

MUNICIPAL UTILITY RETIREMENT SYSTEM

412.1 Authority to establish system.

The council, board of waterworks trustees, or other board or commission, whichever is authorized by law to manage and operate any municipally owned waterworks system, or other municipally owned and operated public utility, may establish a pension and annuity retirement system for the employees of any such waterworks system, or other municipally owned and operated public utility.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 412.1]

412.2 Source of funds.

The fund for such pension and annuity retirement system shall be created from any or all of the following sources:

1. From the proceeds of the assessments on the wages and salaries of employees, of any such waterworks system, or other municipally owned and operated public utility, eligible to receive the benefits thereof.
2. From the interest on any permanent fund which may be created by gift, bequest, or otherwise.
3. From moneys derived from the operation of such waterworks, or other municipally owned and operated public utility, available and appropriated therefor by the council, board of waterworks trustees, or other board or commission, whichever is authorized by law to manage and operate such waterworks or other municipally owned and operated public utility. Such money so expended shall constitute an operating expense of such utility.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 412.2]

412.3 Rules.

The council, board of waterworks trustees, or other board or commission, whichever is authorized by law to manage and operate such waterworks, or other municipally owned and operated public utility, may formulate and establish such pension and annuity retirement system, and may make and establish such rules for the operation thereof as may be deemed necessary or appropriate.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 412.3]

412.4 Payments and investments.

The council, board of waterworks trustees, or other board or commission, whichever is authorized by law to manage and operate any such waterworks, or other municipally owned and operated public utility, shall have the right and power to contract with any legal reserve insurance company authorized to conduct its business in the state, or any bank located in Iowa having trust powers for the investment of funds contributed to an annuity or pension system, for the payment of the pensions or annuities provided in such pension or annuity retirement system, and may pay the premiums or make the contribution of such contract out of the fund provided in section 412.2. Funds shall be invested in accordance with the investment policy for the retirement fund, as established by the governing body of the public utility. In establishing the investment policy, the council, board, or commission shall be governed by the standards set forth in section 97B.7A. However, permissible investments shall be limited to those investments authorized in section 12B.10, subsection 5, and investments in diversified commingled investment funds holding only publicly traded securities and under the management of an investment advisor registered with the federal securities and exchange commission under the Investment Advisor Act of 1940. Funds contributed to a bank pursuant to such a contract shall be

invested in the manner prescribed in section 633.123A or chapter 633A, subchapter IV, part 3, and may be commingled with and invested as a part of a common or master fund managed for the benefit of more than one public utility.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 412.4]

96 Acts, ch 1008, §1; 99 Acts, ch 125, §104, 109; 2001 Acts, ch 102, §4; 2005 Acts, ch 38, §55

412.5 Public utility defined.

Public utility as that term is used in this chapter shall be limited to any waterworks, sewage works, gas, or electric plants and systems managed, operated, and owned by a municipality.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 412.5]