Passed 9-0

ORDINANCE 14-08

TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "ADMINISTRATION AND PERSONNEL" – Re: Amending Chapter 2.26 Entitled "Controller's Department" to Authorize Procedures Necessary for the Fiscal Management and Operations within that Department

WHEREAS, The City of Bloomington Controller ("Controller"), who serves as the fiscal officer for the city, finds it efficient to use electronic funds transfer as a method of payment of claims and to also transact business with financial institutions and public pension or retirement funds through the use of electronic fund transfers; and

WHEREAS, "Electronic funds transfer", as defined by IC 36-1-8-11.5, means "*any transfer of funds other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account*"; and

WHEREAS, in some instances the Controller finds it operationally necessary to pay certain claims prior to board approval, as allowed by IC 36-4-8-14; and

WHEREAS, such procedures are fully allowed under Indiana law provided the fiscal body approves of the procedures by resolution or ordinance.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Section 2.26.080 of the Bloomington Municipal Code entitled "Authorized financial instruments," shall be amended by deleting the first sentence and replacing it with the following:

Pursuant to IC 5-13-5-5, IC 36-1-8-11, and IC 36-1-8-11.5, the city of Bloomington, including the city of Bloomington utilities, is hereby authorized to accept and disburse the following types of financial instruments for payment:

(1) Cash;

(2) Check;

(3) Bank draft;

(4) Money order;

(5) Bank card or credit card; and

(6) Electronic funds transfer.

SECTION 2. Section 2.26.085 shall be added to the Bloomington Municipal Code and shall read as follows:

2.26.085 – Authorized pre-approved payments

The Controller is authorized, pursuant to IC 36-4-8-14, to pay certain types of claims prior to board approval, provided that: the board having jurisdiction over the allowance of such claims has issued prior written approval of these pre-approved payments; each payment of expenses under this section is supported by a fully itemized invoice or bill and certification by the fiscal officer; and, the city legislative body or the city board having jurisdiction over the allowance of the claim reviews and allows the claim at its next regular or special meeting following the pre-approved payment of the expense. These types of claims include:

(1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions;
(2) License or permit fees;
(3) Insurance premiums;
(4) Utility payments or utility connection charges;

(5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced;
(6) Grants of state funds authorized by statute;
(7) Maintenance or service agreements;
(8) Leases or rental agreements;
(9) Bond or coupon payments;
(10) Payroll and benefits;
(11) State, federal, or county taxes;
(12) Expenses that must be paid because of emergency circumstances;
(13) Reimbursement to the State of Indiana and any other expenses related to unemployment compensation

SECTION 3. If any section, sentence or provision of this ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 4. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 7th day of May, 2014.

DARRYL NEHER, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 12th day of May, 2014.

REGINA MOORE, Clerk
City of Bloomington

SIGNED AND APPROVED by me this 21st day of ~~April~~ May, 2014.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends BMC 2.26 entitled "Controller's Department" to take advantage of financial processes authorized under Indiana law that allow the fiscal officer of the City of Bloomington to conduct business with financial institutions and to pay claims via electronic funds transfer and to pay certain types of claims prior to approval by the appropriate body, board, or commission.

Signed copies to: Controller, Clerk (2), CA/CA, legal, BMC (2)