RESOLUTION OF TOWN COUNCIL

RESOLVED: That the proposed resolution to finance a portion of appropriations approved under the Town's 2025-2026 budget not to exceed One Million Five Hundred Thousand Dollars ($1,500,000.00), which may include a loan from a bank or other institutional lender and/or the issuance of bonds and/or tax anticipation notes to finance such appropriations, is approved and recommended to the Town Meeting, and a copy of such resolution is attached to this resolution.

{N5837555}

RESOLUTION OF THE TOWN MEETING
OF THE TOWN OF PROSPECT, CONNECTICUT

MAY , 2026 7:00 P.M. COMMUNITY CENTER

Whereas, it is deemed to be in the best interest of the Town of Prospect, Connecticut (the "Town") to finance a portion of appropriations approved under the Town's 2025-2026 budget not to exceed One Million Five Hundred Thousand Dollars ($1,500,000.00);

Whereas, the Town has approved in its 2026-2027 budget a fund balance restoration of One Million Five Hundred Thousand Dollars ($1,500,000.00) to cover the foregoing appropriations;

Whereas, under the provisions of Section 7-369 of the Connecticut General Statutes, a Town may issue bonds, notes or other obligations to finance appropriations or debts exceeding $10,000.00;

Whereas, under the provisions of Section 7-405a of the Connecticut General Statutes, the Town may issue notes in anticipation of the receipt of tax collections in an amount not to exceed the total levy of the fiscal year provided the notes shall be mature and be payable not later than the end of the fiscal year in which the anticipated tax collections are payable;

Whereas, the Town has the power and authority to obtain financing through a loan by a bank or other similar institutional lender, if it so chooses; and

Whereas, the Town Meeting has been appropriately called by the Town Council pursuant to notice published in the Waterbury Republican newspaper.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Town issue, in registered form (if deemed necessary or advisable), its Bonds, Notes or Tax Anticipation Notes in one or more series in an amount not to exceed One Million Five Hundred Thousand Dollars ($1,500,000.00) or such lesser amount as will be sufficient to defray the said appropriation of One Million Five Hundred Thousand Dollars ($1,500,000.00), and costs of issuance, under the provisions of Sections 7-369 and 7-405a of the Connecticut General Statutes, as amended, and any other act of the General Assembly of the State of Connecticut thereto enabling. That the Bonds, Notes or Tax Anticipation Notes shall be secured by the full faith and credit of the Town. That the Bonds, Notes or Bond Anticipation Notes shall mature no later than June 30, 2027. That the Town Treasurer shall keep a record of such Bonds, Notes or Tax Anticipation Notes which shall be signed by the Mayor and Town Treasurer or bear a facsimile of either or both of such signatures, under the seal of the Town or facsimile of such seal.

3. That the law firm of Carmody Torrance Sandak & Hennessey LLP of Waterbury, Connecticut, is designated as the attorneys-at-law to render an opinion as to approving the legality of such issue and as to the tax exempt status of the Bonds, Notes or Tax Anticipation Notes.

4. That the Mayor and Town Treasurer are authorized to:

a. Determine the amount, date, rate of interest, maturities, form and particulars of such Bonds, Notes or Tax Anticipation Notes, including the book entry method of issuance (if deemed necessary or advisable) provided that the interest rate or rates thereon be based on the lowest net interest cost to the Town based on competitive or negotiated bids. They may also designate a qualified institution to act as certifying and paying agent and as transfer and registration agent for such issue (if deemed necessary or desirable). Said Bonds, Notes or Tax Anticipation Notes shall be sold by the Mayor and Town Treasurer in a competitive offering or by negotiated sale. If they so determine, the financing may be accomplished with a bank or other institutional lender.

b. Sell and deliver such Bonds, Notes or Tax Anticipation Notes on behalf of the Town as a single issue or to consolidate and sell the same with any other authorized but unissued general purpose Bonds, Notes or Tax Anticipation Notes of the Town;

c. Enter into a Tax Regulatory Agreement on behalf of the Town to comply with all requirements necessary to qualify the Bonds, Notes or Tax Anticipation Notes as exempt from Federal and State income taxes on the interest thereon;

d. Designate, if appropriate, the Bonds, Notes or Tax Anticipation Notes as qualified tax exempt obligations for purposes of Internal Revenue Code Section 265(b)(3);

e. Make representations and enter into written agreements for the benefit of holders of the Bonds, Notes or Tax Anticipation Notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such Bonds, Notes or Tax Anticipation Notes; and

f. Do all other acts and execute and deliver all other documents and agreements which are necessary or appropriate to complete such issue, including but not limited to entering into covenants with the holders of such Bonds, Notes, or Tax Anticipation Notes.