

Passed 7-0 (Rosenbarger and Ruff out of the room)

Ordinance 2026-13 to Amend Title 2 of the Bloomington Municipal Code Regarding Loans between Utilities

Preamble

Whereas, the City of Bloomington (the "City"), has previously established and constructed and now owns and operates, through its Utilities Service Board (the "Board"), a waterworks system for the public water supply to the City, its inhabitants, and other customers (the "Waterworks"), in accordance with the provisions of Indiana Code 8-1.5, as amended, through the City of Bloomington Utilities Department ("CBU");

Whereas, the City has previously established and constructed and now owns and operates, through the Board, a sewage works utility system for the City and its inhabitants (the "Sewage Works"), in accordance with the provisions of Indiana Code 36-9-23, as amended, through the CBU;

Whereas, CBU would like to have the flexibility to manage funds in accordance with I.C. § 8-1.5-3-11 through the establishment of a cash reserve fund through which one utility may loan money to the other utility on an as needed basis;

Whereas, I.C. § 8-1.5-3-11 provides CBU with this flexibility as long as the Common Council adopts an ordinance authorizing the establishment of a cash reserve fund from which such loans may be made;

Whereas, on April 20, 2026, the Utilities Service Board considered the proposed amendment to Title 2 of the Bloomington Municipal Code, determined that the amendment is appropriate and necessary, and adopted a resolution recommending that the Common Council adopt the amendment in substantially the same form. A copy of the resolution is attached as Exhibit "A" together with all attachments and exhibits thereto;

Whereas, the proposed amendment to Title 2 of the Bloomington Municipal Code has been duly considered by the Common Council of the City of Bloomington:

Now, Therefore, Be It Ordained by the Common Council of the City of Bloomington, Monroe County, Indiana, That:

Section 1: Section 2.24.091 shall be added to the Bloomington Municipal Code as a new section and shall read as follows:

2.24.091 - ADMINISTRATION OF UTILITY MONEYS; CASH RESERVE FUND; LOANS BETWEEN UTILITIES.

The money belonging to each city owned utility shall be kept by the city controller through the assistant director of finance for the Utilities Service Department as separate funds as required by any bond ordinance or accounting procedures established by the state's Board of Accounts. A Cash Reserve Fund is hereby created for each city owned utility. Each of the City's utilities is authorized to transfer surplus earnings each month hereafter to their respective Cash Reserve Fund created in this Section and pursuant to Indiana Code. The Cash Reserve Fund of one city owned utility may be used to make loans to another city owned utility for periods not to exceed five years, at any interest rate, subject to required approvals, if any, by the Indiana Utility Regulatory Commission. The repayment of the loan and any interest shall be returned to the Cash Reserve Fund.

Section 2: Severability.

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, or 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 3: Effective Date.

This Ordinance shall be in full force and effect from and after its adoption by the Common Council and approval by the Mayor.

Passed

Passed by the Common Council of the City of Bloomington, Monroe County, Indiana, upon the 10 day of June, 2026.

A handwritten signature in black ink, appearing to read 'Isak Nti Asare', with a stylized flourish above the name.

Signature of the Common Council President Isak Nti Asare

Attestation of Bloomington City Clerk:



Signature of the Bloomington City Clerk Nicole Bolden

Presentation by Bloomington City Clerk:

Presented by me to the Mayor of Bloomington, Monroe County, Indiana,
upon this 16 day of June, 2026.



Signature of the Bloomington City Clerk Nicole Bolden

Approval by the Mayor:



Signature of the Mayor Kerry Thomson

Synopsis:

This ordinance follows I.C. § 8-1.5-3-11 and allows for the wastewater and water utilities to issue loans to one another through the creation of a cash reserve fund in each utility through which such loans can be funded.

Distributed to: Clerk, Council Attorney, CBU, Legal, and Mayor.