

How - Carter 5/2

FILED FEB 22 1979

SENATE FILE 282

17. Passed for 3000 4/2 (p 1200)

By COMMITTEE ON CITIES
Superior 2/19 (p 500)

Passed Senate, Date 3-5-79 (*p 639*) Passed House, Date 4-6-79 (*p 1415*)
Vote: Ayes 42 Nays 0 Vote: Ayes 89 Nays 0

Approved May 3 1979

Proposed Senate 4-27-79 (p 1250)
4.5-6

A BILL FOR

1 An Act to amend city finance laws relating to the establish-
2 ment of trust and agency funds, the establishment of a
3 capital improvements reserve fund, the date for final
4 disposition of city budget appeals, the sale of pledge
5 orders, and the publication of notices for public improve-
6 ment bids.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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SENATE FILE 282

H-3665

- 1 Amend Senate File 282 as follows:
- 2 1. Page 1, line 9, by inserting after the word
- 3 "manager" the words "or city administrator".

H-3665 FILED *Adopted 4/6 (p 1415)*
APRIL 2, 1979

BY COMMITTEE ON CITIES
Krewson, Chairperson

HOUSE AMENDMENT TO SENATE FILE 282

S-3448

- 1 Amend Senate File 282 as follows:
- 2 1. Page 1, line 9, by inserting after the word
- 3 "manager" the words "or city administrator".

S-3448 FILED
APRIL 10, 1979

RECEIVED FROM THE HOUSE
Senate concurred 4/23 (p 1300)

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1 Section 1. Section three hundred eighty-four point six
2 (384.6), unnumbered paragraph one (1) and subsection one (1),
3 Code 1979, are amended to read as follows:

4 A city may establish trust and agency ~~fund~~ funds for the
5 following purposes:

6 1. Accounting for pension and related employee benefit
7 funds as provided by the city finance committee. A city may
8 make contributions to a retirement system other than the Iowa
9 public employees' retirement system for its city manager in
10 an annual amount not to exceed the amount that would have
11 been contributed by the employer under the provisions of
12 section 97B.11. A city may certify taxes to be levied for
13 ~~the~~ a trust and agency fund in the amount necessary to meet
14 ~~such~~ its obligations.

15 Sec. 2. Section three hundred eighty-four point seven
16 (384.7), unnumbered paragraph two (2), Code 1979, is amended
17 to read as follows:

18 The question of the establishment of a capital improvements
19 reserve fund, the time period during which a levy will be
20 made for the fund, and the ~~amount~~ tax rate to be levied
21 ~~therefor~~ for the fund is subject to approval by the voters,
22 and may be submitted at any city election upon the council's
23 motion, or shall be submitted at the next regular city election
24 upon receipt of a valid petition as provided in section 362.4.

25 Sec. 3. Section three hundred eighty-four point nineteen
26 (384.19), unnumbered paragraph three (3), Code 1979, is amended
27 to read as follows:

28 The state appeal board shall proceed to consider the protest
29 in accordance with the same provisions that protests to budgets
30 of municipalities are considered under chapter 24; ~~except~~
31 ~~that final disposition of appeals of city budgets shall be~~
32 ~~made on or before April 24 of each year.~~ The state appeal
33 board shall certify its decision with respect to the protest
34 to the county auditor, and such decision shall be final.

35 Sec. 4. Section three hundred eighty-four point eighty-

1 two (384.82), subsection one (1), unnumbered paragraph one
2 (1), Code 1979, is amended to read as follows:

3 A city may carry out projects, borrow money, and issue
4 revenue bonds and pledge orders to pay all or part of the
5 cost of projects, such revenue bonds and pledge orders to
6 be payable solely and only out of the net revenues of the
7 city utility, combined utility system, city enterprise, or
8 combined city enterprise involved in the project. The cost
9 of a project includes the construction contracts, interest
10 upon the revenue bonds and pledge orders during the period
11 or estimated period of construction and for twelve months
12 thereafter, or for twelve months after the acquisition date,
13 such reserve funds as the governing body may deem advisable
14 in connection with the project and the issuance of revenue
15 bonds and pledge orders, and the costs of engineering,
16 architectural, technical, and legal services, preliminary
17 reports, surveys, property valuations, estimates, plans,
18 specifications, notices, acquisition of real and personal
19 property, consequential damages or costs, easements, rights
20 of way, supervision, inspection, testing, publications,
21 printing and sale of bonds and provisions for contingencies.
22 A city may sell revenue bonds or pledge orders at public or
23 private sale in the manner prescribed by chapter 75 and may
24 deliver revenue bonds and pledge orders to the contractors,
25 sellers, and other persons furnishing materials and services
26 constituting a part of the cost of the project in payment
27 therefor.

28 Sec. 5. Section three hundred eighty-four point ninety-
29 six (384.96), Code 1979, is amended to read as follows:

30 384.96 SEALED BIDS. When the estimated total cost of
31 a public improvement exceeds the sum of ten thousand dollars,
32 the governing body shall advertise for sealed bids for the
33 proposed improvement by publishing a notice to bidders as
34 provided in section 362.3, except that the notice to bidders
35 may be published more than twenty days but not more than

1 forty-five days before the date for filing bids.

2 Sec. 6. This Act is effective January first following
3 its enactment.

4 EXPLANATION

5 Section 1 authorizes cities to establish more than one
6 trust and agency fund.

7 Section 2 provides that the "tax rate" to be levied rather
8 than the "amount" to be levied for a capital improvements
9 reserve fund must be included in the question of establishing
10 a capital improvements reserve fund which is submitted to
11 voters.

12 Section 3 removes a phrase which incorrectly states that
13 the final disposition of city budget appeals on or before
14 April 24 of each year is an exception to the final disposition
15 dates for other local government budget appeals. All local
16 government budget appeals must be decided by the state appeal
17 board on or before April 24 of each year.

18 Section 4 provides that pledge orders may be sold at public
19 or private sale in the same manner that revenue bonds are
20 sold to pay the costs of projects by city utilities, combined
21 utility systems, city enterprises or combined city enterprises.

22 Section 5 authorizes cities to publish notice to bidders
23 more than twenty days but not more than forty-five days before
24 the date for filing bids. The publication requirements under
25 section 362.3 of the Code restrict notice of bid publication
26 to within twenty days of date for filing bids which is shorter
27 notice than some federal regulations require and provides
28 inadequate time for contractors to prepare bids on large
29 projects.

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SENATE FILE 282

AN ACT

TO AMEND CITY FINANCE LAWS RELATING TO THE ESTABLISHMENT OF TRUST AND AGENCY FUNDS, THE ESTABLISHMENT OF A CAPITAL IMPROVEMENTS RESERVE FUND, THE DATE FOR FINAL DISPOSITION OF CITY BUDGET APPEALS, THE SALE OF PLEDGE ORDERS, AND THE PUBLICATION OF NOTICES FOR PUBLIC IMPROVEMENT BIDS.

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

Section 1. Section three hundred eighty-four point six (384.6), unnumbered paragraph one (1) and subsection one (1), Code 1979, are amended to read as follows:

A city may establish trust and agency fund funds for the following purposes:

1. Accounting for pension and related employee benefit funds as provided by the city finance committee. A city may make contributions to a retirement system other than the Iowa public employees' retirement system for its city manager or city administrator in an annual amount not to exceed the amount that would have been contributed by the employer under the provisions of section 97B.11. A city may certify taxes to be levied for ~~the~~ a trust and agency fund in the amount necessary to meet ~~such~~ its obligations.

Sec. 2. Section three hundred eighty-four point seven (384.7), unnumbered paragraph two (2), Code 1979, is amended to read as follows:

The question of the establishment of a capital improvements reserve fund, the time period during which a levy will be made for the fund, and the amount tax rate to be levied therefor for the fund is subject to approval by the voters, and may be submitted at any city election upon the council's motion, or shall be submitted at the next regular city election upon receipt of a valid petition as provided in section 362.4.

Sec. 3. Section three hundred eighty-four point nineteen (384.19), unnumbered paragraph three (3), Code 1979, is amended to read as follows:

The state appeal board shall proceed to consider the protest in accordance with the same provisions that protests to budgets of municipalities are considered under chapter 24, ~~except that final disposition of appeals of city budgets shall be made on or before April 24 of each year.~~ The state appeal board shall certify its decision with respect to the protest to the county auditor, and such decision shall be final.

Sec. 4. Section three hundred eighty-four point eighty-two (384.82), subsection one (1), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

A city may carry out projects, borrow money, and issue revenue bonds and pledge orders to pay all or part of the cost of projects, such revenue bonds and pledge orders to be payable solely and only out of the net revenues of the city utility, combined utility system, city enterprise, or combined city enterprise involved in the project. The cost of a project includes the construction contracts, interest upon the revenue bonds and pledge orders during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, such reserve funds as the governing body may deem advisable in connection with the project and the issuance of revenue bonds and pledge orders, and the costs of engineering, architectural, technical, and legal services, preliminary reports, surveys, property valuations, estimates, plans, specifications, notices, acquisition of real and personal property, consequential damages or costs, easements, rights of way, supervision, inspection, testing, publications, printing and sale of bonds and provisions for contingencies. A city may sell revenue bonds or pledge orders at public or private sale in the manner prescribed by chapter 75 and may deliver revenue bonds and pledge orders to the contractors, sellers, and other persons furnishing materials and services constituting a part of the cost of the project in payment therefor.

Sec. 5. Section three hundred eighty-four point ninety-six (384.96), Code 1979, is amended to read as follows:

384.96 SEALED BIDS. When the estimated total cost of a public improvement exceeds the sum of ten thousand dollars, the governing body shall advertise for sealed bids for the proposed improvement by publishing a notice to bidders as provided in section 362.3, except that the notice to bidders may be published more than twenty days but not more than forty-five days before the date for filing bids.

Sec. 6. This Act is effective January first following its enactment.

TERRY E. BRANSTAD
President of the Senate

FLOYD H. MILLEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 282, Sixty-eighth General Assembly.

FRANK J. STORK
Secretary of the Senate

Approved May 3, 1979

ROBERT D. RAY
Governor