

FOR IMMEDIATE RELEASE

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Citing “Strong Budgetary Performance,” Standard and Poor’s Raises East Haven’s Credit Rating from “BBB+” to “A-”

Mayor Joseph Maturo, Jr. announced today that Standard and Poor’s, one of the world’s top foremost credit rating agencies, has raised East Haven’s bond rating from “BBB+” to “A-.”

Maturo explained, “The rise in our bond rating is a clear indicator this administration’s initiatives to balance our budgets, lower debt, and increase long-term savings have been successful. It is encouraging that Standard and Poor’s recognizes and has validated this administration’s fiscal policies by raising our bond rating.”

In raising the Town’s credit rating, Standard and Poor’s cited “ [1] strong budgetary performance, with consistent operating results... [2] East Haven’s low debt burden... and [3] strong economy” as reasons for the upgrade. Perhaps more importantly, the report noted that “if the town maintains balanced operations, rebuilds its general fund balance, and improves its internal service funds, [Standard and Poor’s] could raise the rating in the next two years” again.

Maturo continued, “The potential for two credit rating increases in just three years is astounding, especially considering that Standard and Poor’s dropped the Town’s credit rating twice between 2008 and 2010 from “A” to “BBB+. The improvement signals a remarkable recovery for the Town.”

Echoing the Mayor’s sentiments, Standard and Poor’s report explains that, “East Haven’s general fund balance deteriorated significantly between fiscal years 2008 to 2010. When a new administration came on board in 2011, the town had implemented new policies... to curb operating deficits.”

Maturo explained, “When I came into office in 1997, East Haven was on the State’s ‘Distressed Municipalities List’ and was ranked the third most indebted municipality in the State. By 2007, East Haven had corralled its debt and earned an “A” credit rating from Standard and Poor’s. However, between 2008 and 2011, the Town bonded over \$21 million dollars in new debt. I’m thrilled that in three short years, we’ve ended our Town’s dangerous dependence on borrowing and cut our debt significantly.”

While Standard and Poor’s report laid out a roadmap for areas still requiring improvement, including the need to shore up the Town’s workers’ compensation fund, the report concluded that the “current administration has put into place stronger financial controls and oversight...”

Maturo concluded, “I am pleased that Standard and Poor’s recognizes the progress this administration has made. At the same time, Standard and Poor’s report demonstrates that we still have work remaining in order to restore our credit rating back to an “A” – where I left it in 2007. As a result, we will continue to work hard for our residents to balance the budget, reduce our debt, and keep East Haven an affordable community to live and raise a family.”

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