

Mr. Wright.

BOROUGH OF KARORI EMPOWERING.

[LOCAL BILL.]

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A BILL INTITULED

AN ACT to empower the Borough of Karori to manage and invest Title.
a Renewal Fund in connection with certain Undertakings.

5 WHEREAS the Borough of Karori has established a fund for the Preamble.
purpose of providing from time to time for the renewal of portion of
that part of the tramways made by the borough between the Botanical
Gardens gates, in Tinakori Road, and the terminus opposite the
cemetery gates at Karori: And whereas the amount to the credit of
10 such fund on the thirty-first day of March, nineteen hundred and
seventeen, was five thousand pounds: And whereas it is advisable to
make provision for the management of such fund and of such other
sums as may hereinafter be placed to the credit of such fund or any
similar fund:

15 BE IT THEREFORE 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 Borough of Karori Empower- Short Title.
ing Act, 1917.

20 2. In this Act, if not inconsistent with the context,— Interpretation.

“ Council ” means the Karori Borough Council:

“ Commissioners ” means the Commissioners appointed and
acting under this Act:

“ Undertakings ” means any tramway or other work carried
out by the Council from which revenue is derived.

Council may appropriate annually sums to provide for renewals.

3. In compiling the annual accounts, showing the revenue and expenditure of each of the undertakings of the Council, it shall be and be deemed to have been lawful to appropriate out of the revenue of any undertaking an amount annually to provide for renewals which shall be exclusive of and additional to the actual amounts expended annually for ordinary maintenance and repairs.

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To be paid into Renewals Account.

4. The amounts so from time to time appropriated and the amount to credit as aforesaid on the thirty-first day of March last shall be paid into an account to be called "The Renewals Account," and for all purposes of audit the said account shall be deemed to be a separate account and shall be subject to the provisions of the Municipal Corporations Act, 1908, relating to accounts.

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Appointment of Commissioners.

5. The Council may appoint three Commissioners, to be called "The Renewal Fund Commissioners," and sections thirty-five, thirty-six, and thirty-nine of the Local Bodies' Loans Act, 1913, shall, *mutatis mutandis*, apply to the Commissioners to be appointed in like manner as if they were Sinking Fund Commissioners appointed under said section thirty-five.

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amounts to credit of Renewals Account to be paid to Commissioners.

6. On the appointment of the Commissioners the Council shall pay to them out of the Renewals Account the amount paid into the same in respect of the moneys accrued up to the thirty-first day of March, nineteen hundred and seventeen, as mentioned in the foregoing preamble and in the month of April in each year the Council shall pay to the Commissioners the amount appropriated from time to time as provided in section *three* of this Act, and shall give the following particulars, namely: The undertaking in respect of which each sum is paid and the date or dates when any such sum is likely to be required for the purposes of the work:

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Proviso.

Provided that the Council may retain in the account aforesaid any sum which is likely to be required during the then current year for the purpose of renewals of the kind provided for in section *three*.

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Investment of Funds. Separate accounts for each undertaking.

7. The Commissioners shall invest all moneys coming to their hands under this Act in any class of security in which trust moneys may be invested, including the purchase of debentures issued by the Council or on a temporary deposit with the Council. Separate accounts shall be kept by the Commissioners of the amounts received and paid in respect of the several undertakings from which moneys have been derived and the interest earned, and they shall show the same in detail in any accounts required by law to be prepared by them, but it shall be lawful for the Commissioners to invest the funds as if they constituted one fund, crediting each account with interest proportionate to the amount invested.

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Application of money to renewals.

8. Out of the funds from time to time standing to the credit of the said Renewals Account in respect of any undertaking, the Council may take and apply such sums as they think fit for renewing any considerable portion of such undertaking which is worn out or has become unsafe or useless.

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Council may require payments from Commissioners.

9. The Council may from time to time, upon giving reasonable notice, having regard to the amount required, require the Commissioners to pay to the Council to the credit of the banking account aforesaid the whole or any portion of the money to the credit of any undertaking by instalments or in one sum for the purpose of being

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applied to the renewing or replacing any portion or portions of such undertaking that may from time to time become worn out, unsafe, or incapable from any cause of further usefulness, and upon compliance by the Council of section *ten* of this Act such sum or sums as aforesaid shall be paid by the Commissioners into the account aforesaid either in one sum or by instalments as the same is required.

10. No demand shall be made by the Council upon the Commissioners until a resolution shall have been passed by the Council stating that the sum or sums required is or are required to replace plant or material that has worn out or become useless, unsafe, or incapable from any cause of further usefulness, and a copy of such resolution, certified under the seal of the Council, shall be sent to the Commissioners at or prior to the time when the notice requiring payment shall be given. The Commissioners shall not pay or refund nor shall the Council expend out of such moneys in respect of any undertaking any amount in excess of the amount held in respect of such undertaking for the time being.

Resolution before notice. Money spent on each undertaking.

11. Notwithstanding section *nine* of this Act, if the Commissioners shall be dissatisfied with the requirements of the Council on the ground that the whole or any of the money required to be paid is not necessary for the purposes specified, they may apply to the Supreme Court or to a Judge in Chambers, and such Court or Judge may cause such inquiry to be made and such evidence to be given by affidavit or otherwise as to the Court or Judge may deem right, and the Court or Judge may make such order as may seem just, and may order the whole or a part only of such money to be paid and the whole or a part only of the proposed replacements to be carried out.

Commissioners may apply for directions.

12. If upon the maturity of any debenture issued by the Council the proceeds of which were expended upon an undertaking the accrued sinking fund is insufficient to pay the same, it shall be lawful for the Council to recover from the Commissioners the whole or part of whatever moneys may be held by them in respect of the undertaking for which the said debenture was issued for the purpose of helping to pay such debenture.

Surplus may go in aid of sinking funds.

13. The said Commissioners shall not be answerable for the misapplication or non-application nor shall they be obliged to see to the application of any moneys which may from time to time be paid by them to the Council under this Act.

Commissioners not responsible for mis-application, &c.

14. It shall be competent for the Commissioners from time to time to report to the Council on the sufficiency or otherwise of the provision made by the Council for renewals by way of annual appropriations to the said bank account; and if, in the opinion of the said Commissioners, the amount so set aside by the Council in respect of any particular portion of the works or plant is inadequate to provide for all the purposes for which the said Renewal Fund was established, then the Commissioners may make any recommendation that to them appears necessary or advisable.

Commissioners may report on sufficiency of appropriation.

15. Whereas part of the City of Wellington known as Northlands was a part of the Borough of Karori when certain loans were raised for the purpose of constructing certain works, including the tramway mentioned in the foregoing preamble, and the interest on certain debentures floated for the purpose of constructing such works

Ratepayers of Northlands may object to provisions for Renewal Fund as excessive.

is payable out of rates levied upon the borough and the aforesaid part of the City of Wellington, and it is expedient to give from time to time the opportunity to the inhabitants of such part of the city power to ascertain whether the provision made for the Renewal Fund is excessive, and to provide a remedy against any excessive charge : 5
It is enacted—

(a.) Upon application to the Council signed by twelve persons liable to contribute to such rate or rates account, as owners of property within the City of Wellington, the Council shall deliver personally or through registered post to some 10 person nominated in such application to receive the same, full particulars of the charge made upon revenue for the Renewal Fund and the estimates upon which the same is based :

Provided that if more than one such application is 15 made compliance with the first application shall be sufficient.

(b.) Within fourteen days after particulars have been furnished as aforesaid any three persons making such application as aforesaid may bring the matter before a Judge in 20 Chambers, who may make such inquiries and may make such order as to the amount to be allowed to be charged to the Renewal Fund as he may consider sufficient, and he may order costs to be paid by or to the Council to or by the applicants. 25