

BOARD OF SELECTMEN SPECIAL MEETING FINAL MINUTES  
November 25, 2014

A special meeting of the Board of Selectmen was held at 2:00 p.m. on Tuesday, November 25, 2014, in the first floor conference room of Independence Hall.

Members Present: First Selectman Michael C. Tetreau, Selectman Kevin P. Kiley (via phone),  
Selectman Cristin McCarthy Vahey

Others Present: Bob Mayer

1) CALL TO ORDER

First Selectman Tetreau called the meeting to order at 2:02 pm.

2) PLEDGE OF ALLEGIANCE

3) CHIEF FISCAL OFFICER To hear, consider and act upon the following resolution as recommended by the Chief Fiscal Officer: **RESOLVED**, that the Chief Fiscal Officer is hereby authorized to file self-reporting documents with the Division of Enforcement of the U.S. Securities and Exchange Commission in connection with the Municipal Continuing Disclosure Initiative of the Securities and Exchange Commission.

Selectman McCarthy Vahey made a motion to approve the item. Selectman Kiley seconded the motion.

CFO Bob Mayer reported that pursuant to its continuing disclosure obligations in conjunction with its bond issuances, the Town is required to file certain financial and operating data.

Mr. Mayer further reported that available records of the Nationally Recognized Municipal Securities Information Repositories (NRMSIRs) indicate the Town of Fairfield did not file on a timely basis the Town's annual financials and operating data for its fiscal years 2005 through 2010.

Mr. Mayer then discussed a handout from Pullman & Comley on an overview on the Securities and Exchange Commission (SEC) implementing its new Municipal Continuing Disclosure Cooperation (MCDC) initiative. According to this document, the SEC MCDC initiative provides the Town, if it decides to self-report, the opportunity to settle any potential claims the SEC may have against the Town concerning violations of the federal securities laws stemming from the Material misrepresentations in the Town's Official Statements about the Town's compliance with its continuing disclosures obligations.

Under the Initiative, if the Town elects to self-report and the SEC recommends a settlement, the Town by submitting the self-reporting questionnaire would agree to certain terms such as additional reporting for the next five years. By agreeing to the settlement, the Town would have no admission of guilt or any monetary penalties included in the settlement.

The Town is required to accurately disclose whether it has materially complied with its continuing disclosure obligations over the last five years. On July 1, 2009, filing with the NRMSIRs was replaced by filing on EMMA. The Town is required to file its audited financials and operating data by February 28<sup>th</sup> following the end of the Fiscal Year.

Due to underwriters self-reporting to the SEC with respect to potential misstatements in the Town's Official Statements, Mr. Mayer recommends the Town self-report for the years 2005 through 2010 and accept the terms of the settlement offered by the SEC.

Selectman Kiley asked if he could get a copy of all the documents given out at today's meeting. First Selectman Tetreau asked if files are being internally maintained in the Finance Department. Mr. Mayer said they are maintained online.

Mr. Mayer said this new initiative is affecting a lot of Towns. Selectman Kiley asked if this item goes to the BOF or RTM. Mr. Mayer said it does not. Selectman McCarthy Vahey said it's of interest that other towns are going through the same issue with the SEC. First Selectman Tetreau said he advised the BOF Chair on this matter yesterday.

The motion carried 3-0.

4) ADJOURN

Selectman McCarthy Vahey made a motion to adjourn the meeting at 2:19 pm. Selectman Kiley seconded the motion which carried 3-0.

Respectfully submitted,

Jennifer S. Carpenter  
Recording Secretary

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