

CHAPTER 430  
FORMERLY  
HOUSE BILL NO. 432

AN ACT TO AMEND THE CHARTER OF THE TOWN OF ELSMERE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Section 405 of the Charter of the Town of Elsmere by making deletions as shown by strike through and insertions as shown by underline as follows:

Section 405. Borrowing For Current Expenses

Whenever the needs of the Town shall require more money than is, at the time, in the Town Treasury from current receipts, the Council shall be authorized and empowered to anticipate current revenue by borrowing such amounts as are needed, ; ~~provided, however, that the amount of such indebtedness shall not at any time exceed four and one half percent of the assessed valuation of the assessable and taxable real property within the limits of the Town.~~

To exercise the power aforesaid, the Council shall adopt a resolution to that effect. The indebtedness created under this provision shall be evidenced by notes of the Town, and the faith and credit of the Town shall be deemed to be pledged thereof. ~~Such short term debt shall have a maturity of nine months or less, and shall not be considered as part of the bonded debt of the Town when limitations under the indebtedness, as set forth elsewhere in this Charter, are computed.~~

Section 2. Amend Section 406.1 of the Charter of the Town of Elsmere by making deletions as shown by strike through and insertions as shown by underline as follows:

Section 406.1 Power to Borrow Money.

The Town of Elsmere may incur indebtedness by issuing either general obligation bonds, notes or certificates of indebtedness secured by the full faith and credit of the Town of Elsmere, or revenue bonds, either in whole or in part of the total amount ~~necessary not to exceed Twenty Million Dollars in order~~ to provide funds for the erection, extension, enlargement or repair of any plant, machinery, appliances or equipment; for the furnishing of water to the public, for the construction, repair, or improvement of highways, streets or lanes, or the paving, curbing or erection of gutters along the same; for the construction or repair of sewers or sewage disposal equipment; or to defray the cost of the share of the Town of Elsmere in the cost of any permanent municipal improvement. ~~If general obligation bonds are issued, the total outstanding debt secured by such bonds shall not exceed four and one half percent of the aggregate assessed value of real property in the Town.~~

~~If revenue bonds are Issued, each such bond shall recite in substance that said bond, including interest thereon, is payable from the revenue pledged to the payment thereof, and that said bond does not constitute a debt of the Town of Elsmere within the meaning of the bonded indebtedness limitation. If revenue bonds are issued, the Council shall prescribe and collect reasonable rates, fees or charges for the service, facilities and accommodations of said undertaking and shall revise such rates, fees or charges from time to time whenever necessary so that such undertaking shall be and always remain self supporting. The rates, fees or charges prescribed shall be such as will procure revenue at least sufficient (a) to pay when due all bonds and interest thereon, for the payment of which such revenue is or shall have been pledged, charged or otherwise encumbered, including reserves therefor, and (b) to provide for all expenses of operation and maintenance of such undertaking, including reserves therefor.~~

Section 3. Amend Section 406.2 of the Charter of the Town of Elsmere by making deletions as shown by strike through and insertions as shown by underline as follows:

Section 406.2 Method of Borrowing Money.

Before the Town of Elsmere may incur indebtedness by the issuance of bonds, notes or other certificates of indebtedness as aforesaid, the borrowing of money shall have been authorized by Council and shall have been approved in the following manner:

(1) The Council shall by resolution propose to the residents of the Town of Elsmere the purpose or purposes for which the stated amount of money shall be borrowed. The resolution shall state the amount of money

desired to be borrowed, the purpose for which it is desired, the manner of securing the same, and all other pertinent facts relating to the loan, including data on total related debt ~~and the debt limitations established by this Charter~~; shall fix a time and place for hearing on the resolution; and shall provide for publication of an announcement of the hearing in a newspaper of general circulation in New Castle County at least one week prior to the hearing date.

(2) A public hearing shall be held at which time all interested persons wishing to be heard shall be given an opportunity to express their views. Their testimony shall be considered in evidence by the Council.

~~(3) If Council desires to continue with the bond proceedings, it shall then, by resolution, direct that the question be submitted to a referendum. An election shall be held not less than 30 days nor more than 60 days after the date of such resolution.~~

~~(4) The Council shall cause notice of the time and place for holding the said referendum to be printed in a newspaper of general circulation in New Castle County once each week for three consecutive weeks prior to the referendum.~~

~~(5) The Council shall cause to be prepared, printed and made available for distribution a sufficient number of ballots not less than five days prior to the day of the referendum. At said referendum only qualified voters of the Town of Elsmere shall be entitled to vote. The Council shall, by resolution, make such further regulations for the conduct of the referendum as it deems appropriate.~~

~~(6) The officers of election shall count the vote for and against the proposed loan and shall announce the result thereof; shall make a certificate under their hands of the number of votes cast for and against the proposed loan; and shall deliver the same to the Council, which certificates shall be entered on the minutes of the Council; provided, however, that no bond Issue shall be deemed approved unless two thirds of those voting at such referendum shall vote for such bond issue.~~

~~(7) (3) The form of the bonds, notes and certificates of indebtedness, the date of payment of interest, the classes, the dates of maturity, and the provisions pertaining to the registration shall be determined by the Council. The bonds shall be sold to the highest bidder after at least one month's notice published at least twice in a newspaper of general circulation in New Castle County and at least once in a publication carrying municipal bond notices and devoted primarily to financial news. The Council shall provide in its budget for revenues sufficient to pay the interest and principal on said bonds, notes or certificates of indebtedness at the maturity or maturities therefor. The faith and credit of the Town of Elsmere shall be deemed pledged for the due payment of the principal and interest of general obligation bonds, notes or certificates of indebtedness issued within the prescribed debt limitation when the same have been properly executed and delivered for value.~~

Approved October 06, 2016