

**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