



BILL FINCH  
Mayor

March 4, 2013

Dear Honorable members of the General Assembly:

I am grateful for the opportunity to speak to you today.

I know that this is an extremely difficult budget year for the State of Connecticut. The Governor should be applauded for his historic investment in education and in the areas of our state, such as our City that need it most. Other parts of this proposed budget present a great challenge to our city.

I hope that this testimony allows you to appreciate the challenges we face not only in Bridgeport, but in all communities throughout Connecticut.

For the City of Bridgeport to succeed we realized that we must cut appropriations across our service departments; we must invest in our infrastructure and our citizenry, and maintain and generate revenues. The budgets I have proposed during my tenure as Mayor have allowed the City to excel on all three of these fronts.

First, allow me to provide you with background. During the worst economic downturn since the Great Depression, the City of Bridgeport responded by demonstrating fiscal discipline and responsibility to create a leaner, more efficient government without overburdening our residents. For five years, we've done more with less.

The City of Bridgeport has worked hard to keep taxes level by:

- **Cutting spending:**  
We have kept our wage increases to a minimum. We have more than 1,300 employees, yet we have managed to keep our growth in payroll at just 1.8% in the last budget cycle.
- **Reducing our workforce:**  
Since I first took office in 2007, we have reduced our Service Departments by over 225 positions. These position eliminations equated to over a 15% reduction in our workforce.
- **Reining in police and fire overtime**
- **Increasing recycling rates:**  
The entire City has moved to single stream recycling, which has helped triple our recycling rates. Recycling more means spending less money on tipping fees and healthier air for our residents to breathe.

- **Lowering our utility costs:**  
We have recorded real savings in our utility bills through a partnership with UI and Sylvania to change old-fashioned incandescent lights to LED lights. We have also done Energy Performance Contracting in our buildings and now have less buildings as a result of municipal consolidation, closing several buildings and returning these properties to the tax roll.
- **Working collaboratively with nearly every labor union in the City to gain concessions:**  
To date, nearly every one of our labor unions has agreed to increase its members' health care premium cost sharing to 25 percent. Additionally, all contracts now have language whereby new employees start health care premium cost share (PCS) contributions at 25 percent and retire at a 50% contribution.

These actions have garnered the City positive bond ratings and national awards for budget transparency. Our track record during the last five years has made us a proven leader in government efficiency. We have worked very hard to be fiscally responsible, to claw our way through the economic turmoil, and be poised and ready to deliver proper services to our residents. Unfortunately, if the proposed budget passes, we will not be able to sustain all the work we've done in the City of Bridgeport.

While I certainly understand the challenges the Governor is facing, having been there myself, the actions of this proposal will have a significant impact on our City's future.

#### **PILOT Programs:**

Urban centers like Bridgeport serve as a regional hub, housing and maintaining critical service centers for the region such as hospitals, colleges, water pollution centers, correctional facilities, affordable housing units, and transportation hubs. These are all necessities of a region or county, but can be a major burden to the city where they are located.

The tax value of the two hospitals and colleges in Bridgeport is \$24.2 million. Statutorily, Bridgeport should receive \$18.6 million. That would be about a \$5 million discount. But that is not the case. We are slated to receive just \$7.5 million. We all approved through the years the terms of this arrangement. Local officials have approved the land use, the planning and zoning needed to build these facilities. State officials made a commitment to these towns by approving a statute to fund a fair, discounted amount for these structures.

Bridgeport is also home to two State-owned correctional facilities. By statute, our City should be receiving a little over \$10 million. We were receiving \$2.8 million, 27 cents on the dollar, but under this proposed budget these funds to our city will be eliminated entirely.

**Cuts in PILOT programs for colleges, hospitals and state owned property will cost Bridgeport \$18.4 million (2.7 mils)**

#### **Revenues from Pequot/Mohegan gaming:**

Bridgeport at one time received almost \$17 million from this grant. Moving these funds to Local Capital Improvement Program (LoIPC) funds is limited in its use it will be short lived. This change will not allow for cities and towns to use these funds for annual debt reduction. Bridgeport does not put capital projects or purchases into its operating budget.

**Direct revenue loss to the General Fund - \$6.2 million (1 mil)**

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**Elimination of Vehicle Tax in Connecticut:**

Motor Vehicle Tax assessment in Bridgeport is just about \$20 million. Of that, being a transient tax, we collect annually approximately \$17.5 million. Now you want them to be penalized once again, just for owning a home or business, to pay for others who will get a free ride. I do not believe we should move forward with a decision of this magnitude until it is completely analyzed.

I have residents (10% of real property owners) still reeling from mortgage predators and trying their best to hold onto their home. We all have seniors in our communities, one increase away from not being able to afford to stay in their homes. Now is not the time experiment with a tax shift.

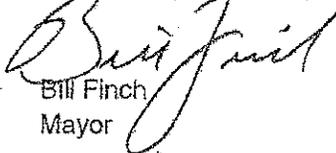
Connecticut's reliance on property tax, the most regressive taxing system this country has, and being as highly ranked as we are at utilizing that tax, needs to consider and examine new taxation models and solutions. I support, and I will participate with all my staff, to be part of that examination and then, and only then, be part of a discussion for a better solution.

These funding cuts have wide sweeping effects. Let me briefly share REAL possibilities with you. These dollar cuts equate to:

- Eliminate: 151 uniformed police officers (37% of the force)
- Eliminate: 177 firefighters (60% of the force)
- Eliminate: The entire public facilities department. No road crews, building maintenance, sanitation, recycling, parks or recreation staff.

If this proposal were to pass in its current form, the average resident in Bridgeport who currently pays \$6,200 in taxes, would have an estimated \$1,280 increase, roughly \$106 per month. As a homeowner myself, I understand that this is not easy. You understand that is not easy! Let us collectively assure it doesn't happen!

Respectfully submitted,

  
Bill Finch  
Mayor

