

State of Connecticut
Municipal Accountability and Review Board

Policies and Procedures

as Authorized by Section 367(b)(14) of

Public Act 17-2, June Special Session

Adopted: January 11, 2018

STATE OF CONNECTICUT

Municipal Accountability Review Board (MARB) Policies and Procedures

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Overview

According Sections 349 to 376 of Public Act 17-2, June Special Session (hereinafter “the Act”), municipalities experiencing degrees of fiscal distress and in need of technical or other state assistance can seek designation or be, in some instances, designated into one of four tiers. Designated Tier I municipalities shall be referred to the current State Municipal Finance Advisory Commission (MFAC), while designated Tier II, III and IV municipalities shall be referred to the Municipal Accountability Review Board (MARB) established in the Act. Progressively higher levels of distress and State oversight are associated with each higher numbered tier.

Section 367(b)(14) of Act indicates that the MARB shall establish such written procedures as it deems necessary to carry out its responsibilities and meet the purposes of the Act. These procedures are contained in this document.

I. Policies and Procedures Related to All Designated Municipalities

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Municipal Accountability Review Board (MARB) Policies and Procedures

A. Public Information and Comment

1. The MARB, as a state board, is subject to the requirements of the State’s Freedom of Information laws
2. The Office of Policy and Management (OPM) shall post information related to the MARB on its website, which information shall include, but not be limited to, the membership of the MARB, agendas and minutes of the MARB and any of its committees or subcommittees, its bylaws and policies and procedures, a list of designated municipalities referred to the MARB, and contact information for the Board, including a contact person, telephone number, e-mail address and postal address.
3. The MARB may provide for a public comment period on its board meeting agendas. When a public comment item is on the agenda, there shall be sign-up sheet provided at least 15 minutes prior to the meeting. The speakers will be called in the order that they signed up, but the MARB may reserve the first 10 minutes of the public comment period to state and local elected officials. Each speaker may be limited to no more than three minutes. In the interest in enabling members of the public to attend board meetings for their full duration, the Chairperson may limit the public comment agenda item to 30 minutes.

B. Revisions and Modifications to these Policies and Procedures

Public Act 17-2: Description of Relevant Provisions

Section 367(b)(14): The MARB shall establish such written procedures as the board deems necessary to carry out its responsibilities and meet the purposes of the Act.

Policies and Procedures

1. The MARB, by a majority vote, may modify these policies and procedures from time to time as it deems appropriate.
2. The MARB may, by majority vote, adapt particular provisions of these policies and procedures with respect to individual designated municipalities if the MARB determines that such adaptations will facilitate its work with such designated municipalities. Each designated municipalities shall review these procedures and identify any procedure(s) contained herein in regard to which it has concerns and suggest, for the MARB’s consideration, proposed adaptations to such procedures.
3. The Chairperson and Cochairperson of the MARB may modify specific timelines for submittals or actions contained in these procedures, on a case by case basis, in the event of an unanticipated emergency or fiscal exigency, provided that such modifications are consistent with applicable laws or regulations and with the purposes of the Act. The members of the MARB and the municipality shall be notified of any such modification.
4. Notifications and required submittals to the MARB shall be to the contact person identified on OPM’s web-site unless indicated otherwise by the MARB.

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Municipal Accountability Review Board (MARB) Policies and Procedures

II. Policies and Procedures Related to Designated Tier II Municipalities

A. Submittal, Review and Approval of Three-Year Financial Plan

Public Act 17-2: Description of Relevant Provisions

Section 363(b): Municipalities shall submit a three-year financial plan for the MARB's review and approval in a manner prescribed by the MARB. (Note: This section applies to designated Tier II, III and IV municipalities)

Policies and Procedures

1. Not later than forty-five days after its designation as a Tier II municipality and, thereafter, not later than April 1 of each year, the local chief elected official or chief executive officer shall submit to the MARB a three-year financial plan, the first year of which shall be for the fiscal year commencing on the upcoming July 1 date. The plan shall also include the budget and projected revenues and expenditures for the current fiscal year.
2. Each three-year financial plan shall provide for the:
 - (a) elimination of any fund balance deficits in the general fund;
 - (b) elimination of deficits in all funds, including any capital, internal service, special revenue and enterprise funds;
 - (c) balancing of the operating funds for each year of the plan;
 - (d) estimation of the amount of bonds or notes to be issued by the municipality and the debt service requirements;
 - (e) projected impacts on long-term liabilities, including those associated with employee pensions, other post-employment benefits and debt; and
 - (f) assumptions on which revenue and expenditure projections in the plan are based are based.
3. Expenditure and revenue projections in the plan shall be in a format determined by the MARB, in consultation with the municipality. Expenditures shall be presented at no higher than the department level, with major expenditures for items such as pensions, debt service, active and retiree health insurance and other areas to be broken out separately. Revenues shall be provided by line-item, with appropriate consolidations for smaller and like line-items.
4. The MARB and the chief elected official or chief executive officer and municipal staff shall meet to review the recommended financial plan. The chief elected official or chief executive officer and municipal staff shall provide such information as the MARB and its staff may reasonably require to analyze the assumptions and projections utilized.
5. Not later than 45 days following the receipt of the municipality's recommended three-year financial plan, the MARB, by resolution shall approve or disapprove the plan. If the plan is disapproved, the MARB shall indicate the reasons for such disapproval.

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Municipal Accountability Review Board (MARB) Policies and Procedures

II. Policies and Procedures Related to Designated Tier II Municipalities-continued

B. Monitoring Municipality's Three-Year Plan and Financial Condition and Needs

Description of Relevant Provisions of Public Act 17-2:

Section 363(b): In addition to the three-year plan, the municipality shall submit monthly financial reports, in a manner prescribed by the MARB.

Sections 360(b) and 363(b): The MARB may require the chief executive officer of the municipality to: (A) provide information and appear before the MARB to discuss the financial condition of the municipality and the implementation of remedial measures to improve its financial condition and (B) submit a written report to the Board on implementation of the recommendations of the commission and other remedial measures.

Section 367(c): With respect to any municipality referred to the MARB, such municipality and each of its administrative units, including its board of education, shall supply the board with such financial reports, data, audits, statements and any other records or documentation as the board may require to exercise its powers and to perform its duties and functions. Such reports may include, but shall not be limited to, (1) proposed budgets, (2) monthly reports of the financial condition of the municipality, (3) the status of the municipality's current annual budget and progress under its financial plan for the then current fiscal year, (4) estimates of the operating results for all funds or accounts to the end of the then current fiscal year, (5) pension plan and debt projections, (6) statements and projections of general fund cash flow reserves, (7) the number of municipal employees on the municipal payroll, and (8) debt service requirements on all bonds and notes of the municipality for the following month.

Policies and Procedures

1. Not later than 30 following the end of each month, the municipality shall submit to the MARB a monthly financial report in regard to the current annual budget, which report shall contain budgeted, year-to-date and projected year-end revenues and expenditures, in a format determined by the MARB in consultation with the municipality. Expenditures shall be presented at no higher than the department level, with major expenditures for items such as pensions, debt service, active and retiree health insurance and other areas to be broken out separately. Revenues shall be provided by line-items, with appropriate consolidations for smaller and like line-items. A sample format for monthly reports is located on **OPM's website** <http://www.ct.gov/opm/cwp/view.asp?a=2984&q=445912> The municipality shall appear before the MARB, as requested by the MARB, to review these reports and other matters affecting the municipality's fiscal condition.
2. At such times as determined by the MARB, but not less than once during each fiscal year, the municipality shall provide the MARB with updated projections of revenues and expenditures of the second and third years of the three-year financial plan and a report on the status of major elements of such plan and appear before the MARB to review these matters.
3. Not less than annually, the municipality shall provide information as requested by the MARB in regard to its long-liabilities, including, but not limited to, those related to debt, pensions, and other post-employment benefit benefits and shall appear before the MARB, as requested, to review this information.
4. The MARB or one of its committees shall annually review with the municipality's chief executive officer and chief financial officer the annual independent audit of such municipality and any findings contained therein.
5. The MARB may, by resolution or motion, make recommendations to improve the financial condition of a municipality and request a written report from the municipality's chief executive officer, by the date indicated in the resolution or motion, regarding the status of the MARB's recommendations and the remedial actions taken by the municipality to improve its financial condition. The municipal chief executive officer shall appear before the MARB to review the report.

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Municipal Accountability Review Board (MARB) Policies and Procedures

II. Policies and Procedures Related to Designated Tier II Municipalities-continued

C. Annual Budget Assumptions Regarding State Revenues and Property Tax Revenues

Description of Relevant Provisions of Public Act 17-2:

Section 363(b): In preparing and adopting its annual budget, municipalities shall only include assumptions regarding state revenues and property tax revenues as are approved by the MARB.

Policies and Procedures

1. At the same time that the local chief elected official or chief executive officer submits his or her recommended budget to the local legislative body, one hard copy and an electronic version of such recommended budget shall be submitted to the MARB.
2. The MARB shall review the assumptions contained in the recommended budget regarding state revenues and property tax revenues with the local chief elected official or chief executive officer and municipal staff. Not later than 30 days after receiving the recommended budget, the MARB shall adopt a resolution identifying any issues and concerns it has in this regard these assumptions. The resolution shall be transmitted to the local chief elected official or chief executive officer and the local legislative body within two days of its adoption.
3. The MARB or its assigned representatives shall consult with the local legislative body during its budget deliberations in regard to these assumptions and the MARB's issues and concerns in this regard.
4. Not later than 10 days prior to its action on the annual budget, the local legislative body shall submit, for the MARB's approval or disapproval, the assumptions regarding state revenues and property tax revenues to be contained in the final budget. The MARB shall provide such approval or disapproval not later than three days prior to the local legislative body's scheduled date for adopting the annual budget.
5. If a municipality receives Municipal Restructuring Funds under Section 370 of this Act, the policies and procedures of Section III.A. will apply to the review, comment and approval or disapproval of its annual budget.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities

A. Receipt, Review and Comment on Municipality's Annual Budget

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(1): The MARB shall review and comment on a municipality's annual budget prior to its adoption by its legislative body.

Policies and Procedures

1. At the same time that the local chief elected official or chief executive officer submits his or her recommended budget to the local legislative body, one hard copy and an electronic version of such recommended budget shall be submitted to the MARB. The submitted recommended annual budget shall include the municipality's general fund and capital fund budget and any enterprise or special revenue fund budgets developed by the municipality or required by local charter or ordinance.
2. The MARB and the chief elected official or chief executive officer shall meet to review the recommended budget. The chief elected official or chief executive officer and municipal staff shall provide such information as the MARB and its staff may reasonably require to analyze the assumptions and projections utilized, including in regard to estimates associated with State aid and property tax revenues and mill rate.
3. Not later than 30 days after the receipt of such annual budget and prior to the local budget adoption date, the MARB shall adopt a resolution identifying potential issues or concerns the MARB may have regarding:
 - a. The reasonableness of the assumptions utilized with respect to expenditures and revenues, including assumptions included in the recommended budget related to state revenues and property tax revenues and a mill rate;
 - b. the overall balance and imbalance of expenditures and revenues;
 - c. the achievability of efficiency measures included in the recommended budget;
 - d. its impact on the municipality's long-term liabilities and the municipality's most current three-year financial plan; and
 - e. any other issues or matters that would impact, in the MARB's opinion, the municipality's financial sustainability and vitality.

Such resolution shall be transmitted to the local chief elected official and legislative body within two days of its passage.

4. The local legislative body shall transmit the approved annual budget to the MARB within three days following its adoption. The Board, at its option, may adopt a resolution indicating any concerns or issues it may have with the adopted annual budget. If a municipality receives Municipal Restructuring Funds under Section 370 of this Act, the MARB shall approve or disapprove its annual budget within 15 days of the MARB's receipt of such budget.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

B. Annual Budget Assumptions Regarding State Revenues and Property Tax Revenues and Mill Rate

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(2): In preparing and adopting its annual budget, municipalities shall only include assumptions regarding state revenues and property tax revenues and a mill rate as are approved by the MARB.

Policies and Procedures

1. The MARB or its assigned representatives shall consult with the local legislative body and municipal officials regarding any issues or concerns that the MARB may have with any recommended or proposed budgetary assumptions regarding state revenues and property tax revenue and mill rate, including those contained in the resolution adopted pursuant to part B.3., above.
2. Not later than 10 days prior to its action on the annual budget, the local legislative body shall submit, for the MARB's approval or disapproval, the assumptions regarding state revenues and property tax revenues and a mill rate to be contained in the final budget. The MARB shall provide such approval or disapproval not later than three days prior to the local legislative body's scheduled date for adopting the annual budget.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

C. Review, Comment and Action Regarding Proposed Debt Obligations

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(3): The MARB shall be required to approve any debt service obligations issued in accordance with Section 364 of the Act that are supported by a State special capital reserve fund (SCRF) and the issuance of refunding bonds by a majority vote, provided that five or more of the MARB members vote to approve such issuance (e.g. if seven MARB members are present, at least five must vote to approve). The MARB shall only approve such obligations which in its judgment improve the financial condition of the municipality. Notwithstanding any other provision of state statute, the MARB may approve and authorize the municipality's issuance of bonds with a term of no more than 40 years from the date of issuance.

Section 367(b)(4): The MARB shall review and comment on proposed debt obligations of the municipality not covered by Section 367(b)(3) of the Act prior to their issuance.

Policies and Procedures

1. The municipality shall, not later than 60 days prior to the issuance of proposed debt obligations, notify the MARB of its intent to issue bonds and include the following with such notice:
 - (a) the amount of the bonds to be issued and for what purpose and, if refunding bonds, a listing of the bonds to be refunded;
 - (b) the projected debt service payments and the assumptions related to such projections;
 - (c) an indication if the municipality is seeking to have some or all of the bonds supported by the SCRF;
 - (d) with respect to refunding bonds, a comparison of the anticipated effects of the proposed refunding with the current debt service payment schedule and alternative schedules and terms;
 - (e) for bonds proposed to be supported by the SCRF, the projected SCRF impact on the cost of issuance;
 - (f) documentation of the municipality's authorization of the issuance of such bonds, including, but not limited to, a certified copy of the resolution or ordinance of the municipality authorizing the issuance of such bonds and the opinion of nationally recognized bond counsel as to the due authorization of the issuance of such bonds; and
 - (g) any other information and documentation required or requested by the MARB within 10 days of its receipt of the notice.
2. Following the receipt of the notice, the MARB or its designated representatives, including any financial advisors and bond counsels engaged by the MARB or the State, shall meet with the chief elected official or chief executive officer and its treasurer or finance director to review the proposed debt issuance. The municipality shall make municipality's financial advisor and bond counsel available to the MARB or its representatives as part of this review.
3. With respect to refunding bonds or SCRF supported bonds, within 30 days of the receipt of all of the information required in regard to item 1 above, the MARB shall adopt a resolution either approving or disapproving such issuance, in accordance with the Act. Any vote to approve must receive at least five votes. If disapproved, the MARB shall provide the reasons for such disapproval.
4. With respect to any non-refunding or non-SCRF supported bonds, within 30 days of the receipt of the information required in item 1.,above, the MARB may, based on its review of the proposed issuance, adopt a resolution providing its comments and any recommendations in regard to the issuance.
5. Any such resolution related to either items 3. or 4., above, shall be transmitted to the local chief elected official and to the local legislative body within two days of its adoption.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

D. Review and Comment Regarding Municipal and Board of Education Contracts

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(5): The MARB may require that the municipality or its board of education notify the board of any or all municipal or board of education contracts that exceed: (A) \$50,000 for municipalities with a resident population under 70,000, or (B) \$100,000 for municipalities with a resident population of 70,000 or more, not less than 30 days prior to execution of such contract, for board review and comment regarding such proposed contract. The MARB shall consult with any designated municipality and its board of education, to implement this provision.

Policies and Procedures

1. The municipality and its board of education shall each provide a listing of the contracts over \$50,000 (for municipalities under 70,000 in population) or over \$100,000 (for municipalities over 70,000 in population) not less than 30 days prior to their proposed execution, which listing shall indicate the parties to the contract, the amount of the contract, the proposed dates of the contract and a brief summary of purpose of the contract, which list shall be submitted to the MARB and be contained with the agenda material for the MARB's review, questions and any comments. For any municipal or board of education contract over \$250,000, the MARB shall be provided with a copy of such contract not less than 30 days prior to its proposed execution date for the MARB's review and possible comment.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

E. Review and Action Regarding Employee Collective Bargaining Agreements

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(6): The MARB, with respect to any proposed employee collective bargaining agreement or amendments negotiated pursuant to sections 7-467 to 7-477 or section 10-153d of the general statutes, shall have the same opportunity and authority to approve or reject, on not more than two occasions, collective bargaining agreements or amendments as is provided to the legislative body of such municipality.

Policies and Procedures

1. The municipality and its Board of Education shall provide the MARB with a list of their employee collective bargaining agreements, providing the following for each agreement: (a) the name of the parties to the agreement; (b) the start and termination date of the agreement and (c) whether such agreement is in negotiations, mediation or arbitration. The municipality and its Board of Education shall provide any additional information requested by the MARB in regard to these agreements.
2. With respect to municipal collective bargaining agreements or amendments agreed to by the parties pursuant to sections 7-467 to 7-477 of the general statutes, the municipality's bargaining representative shall submit such agreement or amendment and the same request for funds and approvals required to be submitted to the local legislative body under Section 7-474(b) of the general statutes to the MARB within 14 days of the date that such agreement or amendment was agreed to by the parties. If this request is rejected by either the MARB or the local legislative body, the matter shall be returned to the parties for further bargaining. Such request shall be considered approved unless either or both the legislative body or the MARB reject such request within thirty days of the end of the fourteen-day period for submission to the MARB and legislative body. The MARB shall offer the parties the opportunity to make a presentation to it prior to any action regarding the submitted request. The MARB may approve or reject such requests on no more than two occasions and shall indicate the reasons for any vote to reject.
3. With respect to board of education collective bargaining agreements reached pursuant to Section 10-153d of the general statutes, the municipality's board of education shall file a signed copy of any proposed collective bargaining contract with the municipality's town clerk, with the Commissioner of Education and the MARB. Upon receipt of a signed copy of such contract the clerk of municipality shall give public notice of such filing. The terms of such contract shall be binding on the legislative body, unless either such body or the MARB rejects such contract at a regular or special meeting called and convened for such purpose within thirty days of the filing of the contract. The MARB shall offer the parties the opportunity to make a presentation to it prior to any action regarding the proposed contract. If the legislative body or the MARB rejects the contract, the parties shall commence the arbitration process, in accordance with the provisions of subsection (c) of section 10-153f, on the fifth day next following the rejection. The MARB may approve or reject such contracts on no more than two occasions and shall indicate the reasons for any vote to reject.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

F. Review and Action Regarding Collective Bargaining Binding Arbitration Awards

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(7)(A): The MARB shall be provided with the same opportunity and authority to reject, on not more than two occasions, a municipal employee collective bargaining arbitration award as is provided to the legislative body of the municipality in subdivision (12) of subsection (d) of section 7-473c of the general statutes and to provide a written statement to the State Board of Mediation and Arbitration in accordance with that section.

Section 367(b)(7)(B): The MARB shall be provided with the same opportunity and authority to reject, on not more than two occasions, a board of education employee collective bargaining arbitration award as is provided to the legislative body of the local school district or municipality in subdivision (7) of subsection (c) of section 10-153f of the general statutes and to provide a written statement to the Commissioner of Education and to the exclusive representative of the administrators unit as is required in said section. This provision shall not be construed to apply to an arbitration award to which a teacher's unit is a party.

Policies and Procedures

1. The municipality shall notify the MARB of any arbitration award issued in accordance with the provisions of Section 7-473c of the general statutes and provide a copy to the MARB of such award within two days of its receipt of such award. Within 25 days of the municipality's receipt of an arbitration award, either the MARB, by a majority vote, or the legislative body of the municipality, by a two-thirds majority vote of the members of such legislative body present, may reject the award of the arbitrators or single arbitrator at a regular or special meeting called and convened for such purpose. Within ten days after such rejection, the MARB or its authorized representative shall be required to state, in writing, as would the local legislative body if it rejects the award, the reasons for such vote and shall submit such written statement to the State Board of Mediation and Arbitration and the municipal employee organization. Within ten days after receipt of any such notice, the municipal employee organization shall prepare a written response to such rejection and shall submit it to the MARB, the legislative body and the State Board of Mediation and Arbitration. The MARB may approve or reject such awards on no more than two occasions and shall indicate the reasons for any vote to reject.
2. The municipality's Board of Education shall notify the MARB of any arbitration award issued in accordance with the provisions of Section 10-153f of the general statutes and provide a copy of such award within two days of its receipt of such award. Within 25 days of the Board of Education's receipt of an arbitration award related to an administrator's unit issued pursuant to this section, either the MARB, by a majority vote, or the legislative body of the municipality, by a two-thirds majority vote of the members of such legislative body present, may reject the award of the arbitrators or single arbitrator at a regular or special meeting called and convened for such purpose. Within ten days after a rejection of an administrator's unit award, the MARB or its authorized representative shall be required to state, in writing, as would the local legislative body if it rejects, the reasons for such vote and shall submit such written statement to the State Commissioner of Education and the exclusive representative for the administrator's unit. Within ten days after receipt of such notice, the exclusive representative for the administrator's unit shall prepare a written response to such rejection and shall submit it to the MARB, the legislative body and the Commissioner of Education. The MARB may approve or reject such awards on no more than two occasions and shall indicate the reasons for any vote to reject. With respect it to arbitration awards for teacher's units, the MARB may pass a resolution with any recommendations, issues or concerns it has with respect to any award and shall transmit such resolution to the legislative body, the Board of Education and the exclusive representative for the teacher's unit.

STATE OF CONNECTICUT

Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

G. Submittal, Review and Approval of Three-Year Financial Plan

Public Act 17-2: Description of Relevant Provisions

Section 363(b): Municipalities shall submit a three-year financial plan for the MARB's review and approval. (Note: This provision applies to designated Tier II, III and IV municipalities)

Policies and Procedures

1. Not later than forty-five days after its designation as a Tier III municipality and, thereafter, with the submittal of the recommended annual budget in accordance with Section III.A.1. of these Policies and Procedures, the local chief elected official or chief executive officer shall submit to the MARB a three-year financial plan, the first year of which shall be for the fiscal year commencing on the upcoming July 1 date. The plan shall also include the budget and projected revenues and expenditures for the current fiscal year.
2. Each three-year financial plan shall provide for the:
 - (a) elimination of any fund balance deficits in the general fund;
 - (b) elimination of deficits in all funds, including any capital, internal service, special revenue and enterprise funds;
 - (c) balancing of the operating funds for each year of the plan;
 - (d) estimation of the amount of bonds or notes to be issued by the city and debt service requirements;
 - (e) projected impacts on long-term liabilities, including those associated with employee pensions, other post-employment benefits and debt; and
 - (f) assumptions on which revenue and expenditure projections in the plan are based are based.
3. Expenditure and revenue projections in the plan shall be in a format determined by the MARB in consultation with the municipality. Expenditures shall be presented at no higher than the department level, with major expenditures for items such as pensions, debt service, active and retiree health insurance and other areas to be broken out separately. Revenues shall be provided by line-item, with appropriate consolidations for smaller and like line-items.
4. The MARB and the chief elected official or chief executive officer shall meet to review the recommended financial plan and the chief elected official or chief executive officer and municipal staff shall provide such information as the MARB and its staff may reasonably require to analyze the assumptions and projections utilized.
5. Not later than 45 days following the receipt of the municipality's recommended three-year financial plan, the MARB, by resolution shall approve or disapprove the plan. If the plan is disapproved, the MARB shall indicate the reasons for such disapproval.

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Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

H. Monitoring the Annual Budget and Three-Year Plan & Financial Condition & Needs

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(8): The MARB shall monitor the municipality's compliance with the three-year financial plan and annual budget and recommend that the municipality make such changes as are necessary to ensure budgetary balance in such plan and budget. In this regard, the municipality shall submit monthly financial reports in this regard, in a manner prescribed by the MARB. (Section 363(b))

Section 367(b)(10): the MARB may obtain information on the financial condition and financial needs of any such municipality and its board of education.

Section 367(c): The municipality and each of its administrative units, including its board of education, shall supply the board with such financial reports, data, audits, statements and any other records or documentation as the board may require to exercise its powers and to perform its duties and functions. Such reports may include, but shall not be limited to, (1) proposed budgets, (2) monthly reports of the financial condition of the municipality, (3) the status of the municipality's current annual budget and progress under its financial plan for the then current fiscal year, (4) estimates of the operating results for all funds or accounts to the end of the then current fiscal year, (5) pension plan and debt projections, (6) statements and projections of general fund cash flow reserves, (7) the number of municipal employees on the municipal payroll, and (8) debt service requirements of bonds and notes for the following month.

Policies and Procedures

1. Not later than 30 days after the end of each month, the municipality shall submit to the MARB a monthly financial report in regard to the annual budget, which report shall contain budgeted, year-to-date and projected year-end revenues and expenditures, in a format determined by the MARB, in consultation with the municipality. Expenditures shall be presented at no higher than the department level, with major expenditures for items such as pensions, debt service, active and retiree health insurance and other areas to be broken out separately. Revenues shall be provided by line-items, with appropriate consolidations for smaller and like line-items. A sample format for monthly reports is located on [OPM's web-site](#). The municipality shall appear before the MARB, as requested by the MARB, to review these reports and other matters affecting the municipality's fiscal condition.
2. At such times as determined by the MARB, but not less than once during each fiscal year, the municipality shall provide the MARB with updated projections of revenues and expenditures of the second and third years of the three-year financial plan and a report on the status of major elements of such plan and appear before the MARB to review these matters.
3. Not less than annually, the municipality shall provide information as requested by the MARB in regard to its long-liabilities, including, but not limited to, those related to debt, pensions, and other post-employment benefit benefits and shall appear before the MARB, as requested, to review this information.
4. The MARB or one of its committees shall annually review with the municipality's chief executive officer and chief financial officer the annual independent audit of such municipality and any findings contained therein.
5. The MARB may, by resolution, recommend that the municipality make such changes as the MARB determines are necessary to ensure budgetary balance in the municipality's annual budget and financial plan or to improve the short and long-term financial condition of a municipality and require that the municipality's chief executive officer, by the date indicated, submit a written report regarding the status of the MARB's recommendations and the remedial actions taken by the municipality to improve its financial condition. The municipal chief executive officer shall appear before the MARB to review the report.

STATE OF CONNECTICUT

Municipal Accountability Review Board (MARB) Policies and Procedures

III. Policies and Procedures Related to Designated Tier III Municipalities-continued

I. Review and Recommendations Regarding Municipal Efficiency and Productivity

Description of Relevant Provisions of Public Act 17-2:

Section 367(b)(9): The MARB shall recommend that the municipality and its board of education implement measures relating to the efficiency and productivity of their operations and management as the board deems appropriate, to reduce costs and improve services so as to advance the purposes of the Act. Such recommendations may include, but shall not be limited to, policies and procedures for the responsible use of municipal and board of education credit and purchasing cards, vehicles and other municipal and board of education property and resources.

Section 367(b)(11): The MARB, in consultation with the municipality, may retain such staff and hire consultants experienced in the field of municipal finance, municipal law, governmental operations and administration or governmental accounting as it deems necessary or desirable for accomplishing its purposes. **According to Section 367(a)**, these expenses of the board related to its work with designated tier III or IV municipalities, may, following consultation with such municipalities, be charged to such municipalities by the MARB and may be paid from the proceeds of any deficit obligation or debt restructuring bonds.

Section 367(b)(12): The MARB may require the municipality and its board of education to apply LEAN practices and principles, and to participate in efforts to establish common strategies and goals and to organize around collective impacts for the municipality, such municipality's residents, businesses and employees, to result in an improved fiscal sustainability and municipal vitality.

Section 367(b)(13): The MARB may consult with federal, state, quasi-public and nongovernmental agencies to accomplish its purposes.

Policies and Procedures

1. The MARB shall review and work with the municipality and its board of education to seek efficiencies and savings in regard to its operations and major areas of short and long-term term costs and liabilities and may hire retain such staff and consultants as it deems necessary to accomplish its purposes.

STATE OF CONNECTICUT

Municipal Accountability Review Board (MARB) Policies and Procedures

IV. Policies and Procedures Related to Designated Tier IV Municipalities

Reserved