

FOR IMMEDIATE RELEASE

**RE: MAYOR COMMITS TO "CAREFUL BUDGETING" IN RESPONSE
TO RELEASE OF YEARLY TOWN AUDIT**

Mayor Joseph Maturo, Jr. has announced that the Town of East Haven's yearly audit, which provides a snapshot of the Town's financial condition, indicates that as a result of last year's tax increase of 17%, the Town's fund balance now reflects a positive savings account of a modest \$ 200,000 for the fiscal year ending 2011. This is the first positive fund balance the town has shown since 2007.

The audit showed that the Town finished the 2010-2011 fiscal year with a \$ 3.73 million dollar surplus which was a direct result of the town-wide increase in property taxes of \$ 9.79 million dollars. In addition as a result of the sale of town land, including the sale of land abutting the airport to the City of New Haven, the town received \$ 1.67 million of additional revenue. One additional surprising factor which contributed to the surplus budget was the Board of Education's under-expenditure of its budget by \$ 657,782.

However, while Maturo indicated the reversal of the fund balance was indeed good news, he was quick to point out that the Town must budget more carefully moving forward. Maturo commented, "Since 2007, the Town has seen its savings account go from a positive \$ 4.1 million in 2007, to negative \$ 5.2 million in 2010 and now back to a positive of just over \$ 200,000. This type of volatile budgeting is not good for the Town and certainly not for the taxpayers. My administration is committed to careful budgeting and to stabilizing the Town's finances going forward. The taxpayers should not be subjected to large one year tax increases in order to reverse shortfalls created in previous budget years."

Maturo continued, "Additionally, the previous administration's revaluation leaves the town in a delicate position as we approach this budget season. Taxpayers need some relief from last year's tax increase and at the same time, many taxpayers have received notices that the values of their homes have dropped significantly. Nevertheless it is my promise to the people of East Haven that we will do everything we can to provide some relief from the 17% tax increase they saw last year, while still working to provide the services that our taxpayers have a right to expect."

Copies of the audit are available at Town Hall.

FOR FURTHER COMMENT:

Joseph Maturo, Jr. office: (203) 468-3204 cell: (203) 627-6500