

**RESOLUTION THAT THE MAYOR AND COUNCIL FINALLY
APPROVE “AN ORDINANCE TO ESTABLISH A RESERVE FUND FOR
CAPITAL AND NONRECURRING EXPENDITURES”**

WHEREAS, Connecticut General Statutes §7-360 allows for the creation of a reserve fund for capital and nonrecurring expenditures upon the recommendation and approval of the budget-making authority and the approval of the legislative body of any municipality; and

WHEREAS, upon the recommendation of the budget-making authority and approval by the legislative body, any part or the whole of such fund may be used for capital and nonrecurring expenditures; and

WHEREAS, such fund shall be restricted to the financing of all or part of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of any specific item of equipment; and

WHEREAS, upon the recommendation of the budget-making authority and approval by the legislative body, there may be paid into such reserve fund (a) amounts authorized to be transferred thereto from the general fund cash surplus available at the end of any fiscal year, (b) amounts raised by the annual levy of a tax not exceeding four mills for the benefit of such fund, and for no other purpose, such tax to be levied and collected in the same manner and at the same time as the regular annual taxes of the municipality or (c) surplus cash funds already held in reserve and available for capital or nonrecurring expenditures; and

WHEREAS, all money in this fund, together with all interest that accrues thereon, shall be deposited in a separate bank account by the treasurer of the municipality; and

WHEREAS, this Ordinance was published in The Day, a newspaper having general circulation in the City of Groton on December 8, 2011 and December 9, 2011; and

WHEREAS, the City Freemen approved this Ordinance at a Special City (Freeman’s) meeting held on December 19, 2011 at the City of Groton Municipal Building;

THEREFORE BE IT RESOLVED that the Mayor and City Council finally approve “An Ordinance to establish a Reserve Fund for Capital and Nonrecurring Expenditures”.