

of bills incurred and salaries and wages earned during the previous year, and expenditures therefor shall be deemed to be as of the preceding December thirty-first.

Effective
date.

SECTION 2. The financial year of all fire, water, light and improvement districts shall end on December thirty-first, nineteen hundred and forty-nine, and this act shall take full effect on January first, nineteen hundred and fifty. In such districts if appropriations have been voted prior to December thirty-first, nineteen hundred and forty-nine, and funds remain for expenditures after said date, any unexpended balances of such appropriations may be expended in the period for which the appropriations were originally voted or may be used by the assessors as available funds in the determination of the nineteen hundred and fifty district tax rate. *Approved April 4, 1949.*

Chap. 134 AN ACT RELATIVE TO THE RENEWAL OF CERTAIN TEMPORARY REVENUE LOANS BY CITIES, TOWNS AND DISTRICTS.

Be it enacted, etc., as follows:

Any city, town or district, with the approval of the board specified in clause nine of section eight of chapter forty-four of the General Laws, may extend, for a period or periods not exceeding, in the aggregate, six months beyond the maximum term provided by law for an original revenue loan, any loan issued in anticipation of the revenue of the year nineteen hundred and forty-nine or nineteen hundred and fifty, and the approval as aforesaid of any such extension shall authorize the issue of renewal notes for the period or periods so approved, notwithstanding the provisions of said chapter forty-four. During the time that any such revenue loan, extended as aforesaid, remains outstanding, none of the receipts from the collection of taxes assessed by such city, town or district for the year against the revenue of which such loan was issued or for prior years shall be appropriated for any purpose without the approval of said board. *Approved April 4, 1949.*

Chap. 135 AN ACT AUTHORIZING CITIES TO INCREASE THEIR APPROPRIATIONS FOR RESERVE FUNDS, SO CALLED.

Be it enacted, etc., as follows:

G. L. (Ter.
Ed.), 40, § 5A,
etc., amended.

Section 5A of chapter 40 of the General Laws, as amended by chapter 34 of the acts of 1937, is hereby further amended by striking out, in line 4, the words "one and one half" and inserting in place thereof the word: — three, — so as to read as follows: — *Section 5A.* To provide for extraordinary or unforeseen expenditures, a city may, prior to the date when the tax rate for the year is fixed, appropriate a sum not exceeding three per cent of the tax levy for the preceding year to be known as a reserve fund. No direct drafts against this fund shall be made, but transfers from the fund may from

Authorizing
cities to in-
crease appro-
priations for
reserve funds.