

**AN ORDINANCE APPROPRIATING ADDITIONAL FUNDS FROM THE UNRESTRICTED FUND BALANCE OF THE TOWN CONSOLIDATION DISTRICT**

**WHEREAS**, the cost of property tax credits for volunteer firefighters for fiscal year 2016-17 are \$8,000 higher than anticipated compared to the adopted 2016-17 budget for the Town Consolidation District (“TCD”); and

**WHEREAS**, the TCD has an unrestricted fund balance (“UFB”) which is projected to be \$376,000, or 64% of the operating expenditures of the TCD as of June 30, 2017, including the impact of the \$8,000 budget variance in property tax credits for volunteer firefighters; and

**WHEREAS**, this UFB has accumulated as a result of greater-than-anticipated current and prior tax levy collections over the years; and

**WHEREAS**, although the City does not have a formal policy for the UFB level of the TCD fund, because the expenditures in this fund do not vary greatly, the Comptroller and City Manager deem a UFB level of 5% of operating expenditures, or \$30,000, to be adequate for this fund; and

**WHEREAS**, the contribution to the Volunteer Firefighters’ Relief Fund is the largest expenditure of the TCD; and

**WHEREAS**, as of the Volunteer Firefighters’ Relief Fund’s most recent actuarial valuation report dated January 1, 2016, the Volunteer Firefighters’ Relief Fund has an Unfunded Accrued Liability of \$3,569,000 and a funded ratio of 39.27%; and

**WHEREAS**, an additional contribution to the Volunteer Firefighters’ Relief Fund will have a long-term impact on mitigating property taxes for the taxpayers of the TCD.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT** the sum of \$8,000 be and hereby is appropriated from the UFB of the TCD to increase the fiscal year 2016-17 budget for TCD expenditure line item 80122 “VFF Tax Abatement.”

**BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT** the sum of \$346,000 be and hereby is appropriated from the UFB of the TCD to increase the fiscal year 2016-17 budget for TCD expenditure line item 89270 “VFF Relief Fund Contribution.”

City Manager John L. Salomone

Purpose: To appropriate funds from the unrestricted fund balance of the Town Consolidation District fund for projected expenditures in excess of the adopted 2016-17 budget and for an additional contribution to the Volunteer Firefighters’ Relief Fund Plan.