

NOTE: FORMAL ACTION MAY BE TAKEN AT REGULAR MEETINGS, WORK SESSIONS OR SPECIAL MEETINGS. AGENDAS ARE PUBLISHED 48 HOURS IN ADVANCE TO THE EXTENT KNOWN.

AGENDA

SPECIAL MEETING

7:30 P.M.

SEPTEMBER 30, 2014

1. STATEMENT OF COMPLIANCE
2. Long Term Financial Planning
(Council Carryover)
(90 minutes)
3. Resolutions by Consent #18-2014
 - a. Resol . #344-2014 - Continuing Disclosure Matters Applicable to Bonds and Notes
 - Mayor asks Municipal Clerk to read Resolutions by Consent.
 - Mayor asks for Mover, Second, Roll Call.
4. Miscellaneous Public Comments
5. Adjournment

Aye Nay Abstain

Dunay
Lefkowitz
Peluso
Swain
Cosgrove

September 30, 2014

CONSENT AGENDA 18-2014

By

Seconded by

WHEREAS, the following resolutions having heretofore been placed on this Resolutions by Consent Agenda which require no discussion and same having been previously reviewed by each Councilmember, be and are hereby adopted, ratified, and confirmed in their entirety by the Mayor and Council of the Borough of Fair Lawn:

- a. Resol. #344 -2014 - Continuing Disclosure Matters Applicable to Bonds and Notes

Aye Nay Abstain

Dunay
Lefkowitz
Peluso
Swain
Cosgrove

September 30, 2014

RESOLUTION NO. 344-2014

By
Seconded by

WHEREAS, the Borough of Fair Lawn, in the County of Bergen, New Jersey (the "Borough") has previously issued its bonds, bond anticipation notes and/or other debt obligations (the "Bonds") and

WHEREAS, in connection with the issuance of certain of the Bonds and for purposes of assisting underwriters to comply with Rule 15c-12 under the Securities Exchange Act of 1934, the Borough has covenanted and/or entered into one or more undertakings or agreements to provide continuing disclosure (the "Continuing Disclosure Obligation") to the public marketplace; and

WHEREAS, in general the Continuing Disclosure Obligation requires the Borough to file certain financial information and notice of certain events in specified places and at specified times; and

WHEREAS, in connection with the sale of certain of the Bonds, the Borough issued one or more official statements that, among other things, described the Borough's Continuing Disclosure Obligation and whether or not the Borough had previously complied with its Continuing Disclosure Obligation in all material respects; and

WHEREAS, the Division of Enforcement (the "Enforcement Division") of the U.S. Securities and Exchange Commission (the "SEC") announced its Municipalities Continuing Disclosure Cooperation Initiative (the "Initiative") to address potentially materially inaccurate descriptions in official statements (made innocently, inadvertently or otherwise) of prior compliance with continuing disclosure obligations; and

WHEREAS, pursuant to the terms of the Initiative, the Enforcement Division will recommend "favorable settlement terms" for issuers and underwriters that self-report by 12:00 a.m., eastern standard time, on December 1, 2014, possible materially inaccurate statements in official statements in the last five years

relating to prior compliance with continuing disclosure obligations by submitting a specified questionnaire (the "Questionnaire") to the Enforcement Division; and

WHEREAS, the Borough has been provided with a copy of the Initiative, a copy of an advisory prepared by bond counsel to the Borough describing the Initiative and a copy of the Questionnaire released by the Enforcement Division; and

WHEREAS, if an issuer takes advantage of the Initiative by self-reporting possible materially inaccurate statements and if any of such statements are determined to be materially inaccurate by the Enforcement Division, the Enforcement Division will recommend to the SEC a settlement in which (i) the issuer consents to a cease-and-desist order, (ii) the issuer neither admits nor denies the findings of the SEC and (iii) there is no payment of any civil penalty by the issuer; and

WHEREAS, any such settlement will require the issuer (i) to establish appropriate policies and procedures and training regarding continuing disclosure obligations within 180 days, (ii) comply with existing continuing disclosure undertakings, including updating past delinquent filings within 180 days, (iii) cooperate with any subsequent investigation by the Enforcement Division regarding the false statement(s), including the roles of individuals and/or other parties involved, (iv) disclose in a clear and conspicuous fashion the settlement terms in any final official statement for an offering by the issuer for five years and (v) provide the SEC staff with a compliance certification regarding the applicable undertakings by the issuer in one year; and

WHEREAS, the Initiative cautions that if an issuer does not take advantage of the Initiative by submitting a Questionnaire identifying any possible materially inaccurate statement with respect to prior compliance with a continuing disclosure obligation and the Enforcement Division later determines that such a materially inaccurate statement was made, then the Enforcement Division will likely recommend and seek financial sanctions against the issuer; and

WHEREAS, the New Jersey Division of Local Government Services issued Local Finance Notice 2014-9, dated July 23, 2014 (the "LFN"), which among other things strongly recommends that local government officials proactively take steps to self-identify their own levels of compliance with continuing disclosure obligations in order to determine if it is advisable to participate in the Initiative; and

WHEREAS, the LFN advises that the failure to live up to continuing disclosure requirements, in addition to having potential consequences under federal law, could have consequences for various State of New Jersey matters including, in particular, (i) the denial or deferral of applications made to the Local Finance Board and (ii) decreased scores on future "Best Practices Questionnaires" that could trigger a withholding of a portion of State aid; and

WHEREAS, in light of the foregoing, the Borough is desirous of retaining a professional firm that specializes in continuing disclosure matters to examine the Borough's Continuing Disclosure Obligation and previous continuing disclosure filings and to report to the Borough any noncompliance with its Continuing Disclosure Obligation; and

WHEREAS, upon receipt of such report from the continuing disclosure specialist, the Borough will review such report with its professionals, including particularly its bond counsel, its auditor, its general counsel and its other finance professionals (the "Borough Professionals"); and

WHEREAS, as a result of such review, it may be desirable for the Borough to take advantage of the Initiative by submitting one or more Questionnaires to the Enforcement Division identifying a statement with respect to prior compliance with its Continuing Disclosure Obligation that is potentially materially inaccurate; and

WHEREAS, the Borough is desirous of authorizing the submission of one or more Questionnaires to the Enforcement Division if deemed advisable by the Borough Manager or the Borough Chief Financial Officer (the "Borough Officials") after consultation with the Borough Professionals;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Fair Lawn, in the County of Bergen, New Jersey as follows:

Section 1. Authorization to Retain a Continuing Disclosure Specialist. The Borough Officials are hereby authorized and directed to retain the firm Phoenix Advisors, LLC, 4 West Park Street, Bordentown, NJ 08505 at a fee of \$950 (all inclusive fee for up to three researched issues), plus \$150 for each additional issue, which specializes in continuing disclosure matters (a) to examine the Borough's Continuing Disclosure Obligation and previous continuing disclosure filings, (b) to report to the Borough any noncompliance with its Continuing Disclosure Obligation and (c) to otherwise assist the Borough and the Borough

Professionals with respect to the Initiative, the Questionnaire and the provision of continuing disclosure materials to the public marketplace.

Section 2. Authorization to Submit Questionnaire. The Borough Officials are each hereby authorized, after examining the report of the continuing disclosure specialist and consulting with the Borough Professionals, to take advantage of the Initiative by submitting one or more Questionnaires to the Enforcement Division by the December 1, 2014, deadline established by the Initiative.

Section 3. Various Incidental Actions. The Borough Officials are hereby authorized to execute and deliver all documents and instruments and to do all matters and things as may be necessary, useful, convenient or desirable in connection with the foregoing.

Section 4. Prior Action. All action heretofore taken by the Borough Officials and the Borough Professionals relating to the foregoing is hereby ratified, confirmed, adopted and approved, including without limitation soliciting and/or engaging a professional firm that specializes in continuing disclosure matters to undertake the continuing disclosure review described in this resolution.

Section 5. Capitalized Terms. All capitalized words and terms used by not defined in this resolution shall have the meanings ascribed to such words and terms, respectively, in this resolution.

Section 6. Effective Date. This resolution shall take effect immediately.