

CHARTER

Existing:

Section 34. Borrowing for Current Expenses.

Town Council may borrow money in anticipation of revenues on the full faith and credit of the Town of Fenwick Island, Delaware, **a sum or sums not exceeding Five Hundred Thousand Dollars (\$500,000.00) in any one (1) year when**, in, the opinion of the majority of the Town Council of the Town of Fenwick Island, Delaware, the needs of the Town require it. Any sum so borrowed shall be secured by promissory notes of the Town of Fenwick Island, Delaware, duly authorized by resolution adopted by the Town Council of the Town of Fenwick Island, Delaware, and signed by the President of the Town of Fenwick Island, Delaware, and attested by the Secretary of the Town Council with the corporate seal affixed, and no officer or member of the Town Council shall be liable for the payments of such notes because it is signed by them as officers of the Town and is authorized by the Resolution of the Town Council; provided, however, **that the total sum outstanding at any one (1) time shall not exceed Five Hundred Thousand Dollars (\$500,000.00) and provided further than any sum of money so borrowed as aforesaid in any fiscal year shall be paid from the general fund of the Town and shall be completely repaid at any time, but must be completely paid at the end of ten (10) fiscal years following the first fiscal year when said sum or sums were borrowed, with interest thereon; and provided that such ad valorem taxes shall be levied as required without regard to any other limitations concerning the maximum rate of taxation and such notes and the interest thereon shall be exempt from all taxation by the State of Delaware or by any political subdivision, agency or subdivision thereof.**

Proposed:

Section 34. Short Term Borrowing.

Town Council may borrow money in anticipation of revenues on the full faith and credit of the Town of Fenwick Island, Delaware, a sum or sums not exceeding, **in the aggregate, a sum equal to five percent (5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the Town of Fenwick Island, as such boundaries shall from time to time appear, for general purposes** when, in the opinion of the majority of the Town Council of the Town of Fenwick Island, Delaware, the needs of the Town require it; **provided however, that any new borrowings under this Section 34 made after the effective date of this act shall, by their terms, be repayable in full within ten (10) years of the date of such borrowing.** Any sum so borrowed shall be secured by promissory notes of the Town of Fenwick Island, Delaware, duly authorized by resolution adopted by the Town Council of the Town of Fenwick Island, Delaware, and signed by the President of the Town of Fenwick Island, Delaware, and attested by the Secretary of the Town Council with the corporate seal affixed, and no officer or member of the Town Council shall be liable for the payments of such notes because it is signed by them as officers of the Town and is authorized by the Resolution of the Town Council. **Any sum(s) of money borrowed on the full faith and credit of the Town shall be paid from the general funds of the Town. The aggregate amount of outstanding principal from any such borrowing or borrowings under this Section 34 shall at no time exceed a sum equal to five percent (5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the Town of Fenwick Island, as such boundaries shall from time to time appear.**

(HB 48, May 27, 1965; 68 Del. Laws, c. 352, § 1)

Posted: November 1, 2017