

**CITY OF BRIDGEPORT
CONTRACTS COMMITTEE
SPECIAL MEETING
MAY 20, 2013**

ATTENDANCE: Michael Marella, Chair; Angel dePara, Richard Paoletto, Council President McCarthy, Carlos Silva, Chair (5:47 p.m.)

STAFF: Mark Anastasi, City Attorney

OTHERS: Council Member Andre Baker, Council Member Steve Stafstrom

CALL TO ORDER.

Council Member Marella called the meeting to order at 5:34 p.m. A quorum was present.

63-12 Proposed Resolution concerning Bridgeport Firefighters Pension Plan B.

Attorney Anastasi distributed copies of the Fire Pension to the Committee members.

Council Member Baker joined the meeting at 5:38 p.m.

Attorney Anastasi said that the City had started discussions about transferring the active fire fighters and active police officers into the Connecticut MERS. There are advantages for both the City and the employees. The City will no longer have to deal with retirement issues and the employees will no longer have their retirement based on their base pay.

Council Member Silva joined the meeting at 5:47 p.m.

In order to facilitate the transfer, the firefighters need to be credited with their time served. The City requested a transfer of 45 million from the fire department and 80.2 million from the police department. Last week the Police Commission approves the transfer and the Fire Commission is expected to approve the transfer of the second half of the funds at their next meeting.

Attorney Anastasi proceeded to outline the details of the contract for the Committee members. There is no expectation that the City would have to put more money into this fund, with the money being transferred at this time, both funds are expected to have 70 - 80% funded, which is the historical level that the City's fund had in the past.

Council Member dePara asked about the funding for Pension B for the Fire Department. He said that he would like have to have had the information in advance to review it. He asked if there was a way to prevent this error from happening again. Attorney Anastasi said that there was no error. This was a transfer based on negotiation.

Council Member dePara asked why the City was asking for indemnity. Attorney Anastasi reviewed the reasons for this and said that the City was not assuming any additional responsibility than it already has. Council President McCarthy pointed out that this indemnity was the same that the city already has for employees and Council Members, which already exists. Discussion followed.

Council Member Baker asked about the Fire and Police Commissions along with the trustees. Attorney Anastasi reviewed who the trustees (two union members plus the Commission) were and how the system works. Council Member Baker asked if there was any written documentation about the Police Commission. Attorney Anastasi said that he was in attendance at the meeting and could testify that it had been passed. Council Member Baker asked about the actuaries report. Attorney Anastasi said that the actuaries had been at the Police Commission and supported this transfer. They will also be present at the upcoming Fire Commission. Since the stock markets increased by approximately 10%, the numbers that the actuaries had projected at 5.5% were inaccurate. Council Member Baker asked if he could get a copy of the actuary report. Attorney Anastasi said that the Finance Department would be the office that receives those reports. Council Member Baker asked for more detailed information, which Attorney Anastasi provided. Council Member Baker said that he was surprised that there was no one present from Finance to review the actual figures. Attorney Anastasi said that in this case, the percentages were more important since they were reflective of the previous funding.

Council Member Stafstrom said that in reading the document, the actual transfer of the funding was controlled solely by the Fire Department and the Police Department. The resolution is for the indemnity. This transfer is authorized by the Board of Trustees. Attorney Anastasi agreed.

Council Member dePara asked why this was before the Committee. Attorney Anastasi said that the Board of Trustees had requested this resolution be approved and reminded everyone that the City was already legally obligated to do this. Council Member dePara said that he would be more comfortable if he had the actuary report. Attorney Anastasi said that the projections by the actuaries were that if the plans generated a return of 5.5%, it would be fully funded for five to ten years. Attorney Anastasi said that if the Council decided not to approve this, it would end up front end loading the finances on an already tight City budget.

Attorney Anastasi said that under the first paragraphs, the City is obligated to continue funding the plans as they have done in the past. He said that this was done so that no one could claim that the obligation had a "sunset" clause.

Council President McCarthy pointed out that the Council had no authority regarding the transfer of the funds. The only power that the Council has is to assure the Trustees that the City was standing by their previous agreements. Attorney Anastasi confirmed this was so. By not approving this, the Trustees could perceive that the City was attempting to side step their obligation.

Council Member Baker asked for a detailed explanation regarding the staff authorized to sign the documents. Attorney Anastasi said that it would be the Finance Director who was authorized to sign the documents.

Council Member dePara said that he would vote for this, but would have liked the actuaries to have been present to answer questions. He said that he needed to understand this. If this was an effort to provide the Council with the information, not having the information was not

Council Member Baker asked if the trustees have minutes of their meetings. Attorney Anastasi said that there were regular meetings and there were meeting minutes. Council Member Baker then asked how he would find the copies of the minutes. Attorney Anastasi said that Officer Joseph Fernandez would have the Police Commission minutes and Deputy Chief Petrucelli would have the Fire Commission minutes.

Council Member dePara asked how the unions felt about this transfer. Attorney Anastasi said that the Police were for it. Their transfer was already completed. The Firefighters also had already transferred half of the funding to the new plan, so they supported it, also.

**** COUNCIL MEMBER PAOLETTO MOVED TO APPROVE AGENDA ITEM 63-12 PROPOSED RESOLUTION CONCERNING BRIDGEPORT FIREFIGHTERS PENSION PLAN B.**

**** COUNCIL PRESIDENT MCCARTHY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

**** COUNCIL PRESIDENT MCCARTHY MOVED TO ADJOURN.**

**** COUNCIL MEMBER PAOLETTO SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 6:21 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services