

## CHAPTER 21

### MUNICIPAL UTILITY BOARD

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**21.01 PURPOSE.** The purpose of this chapter is to provide for the operation of the municipally owned water and electric utilities by a board of trustees.

**21.02 BOARD ESTABLISHED.** Pursuant to an election held July 21, 1938, the management and control of the municipally owned Water and Electric Utilities were placed in the hands of a Board of Trustees.

*(Code of Iowa, Sec. 388.2)*

**21.03 APPOINTMENT OF TRUSTEES.** The Mayor shall appoint, subject to the approval of the Council, three persons to serve as trustees for staggered six year terms. No public officer or salaried employee of the City may serve on the utility board.

*(Code of Iowa, Sec. 388.3)*

**21.04 COMPENSATION.** The Council shall by resolution set the compensation of Board members.

*(Code of Iowa, Sec. 388.3)*

**21.05 VACANCIES.** An appointment to fill a vacancy on the Board of Trustees shall be made in the same manner as an original appointment except that such appointment shall be for the balance of the unexpired term.

*(Code of Iowa, Sec. 388.3)*

**21.06 POWERS AND DUTIES OF THE BOARD.** The Board of Trustees may exercise all powers of the City in relation to the municipal utility system, with the following exceptions:

*(Code of Iowa, Sec. 388.4)*

1. Taxes, ordinances and bonds. The Board may not certify taxes to be levied, pass ordinances or amendments, or issue general obligation or special assessment bonds.

*Code of Iowa, Sec. 388.4[1])*

2. Property. Title to all property must be in the name of the City but the Board has full control of such property subject to limitations imposed by law.

*(Code of Iowa, Sec. 388.4[2])*

3. Reports to Council. The Board shall make a detailed annual report to the Council including a complete financial statement.

*(Code of Iowa, Sec. 388.4[3])*

4. Proceedings Published. Immediately following a regular or special meeting, the Board Secretary shall prepare and cause to be published in a newspaper of general circulation in the City a condensed statement of proceedings including a list of all claims.

*(Code of Iowa, Sec. 388.4[4])*

**21.07 CONTROL OF FUNDS.** The Board shall control tax revenues allocated to it as well as all moneys derived from operations.

*(Code of Iowa, Sec. 388.5)*

**21.08 ACCOUNTING.** Utility moneys are held in a separate utility fund, with a separate account for each utility.

*(Code of Iowa, Sec. 388.5)*

**21.09 DISCRIMINATORY RATES ILLEGAL.** The utility may not provide use or service at a discriminatory rate, except to the City or its agencies, as provided in Section 384.91, *Code of Iowa*.

*(Code of Iowa, Sec. 388.6)*

**21.10 DISCONTINUANCE OF BOARD.** A proposal, on motion of the Council or upon receipt of a valid petition, to discontinue the utility board is subject to the approval of the voters of the City, except that the Board may be discontinued by resolution of the Council when the utility it administers is disposed of or leased for a period of over five years.

*(Code of Iowa, Sec. 388.2)*

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