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First Selectman*



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Town of Redding

August 16, 2017

Secretary Benjamin Barnes
Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106

Dear Secretary Barnes,

I am in receipt of your letter requesting updated financial information from the Town of Redding, along with supplemental information, in order to fulfill the Governor's direction to produce a series of reports on the fiscal health of municipalities. That information is attached.

Redding, as you know, is a small town of 9300. 90% of Redding's landmass sits within public water supply watershed, providing water for Southern Fairfield County but limiting the Town's options for development. The property tax weighs heavily on residents. 73% of annual budget expenditures are spent on education and we share a significant portion of those services with the Town of Easton, including a high school, a Superintendent and the Central office staff. Redding is a rural oasis within Fairfield County and yet a train station makes the town easily accessible to metropolitan centers. And, the Town is taking steps to unlock the potential for redevelopment of the old Gilbert & Bennett Wire Mill site, which would result in grand list growth and an expanded tax base. Redding has worked hard to keep its fiscal house in order. We've minimized tax increases to residents while preserving services and protecting our natural environment. And we've rebuilt our fund balance from precarious lows experienced during the recession. Redding now maintains a AAA bond rating from Standard and Poors.

I won't beat around the bush. I see a request like this as precursor to a reduction in municipal aid to my community. Every day that passes without a state budget residents ask me, "how heavily will the axe fall on Redding?" Quite frankly, this is an outrageous approach to governing. The Governor has said in the past that he opposes tax increases in this budget, and yet, the proposed scale of reductions to municipal aid will force municipal leaders in many towns to do just that, or to make drastic cuts in services.

The Governor's letter also states that a failure to recalibrate aid risks perpetuating an inequitable distribution of burden. Really? Redding residents paid \$38,950,565 in income taxes to the State of Connecticut in 2015. What does Redding receive in municipal aid for every dollar paid in income taxes? Pennies.

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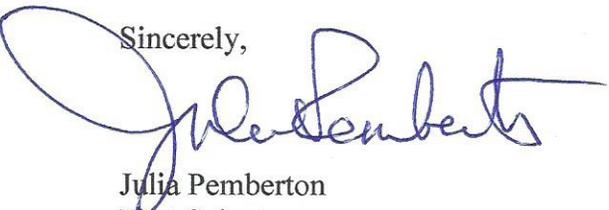
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Redding also wishes to remain an affordable community, to attract young families, and to recover property values. It's a buyers market in Redding, and young families are buying. But we'd like our current residents to be able to remain in Redding too. With property values still significantly off their peak, many cannot afford to move but higher taxes will mean they cannot afford to stay.

Higher taxes are not the answer.

Sincerely,



Julia Pemberton
First Selectman

cc:
William Alvarez, Chairman, Redding Board of Finance
Steve Gniadek, Finance Director