

therein, is hereby repealed and the following enacted in lieu thereof:—"In all cities and towns the council, at its first meeting, after the biennial election, shall appoint a clerk, and in cities of the second class shall appoint a city solicitor."

Approved April 4 A. D. 1913.

## CHAPTER 55.

### LOANING AND DEPOSITING OF PUBLIC FUNDS.

Sub. for S. F. 40.

AN ACT relating to the loaning and depositing of public funds by city treasurers. [Additional to section six hundred sixty (660), chapter two (2) title five (V) of the code relating to city and town government.]

*Be it enacted by the General Assembly of the State of Iowa:*

**SECTION 1. Treasurer deposits—daily balances—interest—bond by bank.** That treasurers of cities of the first and second class, cities operating under special charter and cities under the commission form of government shall, with the approval of the city council as to place and amount of deposit, by resolution entered of record, deposit all city funds in any bank or banks in the city to which the said funds belong, at interest at the rate of not less than two (2) per cent per annum on ninety (90) per cent of the daily balances payable at the end of each month, all of which interest shall accrue to the benefit of the general city fund; but before such deposit is made in any bank it shall file a bond for double the amount deposited with sureties to be approved by the treasurer and the city council and conditioned to hold the treasurer harmless from all loss by reason of such deposit or deposits; provided that in cases where an approved surety company's bond is furnished said bond may be accepted in an amount of ten (10) per cent more than the amount deposited. Said bonds shall be filed with the city clerk and action shall be brought thereon by the treasurer or the city as the council may elect.

**SEC. 2. Local banks—other banks.** If no bank or banks in the city will accept said deposits under the terms and conditions of this act then the said funds shall be deposited in any bank or banks in the state who will accept said funds under the terms and conditions of this act.

**SEC. 3. Private use of funds prohibited.** No treasurer shall loan or in any manner use for private purposes any funds coming into his hands as such treasurer.

**SEC. 4. Expense of procuring bond—how paid.** That if the city treasurer shall request it the city shall pay the reasonable expense of procuring the bond for the city treasurer not exceeding one-half of one per cent per annum upon the amount thereof.

Approved April 15 A. D. 1913.