

PUBLIC HEARING MINUTES

**February 20, 2018
8:00 p.m.**

South Windsor Town Council

**PURPOSE: To receive citizen input on the establishment of an Ordinance
Creating a Tax Stabilization Fund**

Mayor Anwar called the Public Hearing to order at 8:00 p.m.; and requested that the Clerk of the Council read the call of the meeting (a copy of which is attached hereto, **Exhibit A**). There were approximately seventeen (17) people present in the audience. The ordinance is shown in **Exhibit B**.

Mayor Anwar asked if there was anyone from the public that would like to speak; there was none.

Mayor Anwar asked for a Straw Vote, the results of which were as follows:

Those supporting the establishments of an Ordinance Creating a Tax Stabilization Fund: 1

Those opposed to the establishment of an Ordinance Creating a Tax Stabilization Fund: 0

The public hearing was closed at 8:02 p.m.

Respectfully submitted,



Deborah W. Reid
Clerk of the Council

**Public Hearing Notice – Exhibit A
Ordinance – Exhibit B**



OFFICE
OF THE
TOWN COUNCIL

Town of South Windsor

1540 SULLIVAN AVENUE • SOUTH WINDSOR, CT 06074-2786

AREA CODE 860/644-2511

FAX 860/644-3781

TO BE PUBLISHED IN THE JOURNAL INQUIRER

February 13, 2018

LEGAL AD

TOWN OF SOUTH WINDSOR

Notice is hereby given that the South Windsor Town Council has set Tuesday, February 20, 2018, at 8:00 p.m., in the Council Chambers of the South Windsor Town Hall, 1540 Sullivan Avenue, South Windsor, Connecticut as the time and place for a Public Hearing to receive citizen input on the establishment of an Ordinance Creating a Tax Stabilization Fund, a copy of which is on file in the Office of the Town Clerk.

Dated at South Windsor, Connecticut this 9th day of February 2018.

Attested to by:

Deborah W. Reid
Deborah W. Reid
Clerk of the Council

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<p>Dated at South Windsor, Connecticut this 9th day of February 2018.</p>	
Attested to by:	Deborah W. Reid Clerk of the Council
<p>Journal Inquirer February 13, 2018</p>	

ORDINANCE ESTABLISHING A TAX STABILIZATION FUND PROGRAM**Sec. 2-4. - Tax Stabilization Fund Program.**

(a) *Title.* This section shall be known and may be cited as the Town of South Windsor Tax Stabilization Fund (TSF) program.

(b) *Purpose of Fund.* The Town's general tax revenues are sensitive to economic conditions as well as actions taken by state and federal government. Unanticipated revenue shortfalls during a fiscal year are usually addressed through reductions to services or increased taxes. The TSF program is established for sound financial management and fiscal accountability and enforces spending discipline by setting aside monies collected from revenues received during good economic conditions for use during years with lower growth or declining revenue. The TSF program may also reduce Town borrowing costs due to stronger bond ratings. The purpose of the Tax Stabilization Fund is to set aside revenue during years of strong growth in a fund which does not lapse at the end of the municipal fiscal year, which monies would then be available when revenue is stagnant or in decline and may be expended to prevent large tax increases and protect against the reduction of services in future years.

(c) *Establishment of TSF.* There is hereby established a fund pursuant to C.G.S. § 7-148(K), which fund shall not lapse at the end of the municipal fiscal year. Said Fund shall be known as the South Windsor Tax Stabilization Fund (TSF).

(d) *Fund Balance.* The Town's annual budget shall include allocations to the TSF in amounts adequate to meet its purposes as follows: Allocations into the fund will come from any surplus over one million dollars (\$1,000,000) in the General Fund annually. The Town Council may also appropriate up to 10% of the amount of tax revenue generated in the first full year of new residential and/or commercial construction and/or revenue generated by the expiration of tax abatement and/or tax fixing agreements resulting in increased personal property and/or real property taxes. Notwithstanding anything to the contrary herein, the aggregate balance in the TSF shall be a minimum of five hundred thousand dollars (\$500,000) but in no event shall it exceed a maximum of three million dollars (\$3,000,000).

(e) *Fund Expenditures.* The TSF shall not be reduced or used for purposes other than those specifically provided for in subsection (b) above, *Purpose of Fund*. During the development of the annual budget, the Town Council may authorize a transfer from the TSF to the General Fund. This transfer will be shown as a revenue line in General Fund Budgeted Revenue consistent to the extent possible with Use of Fund Balance entries. The minimum annual transfer amount shall be fifty thousand dollars (\$50,000) and the maximum annual transfer shall be five hundred thousand dollars (\$500,000) in any one fiscal year.

(f) *Management of Fund and Termination.* The TSF shall be administered by the Town Treasurer pursuant to Charter Section 205. The TSF shall only be terminated by an affirmative vote of six members of the Town Council.

THIS ORDINANCE WILL TAKE EFFECT AS PROVIDED BY THE TOWN CHARTER