

FILED FEB 23 1978

SENATE FILE 2151

BY COMMITTEE ON CITIES

Substituted for H.F. 2222

Passed Senate, Date 2-28-78 (p. 413) Passed House, Date 3-2-78 (p. 756)

Vote: Ayes 45 Nays 0 Vote: Ayes 84 Nays 0

Approved March 17, 1978

A BILL FOR

1 An Act relating to city finances by altering the composition
2 and duties of the city finance committee and modifying
3 the date on which property taxes become delinquent and
4 when interest as a penalty may be charged.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section three hundred eighty-four point three
2 (384.3), Code 1977, is amended to read as follows:

3 384.3 GENERAL FUND. All moneys received for city
4 government purposes from taxes and other sources must be
5 credited to the general fund of the city, except that moneys
6 received for the purposes of the debt service fund, the trust
7 and agency ~~fund~~ funds, the capital improvements reserve fund,
8 the emergency fund and other funds established by state law
9 must be deposited as otherwise required or authorized by state
10 law. All moneys received by a city from the federal government
11 must be reported to the ~~office-for-planning-and-programming~~
12 state comptroller who shall transmit a copy to the legislative
13 fiscal bureau.

14 Sec. 2. Section three hundred eighty-four point six
15 (384.6), subsection one (1), Code 1977, is amended to read
16 as follows:

17 1. Accounting for pension and related employee benefit
18 funds as provided by the city finance committee. A city may
19 certify taxes to be levied for the trust and agency fund in
20 the amount necessary to meet such obligations.

21 Sec. 3. Section three hundred eighty-four point thirteen
22 (384.13), unnumbered paragraph one (1), Code 1977, is amended
23 to read as follows:

24 As used in this division, unless the context otherwise
25 requires, "committee" means the city finance committee. A
26 ~~nine-ten~~ member city finance committee is hereby created.
27 Members of the committee are:

28 Sec. 4. Section three hundred eighty-four point thirteen
29 (384.13), subsections three (3) and four (4), Code 1977, are
30 amended to read as follows:

31 3. A ~~representative-of-the-division-of-municipal-affairs~~
32 ~~within-the-office-for-planning-and-programming,--to-be~~
33 ~~designated-by-the-director-of-the-office-for-planning-and~~
34 programming designee of the governor.

35 4. ~~Four~~ Five city officials who are regularly involved

1 in budget preparation. One official must be from a city with
2 a population of ~~at-least-two-thousand-but~~ not over five two
3 thousand five hundred, one from a city with a population of
4 over five two thousand five hundred but not over fifteen
5 thousand, one from a city with a population of over fifteen
6 thousand but not over fifty thousand, ~~and~~ one from a city
7 with a population of over fifty thousand and one from any
8 size city. The governor shall select and appoint, with the
9 approval of two-thirds of the members of the senate, the city
10 officials.

11 Sec. 5. Section three hundred eighty-four point fifteen
12 (384.15), subsection one (1), Code 1977, is amended to read
13 as follows:

14 1. Promulgate rules relating to budget amendments and
15 the procedures for transferring moneys between funds, and
16 other rules necessary or desirable in order to exercise its
17 powers and perform its duties, including rules necessary to
18 implement section three hundred eighty-four point six (384.6),
19 subsection one (1), of the Code. The committee's rules are
20 subject to chapter 17A as applicable.

21 Sec. 6. Section three hundred eighty-four point fifteen
22 (384.15), Code 1977, is amended by striking subsections three
23 (3), four (4) and five (5) and inserting in lieu thereof the
24 following:

25 3. Establish guidelines for program budgeting and
26 accounting and the preparation of five-year capital improvement
27 plans. A city shall hold a public hearing on its capital
28 improvement plan before adoption of the plan. The committee
29 may require performance budgeting. It shall, where
30 practicable, use recommendations of the national council on
31 governmental accounting.

32 4. Review and comment on city budgets to city officials
33 and provide assistance to enable cities to improve upon and
34 use sound financial procedures.

35 5. Conduct studies of municipal revenues and expenditures.

1 Sec. 7. Section three hundred eighty-four point fifteen
2 (384.15), Code 1977, is amended by adding the following new
3 subsection.

4 NEW SUBSECTION. Advise and make recommendations annually
5 to the governor and the general assembly concerning city
6 budgets and finance.

7 Sec. 8. Section four hundred forty-five point thirty-
8 seven (445.37), Code 1977, is amended by adding the following
9 new unnumbered paragraph:

10 NEW UNNUMBERED PARAGRAPH. However, if there is a delay
11 of the certification of the tax list to the county treasurer,
12 the amount due shall become delinquent thirty days after such
13 date of certification or October first, whichever date occurs
14 later. However, such delay shall not affect the due and
15 delinquent dates for special assessments specified by section
16 three hundred eighty-four point sixty-five (384.65) of the
17 Code.

18 Sec. 9. Section four hundred forty-five point thirty-nine
19 (445.39), Code 1977, is amended to read as follows:

20 445.39 INTEREST AS PENALTY. If the first installment
21 of taxes shall not be paid by ~~October 1~~ the delinquent date
22 specified in section four hundred forty-five point thirty-
23 seven (445.37) of the Code, said installment shall become
24 due and draw interest, as a penalty, of one percent per month
25 until paid, from ~~October 1~~ such delinquent date following
26 the levy; and if the last half shall not be paid by April
27 ~~1~~ first following such levy, then a like interest shall be
28 charged from the date such last half became delinquent.

29 Sec. 10. Acts of the Sixty-seventh General Assembly, 1977
30 Session, chapter forty-three (43), section one (1), amending
31 chapter twenty-four (24), Code 1977, is amended by adding
32 the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. For the purpose of this section,
34 the city finance committee shall be the state appeal board
35 when the political subdivision is a city.

SENATE FILE 2151

AN ACT

RELATING TO CITY FINANCES BY ALTERING THE COMPOSITION AND DUTIES OF THE CITY FINANCE COMMITTEE AND MODIFYING THE DATE ON WHICH PROPERTY TAXES BECOME DELINQUENT AND WHEN INTEREST AS A PENALTY MAY BE CHARGED.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section three hundred eighty-four point three (384.3), Code 1977, is amended to read as follows:

384.3 GENERAL FUND. All moneys received for city government purposes from taxes and other sources must be credited to the general fund of the city, except that moneys received for the purposes of the debt service fund, the trust and agency fund funds, the capital improvements reserve fund, the emergency fund and other funds established by state law must be deposited as otherwise required or authorized by state law. All moneys received by a city from the federal government must be reported to the office-for-planning-and-programming state comptroller who shall transmit a copy to the legislative fiscal bureau.

Sec. 2. Section three hundred eighty-four point six (384.6), subsection one (1), Code 1977, is amended to read as follows:

1. Accounting for pension and related employee benefit funds as provided by the city finance committee. A city may certify taxes to be levied for the trust and agency fund in the amount necessary to meet such obligations.

Sec. 3. Section three hundred eighty-four point thirteen (384.13), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

As used in this division, unless the context otherwise requires, "committee" means the city finance committee. A

~~nine-ten~~ member city finance committee is hereby created.

Members of the committee are:

Sec. 4. Section three hundred eighty-four point thirteen (384.13), subsections three (3) and four (4), Code 1977, are amended to read as follows:

3. A ~~representative-of-the-division-of-municipal-affairs within-the-office-for-planning-and-programming, to-be designated-by-the-director-of-the-office-for-planning-and programming~~ designee of the governor.

4. Four ~~Five~~ city officials who are regularly involved in budget preparation. One official must be from a city with a population of ~~at-least-two-thousand-but~~ not over five two thousand five hundred, one from a city with a population of over five two thousand five hundred but not over fifteen thousand, one from a city with a population of over fifteen thousand but not over fifty thousand, and one from a city with a population of over fifty thousand and one from any size city. The governor shall select and appoint, with the approval of two-thirds of the members of the senate, the city officials.

Sec. 5. Section three hundred eighty-four point fifteen (384.15), subsection one (1), Code 1977, is amended to read as follows:

1. Promulgate rules relating to budget amendments and the procedures for transferring moneys between funds, and other rules necessary or desirable in order to exercise its powers and perform its duties, including rules necessary to implement section three hundred eighty-four point six (384.6), subsection one (1), of the Code. The committee's rules are subject to chapter 17A as applicable.

Sec. 6. Section three hundred eighty-four point fifteen (384.15), Code 1977, is amended by striking subsections three (3), four (4) and five (5) and inserting in lieu thereof the following:

3. Establish guidelines for program budgeting and

accounting and the preparation of five-year capital improvement plans. A city shall hold a public hearing on its capital improvement plan before adoption of the plan. The committee may require performance budgeting. It shall, where practicable, use recommendations of the national council on governmental accounting.

4. Review and comment on city budgets to city officials and provide assistance to enable cities to improve upon and use sound financial procedures.

5. Conduct studies of municipal revenues and expenditures.

Sec. 7. Section three hundred eighty-four point fifteen (384.15), Code 1977, is amended by adding the following new subsection:

NEW SUBSECTION. Advise and make recommendations annually to the governor and the general assembly concerning city budgets and finance.

Sec. 8. Section four hundred forty-five point thirty-seven (445.37), Code 1977, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. However, if there is a delay of the certification of the tax list to the county treasurer, the amount due shall become delinquent thirty days after such date of certification or October first, whichever date occurs later. However, such delay shall not affect the due and delinquent dates for special assessments specified by section three hundred eighty-four point sixty-five (384.65) of the Code.

Sec. 9. Section four hundred forty-five point thirty-nine (445.39), Code 1977, is amended to read as follows:

445.39 INTEREST AS PENALTY. If the first installment of taxes shall not be paid by ~~October-4~~ the delinquent date specified in section four hundred forty-five point thirty-seven (445.37) of the Code, said installment shall become due and draw interest, as a penalty, of one percent per month until paid, from ~~October-4~~ such delinquent date following

the levy; and if the last half shall not be paid by April 4 first following such levy, then a like interest shall be charged from the date such last half became delinquent.

Sec. 10. Acts of the Sixty-seventh General Assembly, 1977 Session, chapter forty-three (43), section one (1), amending chapter twenty-four (24), Code 1977, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the purpose of this section, the city finance committee shall be the state appeal board when the political subdivision is a city.

Sec. 11. This Act, being deemed of immediate importance, shall take effect and be in force from and after its publication in the Lee Town News, a newspaper published in Des Moines, Iowa, and in the Quad-City Times, a newspaper published in Davenport, Iowa.

ARTHUR A. NEU
President of the Senate

DALE M. COCHRAN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2151, Sixty-seventh General Assembly.

STEVEN C. CROSS
Secretary of the Senate

Approved March 17, 1978

ROBERT D. RAY
Governor