

Town of East Haven Mayor Joseph Maturo, Jr.

2014-2015 Fiscal Year Budget Presentation

March 27, 2014 – East Haven High School

Opening Slide:

First, I'd like to thank the Board of Finance and all of the department heads that sat with that Board and reviewed my initial recommendations.

I'd also like to thank our Finance Director, Paul Rizza. Mr. Rizza worked incredibly hard on this budget and he deserves to be recognized for that work.

one



What was the Town's
financial position at the
close of the 2012-2013
Fiscal Year?

1. With that said, I'd like to present my budget by first recapping the Town's financial position at the end of the 2012-2013 fiscal year.

East Haven ended the 2012-2013 fiscal year with a surplus of \$1.16 million dollars.

| | | | | |
|--|--------------|--------------|--------------|--------------|
| TOTAL EXPENDITURES..... | 89,279,677 | 1,259,517 | 9,291,261 | 99,830,455 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES..... | 1,163,880 | (870,984) | (328,492) | (35,596) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Bond anticipation notes..... | | 2,580,000 | | 2,580,000 |
| BAN premium..... | | 29,925 | | 29,925 |
| Transfers in..... | | | 52,645 | 52,645 |
| Transfers out..... | (1,273) | | (51,372) | (52,645) |
| NET OTHER FINANCING SOURCES (USES)..... | (1,273) | 2,609,925 | 1,273 | 2,609,925 |
| NET CHANGE IN FUND BALANCES..... | 1,162,607 | 1,738,941 | (327,219) | 2,574,329 |
| FUND BALANCE, JULY 1, 2012..... | 487,843 | (2,496,969) | 3,491,476 | 1,432,350 |
| FUND BALANCE, JUNE 30, 2013..... | \$ 1,600,450 | \$ (758,028) | \$ 3,164,257 | \$ 4,006,679 |

- Page 18, FY 2012-2013 Annual Financial Report

2. As Page 18 of the Annual Financial Report clearly shows, the Town ended the 2012-2013 Fiscal Year with a surplus of \$1.16 million dollars.

As a result, East Haven's fund balance increased to \$1.6 million dollars.

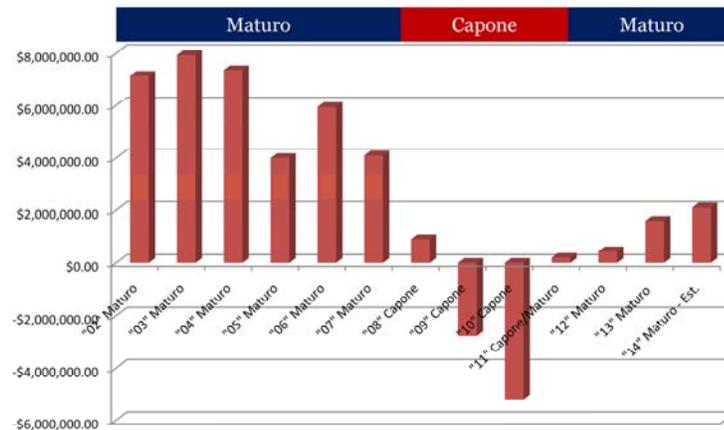
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- Page 18, FY 2012-2013 Annual Financial Report

3. That money was added to the Town's rainy day fund, nearly quadrupling the Town's fund balance.

As a result, at the end of the 2012-2013 fiscal year, the Town's running surplus increased by an **ASTOUNDING** 365% to just over \$1.6 million dollars.

How does our fund balance compare to past years?



4. You may be asking, “How does this compare with previous years?”

Between 2002 and 2007 during my first 10 years in office, the Town balanced 10 straight budgets and maintained a running surplus of generally no less than \$4 million dollars. Between 2007 and 2011, during my team’s absence from office, the Town ran three straight deficits which completely exhausted this fund, causing it to spiral into a deficit.

As you can see, since resuming office in 2011, we have steadily worked to restore our rainy day fund – which is now at its highest level since 2008. This truly is a remarkable recovery considering that just 4 years ago, this fund had spiraled to negative \$5.2 million dollars.



5. You may be asking, “How does this compare with neighboring Towns?”

While the majority of our neighbors continue to maintain fund balances which are larger than ours, we are steadily catching up.

For comparison, New Haven is presently operating with a \$8.7 million dollar fund balance deficit. On the other hand, North Branford has a fund balance of \$5.3 million and North Haven has a fund balance of \$8 million.

As we continue to budget conservatively and responsibly, our fund balance will continue to catch up to other towns in the region.



What should East Haven's fund balance be?

- i. Rating agencies strongly recommend that a Town maintain a fund balance of 5% of its total budget.
- ii. Five percent of the proposed budget is approximately \$4.47 million dollars.

6. As I've indicated in the past, credit rating agencies, like Moody's and Standards & Poor, strongly recommend that the Town have a minimum savings account equal to 5% of its operating budget. Five percent of our proposed budget is about \$4.5 million dollars.

Since 2011, we have committed to a plan of incremental contributions to the fund balance to bring the Town in line with this recommended figure.

What is the Town's long-term debt position?

| OUTSTANDING LONG-TERM DEBT | | |
|----------------------------|---------------------|---------------------|
| | 2013 | 2012 |
| General purpose bonds | \$ 22,379,150 | \$ 24,432,900 |
| School bonds | 15,405,850 | 18,632,100 |
| Bond anticipation notes | 2,580,000 | |
| Sewer | 1,080,000 | 1,440,000 |
| Total | \$41,445,000 | \$44,505,000 |

Annual Financial Report, 2012-2013, P. 11

In FY '12-'13, the Town paid down \$3.06 million, or 6.8%, of its long term debt.

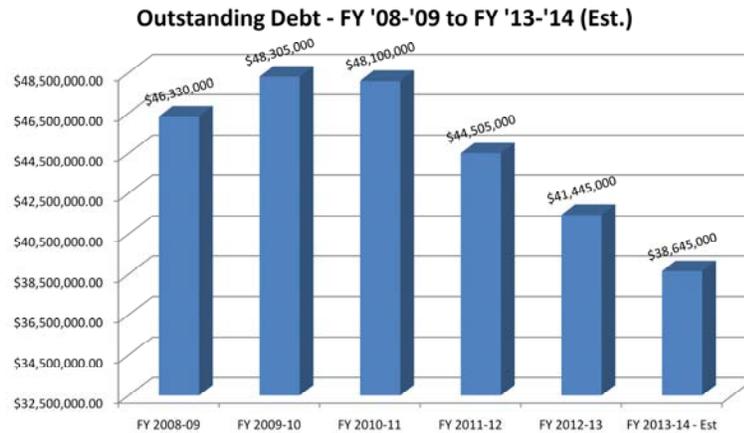
7. In addition to the Town's fund balance, debt is another key economic measure. Like you and I, the Town has long term debt.

I am pleased to report that the change in the Town's long term debt position indicates that we continue to move forward on the right track.

The Town began the 2012-2013 fiscal year with \$44.5 million dollars in long term debt. In the last budget year, we paid off \$3 million of that debt, or 6.8% percent, reducing our total long term debt to \$41.4 million dollars.



How does our debt position compare to past years?



8. In the present fiscal year, the Town is slated to make interest and principal payments of over \$7 million dollars toward its long term debt.

Even taking into account the borrowing undertaken by the Town to finance compliance with the DOJ consent decree, the Town will again reduce its debt this year – potentially bringing that number below \$39 million dollars.

two



What factors have the
greatest influence on the
Town's budget?

9. Now that I've given you a summary of the progress we made since 2011 and in the last fiscal year, I want to speak briefly about what factors influence a municipal budget. Put simply, the budget is composed of two parts: expenses and revenues.



Key factors that affect the expense side of the budget:

- i. Non-discretionary expenses
(benefits, insurance, legal expenses, and debt service)
- ii. Utilities
(water, sewer, heat, and electricity)
- iii. Public Safety/Services
(education, police, fire, public works)

10. Now, while there are many different types of expenses, several are constant. They are expenses which regularly occur, may be required by contract, or are essential to running our community.

For example, employee benefits, insurance, and debt service are required expenses. Legal services are essential to the defense of the Town. Utilities like water, sewer, heat, and electricity are constant. And finally, education, police, fire, and public works services are essential to ensure the day to day safety of our Community.



Key factors that affect the revenue side of the budget:

- i. Growth or loss in the value of the town's Grand List
(the list of all taxable property in Town)
- i. State/Federal funding
- ii. Fees brought in by the Town

11. On the other side of the budget, the main sources of income for the Town are from taxes, state and federal funding, and miscellaneous fees (such as building permit fees or fees for recording documents on the land records).



Key factors that affected the '12-'13 and '13-'14 budgets:

- i. Police overtime related to the continued shortage of manpower in the department
- ii. Challenging winter storms
- iii. A rise in health care, insurance, and legal costs

12. In both the prior and the current fiscal years, overtime costs due to shortages in manpower in our police department have significantly affected our budget. As most of you know, with the signing of the consent decree with the Department of Justice, the Town made an enormous commitment to restructuring and revolutionizing our department. In doing this, there has been continued turnover in our workforce, leading to manpower issues. However, I have authorized our Police Commission to do ANY hiring necessary to bring our staffing levels up to maximum levels. The process of re-staffing is a slow one. However, I am cautiously optimistic that we will begin to reduce our police overtime in the next budget year.

Additionally, this past year, the Town's Public Works department responded to over 20 individual snow incidents. By this, I mean plowing, sanding, and salting work was required for over 20 snow incidents this past year. The Town experienced an increase in personnel, overtime, and material costs in responding to these storms. However, these costs were well spent to ensure that our roads were clear and safe for residents and emergency personnel.

As a side note, I'd like to thank our Public Works department and all of the individuals who worked so hard to keep our streets clear and safe through this past winter. It was a difficult job and our public works department rose to the occasion.

In addition, Health care costs continue to rise as a result of the mandates of Obamacare.

Finally, continued complex litigation has led to a rise in the costs of insurance and legal services necessary to defend the Town.

three



What areas must East Haven address in upcoming budgets?

13. Before I give you an overview of my proposed budget, I'd like to briefly explain some key challenges that must be addressed in future fiscal years. My proposed budget begins to address these critical fiscal challenges.



Fiscal challenges that must be addressed in future budgets:

- i. Growing the Fund Balance
- ii. Addressing the Workers' Compensation Fund Deficit
- iii. Growing the Self Insurance Fund
- iv. Growing the Grand List

14. Looking forward, the Town has four significant challenges that it must address in order to ensure the Town's continued and future fiscal stability.

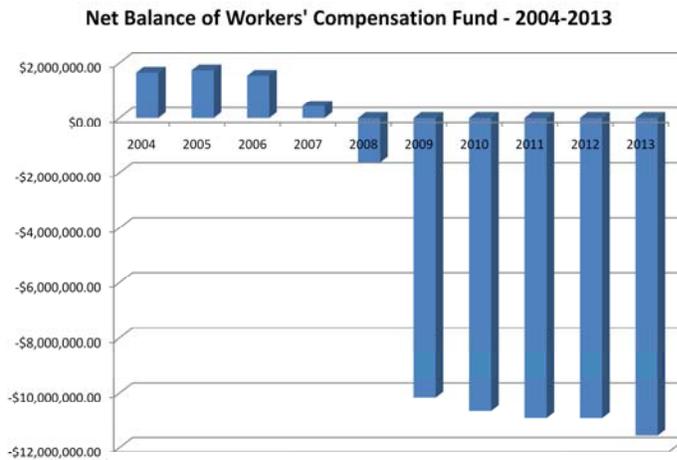
As I indicated earlier, we have not yet reached the 5% minimum level in our fund balance that is recommended by national credit rating agencies. As a result, restoring our fund balance is a continued priority in my proposed budget.

Also, we must address the growing deficit in our workers' compensation fund, which I will discuss in more detail shortly.

We must also continue to restore our legal self insurance fund, another topic I will address in a few minutes.

Finally, we must take steps to promote real growth in our grand list – a topic I've discussed in past speeches before you and which I will touch on again tonight.

East Haven must address its workers compensation deficit:



15. While I've addressed the need to continue to restore our fund balance, I'd like to move on and discuss one of the Town's greatest financial challenges: our workers' compensation fund deficit.

As you can see by this chart, East Haven's workers' compensation fund is approaching a \$12 million dollar deficit.

This deficit did not develop overnight, nor was this fund in a deficit when I left office in 2007.

Rather, beginning around 2008, the workers compensation reserve fund became severely depleted. The Town experienced a dramatic increase in compensation claims and opted to settle several large compensation cases. At the same time, funds which could have been appropriated to keep the fund solvent and pay for these settlements were, instead, diverted to cover operating expenses. As a result, the fund spiraled dramatically into a deficit between 2008 and 2009.

East Haven must address its workers compensation deficit:

Workers' Compensation - Net Assets

| Year | Amount |
|------|------------------|
| 2003 | \$1,898,299.00 |
| 2004 | \$1,652,573.00 |
| 2005 | \$1,736,692.00 |
| 2006 | \$1,541,220.00 |
| 2007 | \$423,578.00 |
| 2008 | -\$1,622,389.00 |
| 2009 | -\$10,156,145.00 |
| 2010 | -\$10,657,640.00 |
| 2011 | -\$10,910,618.00 |
| 2012 | -\$10,915,393.00 |
| 2013 | -\$11,563,946.00 |

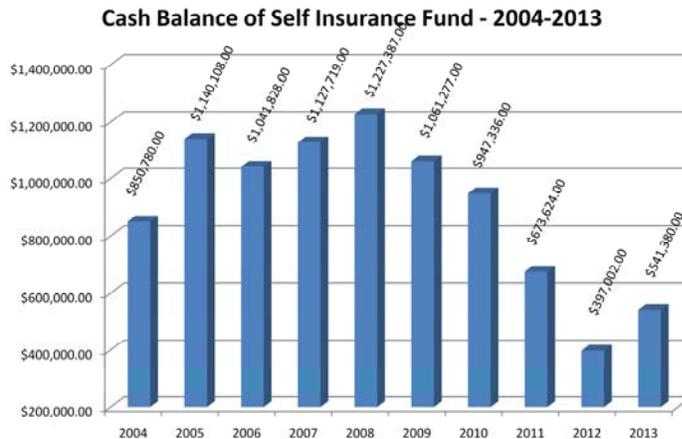
- East Haven operated this fund with a surplus until 2008, when claims spiked drastically and necessary funding was diverted to operating expenses.
- Since 2011, we've worked with our provider to obtain training to reduce workplace injuries and cut down, significantly, on claims.

16. Additionally, in 2009, new workers' compensation reporting requirements resulted in the Town having to report over \$2.5 million dollars of future liability as falling under this fund. The influx of claims, large settlements, new reporting requirements, and the diversion of funding for this account to other Town accounts created this massive deficit.

Since resuming office, we have taken a number of measures to turn this fund around. First, we've obtained workplace safety training for our employees in order to curb the number of claims and demands on this account. In fact, in our most recent workers' compensation claim audit, we had the lowest number of active claims in several years.

Also, we've increased the funding to this vital account to begin to chip away at this deficit and bring this fund back to having a positive balance.

East Haven must grow its self insurance fund:



17

17. On a similar note...

As you can see from this chart, East Haven's self insurance reserve consistently operated with a surplus above \$1 million dollars until 2009, when it was utilized to settle a large wrongful death lawsuit arising out of a police chase. The last payment on this case was in 2012, when the fund reached a low of \$397,000 dollars.

However, as you can see, since returning to office, we've begun to restore this fund. Last year, alone, we made a \$150,000 dollar deposit into this vital fund.

Moving into the upcoming budget year and looking ahead, we must continue to properly budget to restore this fund so that we can adequately guard against future lawsuits.

East Haven must grow its grand list:

| List Type | 2012 | 2013 | +/- |
|-------------------|------------------------|------------------------|---------------------|
| Real Property | \$1,758,285,922 | \$1,761,667,680 | +\$3,381,758 |
| Motor Vehicles | \$162,259,458 | \$161,691,734 | -\$567,724 |
| Personal Property | \$48,549,920 | \$52,935,808 | +\$4,385,888 |
| TOTAL | \$1,969,095,300 | \$1,976,295,222 | +\$7,199,922 |

In the last year, the list of taxable property in East Haven grew by less than 1%. The largest growth was due to an increase in taxable personal property owned by the new Shoprite.

18. Finally, growing the grand list must continue to be a priority for this and future administrations.

In recent years, our grand list growth has been stagnant. As many of you know, the grand list is the list of all taxable property in Town. Most often, it increases when we bring new businesses to Town and decreases when businesses leave or when property values fall. Increasing the grand list is essential to keep taxes stable in the future.

The increase in the grand list this year, depending on the results of residents' assessment appeals, should bring in an extra \$163,500 dollars in new tax revenue. However, if we can increase the grand list by a larger amount each year, the Town's tax revenue will increase, lowering the average tax burden per resident.

Economic development is a key to growing the grand list. **In the last year, the list of taxable property in East Haven grew by less than 1%. More than 60% of our grand list growth and new tax revenue this year was due to the increase in taxable personal property owned by the new Shoprite.**

As you can see, stimulating grand list growth, in the form of new businesses greatly improves the Town's tax position each year

four

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The Proposed 2014-2015
Budget - Highlights

19

19. Moving on, I'd now like to take you through an overview of my proposed budget for the 2014-2015 fiscal year.



The Big Picture – Part 1:

Expenditures: \$88,561,722.00

Fund Balance

Contribution: \$900,000.00

TOTAL BUDGET: \$89,461,722.00

20. Overall, my budget calls for \$88.56 million dollars in expenditures. As required by Town ordinance, my budget calls for a \$900,000 appropriation to continue to restore the fund balance. As a result, the overall proposed budget is just over \$89.46 million dollars.



The Big Picture – Part 2:

- i. 2.47% Increase in Expenses over FY '13-'14
- ii. \$1.2 million (2.65%) increase in funding for education
- iii. \$900,000 in funding to continue to restore the Town's Fund Balance

21. My proposed budget represents a 2.47% increase in expenditures over the prior fiscal year. Importantly, it calls for a \$1.2 million dollar increase in funding to education and, as required by ordinance, appropriates \$900,000 dollars to continue to restore our fund balance.

Line item increases affecting the budget :

| Department | % Increase | \$ Increase |
|-------------------|------------|------------------------|
| Legal | 36.62% | \$141,360.00 |
| Insurance | 18.54% | \$455,000.00 |
| Employee Benefits | 6.06% | \$505,225.00 |
| Education | 2.65% | \$1,200,000.00 |
| TOTAL | | +\$2,301,585.00 |

23. As you can see, four “line items” account for nearly the entire increase in my proposed budget.

Legal Services receives a \$141,000 dollar increase to account for fund the costs of continued complex litigation. Insurance receives an extra \$455,000 dollars to help restore the Town’s self insurance reserve (which I previously highlighted).

Employee benefits are increasing by \$505,000 dollars, primarily due to costs associated with Obamacare – and those costs are projected to rise by another 20% over the next 3 years. And finally, as I stated, my budget calls for an increase of \$1.2 million dollars for our education system.

Line item reductions affecting the budget :

| Department | % Increase | \$ Increase |
|------------------|------------|----------------------|
| Sanitation | 5.04% | -\$99,911.00 |
| Debt Service | 2.89% | -\$205,571.00 |
| General Services | 0.94% | -\$20,000.00 |
| TOTAL | | -\$325,482.00 |

23. On the other hand, my proposed budget also reflects some valuable line item reductions. Savings associated with the renegotiation of the Town's trash disposal contract resulted in savings in the sanitation department of nearly \$100,000 dollars.

Since we are paying down more of our debt, our debt service payment is reduced in this budget by over \$200,000 dollars.

Finally, general cost saving measures allowed us to reduce the general services line item by a modest \$20,000 dollars.

I'd like to note that in the present fiscal year, I instituted a spending and hiring freeze which has significantly helped the Town curb short-term spending. At the same time, we've engaged the Town's various unions in protracted negotiations to produce savings in the area of employee medical and retirement benefits.

It would be fiscally irresponsible to project these savings as part of the next budget because we have not settled all of the contracts. However, we are cautiously optimistic that we will enjoy some savings as a result of these negotiations.

Board of Education Funding – by Year:

| School Year | +/- by \$ | +/- by % | Mayor |
|-----------------------------|-----------------------|--------------|---------------|
| 2004-2005 | \$1.85 million | 5.17% | Maturo |
| 2005-2006 | \$1.3 million | 3.45% | Maturo |
| 2006-2007 | \$1.64 million | 4.23% | Maturo |
| 2007-2008 | \$1.75 million | 4.31% | Maturo |
| 2008-2009 | \$1.40 million | 3.30% | Capone |
| 2009-2010 | -\$85,500.00 | -.001% | Capone |
| 2010-2011 | \$384,281 | .88% | Capone |
| 2011-2012 | \$247,388 | .56% | Capone |
| 2012-2013 | \$500,000 | 1.13% | Maturo |
| 2013-2014 | \$416,357 | .92% | Maturo |
| 2014-2015 - Proposed | \$1.20 million | 2.65% | Maturo |

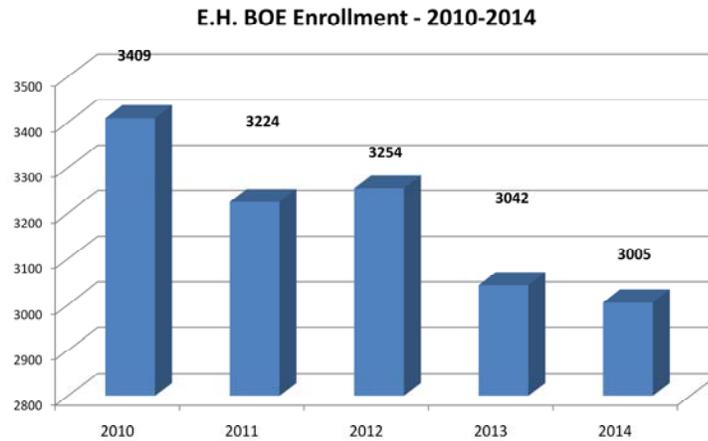
24. Additionally, as I've indicated, my budget proposal calls for a \$1.2 million dollar increase for education. As you can see, this allocation represents the largest increase to education since 2008 and is in line with the level of funding I routinely committed to the Board of Education during my previous 10 years in office.

It has always been my philosophy that the Mayor has the responsibility to fund the Board of Education to the maximum amount possible without causing an undue tax burden on residents. At the same time, I rely on the Board of Education to be a responsible steward for the funds I and the Town Council appropriate for them.

We're giving the Board of Education the funding it needs – and we are counting on our Board of Education to use those funds to give our children the education they deserve.

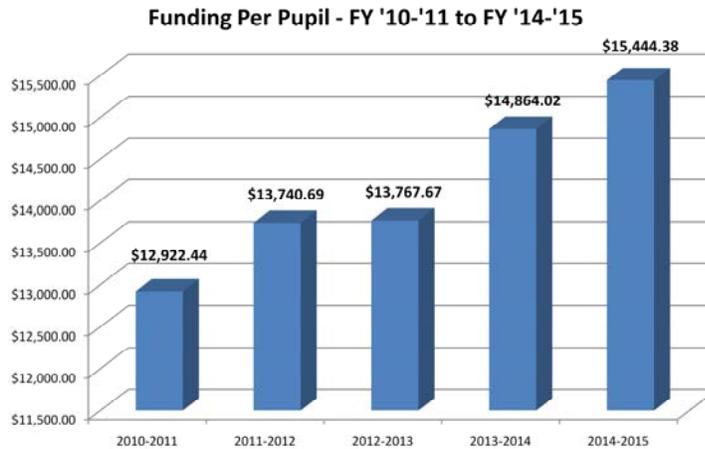
Briefly, I'd like to take a moment to express how proud I am of our students and all of the young people in our great community. We have countless young people across Town who are active in so many different capacities. We have volunteers, artists, performers, accomplished athletes, and dedicated scholars. We have athletic teams that win regional and national tournaments and a band that almost annually gains national recognition for its dedication, commitment, and talent. Our young people are wonderful ambassadors for our Town and are a wonderful example of the great things we are doing here in our community.

Board of Education Enrollment – by Year:



25. As you can see, enrollment in our school system has been steadily decreasing for the past 5 years. In light of this, the Town's increase in funding of \$1.2 million dollars should greatly aid the Board in improving curriculum and the overall educational experience for our students.

Board of Education – Funding Per Pupil:



26. As you can see, as a result of the reduction in enrollment and the proposed increase in funding, we will be allocating \$15,444 dollars per student in the next fiscal year – over \$2,500 more than was allocated just 4 years ago.

five



The Bottom Line: What's going to happen with taxes?

27. In the end, every budget address always comes down to one question: “What’s going to happen with taxes?” Well, let’s take a look.



In the 2013-2014 FY, the mill rate was set at 30.95.

The Result:

- **Over 6,800 of the +/-10,000 homes in Town continued to pay \$441 less (on average) in taxes than they were paying under the prior administration**

28. In the present fiscal year, the mill rate was set at 30.95. As a result, over **6,800 of the 10,000 homes in Town continued to pay \$441 less (on average) in taxes than they were paying under the prior administration.**



Example Property #1

Ozone Road, East Haven = 1,090 Sq. Feet,
2 Bedrooms, 1 Bath



| Year | Value | Mill Rate | Taxes | \$ +/- from '11-'12 | % +/- from '11-'12 |
|-----------|-----------|-----------|---------|---------------------|--------------------|
| 2011-2012 | \$143,450 | 26.59 | \$3,814 | - | - |
| 2012-2013 | \$102,840 | 30.95 | \$3,183 | -\$631 | -16.5% |
| 2013-2014 | \$102,840 | 30.95 | \$3,183 | \$0 | 0% |

In 2013-2014, this taxpayer continued to pay \$631 less in taxes than he or she was paying under the prior administration.

29. For example, the owner of this property – a 2 bedroom, 1 bath cape located on Ozone Road paid \$631 dollars less than he or she was paying under the prior administration.



Example Property #2

Holland Road, East Haven – 1,040 Sq. Feet,
3 Bedrooms, 1.5 Bath



| Year | Value | Mill Rate | Taxes | \$ +/- from '11-'12 | % +/- from '11-'12 |
|-----------|-----------|-----------|---------|---------------------|--------------------|
| 2011-2012 | \$184,950 | 26.59 | \$4,917 | - | - |
| 2012-2013 | \$134,380 | 30.95 | \$4,159 | -\$756 | -15.3% |
| 2013-2014 | \$134,380 | 30.95 | \$4,159 | \$0 | 0% |

In 2013-2014, this taxpayer continued to pay \$756 less in taxes than he or she was paying under the prior administration.

30. Again, the owner of this property – a 3 bedroom, 1.5 bath ranch located on Holland Road paid \$756 dollars less than he or she was paying under the prior administration.

Mill Rate Review– Option 1

| No Change - 30.95 mills | |
|-----------------------------|---------------------|
| Total Revenue | \$87,473,094 |
| Total Proposed Expenditures | \$88,561,722 |
| Fund Balance Contribution | \$900,000 |
| Balanced? - No | -\$1,988,628 |

To avoid this deficit, we would have to:

1. Eliminate the \$1.2 million dollar increase to education funding;
2. Eliminate the \$455,000 increase in funding to our self insurance fund;
3. Reduce the allocation to continue to restore our rainy day fund by \$333,628.

31. In order to explain my proposed tax rate, I'm going to take you through two mill rate options.

Option number one calls for no change in the mill rate. As you can see, no change in the mill rate will result in a nearly \$2 million dollar deficit in the next budget.

In order to avoid such a deficit, it would be necessary to eliminate the \$1.2 million dollar increase in funding to the Board of Education and eliminate \$800,000 dollars in funding appropriated to restore our fund balance and self insurance reserve. Eliminating of this \$800,000 in funding would violate the Town ordinance passed in 2009 which requires the Town to make a certain appropriation (computed as a percentage of the total expenses for that year) to restore the fund balance.

As you can see, this option would both violate Town ordinance and would be a "no progress" option. This plan would prevent the Town from improving its bond rating.

It would result in massive layoffs and cuts at the Board of Education including potential cuts to sports, academic and recreation programs, and would jeopardize planned advancements to curriculum.

Finally, it would frustrate the overall economic progress we've made since 2011.

Mill Rate Review– Option 2

| 1.1 mill increase - 32.05 mills | |
|---------------------------------|---------------|
| Total Revenue | \$89,461,722 |
| Total Proposed Expenditures | \$88,561,722 |
| Fund Balance Contribution | \$900,000 |
| Balanced? - Yes | \$0.00 |

* A 1.1 mill increase is an increase of 3.55%.

Increasing the mill rate will allow the Town to:

1. Increase education funding by \$1.2 million dollars;
2. Begin to address the challenge of restoring our self insurance fund (extra \$455,000);
3. Continue to restore our fund balance (rainy day fund) to the level recommended by national credit rating agencies.

32. Option number two, which I am recommending to the Town Council, calls for a modest 1.1 mill increase in the tax rate. This increase will balance the budget and allow us to continue to properly fund the restoration of the Town's fund balance and self insurance reserve, while giving the Board of Education the funding it needs to continue to be progressive and proactive as far as educating our children.

Practical Results - Example Property #1

Ozone Road, East Haven – 1,090 Sq. Feet,
2 Bedrooms, 1 Bath



| Year | Value | Mill Rate | Taxes | \$ +/- from '11-'12 | % +/- from '11-'12 |
|-----------|-----------|-----------|---------|---------------------|--------------------|
| 2011-2012 | \$143,450 | 26.59 | \$3,814 | - | - |
| 2012-2013 | \$102,840 | 30.95 | \$3,183 | -\$631 | -16.5% |
| 2013-2014 | \$102,840 | 30.95 | \$3,183 | \$0 | 0% |
| 2014-2015 | \$102,840 | 32.05 | \$3,296 | -\$518 | -13.5% |

*In 2014-2015, this taxpayer would still be paying **\$518 less** in taxes than he or she was paying under the prior administration.*

33. Now, practically speaking, what will a mill rate increase of 1.1 mills mean to the average taxpayer?

Well, for the owner of the property on Ozone Road that I referenced earlier, it will mean that he or she will pay \$113 more than he or she did last year – an increase of just over \$9 per month.

However, this owner will still be paying \$518 less in taxes than he or she was paying under the prior administration.



Practical Results - Example Property #2

Holland Road, East Haven – 1,090 Sq. Feet,
3 Bedrooms, 1.5 Baths



| Year | Value | Mill Rate | Taxes | \$ +/- from '11-'12 | % +/- from '11-'12 |
|-----------|-----------|-----------|---------|---------------------|--------------------|
| 2011-2012 | \$184,950 | 26.59 | \$4,917 | - | - |
| 2012-2013 | \$134,380 | 30.95 | \$4,159 | -\$756 | -15.3% |
| 2013-2014 | \$134,380 | 30.95 | \$4,159 | \$0 | 0% |
| 2014-2015 | \$134,380 | 32.05 | \$4,307 | -\$610 | -12.4% |

*In 2014-2015, this taxpayer would still be paying **\$610 less** in taxes than he or she was paying under the prior administration.*

34. Similarly, for the owner of the property on Holland Road that I referred to moments ago, it will mean that he or she will pay \$148 more than he or she did this past year – an increase of just over \$12 per month.

However, this owner will still be paying \$610 less in taxes than he or she was paying under the prior administration.

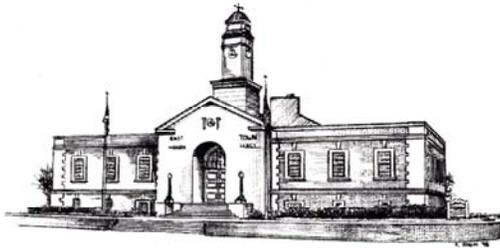


Budget Review– Overall

- Even with a modest 1.1 mill increase in the tax rate, over 5500 households (over 54%) will continue to pay an average of \$363.80 less in taxes than they were paying under the prior administration.
- Although a mill rate increase is never desirable, this modest increase will allow the Town to address critical fiscal challenges while continuing to invest in our youth.

35. In fact, even with a modest 1.1 mill increase in the tax rate, over 5500 households (over 54%) will continue to pay an average of \$363.80 less in taxes than they were paying under the prior administration.

Although a mill rate increase is never desirable, this modest increase will allow the Town to address critical fiscal challenges while continuing to invest in our youth. Best of all, it will continue to preserve the tax savings enjoyed by over 5500 households since I returned to office in 2011.



Town of East Haven Mayor Joseph Maturo, Jr.

2014-2015 Fiscal Year Budget Presentation

March 27, 2014 – East Haven High School

Closing Slide:

I'd like to thank everyone for coming out tonight and I encourage you all to participate in the budget process as it heads to the Town Council for approval.

Thank you, and good night.