

**Summary - Terms/Conditions in Municipal Restructuring Funds Agreement
(Reflecting suggestions from West Haven committee 10/23/18 motion
and additional clarification by Secretary)**

1. Payment Schedule
 - a. FY18 amount of up to \$8 million payable by 12/31/18
 - b. FY19 amount of up to \$8 million payable as follows:
 - 25% of FY19 amount payable by 12/31/18
 - 25% of FY19 amount payable by 4/30/19
 - Remainder of FY19 amount payable by 6/30/19
2. Conditions for 12/31/18 or any future payments:
 - a. \$1.75 million for prior deficit reduction in FY19 budget may not be used for any other purpose
 - b. \$250,000 for MARB expenses must be transferred to OPM
 - c. Submittal to and acceptance by the MARB of the City's plan to undertake a complete study, with recommendations, of West Haven's three fire departments, which plan may seek a portion of the MARB expense budget for needed consulting or professional service in this regard
 - d. Selection of a vendor to complete the Fire study
 - e. Receipt of the City's final independent audit for FY18. The allowed uses of the Municipal Restructuring Funds will reflect the results of such audit.
3. Conditions for the 4/30/19 and any subsequent payments:
 - a. Submittal to the MARB of an organizational plan to address the administrative capacity needs associated with executing the City's financial plans
 - b. Submittal to the MARB of a reserve policy related to its General Fund and its health insurance plans
 - c. Submittal to the MARB of the completed analysis and recommendations regarding the fire departments
 - d. Submittal to the MARB of an analysis and plan for the sale of City owned assets.
 - e. Submittal to the MARB of a preliminary plan related to operational consolidations.
4. Conditions for the 6/30/19 payment:
 - a. MARB approval of the City's FY20 budget;
 - b. MARB approval of the City's 5-year plan, which shall include actions to address the City's long-term liabilities, including those of the fire districts, with FY20 being the first year of the plan
 - c. Evidence that the City has contributed or included the Actuarially Determined Contribution (ADC) related to the Pension Plan and Allingtown Fire Plan in FY19, in its FY20 adopted budget and in each year of its updated 5-year plan.

d. A portion of the 6/30/19 payment may be withheld until the submittal to and acceptance by the MARB of the City's analysis and plan for consolidations and other strategies for achieving operational efficiencies sufficient to yield efficiency savings in in the 5-year plan.

5. Additional Conditions:

e. The Secretary may withhold all or a portion of any remaining payments if the MARB or the Secretary determines that the City has a projected operating deficit for FY19 in its General Fund, Sewer Fund or the Allingtown Fire Department and the City fails to submit and execute a remedial plan, acceptable to the MARB and the Secretary, of actions to eliminate such deficit. A failure to submit timely monthly financial reports may be the basis for such a determination.