

CITY OF HARRINGTON

RESOLUTION 16-R-07

WHEREAS, in order to refinance four existing water and sewer loans, the City found it necessary to hold a special election on September 15, 2015 to issue new debt; and

WHEREAS, the cost saving measure of refinancing the debt to a lower interest rate incurred additional expenses and required a longer period of time to complete because of the Charter requirement for voter approval.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Harrington requests that the General Assembly amend Section 16.2.1 of the City Charter to provide as follows:

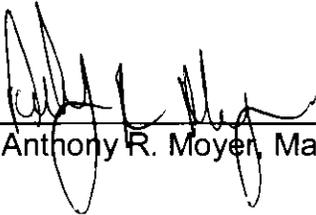
16.2.1. Limit on Borrowing and Aggregate Indebtedness without Voter Approval; Super-Majority Vote. Subject to the provisions of this Section 16.2.1, the City Council shall have the power to borrow money on the full faith and credit of the City for the payment of principal thereof and interest due thereon, without approval of the voters and without regard to the provisions of Section 16.3 of this Charter, for those specific municipal purposes specified in Section 16.2.3, when, in the opinion of at least five (5) members of the City Council, the needs of the City require it; provided, however, that any new borrowings under Section 16.2 made after the effective date of this Act, shall, by their terms, be repayable in full within forty (40) years of the date of each such borrowing. Any sum or sums so borrowed shall be secured by a promissory note or notes or other evidence of indebtedness of the Mayor and Council duly authorized by Resolution adopted by at least five (5) members of the City Council and signed by the Mayor and attested by the Clerk of Council with the town seal affixed. Any sum(s) of money borrowed on the full faith and credit of the City shall be paid from the general funds of the City.

(a) The sum or sums of such borrowing without approval of the voters shall not exceed in the aggregate sum equal to three and one half percent (3.5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the City of Harrington as such boundaries shall from time to time appear.

(b) The limit of aggregate sum equal to three and one half percent (3.5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the City of Harrington shall not apply to the refinancing of existing indebtedness if such refinancing results in cost savings to the City by reducing the term or interest rate on the debt. If the refinancing of the indebtedness would result in an increase in the

remaining overall amount of interest paid or an extension of the time to repay the debt, then the provisions of Section 16.3 of this Charter shall be followed.

NOW, THEREFORE, BE IT FURTHER RESOLVED that this Resolution was adopted by a majority of the City Council of Harrington on this 4th day of April 2016.



Anthony R. Moyer, Mayor

Attest: 

Kelly Blanchies, Clerk of Council

April 4, 2016

Date