

**AN ORDINANCE AMENDING ORDINANCE 1750 APPROPRIATING
ADDITIONAL FUNDS FROM THE UNRESTRICTED FUND BALANCE OF
THE TOWN CONSOLIDATION DISTRICT**

WHEREAS, on June 12, 2017, the Council of the City of Norwich appropriated \$346,000 of unrestricted fund balance (“UFB”) of the Town Consolidation District (“TCD”) for the purpose of mitigating the TCD tax levy; and

WHEREAS, upon the appropriation of this \$346,000 of UFB of the TCD, there was no longer an adequate amount of UFB available for purposes of making an additional contribution to the Volunteer Firefighters’ Relief Fund.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT Ordinance 1750, adopted June 19, 2017, be amended as set forth herein effective retroactive to June 19, 2017.

**Ordinance 1750 - 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."~~

John L. Salomone

Purpose: To amend Ordinance 1750 to only 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.~~