

Edward Bleiler handout

12/13/2006

Dec 13 Council meeting EJ

You asked ~~in a note~~ where is the corruption. You have got your answer loud and clear in Fosters editorial regarding the obscene salaries and benefits being handed out to our municipal employees. .

David Scott has been telling you this for two years, and he is vindicated. Councilors wake up We are being systematically fleeced and driven into bankruptcy as taxpayers

Now the first step should be taken this evening. Turn down this excessive school budget. You can get 20% out of it without affecting the education of our children in any way. If you want to know how, just call me. Turn it down.

I have handed out two articles in regards to what I consider the biggest threat to the taxpayers of Dover, **our unfunded pension liability**. The first article is in regards to the city of Portsmouth and their realization that the city budget is going to increase by 6.4% only because of the pension shortfall.

Dover's shortfall is far greater than 6.4%. Fennimans pension will cost Dover taxpayers over 2 million. The same for Jeff Harrington. Isn't it strange Mr. Harrington tells the citizens of Dover it is none of their business how much his golden parachute is or how much his annual pension will be. The Dover taxpayer will have to pay for most of this.

The second article shows San Diego California. Whose taxpayers must come up with a lot of additional money to cover their pension costs. Mayor Myers said this is a state problem not a Dover problem. He is wrong.

If we pay high wages, Dover taxapayers must pay for the high pensions that follow.

With their editorial of two days ago Fosters realizes something is very wrong with Dover municipal management. Hopefully Fosters will follow with more editorials.

Now that we see what Paul Beecher and his protégé Mike Joyal have done to the taxpayers of the city, it is about time you city councilors bite the bullet and come up with a cure for this festering problem.

Now regarding the waterfront, I have been noticing a company by the name of Sargent Construction digging up contaminated muck at the far end of our 28 acre waterfront site and dumping it in the spoil cell. My question is who is paying for this. Did it pass city council and are we doing this for the benefit of Dickinson the developer.

Secondly I have noticed a traylor mounted filtering unit at the bottom of the soil cell. My question is who is paying for this and are we doing this for the benefit of Dickerson Development.

Thirdly, it is about time that the City Council and the Citizens of Dover get a complete accounting of what has been spent on this project by the city and what will be spent by the city before we give it over to any developers.

Let the people decide whether this is a cost benefit to the citizens of Dover.

I purchased a copy of the Goldberg and Zoiner environmental study done for the City of Dover and it is the most damning report regarding pollution that I have ever read in many years. This is a quality company which I have used for several of my developments.

The report states that it is a preliminary report and that a full report should be done on this site. It is also come to my attention that Claristat company dumped radioactive waste in this site for many years. Has it been tested for radioactivity.

I have been informed that Fosters dumped ink barrels for many years in this site and ink is 90% oil.

I also understand the shipyard dumped waste and Exeter is dumping medical waste in this site at this time. Don't you think we should investigate all of these hazards before we put anybody in jepordy by building on this polluted site. I would suggest you city councilors get a copy of the GZA report and read it.

In conclusion before any spending is approved for future you must,

1. do an independent audit where the city stands financially
2. do a complete environmental study of this site to find out what is there and how to cure it.
3. Do an accounting of our pension liability. It is possible that we don't have the Funds today to cover this liability along with more funds for future spending.

San Diego Settles SEC Charges Over Pension Fund

By DEBORAH SOLOMON

San Diego agreed to settle Securities and Exchange Commission charges that it failed to tell municipal-bond investors about the city's mounting pension-fund obligations and its increasing inability to pay for those benefits.

As part of the settlement, San Diego didn't admit or deny wrongdoing, but agreed not to engage in the same behavior again. It also agreed to hire an independent consultant for three years to ensure that it is making proper disclosures as required by law. The SEC didn't impose a fine on the city, which is facing severe financial problems.

The settlement could help San Diego start to put some of its problems behind it and potentially allow it to once again tap the bond market. The city has slashed some services amid a cash crunch resulting from its need to pay its pension obligations and an inability to raise money in the bond market after its credit rating was cut as a result of the city's increasing liabilities. The pension fund has \$4.5 billion in assets and \$6 billion in liabilities, according to a city official.

In January 2004, San Diego disclosed that its pension fund for city employees and retirees was facing a \$1.1 billion deficit and that the city's financial statements were riddled with errors and omissions. The announcement set off multiple investigations by federal, state and local agencies and officials, including the SEC and Justice Department.

Yesterday, the SEC said San Diego officials had known but failed to disclose to bond investors that its pension fund faced a severe shortfall and that the city would be unable to meet its obligations without finding new revenues, cutting benefits or slashing services.

"Despite the magnitude of the problems the City faced in funding its future

The city had a cash crunch in 1996 after hosting the Republican National Convention.

pension and retiree health care obligations, the City conducted five separate municipal bond offerings, raising more than \$260 million, without disclosing these problems to the investing public," the SEC said in a statement yesterday.

The SEC said the shortfall stemmed from several factors, including the city's "intentional under-funding of its pension plan," its continual sweetening of benefits for employees and retirees, and less-than-anticipated gains in its stock market investments.

San Diego City Attorney Michael Aguirre, who is conducting his own investigation into the pension fund shortfall, said the agreement with the SEC

"put the City's interest first and now allows us to begin repairing our financial system in order to access the municipal bond markets."

The Wall Street Journal chronicled San Diego's financial woes in a page-one story in 2005, saying the city suffered a cash crunch in 1996 after hosting the Republican National Convention and bidding to host the Super Bowl, among other expenses.

To ease the situation, the city made a deal in 1996 with its pension fund, which was sitting on a \$100 million surplus, to reduce its annual contributions to the fund for 10 years. In return, the city agreed to make a one-time payment if the pension fund's assets fell below 82.3% of its projected liabilities. As San Diego's financial obligations increased, the city struck another deal with the pension fund to increase benefits to city employees and raise annual contributions to the fund, instead of paying the lump sum.

"San Diego's misconduct jeopardized the interests of its citizens, its current and future retirees, and those who placed their trust in the City's bonds as an investment," Randall Lee, director of the SEC's Los Angeles office, said in a statement.

The SEC said it is continuing its investigation of individuals or other entities involved in the case. Probes by other agencies continue and a trial is under way in California Superior Court over Mr. Aguirre's allegations that the increases in pension benefits granted by the city were illegal and should be overturned.

- neighborhood
- Coakley Road
 - Cutts Cove neighborhood

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director, Barbara Massar, said music and activities will start at 6 p.m. and the tree will be lighted around 6:45 p.m. Assisting with the offi-

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EJBlester
12/13/06

Costs could hike city budget 6.4%

By Adam Leech
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PORTSMOUTH — More than \$1.6 million in increased retirement and health-care costs will be the major cost drivers in the next fiscal year, according to figures released Monday, and city budget-makers are looking at another year of no new personnel or programs.

Monday's meeting of the entire City Council, School Board and Fire and Police

commissions was set to provide everyone with figures that will shape their budgets for fiscal year 2008. The numbers were disclosed in a document called a "very preliminary" budget and showed an estimated total budget increase of \$4.8 million, or 6.4 percent.

Paramount among the cost drivers is the 29 percent increase in retirement,

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LOTTERIES

Monday, Nov. 27, 2006

Tri-State Daily:

Day: 9-4-2/4-0-4-8

Evening: 1-0-3/5-4-7-3

Mass Daily: 8-7-8-3

Cash Winfall: Not available by press time



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