

January 31, 1961.
Cities and Towns.

House File 222
By CUNNINGHAM, DUFFY and WARE.

Passed House, Date.....4-6-61..... Passed Senate, Date.....5-2-61.....
Vote: Ayes.....86..... Nays.....8..... Vote: Ayes.....48..... Nays.....0.....
Approved.....

A BILL FOR

An Act to authorize a revolving fund for the central purchasing of city and town stores, supplies, motor vehicles and other equipment.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Chapter four hundred four (404), Code 1958, is
2 amended by adding thereto the following new section:
3 "Municipal corporations shall have power to establish and
4 maintain a revolving fund to be used for the central purchasing
5 of city or town stores, supplies, motor vehicles, or other equip-
6 ment and for the establishment of such fund may, by resolution,
7 make transfers thereto from any of the functional funds provided
8 in sections four hundred four point six (404.6) to four hundred
9 four point twelve (404.12) of the Code or by transfers of surplus
10 in the manner provided in section three hundred ninety-seven
11 point thirty-nine (397.39) of the Code or by allocations of any
12 source of municipal income not designated by law to be placed
13 in or credited to another existing fund.

14 "When such fund has been so established, purchases of fuel,
15 lubricants, tires, batteries, coolants, repairs and other general
16 expenses incurred in connection with municipally-owned or
17 operated motor vehicles or equipment; purchases of stores, supplies
18 or equipment for municipal offices and departments; purchases
19 of motor vehicles and equipment and replacements therefor; and
20 administrative costs incurred in the operation of such fund, may

21 be paid therefrom.

22 "Each municipal corporation which establishes and maintains
23 such fund shall keep a record of the cost of each item so pur-
24 chased and may establish depreciation schedules for items having
25 a probable useful life in excess of one year for the purpose
26 of establishing rates to be charged back to the using depart-
27 ments in order to spread the cost of replacement over the probable
28 useful life of the item. At regular intervals a statement shall
29 be rendered to each department or office for the actual cost of
30 supplies or equipment purchased for any such office or department,
31 the actual cost of operation of and depreciation on motor vehicles
32 or equipment used by such department and a fair proportion of
33 administrative costs incurred in the operation of the fund during
34 the period covered by the statement. Such expense shall be
35 reimbursed to the revolving fund from funds allocated for the
36 maintenance and operation of such office or department in the
37 same manner as other expenses of such offices or departments are
38 paid."

EXPLANATION OF HOUSE FILE 222

This bill authorizes cities and towns to establish a revolving fund for the central purchasing of city and town stores, supplies, motor vehicles and other equipment.