

New Zealand.

ANALYSIS.

Title.

1. Short Title.

2. Empowering the Tauranga Borough Council to raise a loan to pay off past expenditure on electric installations.

3. Empowering the Tauranga Borough Council to raise a loan or loans to pay for extensions of electric installations outside the borough.

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1919, No. 1.—*Local and Personal.*

AN ACT to authorize the Tauranga Borough Council to raise a
Special Loan or Loans for Electrical Works.

[29th October, 1919.]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

1. This Act may be cited as the Tauranga Borough Council
Electric Loans Empowering Act, 1919. Short Title.

2. Whereas the Tauranga Borough Council has undertaken the work of installing electric power and light in the Borough of Tauranga and surrounding districts : And whereas from time to time a considerable sum has been expended from the District Fund Account on such works, a large proportion of which expenditure is properly a capital expenditure and should not be charged to revenue : And whereas in certain districts outside the borough—namely, Greerton, Otumoetai, Papamoa, and Te Puke—electric lines have been or are being erected at the expense of the consumers of those districts, the consumers raising the money for the cost of such lines on overdraft from the Bank of New Zealand and being allowed a rebate on the price of the current until such overdrafts are paid off to enable them to form a fund and repay to the bank the cost of such lines : And whereas it is desired to raise a loan or loans to repay to the District Fund such amount as may be found by the Controller and Auditor-General to be properly classed as capital expenditure, and to pay

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off the loans or balance of the loans raised by consumers in the out-districts aforesaid: Be it therefore enacted as follows:—

The Tauranga Borough Council is hereby authorized and empowered, with the consent of the ratepayers obtained, after taking the steps provided in sections eight to twelve of the Local Bodies' Loans Act, 1913, to raise a special loan to repay to the District Fund moneys expended on electric works and installations which the Controller and Auditor-General certifies should properly be classed as capital expenditure and the cost of raising the loan, the amount of such loan not to exceed the amount which the Controller and Auditor-General certifies previous to the poll should be so raised and the cost of raising the loan; and, when raised, the amount of the loan shall be paid to the District Fund Account.

Empowering the Tauranga Borough Council to raise a loan or loans to pay for extensions of electric installations outside the borough.

3. The Tauranga Borough Council is also hereby authorized, with the consent of the ratepayers obtained in manner aforesaid, to raise a loan or loans to pay off the amounts borrowed or being borrowed by or on behalf of the consumers in the Greerton, Otumoetai, Papamoa, and Te Puke districts for the extension to and erection of lines and installation of electric light and power in those districts and to pay the cost of raising the loan.

Loans to be raised separately or in one sum.

4. Such loans may be raised together in one sum, or separately, or in conjunction with any other loans for future works.

Rate of interest and term of loan.

5. The rate of interest on such loans or any of them shall not exceed five and a half per centum per annum, with a sinking fund of one per centum, and such loans shall be repayable not later than the expiration of a period of thirty-six years and a half from the date of raising the loan.

Security for loans.

6. The Tauranga Borough Council is hereby authorized and empowered to pledge as security for the interest and sinking fund in connection with such loans or any of them a special rate or rates made and levied for that purpose, and to make and levy in manner provided by section twenty of the Local Bodies' Loans Act, 1913, with such consequential amendments as may be necessary, an annual-recurring special rate or rates on the annual value of the whole of the rateable property in the said borough as security for the interest and sinking fund in connection with such loan or loans; and the provisions of sections twenty-six to fifty-two of the Local Bodies' Loans Act, 1913, and any amendments thereof, shall apply to such loan or loans with such consequential amendments as may be necessary.