

CITY FINANCE COMMITTEE[545]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 384.15, the City Finance Committee hereby gives Notice of Intended Action to amend Chapter 2, “Budget Amendments and Fund Transfers,” Iowa Administrative Code.

The proposed amendment to subrule 2.5(5) reflects a change in calculating a surplus balance in city utility and enterprise funds according to Governmental Accounting Standards Board (GASB) Statement No. 68.

Any interested person may make written suggestions or comments on the proposed amendment on or before September 20, 2016. Such written materials should be directed to Ted Nellesen, Department of Management, State Capitol, Des Moines, Iowa 50309; or by e-mail to ted.nellesen@iowa.gov. Persons who wish to convey their views orally should contact Ted Nellesen at (515)281-3705.

After analysis and review of this rule making, no impact on jobs has been found.

The Committee does not intend to grant waivers to these rules.

This amendment is intended to implement Iowa Code chapter 384.

The following amendment is proposed.

Amend subrule 2.5(5) as follows:

2.5(5) *City utility fund and city enterprise fund.* Any governing body of a city utility, combined utility system, city enterprise, or combined city enterprise which has a surplus in its fund may transfer such surpluses to any other city fund, except the emergency fund, by resolution of the appropriate governing body. For the purposes of this subrule,~~a~~

a. A surplus may exist only after all required transfers have been made to any restricted accounts in accordance with the terms and provisions of any revenue bonds or loan agreements relating to the utility or enterprise fund.

b. A surplus shall be defined as the cash balance in the operating account or the unrestricted ~~retained earnings~~ net position calculated in accordance with GAAP, after adding back the net pension and other postemployment benefits liabilities and the related deferred inflows of resources and deducting the related deferred outflows of resources, in excess of:

~~a.~~ (1) The amount of the expenses of disbursements for operating and maintaining the utility or enterprise for the preceding three months, and;

~~b.~~ (2) The amount necessary to make all required transfers to restricted accounts for the succeeding three months.