

New Zealand.

Title. Preamble. 1. Short Title. 2. Empowering Tauranga Borough Council to raise a loan of £12,500.	ANALYSIS.	3. Term of loan or renewed loan. 4. Rate of interest and sinking fund. 5. Security for loan.
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1921, No. 5.—*Local and Personal.*

Title. AN ACT to empower the Tauranga Borough Council to raise a Loan of Twelve thousand five hundred Pounds.

[22nd December, 1921.]

Preamble. WHEREAS the Tauranga Borough Council has undertaken the work of installing electric light and power in the Borough of Tauranga and surrounding districts: And whereas the cost of completing such works and of repaying to the District Fund Account the moneys authorized to be repaid under the Tauranga Borough Council Electric Loans Empowering Act, 1919, was estimated at thirty thousand pounds, which sum was borrowed accordingly: And whereas such works are nearly completed, and it is now found that, owing to increased cost of labour and material and the rate of exchange, the estimate will be exceeded by twelve thousand five hundred pounds; and it is desired to raise a loan to complete the work and discharge the liabilities already incurred and repay to the District Fund Account so much as has been or may be paid out of that account in connection with such works:

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

Short Title. 1. This Act may be cited as the Tauranga Borough Council Electric Loan Empowering Act, 1921.

Empowering Tauranga Borough Council to raise a loan of £12,500. 2. The Tauranga Borough Council is hereby authorized and empowered to raise a special loan of twelve thousand five hundred pounds, in one sum or by instalments, for the purpose of completing the aforesaid electric works and paying the liabilities already incurred in connection therewith and the cost of raising the loan, and making repayment to the District Fund Account of moneys

expended out of that fund on such works, and, when raised, the amount of the loan shall be expended accordingly.

3. Such loan or any instalment thereof may be for such term, not exceeding thirty-six years and a half, as the Tauranga Borough Council may determine, and if for a shorter term than thirty-six years and a half the said Council may reborrow a sufficient sum to pay off the outstanding portion of the loan or any instalment thereof, but so that the original or any renewed loan shall be extinguished within thirty-six years and a half from the date of raising the original loan hereby authorized.

Term of loan or renewed loan.

4. The rate of interest on such loan or instalment thereof, or any renewed loan, may, with the consent of the Minister of Finance, be increased to seven per centum per annum; and a sinking fund of not less than one per centum per annum shall be created for such loan, or any instalment or any renewal thereof respectively.

Rate of interest and sinking fund.

5. The Tauranga Borough Council is hereby authorized and empowered to pledge as security for the interest and sinking fund in connection with such loan, or any instalment or renewal thereof, 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 any instalment or renewal thereof; 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 any instalment or renewal thereof, with such consequential amendments as may be necessary.

Security for loan.