

Press Release

For Immediate Release: May 27, 2007

New Haven Citizen' Action Network

Action Item: Taxpayers Demand Lower City Budget

NEW HAVEN -- It's time for New Haven residents to get worried about rapidly escalating city spending, says a new coalition of residents calling themselves NH CAN – New Haven Citizens' Action Network. The network is asking homeowners and tenants to call their aldermen in an effort to reduce the proposed budget and to follow up those phone calls with a rally next Tuesday night at the full board's final meeting where the 2007/2008 budget will receive final approval.

General fund expenditures have risen \$145M in the last ten years as city employees and their political leadership continues to authorize new programs, new union contracts with 3 to 4% annual increases together with other incentive pay, a dizzying array of new fees, approximately 77 new employees with benefits together with a \$5,000,000 increase for the board of education alone.

These planned increases in spending coupled with a revaluation of property this year will cause tax bills to increase about 10 – 12%, according to city officials. NH CAN believes most if not all the increase can be offset with savings, prudent and strategic reduction in city employment and a refusal to launch new programs that are not offset by other spending decreases. Failure in spending restraint and tax increases will likely lead to more heavy-handed collection efforts like tax foreclosures and towing of private vehicles.

What's worse, says NH CAN is that with revaluations kicking in across the next five years, taxpayers could be looking at an estimated 50% tax increase without substantial spending reductions. NH CAN believes this will put homeownership out of reach for many more families, will convert some current homeowners to tenants, and put more pressure on rental housing and rental rates, forcing landlords to raise rents on already strapped family budgets. According to the census bureau, homeownership is already in decline and poverty is climbing in New Haven – and with this spending plan, that picture is likely to worsen

While the state's reliance on property taxes as a funding source for city government is an important issue, the immediate and real problem for New Haven is local spending and lack of accountability for that spending, says NH CAN.

"We're at a crisis – the pension and medical accounts for our city employees are under-funded by hundreds of millions of dollars; we can barely pay for existing government services let alone this continuous march to an even larger city staff. This has to stop. For our children, our families," says Gary Doyens, a member and spokesperson for NH CAN.

NH CAN is found at www.nhcan.org It believes New Haven Can have a smaller, more productive government together with taxes that we all can afford without sacrificing the futures of our children and families and without jeopardizing our seniors. NH

CAN believes that government exists to serve the people and that its citizens don't exist to feed the government. NH CAN believes average citizens can regain control of its leaders through collective, thoughtful and persuasive presentations and citizen activism.

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www.nhcan.org