the Board. No one came forward.

ADJOURNMENT

**** COUNCIL MEMBER CURWEN MOVED TO ADJOURN.**

**** COUNCIL MEMBER MARTINEZ SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 7:30 p.m.

Respectfully submitted,
Sharon L. Soltes
Telesco Secretarial Services

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