



To: Council Members
From: Council Office
Re: Weekly Packet Memo
Date: July 8, 2005

Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

None

Legislation for Final Action:

None

Legislation and Background Material Discussion at the Committee of the Whole
(Note: the Ordinances will be Introduced at the Regular Session Immediately Preceding the Committee of the Whole):

Res 05-07 To Approve Application and Authorize Grant From the Business Investment Incentive Loan Fund (Bloomington Area Arts Council [BAAC], Petitioner)

- Memo from Ron Walker, Director of Economic Development; EDC Res 05-03; BIIF Loan Sheet; Application; Program Guidelines

Contact: Ron Walker at 349-3534 or walkerr@city.bloomington.in.gov

Ord 05-17 To Amend Title 2 of the Bloomington Municipal Code Entitled "Administration and Personnel" – Re: Inserting Section 2.26.070 which Establishes a Restricted Donation Fund

- Memo from Susan Clark, Controller; BMC 2.26.070 Annotated with Changes

Contact: Susan Clark at 349-3416 or clarks@bloomington.in.gov

Ord 05-18 To Amend Title 2 of the Bloomington Municipal Code Entitled "Administration and Personnel" - Amending Chapter 2.26 (Controller's Department) in Order to Authorize Acceptable Financial Instruments, a Surcharge for Dishonored Checks, Drafts, Orders, or Like Instruments, and a Fee Schedule for the Providing Copies of Public Records; and, Amending Chapter 2.21 (Department of law) in Order to Authorize the Purchase of a Blanket Bond or Crime Insurance Policy and Fixing the Amount of the City Controller's Surety Bond)

- Memo from Susan Clark, Controller; BMC 2.26 and 2.21 Annotated with Changes

Contact: Susan Clark at 349-3416 or clarks@bloomington.in.gov

Minutes from Regular Session:

None

Memo

Chair of Meeting: Rollo

Regular Session followed by Committee of the Whole on Wednesday, July 13th

The Council will hold a Regular Session immediately followed by a Committee of the Whole on Wednesday, July 13th. Two ordinances will be introduced at the Regular Session and joined by a resolution for discussion at the Committee of the Whole. All three items can be found in this packet and are scheduled for final action two weeks from that evening, on July 27th. That schedule will allow the Council to consider all the departmental budgets the week of July 18th – 21st rather than spreading those hearings over two weeks.

First Readings

Item One – Ord 05-17 (Amending Title 2 Entitled “Administration and Personnel” in Order to Establish a Restricted Donation Fund Under Authority of the Controller)

Ord 05-17 would amend Title 2 (Administration and Personnel) of the Bloomington Municipal Code by establishing a Restricted Donation Fund (Fund) in the Office of the Controller (BMC 2.26.070). Monetary donations for restricted purposes with a value of no more than \$5,000 would be deposited into the Fund and expended for those purposes through a claim for payment approved by the Board of Public Works. The Fund would continue until amended or terminated and any remaining proceeds would be deposited into the General Fund, unless directed otherwise by ordinance.

In her memo to the Council, Susan Clark, mentions that the State Board of Accounts suggested this device as a way of quickly and conveniently handling these dedicated donations without requiring an appropriation by the Common Council and review by the State Board of Accounts. The \$5,000 limitation is similar to the amount used for the Bloomington Community Arts Commission “Postcard” Fund and would require donations in excess of that amount be appropriated through the usual process.

Item 2 - Ord 05-18

(Amending Title 2 Entitled “Administration and Personnel”) in Order to Accept Certain Common Forms of Payment; Impose a Surcharge on Dishonored or Returned Checks, Drafts, Cards or Like Payments; Establish a Fee for Providing Copies of Public Records; and Authorize the Risk Manager to Purchase Blanket Insurance or Crime Insurance Policies Covering Employees’ Faithful Performance of Duties and Set the Surety Amount for the Controller’s Bond at \$300,000

Ord 05-18 makes numerous changes to Title 2 of the BMC (Administration and Personnel) recommended by the Controller’s Office and the Legal Department. These changes codify the Council’s authorization for the City to accept various common forms of negotiable instruments, impose charges for unpaid or dishonored negotiable instruments, require fees for copying records pursuant to a request for records, and obtain certain forms of insurance and bonds, which are explained in a memo from Susan Clark, Controller, and briefly summarized below. In her memo, Clark explains that some of these authorizations may already have been granted, but now will be more easily known.

Authorizing Acceptance of Common Forms of Negotiable Instruments

I.C. 36-1-8-11 allows cities and their utilities to accept various methods of payment that have been authorized by the Common Council. Section 1 of the ordinance inserts BMC 2.26.080, which authorizes the City to receive payment in the form of cash, check, bank draft, money order, bank card or credit card, or electronic funds transfer.

Authorizing Fees and Charges for Unpaid or Dishonored Negotiable Instruments

I.C. 26-1-3.1-502.5 allows entities to impose a surcharge and pass along the actual bank fee to persons with checks, drafts, orders, or like instruments that are returned unpaid or dishonored. The surcharge may not exceed \$20. Section 2 of the ordinance inserts BMC 2.26.090, which authorizes the collection of this surcharge and fee pursuant to procedures set forth in the statute. Those procedures require the City to notify the person that they have 10 days to pay the initial amount, surcharge and bank fee. Then, if these fees and charges remain unpaid, the City must notify the prosecutor within 90 days after receiving the unpaid or dishonored instrument.

Authorizing Fees for the Actual Cost of Copying Records Pursuant to a Request for Public Records

I.C. 5-14-3-8(d) requires cities to establish a fee schedule for providing documents, certifications, or facsimiles if it intends to charge for these services. The fee schedule must not exceed the actual cost of the paper and the per-page use of equipment, but does not include labor or overhead. The charge must be uniformly applied throughout the agency and for each purchaser. Section 3 of the ordinance inserts BMC 2.26.100 which, for the first time, establishes fees when the City is required to copy documents under the public records law. These fees are as follows:

- 8" x 11" copies
 - Black and white copies
 - No charge for requests up to 50 pages;
 - A charge of 4 cents per page for each page in excess of 50 pages;*
 - Color copies
 - 20 cents per page for each page;*
- 11" x 17" copies
 - Black and white copies
 - 8 cents per page for each page;*
 - Color copies
 - 23 cents per page for each page; *
- Large Format Copies (Larger than 11" x 17")
 - 40 cents per page for each page; *
- Photos
 - Actual cost of providing photographs
- Tapes, CDs and DVDs
 - Actual cost of the blank tape, CD, or DVD.

These fees are separate from those associated with access to our electronic records and GIS system (BMC 2.25.030-070 – Enhanced Access to Public Records) and those associated with the production of certain records or the performance of certain services (e.g. inspections) by the Police Department (BMC 15.60.080 - Services and Fees).

** Note: These charges may be adjusted by the Controller in the future in order to reflect changes in the actual costs of this service.*

Authorizing the Purchase of Blanket Bonds or Crime Insurance Policies for Officers and Employees

I.C. 5-4-1-18(b) allows the Council to authorize the purchase of a “blanket bond or crime insurance policy ... (that covers) the faithful performance of duties of all employees, commission members, and persons acting on behalf of the (City)” including officers and employees required to file individual bonds by statute or the Council (which includes the Controller and City Clerk). The amount of the bond must equal \$15,000 per \$1 million of receipts of the officers’ office in the last fiscal year and must fall within the range of \$15,000 to \$300,000. Section 4 of the ordinance inserts BMC 2.21.135, which authorizes the Risk Manager to purchase a blanket bond or crime insurance policy that covers the faithful performance of duties by all employees, commission members, and persons acting on behalf of the City and sets the surety amount for the Controller at \$300,000. These bonds must be filed with the Clerk and Controller.

Resolution Authorizing \$25,000 Grant from the Bloomington Business Investment Incentive Fund to the Bloomington Area Arts Council for Improvements to the John Waldron Arts Center

Res 05-07 authorizes a \$25,000 non-profit initiative grant from the Bloomington Investment Incentive Fund (BIIF) program to the Bloomington Area Arts Council (BAAC) for improvements to the interior and exterior of the John Waldron Arts Center.

History of Fund and Purposes of the BIIF

The BIIF was created in 1986 with some of the money (\$400,000) paid by certain west side industries in lieu of their annexation into the City pursuant to Ord 86-04 and the guidelines for the program were initially established by Res 86-06 and then significantly amended in 1999 by Res 99-17. At present the fund has a balance of \$689,844, with one business disruption loan to Cha Cha’s in the amount of \$19,970 outstanding. *(Please see the enclosed loan sheet for a list of the previous loans under this program.)* The small grant initiative is a relatively minor portion of the Bloomington Investment Incentive Fund program which includes loans targeting:

- The retention, expansion, and attraction of businesses within or contiguous with the City or within the Areas Intended for Annexation (AIFA);
- Businesses within the Downtown Development Opportunity Overlay (DDOO);
- Businesses forced to relocate due to public projects;

- Business supported child care facilities; and
- Businesses disrupted due to City public works projects.

Request and Purpose of the Non-Profit Grant Initiative

The non-profit grant initiative offers small, matching grants to encourage capital investments to facilities owned or operated by certain non-profits in the Downtown Development Opportunity Overlay (DDOO) district. These non-profits must have a retail or commercial activity - such as performance venues, galleries, and retail shops - as their primary purpose. The grants may be as high as \$25,000 and must be matched by at least an equivalent amount of eligible project costs. They are in lieu of loans and may only be given to an entity once every five years.

In this case, BAAC wishes to use the \$25,000 grant as part of a \$60,000 project to improve the exterior and interior of the John Waldron Arts Center. These improvements address the:

- Exterior – by repairing all windows, painting the exterior, and replacing part of the sidewalk along Fourth Street (\$27,850);
- Mechanical Systems – by replacing the air conditioner for the 3rd Floor (\$6,430);
- Interior Systems and Facilities by –
 - Renovating the lobby and replacing its carpet (\$6,500);
 - Replacing the wall system, lighting and signage for the Flashlight Gallery (\$4,000); and
 - Painting some areas (\$3,500).
- Professional and Technical Systems by -
 - Replacing lighting in the Auditorium (\$5,300) and Rose Fire Bay (\$2,700); and
 - Acquiring wireless nodes (\$400), a network computer (\$900), and three workstations (\$2,400).

Highlights of BAAC Application For Grant

In May, the BAAC submitted an application to the City and in June, the Economic Development Commission adopted a resolution approving it. The following are the eligibility and evaluation criteria for applications under the small non-profit grant and its umbrella loan program. Please note that some of the evaluation criteria only apply to the downtown loan program and are not relevant to

applications under the grant program. The comments in italics are my efforts to apply the information about this application to the criteria.

Eligibility

- **Non-Profit** – *BAAC is a non-profit entity.*
- **Capital Improvements to Facilities in DDOO** – *BAAC is requesting matching funds to improve the exterior and interior of the John Waldron Arts Center including acquisition of some computer systems.*
- **50% Matching Funds** – *BAAC is seeking \$25,000 for a capital improvement project worth \$60,000.*
- **No Other Program Funds in Last 5 Years** - *BAAC received funds in 1999 for improvements to the Buskirk-Chumley Theatre (Res 99-25). The EDC resolution authorizes the new loan once five years have elapsed after the first loan.*

Evaluation Criteria

- Strength of the business plan or proposal – *N/A*
- Projected impact on the economic vitality of the downtown
 - * *BAAC provides jobs for 5 full-time and 55 part-time employees and estimates that the Waldron Arts Center receives 40,000 visits per year. Based upon an Arts & Economic Prosperity Calculator, Danise Alano estimates those visitors spend about \$646,000 in the downtown during the year. Please note that the Living Wage will not apply to BIIF grants and loans until January, 2006.*
- Use of grant to leverage other funds
 - * *BAAC intends to raise the remaining funds for the project through private donations.*
- Nature and extent of security/guarantees - *N/A*
- Credit history - *N/A*
- Increases or decreases in the tax base
 - * *The grant will be used to make improvements that will be owned by a non-profit and will remain off the tax rolls.*
- Other city or state incentives (i.e., tax abatements)
 - * *While the City gave BAAC its former City Hall and Police / Fire Station and provided other help over the years, it has not has not offered other incentives for this renovation project.*
- Nature and extent of equity participation - *N/A*

- Approval of owner of property - *N/A*
- Compatibility with historic character of the downtown
 - * *The BAAC staff has sought input from the Nancy Hiestand about the changes to the exterior of this property which is listed on the National Register of Historic Places.*

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL
REGULAR SESSION AND COMMITTEE OF THE WHOLE
7:30 P.M., WEDNESDAY, JULY 13, 2005
COUNCIL CHAMBERS
SHOWERS CENTER, 401 N. MORTON**

REGULAR SESSION

- I. ROLL CALL**
- II. AGENDA SUMMATION**
- III. APPROVAL OF MINUTES FOR:** None
- IV. REPORTS FROM:**
 - 1. Council Members**
 - 2. The Mayor and City Offices**
 - 3. Council Committees**
 - 4. Public**
- V. APPOINTMENTS TO BOARDS AND COMMISSIONS**
- VI. LEGISLATION FOR SECOND READING**

None
- VII. LEGISLATION FOR FIRST READING**

1. Ordinance 05-17 To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” - Re: Inserting Section 2.26.070 which Establishes a Restricted Donation Fund

2. Ordinance 05-18 To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” (Amending Chapter 2.26 (Controller’s Department) in Order to Authorize Acceptable Financial Instruments, a Surcharge for Dishonored Checks, Drafts, Orders, or Like Instruments, and a Fee Schedule for the Providing Copies of Public Records; and, Amending Chapter 2.21 (Department of Law) in Order to Authorize the Purchase of a Blanket Bond or Crime Insurance Policy and Fixing the Amount of the City Controller’s Surety Bond)

VIII. PRIVILEGE OF THE FLOOR (This section of the Agenda is limited to a maximum of 25 minutes. Each speaker is allotted 5 minutes.)

IX. ADJOURNMENT (*Immediately followed by the*)

COMMITTEE OF THE WHOLE

Chair: Dave Rollo

1. Resolution 05-07 To Approve Application and Authorize Grant from the Business Investment Incentive Fund (Bloomington Area Arts Council, Petitioner)

Asked to Attend: Ron Walker, Director of Economic Development

2. Ordinance 05-17 To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” - Re: Inserting Section 2.26.070 which Establishes a Restricted Donation Fund

Asked to Attend: Susan Clark, Controller

3. Ordinance 05-18 To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” (Amending Chapter 2.26 (Controller’s Department) in Order to Authorize Acceptable Financial Instruments, a Surcharge for Dishonored Checks, Drafts, Orders, or Like Instruments, and a Fee Schedule for the Providing Copies of Public Records; and, Amending Chapter 2.21 (Department of Law) in Order to Authorize the Purchase of a Blanket Bond or Crime Insurance Policy and Fixing the Amount of the City Controller’s Surety Bond)

Asked to Attend: Susan Clark, Controller

City of
Bloomington
Indiana

City Hall
401 N. Morton St.
Post Office Box 100
Bloomington, Indiana 47402



Office of the Common Council
(812) 349-3409
Fax: (812) 349-3570
e-mail: council@bloomington.in.gov

To: Council Members
From: Council Office
Re: Calendar for the Week of July 11 – 16, 2005
Date: July 8, 2005

Monday, July 11, 2005

1:30 pm Swearing in of Police Officers, Council Chambers
4:00 pm Community & Family Resources Commission, Dunlap
4:00 pm Commission on the Status of Black Males, Kelly
4:30 pm Plat Committee, Planning Department, Hooker Room
5:00 pm Redevelopment Commission, McCloskey
5:00 pm Utilities Service Board, IU Research Park
5:30 pm Plan Commission, Council Chambers

Tuesday, July 12, 2005

3:00 pm Bloomington Community Farmers' Market, Showers Plaza
5:30 pm Bloomington Community Arts Commission, Kelly
5:30 pm Board of Public Works, Council Chambers
7:30 pm Telecommunications Council Meeting, Council Chambers

Wednesday, July 13, 2005

9:30 am Tree Commission, Rose Hill Cemetery Office, 930 W. 4th
4:00 pm Board of Housing Quality Appeals, McCloskey
7:30 pm Common Council, Regular Session immediately followed by
Committee of the Whole, Council Chambers

Thursday, July 14, 2005

8:00 am Housing Authority Board of Commissioners, Housing Authority Community
Room, 1007 N. Summit
3:00 pm Zoning Ordinance Steering Committee, Council Chambers
3:30 pm Historic Preservation Commission, McCloskey
5:15 pm Solid Waste Management District, Solid Waste Management Facilities, 3400 Old
SR 37

Friday, July 15, 2005

3:00 pm Bid Opening – Street Light Installation, Kelly

Saturday, July 16, 2005

7:00 am Bloomington Community Farmers' Market, Showers Common

RESOLUTION 05-07

**TO APPROVE APPLICATION AND AUTHORIZE GRANT FROM THE BUSINESS INVESTMENT INCENTIVE FUND
(Bloomington Area Arts Council, Petitioner)**

- WHEREAS, on March 5, 1986 the Common Council of the City of Bloomington established the Bloomington Industrial Incentive Loan Fund and approved and authorized Guidelines and Procedures for the use of the Industrial Incentive Loan Fund; and
- WHEREAS, on May 19, 1999 the Common Council in Resolution 99-17 amended the guidelines and procedures to the Industrial Incentive Loan Fund, and renamed the program the Business Investment Incentive Fund; and
- WHEREAS, procedures established in Resolution 99-17 amended the program to permit the grant of up to \$25,000 to not-for-profit organizations within the Downtown Development Opportunity Overlay; and
- WHEREAS, procedures established in Resolution 99-17 require that an application be made to the Economic Development Commission of the City of Bloomington, and following approval by the Economic Development Commission, the application shall be forwarded to the Bloomington Common Council for approval by resolution; and
- WHEREAS, the Bloomington Area Arts Council has filed an application for an Business Investment Incentive Grant, which application was approved by the Economic Development Commission in Resolution 05-03 and forwarded to the common Council for its approval; and
- WHEREAS, according to the application, Bloomington Area Arts Council intends to use the grant to make capital improvements to the interior and exterior of the John Waldron Arts Center, 122 South Walnut Street.

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

SECTION 1. A grant in the amount of twenty-five thousand dollars (\$25,000) from the City of Bloomington's Business Investment Incentive Fund is hereby approved. The Controller of the City of Bloomington is hereby authorized to release funds in the amount specified and subject to the specific terms and conditions approved by the Economic Development Commission in Resolution 05-03, together with all terms and conditions contained in Resolution 99-17.

SECTION 2. This resolution shall be in full force and effect from the passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2005.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution approves and authorizes a grant from the City of Bloomington's Business Investment Incentive Fund to Bloomington Area Arts Council for the purpose of making capital improvements to the John Waldron Arts Center, 122 South Walnut Street. The grant is in the amount of twenty-five thousand dollars (\$25,000). It is also subject to all specific terms and conditions contained in the City of Bloomington's Economic Development Commission resolution approving the grant, as well as, the guidelines and procedures contained in Common Council Resolution 99-17.

**RESOLUTION 05-03
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA**

WHEREAS, the City of Bloomington Common Council has established the Business Investment Incentive Loan Fund (the "Fund") and has approved guidelines and procedures for use of the Fund; and

WHEREAS, procedures for the Fund require that an application be made to the Economic Development Commission of the City of Bloomington, and following approval by the Economic Development Commission, the application shall be forwarded to the Bloomington Common Council for approval by resolution; and

WHEREAS, the Fund guidelines allow for the making of grants not to exceed \$25,000 to non-profit organizations in the Downtown Development Opportunity Overlay that have retail or commercial activities as a primary purpose; have funds available to match the grant amount; and have not received a grant in the five year period immediately preceding the grant disbursement; and

WHEREAS, the Bloomington Area Arts Council, Inc. has filed an application for a grant through the Fund which has been submitted to the Economic Development Commission of the City of Bloomington for its approval;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Economic Development Commission does hereby approve the Business Investment Incentive Grant Application in the amount of \$25,000 to Bloomington Area Arts Council, Inc.;

FURTHER, said approval is a commitment preceding the required approval of the City of Bloomington Common Council and the execution of a funding agreement and any other documents deemed necessary by the City of Bloomington regarding the grant; verification by the City of the availability of required matching funds; completion of the five-year interval following the last grant by the City to the Bloomington Area Arts Council, Inc.; and compliance with all terms and conditions contained in Common Council Resolution 86-06 creating the Fund and subsequent amendments to the Fund.

President
Bloomington Economic Development Commission

Approved this ____ day of June, 2005.

MEMORANDUM

To: City of Bloomington Common Council
From: Ron Walker, Director of Economic Development
Date: July 1, 2005
Regarding: Resolution: 05-07

Resolution 05-07:

The Business Investment Incentive Fund is a revolving loan fund created by the City of Bloomington to provide low interest loans to eligible businesses committed to improving the economic vitality of our community. The City of Bloomington offers this economic development tool to promote the retention, expansion, and attraction of a diverse business base. With certain exceptions, loan proceeds can be used for capital improvement projects and the purchase of eligible equipment.

The Fund also may be used to make matching grants to not-for-profit organizations to encourage capital improvements to facilities owned and/or operated by eligible not-for-profit organizations within the Downtown Development Overlay Opportunity (DDOO) district. The organization must have a retail or commercial activity as its primary purpose including, but not limited to, performance venues, galleries, and retail shops. The maximum matching grant is 50% of total qualified project costs with the total grant not to exceed \$25,000. An eligible not-for-profit organization can only receive one grant disbursement every 5 years. Grant funds are in lieu of loan funds; an eligible not-for-profit cannot receive both a loan and a grant.

Under this program, the Bloomington Area Arts Council (BAAC), a 501(c)(3) organization, is seeking a \$25,000 grant to make capital improvements to the exterior and interior of the John Waldron Arts Center.

The BAAC estimates that the total project cost will be \$60,000. The project includes exterior repairs, replacement of one air conditioning unit, interior lobby and gallery renovations, and technical systems upgrades for the performance venue space and offices. The BAAC will raise the additional \$35,000 through private individual and business contributions, as well as a grant from the Community Foundation.

Bolstered by a grant from the BIIF, the planned capital investments in the Arts Center will allow the BAAC to continue its stewardship of the historic building (the Center is a Beaux Arts limestone building on the National Trust of Historic Places and was Bloomington's original City Hall). The nonprofit arts sector annually infuses more than \$44.5 million into the Bloomington economy and as such is an important contributor to our area's economic vitality. Operated by the BAAC, the Arts Center serves as an anchor that places Bloomington squarely on the map as an arts and tourism destination. The project's completion will further raise the profile and reach of the Arts Center. The Office of the Mayor recommends approval of BAAC's grant application for \$25,000. If approved, grant funds will be distributed on a reimbursement basis after the required match has been met.

Loans approved under the Business Investment Incentive Loan Fund

| Borrower | Date | Purpose | Loan/Grand Amount | Project Cost | Balance |
|-------------------------------------|--------------|------------------------------------|--------------------------|---------------------|-----------------|
| Lotus Education and Arts Foundation | August-03 | Capital and equipment acquisitions | \$22,750 | \$45,500 | \$0 |
| The Indiana Theatre | December-00 | meet debt service obligations | \$100,000 | \$100,000 | \$0 |
| Nick's | October-00 | Business Disruption | \$35,000 | \$35,000 | \$0 |
| Cha Cha | October-00 | Business Disruption | \$35,000 | \$35,000 | \$19,970 |
| McDonald's | October-00 | Business Disruption | \$35,000 | \$35,000 | \$0 |
| B & L Sheet Metal & Roofing | February-00 | Capital acquisition | \$100,000 | \$750,000 | \$0 |
| Bloomington Area Arts Council | September-99 | Façade improvements | \$25,000 | \$49,990 | \$0 |
| Kay Pee Pharmaceutical | October-97 | Capital acquisition, Construction | \$100,000 | \$656,000 | \$0 |
| Monroe County United Ministries | March-96 | Construction | \$100,000 | \$750,000 | \$0 |
| Bloomington Day Care Corp. | April-92 | Construction/Renovation | \$100,000 | \$135,000 | \$0 |
| Total Outstanding | | | | | \$19,970 |

Funds available in the Business Investment Incentive Loan Fund

| | |
|----------------------|------------------|
| Total Balance | \$689,844 |
|----------------------|------------------|



CITY OF BLOOMINGTON BUSINESS INVESTMENT INCENTIVE FUND APPLICATION – Part 1

Rev. 04/05

Please attach additional sheets if necessary.

APPLICANT AND LOAN/GRANT INFORMATION

Applicant name(s) Bloomington Area Arts Council, Inc.

Applicant Phone: 812-334-3100 x101 Applicant Email: sally@artlives.org

Applicant Address: 122 South Walnut Street

Bloomington, IN 47404-6170

Total amount requested \$25,000 Date 23 May 2005

Purpose of loan/grant To make capital improvements to the exterior and interior of the John Waldron Arts Center. The Arts Center is a Beaux Arts limestone building on the National Trust of Historic Places and was Bloomington's original City Hall.

Total project cost \$60,000

For loan applicants only: List types and fair market value of the collateral or other repayment sources (accounts receivable, guarantees, etc.): _____

Loan/Grant Eligibility – please check one. *(Please refer to Business Investment Incentive Loan Fund Program Description for other terms of permissible use of funds and eligibility.)*

| | | |
|-------------------------------------|---|--|
| <input type="checkbox"/> | Business retention, expansion attraction | Loan requires total project cost minimum of \$250,000. Maximum loan amount is \$100,000 or 20% of total project cost, whichever is less. |
| <input type="checkbox"/> | Businesses in the Downtown Development Opportunity Overlay | Loan maximum amount is 50% of total project cost for projects with total cost at or under \$100,000, and 20% of any remaining project costs over \$100,000. Total loan amount maximum is not to exceed \$100,000. |
| <input checked="" type="checkbox"/> | Businesses in the Downtown Development Opportunity Overlay | Non-profit grant provides matching grant funds. Non-profit organization must have retail or commercial activity as its primary purpose. Maximum matching grant is 50% of total qualified project costs. Total grant is not to exceed \$25,000. One grant disbursement allowed every five years per eligible non-profit organization. Grant funds are in lieu of loan funds. |
| <input type="checkbox"/> | Business-supported child care facility | Loan requires total project cost minimum of \$250,000. Maximum loan amount is \$100,000 or 20% of total project cost, whichever is less. |
| <input type="checkbox"/> | Public-purpose induced business relocation | Loan requires total project cost minimum of \$250,000. Maximum loan amount is \$100,000 or 20% of total project cost, whichever is less. Maximum loan amount may be waived if dictated by public policy. |
| <input type="checkbox"/> | Business disruption bridge loan | Loan maximum amount of \$150,000 per public works project, \$35,000 limit for each qualified applicant. |

Have you been denied by any other lending institutions for this project? ___Yes XNo

Have you ever be turned down for a business loan? ___Yes XNo

If yes, institution's name _____

Date of denial _____ Amount requested _____

Reason stated for denial _____

Do you have plans over the next 6 months to apply for any funding from other financial institutions/lenders? (Please check one) ___Yes XNo

If yes, please explain _____

Name of financial institution/lender _____

Projected application date _____ Amount _____

Reason _____



CITY OF BLOOMINGTON BUSINESS INVESTMENT INCENTIVE FUND APPLICATION – Part 2

BUSINESS INFORMATION

Business name Bloomington Area Arts Council, Inc. Phone 812-334-3100

Business address 122 South Walnut Street, Bloomington, IN 47404-6170

Type of business (please check one) Retail Service Manufacturing Wholesale

Business start-up date 1992 Federal Tax ID number 23-7368180

Business legal structure (Please check one)

Sole Proprietorship General Partnership LLC C Corp. S Corp.

Nonprofit Indiana Charity

Date of incorporation 1974 State IN NAICS code _____

List Company Officers and Directors

| Name | Position in business | % Ownership (NA) |
|--|----------------------|------------------|
| 1. Sally Gaskill, Executive Director | | |
| 2. Tom Zoss, President, Board of Trustees | | |
| 3. Gerald Sousa, Vice President, Board of Trustees | | |
| 4. Lance Eberle, Treasurer, Board of Trustees | | |
| 5. R. Gordon Hershey, Secretary, Board of Trustees | | |
| 6. Nancy Krueger, Assistant Director | | |

How many days a week will the business be open? 7

Number of hours worked per week by owner Not applicable (NA)

Current Number of Employees

Part-time* 55 @ Hourly rate range \$7.50 – 15.40 Hours worked per week 20-30

Full-time 5 @ Hourly rate range \$12.15 - 28.85 Hours worked per week 40 +

Family @ Hourly rate range \$ _____ Hours worked per week _____

Applicant(s) @ Hourly rate range \$ _____ Hours worked per week _____

*Includes approx. 50 part-time teaching faculty who are considered by Indiana Workforce Development to be employees and not independent contractors.

Do you provide/~~plan~~ on providing health benefits to your employees? Yes No

If yes, what plans and what cost is/will be involved? Full-time employees are covered by SIHO for health insurance and Anthem for dental and life. Employees currently pay 0 to 5% of premiums.

Projected Number of Employees

List approximate number of additional (new) positions that will be available once you receive the loan/grant. 0 Part-time 0 Full-time

Business Credit References (please attach additional sheets if necessary.)

1. Name United Precious Metal Refining, Inc.
Address 2781 Townline Rd., Aiden, NY 14004
Phone 716-683-8334 Account # 11938
High credit \$1,500 Contact person _____

2. Name Visa
Address P.O. Box 77042, Madison, WI 53707
Phone _____ Account # 4482-3705-7002-1861
High credit \$2,500 Contact person _____

3. Name Pitney Bowes
Address P.O. Box 856042, Louisville, KY 40285
Phone _____ Account # 1523 6529861
High credit \$5100 Contact person _____

Bank Information

Name Irwin Union Bank
Address 300 W. Sixth St., Bloomington 47404
Phone 812-330-1250 Account # 39862982 checking
Contact person Kara Clemens Acct # 23239270 money market
Do you currently have bank financing? Yes If yes, account # _____
Amount of loan \$48,528 Structure of repayment 5 yr. balloon
What assets are securing this loan? _____

what is the schedule

Accountant Information (contracted annually to conduct independent financial audit)

Name Duane Vaught Phone 812-339-0450
Address 200 South College Ave., Bloomington IN 47404

Attorney Information

Name Geoffrey R. Grodner Phone 812-336-0200
Address 511 Woodcrest Drive, Bloomington, IN 47401
Is your business current on all local, state and federal taxes? _____
If no, explain _____



CITY OF BLOOMINGTON BUSINESS INVESTMENT INCENTIVE FUND APPLICATION

CERTIFICATION

The loan applicant herein certified that:

- To the best of the applicant's knowledge and belief, the data presented in this loan application is true and correct, and is provided for the purpose of obtaining or maintaining credit.
- The purpose described in this application has been duly, and legally authorized by the applicant.
- Upon approval of the funds requested, the applicant is willing and is duly and legally authorized to enter into a legally binding loan commitment and will comply with all of the provisions and conditions of any loan agreement.
- The applicant hereby authorizes the Loan Review Committee, its authorized agent and representatives, to investigate the applicant's credit worthiness, credit capacity, or business affairs.
- The applicant hereby authorizes any person, business, and/or financial institution having information pertaining to the applicant's credit worthiness credit capacity, or business affairs to release the same to the Loan Review Committee, its authorized agents or representatives.
- The applicant agrees to hold harmless the City of Bloomington, its officers, agents, and the City of Bloomington Loan Review Committee members and their respective organizations form liability as a result of actions and outcomes taken during or after the loan review process.
- I further certify that the individual(s) applying for the Business Investment Incentive Loan Fund are not in arrears on any payments, fees, charges, fines or penalties owed to the City of Bloomington, Indiana, including, but not limited to, City of Bloomington Utilities, Bloomington Transit, and any other City of Bloomington departments, boards or commissions.

BLOOMINGTON AREA ARTS COUNCIL

Company Name

Company Name

Sally Gaskill

By (Applicant's signature)

By (Co-applicant's signature)

SALLY GASKILL

Printed Name

Printed Name

EXECUTIVE DIRECTOR

Title

Title

5.25.05

Date

Date

Please return this completed application along with \$100.00 processing fee (if applicable) and appropriate attachments to:

Office of the Mayor, Economic Development
City of Bloomington
PO Box 100
Bloomington, IN 47402



CITY OF BLOOMINGTON BUSINESS INVESTMENT INCENTIVE FUND APPLICATION CHECKLIST

1. Completed Loan/Grant Application

- Applicant Information
- Business Information
- NA Personal Financial Information (include one for each owner or partner)
- Signed Certification
- Signed Credit Report Authorization and Release
- NA Signed Affidavit of Child Support Payments (not required for Grant Application)

2. Business Plan

- NA Written plan to include the following sections:
Summary, Market Analysis, Products or Services, Manufacturing Process (if applicable),
Marketing Strategy, Management Plan
(See "Business Plan Contents" for more details)
- NA 3 Years of Financial Data
 - Financial History
 - Financial Projections (Profit/Loss Statement, Balance Sheets, Cash Flow Chart,
Capital Expenditure Estimates)
 - Explanation of Projections

3. Application Fee

- NA \$100.00 application fee payable to the City of Bloomington (fee waived if applying under Section II.B.5 regarding a business disruption bridge loan)

4. Please submit above documents to

Office of the Mayor, Economic Development
City of Bloomington
P.O. Box 100
Bloomington, IN 47402

Contact: Danise Alano, Assistant Director of Economic Development
Phone: 812-349-3406
Fax: 812-349-3455
Email: alanod@bloomington.in.gov

**MINI-CAPITAL CAMPAIGN PROPOSAL for JOHN WALDRON ARTS CENTER
Bloomington Area Arts Council – May 2005**

I. Stewarding our Space - Exterior of John Waldron Art Center

A. Bring exterior up to repair and commit to a strong preventive maintenance plan after the campaign

| | | |
|-------------------------------|-----------|-----------|
| Repair all windows | \$ 10,000 | |
| Paint all exterior | \$ 13,350 | |
| Fire escapes, metal, etc. | \$ 1,000 | |
| 4th Street Sidewalk (partial) | \$ 3,500 | |
| Subtotal | | \$ 27,850 |

II. Mechanical Systems

| | | |
|--|----------|----------|
| A. Replace the 3rd floor air conditioner | \$ 6,430 | |
| Subtotal | | \$ 6,430 |

III. Interior Systems and Facilities

| | | |
|---|----------|-----------|
| A. Renovate lobby, move reception area to lobby, new display areas for gallery shop (customer focus) (plus in-kind) | \$ 3,000 | |
| B. Upgrade Flashlight Gallery wall system (crumbling), plus lighting and signage | \$ 4,000 | |
| C. Lobby carpet replacement | \$ 3,500 | |
| D. Interior partial repainting | \$ 3,500 | |
| Subtotal | | \$ 14,000 |

IV. Professional and Technical Systems

| | | |
|--|----------|-----------|
| A. Lighting upgrades for Auditorium | \$ 5,300 | |
| B. Lighting upgrades for Rose Firebay | \$ 2,720 | |
| C. Partial network upgrade and start of upgrade for computer systems (incorporate annual donations and rolling maintenance schedule) | | |
| Wireless nodes | \$ 400 | |
| Network computer | \$ 900 | |
| Workstations (first 3 of roll-over) | \$ 2,400 | |
| Subtotal | | \$ 11,720 |

Total for Campaign ----- \$ 60,000

SOURCES OF FUNDS TO REACH THIS GOAL

| | | |
|---|------------------|-----------|
| Business Investment Incentive Fund (City) - pending | \$ 25,000 | |
| Window Campane received | 3,470 | |
| Community Foundation (in hand) | 2,000 | |
| Solicit private individual and business contributions | \$29,530 | |
| TOTAL | | \$ 60,000 |

Bloomington Area Arts Council
Balance Sheet
May 31, 2005

ASSETS

| | | |
|------------------------------|--------------|--------------|
| Current Assets | | |
| Cash - JWAC | 44,325.20 | |
| Pledges Receivable | 26,821.00 | |
| | | 71,146.20 |
| Other Assets | | |
| | | 0.00 |
| Total Other Assets | | |
| | | 0.00 |
| Property and Equipment | | |
| Furniture, Fixtures & Equip. | 97,511.88 | |
| FF&E - JWAC | 12,770.01 | |
| Building - JWAC | 1,150,756.00 | |
| Land - JWAC | 140,000.00 | |
| Accumulated Depreciation | <455406.51> | |
| | | 945,631.38 |
| Total Property and Equipment | | |
| | | 945,631.38 |
| Total Assets | | |
| | | 1,016,777.58 |

LIABILITIES AND CAPITAL

| | | |
|--------------------------------|------------|--------------|
| Current Liabilities | | |
| Rental Deposits | 1,139.14 | |
| A/P AMX Retirement Fund | 450.00 | |
| A/P SIHO HEALTH INSURANCE | 98.79 | |
| Loan Irwin Union Bank-Current | 5,239.67 | |
| 05-06 Performance Series | 1,500.00 | |
| Accrued Payroll | 2,171.23 | |
| Sales Tax Payable | 537.15 | |
| Total Current Liabilities | | 11,135.98 |
| Long-Term Liabilities | | |
| Loan-Irwin Union Bank | 43,290.44 | |
| | | 43,290.44 |
| Total Long-Term Liabilities | | |
| | | 43,290.44 |
| Total Liabilities | | |
| | | 54,426.42 |
| Net Assets | | |
| Total Net Assets | 962,351.16 | |
| | | 962,351.16 |
| Total Liabilities & Net Assets | | |
| | | 1,016,777.58 |

Bloomington Area Arts Council
Statement of Cash Flow
For the
Eleven Months Ended
May 31, 2005

Year to Date

| | |
|--------------------------------------|--------------|
| Cash Flows from operating activities | |
| Net Income | <39794.89> |
| Add: | |
| Pledges Receivable | \$ 15,000.00 |
| Accumulated Depreciation | 33,000.00 |
| Accounts Receivable | 2,400.00 |
| Grants Receivable | 7,706.00 |
| Deferred Revenue | 500.00 |
| Misc. | 522.68 |
| Deduct: | |
| Loan Irwin Union Bank | <4545.94> |
| Bills/Grants Payable | <17644.72> |
| Accrued Payroll | <22770.56> |
| | |
| Total Adjustments | 14,167.46 |
| Net Cash provided by Operations | <25627.43> |
| | |
| Cash Used for Capital Expenditures | |
| Furniture, Fixtures & Equip. | <1723.42> |
| Net increase <decrease> in cash | <27350.85> |
| | |
| Summary | |
| Cash Balance at End of Period | 44,325.20 |
| Cash Balance at Beginning of P | 71,676.05 |
| Net Increase <Decrease> in Cash | <27350.85> |

| BAAC | for Eleven Months Ended 31 May 05 | | | | | | | | | | 2004-2005 | |
|----------------------------|-----------------------------------|-----------------|---------------|-----------------|--------------|--|-------------------|-------------------|-------------|-------------------|------------|-------------------|
| | Current | Month | | Month | | | YTD | | YTD | | Total | |
| | Month | Budget | % var | Last Year | % var | | YTD | Budget | % var | Last Year | % var | Budget |
| REVENUES | | | | | | | | | | | | |
| EARNED: | | | | | | | | | | | | |
| Tuition & Fees | \$11,479 | 15000 | -31% | \$14,347 | -25% | | \$105,444 | \$112,580 | -7% | \$113,072 | -7% | \$140,000 |
| Perf Adm | \$3,824 | \$3,900 | -2% | \$1,588 | 58% | | \$30,791 | \$38,100 | -24% | \$35,018 | -14% | \$42,000 |
| Gallery & Giftshop | \$1,509 | \$1,900 | -26% | \$1,894 | -26% | | \$25,930 | \$28,000 | -8% | \$24,278 | 6% | \$30,000 |
| Special Event | \$10,406 | \$33,000 | -217% | \$9,455 | | | \$12,406 | \$33,000 | -166% | \$9,455 | | \$33,000 |
| Room Rentals | \$2,403 | \$2,000 | 17% | \$2,748 | -14% | | \$27,507 | \$21,000 | 24% | \$20,379 | 26% | \$22,000 |
| AFS/ALA | \$200 | \$5,500 | -2650% | \$4,200 | -2000% | | \$17,245 | \$16,500 | 4% | \$10,016 | 42% | \$16,500 |
| Sec Sale | | | | | | | \$1,349 | \$2,000 | -48% | \$2,170 | -61% | \$2,000 |
| CONTRIBUTED : | | | | | | | | | | | | |
| Foundation Support | | | | | | | \$13,305 | \$18,000 | -35% | \$17,745 | | \$18,000 |
| Corporate Support | \$11,400 | \$1,100 | 90% | \$455 | 96% | | \$30,662 | \$38,000 | -24% | \$29,833 | 3% | \$38,900 |
| NAP Credits | \$5,600 | \$15,000 | -168% | \$8,410 | -50% | | \$76,700 | \$61,000 | 20% | \$66,060 | 14% | \$80,000 |
| Grants | | | | | | | \$135,028 | \$134,953 | 0% | \$149,204 | -10% | \$153,159 |
| Other Donations | \$2,505 | \$3,083 | -23% | \$1,363 | 46% | | \$24,209 | \$61,413 | -154% | \$28,899 | -19% | \$63,500 |
| Other Income | \$494 | \$463 | 6% | \$231 | 53% | | \$4,143 | \$7,093 | -71% | \$6,781 | -64% | \$7,300 |
| TOTAL INCOME | \$49,820 | \$80,946 | -62% | \$44,691 | 10% | | \$504,719 | \$571,639 | -13% | \$512,910 | -2% | \$646,359 |
| EXPENSES | | | | | | | | | | | | |
| Personnel | \$21,894 | \$22,665 | -4% | \$25,226 | -15% | | \$303,235 | \$327,770 | -8% | \$285,221 | 6% | \$385,207 |
| Interest | \$235 | \$264 | -12% | \$259 | -10% | | \$2,733 | \$2,906 | -6% | \$2,998 | -10% | \$3,170 |
| Utilities | \$1,386 | \$1,100 | 21% | \$1,174 | 15% | | \$14,230 | \$14,450 | -2% | \$13,277 | 7% | \$16,000 |
| Insurance | \$1,328 | \$750 | | 208 | | | \$8,125 | \$8,250 | -2% | \$4,350 | 46% | \$9,000 |
| Mkt & Prom & Special Event | \$5,900 | \$1,608 | 73% | \$1,906 | 68% | | \$34,947 | \$34,392 | 2% | \$33,214 | 5% | \$37,350 |
| Telephone | \$396 | \$453 | -14% | \$420 | -6% | | \$4,865 | \$4,883 | 0% | \$4,510 | 7% | \$5,350 |
| Postage | \$1,048 | \$575 | 45% | \$1,361 | -30% | | \$5,693 | \$4,750 | 17% | \$5,157 | 9% | \$5,000 |
| Office Supplies | \$262 | \$275 | -5% | \$202 | 23% | | \$3,426 | \$3,095 | 10% | \$3,485 | -2% | \$3,370 |
| Art Materials | \$2,050 | \$1,000 | 51% | \$1,171 | 43% | | \$9,920 | \$14,200 | -43% | \$9,713 | 2% | \$22,000 |
| Credit Card Fees | \$365 | \$145 | 60% | \$452 | -24% | | \$3,150 | \$3,705 | -18% | \$3,130 | 1% | \$4,250 |
| Gal & Gift Shop | \$1,278 | \$1,050 | 18% | 1123 | 12% | | \$15,528 | \$17,000 | -9% | \$14,597 | 6% | \$18,000 |
| Maint & Repair | \$1,433 | \$885 | 38% | \$1,434 | 0% | | \$10,173 | \$28,725 | -182% | \$10,480 | -3% | \$35,300 |
| Instructors | \$80 | | | \$160 | -100% | | \$3,440 | \$3,300 | 4% | \$28,757 | -736% | \$3,300 |
| Regrants | \$75 | | | | | | \$57,881 | \$57,234 | 1% | \$54,721 | 5% | \$63,594 |
| Co-Productions | \$1,518 | \$2,666 | -76% | 817 | 46% | | \$11,076 | \$26,278 | -137% | \$14,418 | -30% | \$22,600 |
| Other expenses* | \$1,099 | \$383 | 65% | \$883 | 20% | | \$15,133 | \$20,803 | -37% | \$21,310 | -41% | \$21,895 |
| Equipmt | \$146 | \$146 | 0% | \$146 | 0% | | \$2,264 | \$2,331 | -3% | \$2,282 | -1% | \$2,485 |
| Depreciation | \$3,000 | \$3,000 | 0% | \$3,000 | 0% | | \$33,000 | \$33,000 | 0% | \$33,000 | 0% | \$36,000 |
| Gain of Sale of Asset | | | | | | | | | | -\$665 | | |
| Workforce Development | \$5,691 | | | | | | \$5,691 | | | | 100% | |
| TOTAL EXPENSES | \$49,184 | \$36,965 | 25% | \$39,942 | 19% | | \$544,510 | \$607,072 | -11% | \$543,955 | 0% | \$693,871 |
| Net | \$636 | \$43,981 | -6815% | \$4,749 | -647% | | (\$39,791) | (\$35,443) | 11% | (\$31,045) | 22% | (\$47,512) |

City of Bloomington



Business Investment Incentive Fund

OFFICE OF THE MAYOR
CITY OF BLOOMINGTON
P.O. BOX 100
BLOOMINGTON, IN 47402
(812).349.3406 PHONE
(812).349.3455 FAX
EMAIL: HADLEYN@CITY.BLOOMINGTON.IN.US
CONTACT: Nathan Hadley
Executive Assistant for Economic Development

I. PROGRAM DESCRIPTION

- A. Purpose:** The Business Investment Incentive Fund is a revolving loan fund created by the City of Bloomington to provide low interest loans to eligible businesses committed to improving the economic vitality of our community. The City of Bloomington offers this economic development tool to promote the retention, expansion, and attraction of a diverse business base. With certain exceptions, loan proceeds can be used for capital improvement projects and the purchase of eligible equipment.

II. ELIGIBILITY

- A. Geographical Limitations:** Only businesses within or contiguous to the City of Bloomington's corporate boundaries or within an "Area Intended for Annexation" (AIFA) are eligible to seek assistance from the Business Incentive Loan Fund. The area must be properly zoned and have or plan to have access to adequate infrastructure, including water, sewer, roads, and telecommunications. If the business is located within the AIFA or contiguous to the City's corporate boundary and eligible for annexation, then the applicant (and the property owner, if different) must agree to voluntary annexation. If the applicant is ineligible for annexation at the time the loan is approved, then the property owner must sign and record a waiver of remonstrance against future annexation.
- B. Eligible Business Activities and Permissible Use of Funds:** As the fund is intended to support and promote a diverse economic base, the following eligible activities have been targeted as the primary beneficiaries of loan proceeds:
- 1. Business retention, expansion, attraction:** Any qualified business under these guidelines demonstrating a commitment to job growth, quality wages and benefits, and the overall economic vitality of the community is eligible to submit a loan application for permissible projects as identified by the guidelines. Eligible businesses range from basic manufacturing to high-tech service firms.
 - a. Permissible uses of funds:** Loan proceeds shall be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of equipment; or infrastructure improvements.
 - b. Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to, the following:

- 1.) Strength of business plan or business proposal.
- 2.) Projected new jobs to be created as a result of the project.
- 3.) Overall projected impact on the economic vitality of the community.
- 4.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
- 5.) Nature and extent of security/guarantees.
- 6.) Credit history.
- 7.) Expected tax base increases or decreases as a result of the project.
- 8.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
- 9.) Nature and extent of equity participation by principal owner(s).
- 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)

c. **Loan amounts:** Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less.

2. **Businesses within the Downtown Development Opportunity Overlay district:** Any qualified for-profit or not-for-profit business owner and/or commercial property owner located within the City of Bloomington's *Downtown Development Opportunity Overlay (DDOO)* district demonstrating a commitment to the economic vitality of Bloomington's downtown is eligible to submit a loan application for permissible projects as identified by the guidelines.

a. **Permissible uses of funds:** Loan proceeds shall be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of equipment; facade improvements; or infrastructure improvements.

b. **Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following:

- 1.) Strength of business plan or business proposal.

- 2.) Overall projected impact on the economic vitality of the downtown.
- 3.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
- 4.) Nature and extent of security/guarantees.
- 5.) Credit history.
- 6.) Expected tax base increases or decreases as a result of the project.
- 7.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
- 8.) Nature and extent of equity participation by principal owner(s).
- 9.) If applicant is not owner of property/building then approval of said owner is required.
- 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)

c. **Loan amount:** If the business is making an application under this section as a DDOO eligible business, the maximum loan amount is 50% of total project costs at or under \$100,000 and 20% of any remaining project costs over \$100,000 with total loan not to exceed \$100,000.

d. **Non-profit grant initiative:** To encourage capital improvements to facilities owned and/or operated by eligible non-profit organizations within the DDOO district, eligible organizations may obtain matching grant funds for qualified projects. Eligible non-profit organizations are those within the DDOO district that have a retail or commercial activity as its primary purpose including, but not limited to, performance venues, galleries, and retail shops. The maximum matching grant is 50% of total qualified project costs with total grant not to exceed \$25,000. An eligible non-profit organization can only receive one grant disbursement every 5 years. Grant funds are in lieu of loan funds. An eligible non-profit cannot receive both a loan and a grant.

3. **Business supported child care facility:** Any qualified business or consortium of businesses can apply for a loan to provide a child care facility for the children of employees of the business or consortium of businesses first and for the general public second. The facility must be at the business site or in near proximity.

- a. **Permissible uses of funds:** Loan proceeds may be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of child care equipment; or infrastructure improvements.
 - b. **Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following:
 - 1.) Strength of business plan or business proposal.
 - 2.) Projected number of employees to be served by the facility.
 - 3.) Projected number of general public, if any, to be served by the facility.
 - 4.) Use of funds to leverage other sources of capital including conventional financing and grant funds.
 - 5.) Collaboration with or impact on existing child care facilities.
 - 6.) Nature and extent of security/guarantees.
 - 7.) Credit history.
 - 8.) Any proposed city/state sponsored incentives expected to be received for the proposed project.
 - 9.) Nature and extent of equity participation by principal owner(s).
 - 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)
 - c. **Loan amount:** Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less.
4. **Public purpose induced business relocation:** Any qualified business that is required to relocate from its business location due to acquisition of the property by the City of Bloomington for a project serving a public purpose is eligible to submit a loan application for permissible projects as identified by the guidelines. “Relocate” as used in this subsection means that the business is required to move its primary business operations from the property.
- a. **Permissible uses of funds:** Loan proceeds may be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of

buildings; purchase of eligible equipment; or infrastructure improvements.

b. Evaluation criteria: Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following. The Common Council may waive one or more of these requirements if it finds that public policy so dictates.

- 1.) Strength of business plan or business proposal.
- 2.) Projected new jobs to be created as a result of the project.
- 3.) Overall projected impact on the economic vitality of the community.
- 4.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
- 5.) Nature and extent of security/guarantees.
- 6.) Credit history.
- 7.) Expected tax base increases or decreases as a result of the project.
- 8.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
- 9.) Nature and extent of equity participation by principal owner(s).
- 10.) Projected public benefit of relocation.
- 11.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)

c. Loan amount: Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less. If public policy dictates, the maximum loan amount can be waived.

5. Business disruption bridge loan: A qualified business that suffers significant loss of sales and revenues in an area determined to be economically distressed due to disruptions caused by a City of Bloomington public works project is eligible to submit a loan application for short-term operating capital costs. Businesses applying for loans under this section must have been in operation at their affected site for at least 12 months prior to the start of construction of the public works project. The Review Committee established under this section shall make the

determination of the areas that are economically distressed due to City of Bloomington public works projects.

- a. **Permissible uses of funds:** Applicants receiving loans under this section shall use the proceeds in order to meet minimum operational expenses, including but not limited to rent or mortgage, utilities, payroll, or other unavoidable expenses necessary to maintain the business at a minimum operational level.
- b. **Loan Review Committee:** Applications received under this section shall be reviewed by a committee composed of the Mayor's Executive Assistant for Economic Development, the City Controller, the President of the Common Council, the Common Council member whose district includes the affected business, and the President of the Economic Development Commission or their designees. The loan committee shall be chaired by the Mayor's Executive Assistant for Economic Development
- c. **Review process:** The committee shall meet as often as is needed, but shall not meet less often than once per calendar year. Loans approved by the loan review committee established under this chapter do not require additional approvals from the Economic Development Commission or the Common Council. The Mayor's Executive Assistant for Economic Development will coordinate with the city's Legal Department the preparation of all necessary loan documents and a loan closing date.
- d. **Evaluation criteria:** The loan review committee established under this section shall establish criteria for the acceptance, review and approval of loans, which shall at a minimum include, but not be limited to, the following:
 - 1.) Each business must demonstrate financial need for the loan in order to meet minimum operation expenses, including but not limited to rent or mortgage, utilities, payroll, or other unavoidable expenses necessary to maintaining the business at a minimum operational level.
 - 2.) Each business shall provide proof of sales figures for the current time period in which the business has experienced economic distress due to the public works project, along with proof of sales figures for the same time period in the prior calendar year.
 - 3.) Each business shall provide proof of similar expense levels required to generate the same level of sales in the current time period, compared to the sales levels for the same time period in the preceding calendar year.
 - 4.) Each business shall provide a plan that describes how the business will use loan proceeds; forecasted expenses and revenues for the

period beginning with the first day of the month in which the loan is granted through the last day of the month preceding the month in which the loan is granted of the following year; and a proposed repayment schedule which shall provide for total repayment of the loan no later than one (1) year from the date on which the loan closing occurs.

- e. **Loan amounts and terms:** Loans approved under this section shall be made with the following limitations and terms:
- 1.) Subject to the availability of funds, a maximum of \$150,000 in loans may be made under this section.
 - 2.) A loan made under this section shall be limited to \$35,000 for each qualified applicant.
 - 3.) No interest shall be charged or accrue on loans before the date the public works project ceases causing significant disruption to the business. This date shall be determined by the loan review committee, in conjunction with the city department performing the project. Thereafter, interest on each loan shall accrue on a monthly basis at an annual rate of two percent of the unpaid balance of the loan on the last day of each month.
 - 4.) The loan review committee may submit claims for loans from the fund according to the City Controller's standard claim schedule or it may request from the City Controller's office a special warrant for expedited release of moneys from the fund if it determines that the business receiving the loan has demonstrated a reasonable need for the loan proceeds before the date a check would be released pursuant to the standard claim schedule.

III. ADDITIONAL TERMS AND CONDITIONS

- A. **Term:** The maximum term is five years, unless the loan is a business disruption bridge loan made under Section II. B. 5.
- B. **Rate:** Except for business disruption bridge loans made under Section II. B. 5, the interest rate will be the highest interest rate currently available for other city fund investments at time of application. The interest rate assigned is good for a period of ninety days from date of application.
- C. **Payments:** Except for business disruption bridge loans with a different approved payment schedule, principal and interest payments are to be made monthly. All payments are due on the first day of each month. Payments received after the tenth of the month will be assessed a 5% late

fee. Loan payments are to be mailed to:
City of Bloomington
Controller's Office
P.O. Box 100
Bloomington, IN 47402

D. Non-relocation Clause: Unless specifically approved by the City Council, the borrower may not relocate the funded business activity or a significant part of the business activity. Failure to comply with this section is grounds for default.

E. Default: The loan may be declared in default and become due and payable within 30 days of written notice to the borrower for any of the following reasons:

1. Failure of borrower to disclose any and all facts pertinent to the loan approval or any misrepresentation of information.
2. Failure of borrower to make timely payments.
3. Failure of borrower to use loan funds as described in the loan application.
4. Failure of borrower to maintain mortgaged property, keep it insured and/or pay property taxes on it.
5. Failure to obtain approval for relocation of business.
6. Failure to comply with any material terms of the loan documents, including but not limited to, the loan agreement, mortgage, financing statement, and personal guaranty.
7. Failure to comply with voluntary annexation agreement or waiver of remonstrance agreement.

IV. APPLICATION PROCEDURE

A. The following application procedures apply to all loans except the business disruption bridge loan under Section II.B.5. The applicant will contact the Mayor's Executive Assistant for Economic Development for a pre-application meeting. At that meeting, the applicant will receive instruction for submitting a complete application for consideration. Except of those businesses applying under Section 5, upon completion, the applicant will submit the application along with a \$100.00 processing fee to the Executive Assistant for Economic Development for review. If the

application is determined to be complete and eligible, the Executive Assistant for Economic Development will initiate the formal approval process.

- B. If the application is submitted for formal approval, the Executive Assistant for Economic Development shall schedule a meeting of the Economic Development Commission. At this public meeting the applicant will have an opportunity to present his/her proposal. The Economic Development Commission shall review the application based on the guidelines and either approve or deny.
- C. If a loan is approved as is by the Economic Development Commission, it will be forwarded to the City Council in the form of a resolution for the Council's approval or denial.
- D. If a loan is approved by the City Council, the borrower will sign all necessary loan documents for the loan. The borrower is responsible for securing all necessary lien documents, insurance documentation and title insurance policies as necessary. The Executive Assistant for Economic Development will coordinate with the City's legal department the preparation of all necessary loan documents and a loan closing date.

V. SECURITY

- A. Acceptable collateral includes a mortgage against real estate with at least 20% equity remaining after total project financing is secured, a lien against the cash value of life insurance, a lien against a Certificate of Deposit Account, a lien against qualified equipment, and/or any other acceptable and approved form of security.
- B. Loans will be secured to the extent that such security is feasible and does not impair the ability of the borrower to conduct its activities and may be subordinated to other financing, to and including a subordinated position on personal guarantees, as long as the city's loan is adequately secured.

VI. RELEASE OF FUNDS

- A. Once City Council approval is granted the applicant must secure all supplemental loans, securities, and other conditional documentation or action within 90 days. Failure to comply with any terms, conditions, or other requirements within this time period may result in nullification of the approved loan.

- B.** All documentation must be on file with the Executive Assistant for Economic Development in the Mayor's Office and approved by the City of Bloomington's Legal Department prior to any release of funds.
- C.** Loan funds may be disbursed in full at time of closing or in two disbursements within the first year following approval. Lien documents for the total loan amount will be signed for each disbursement.
- D.** Claims for the payment of Business Disruption Loan proceeds do not need approval of the Board of Public Works prior to disbursement.

Business Investment Incentive Fund Application

A. Name:

B. Applicant:

C. Address:

D. Phone:

E. Email:

F. Management:

G. Equity Ownership:

H. Loan Information:

1. *Purpose:*

2. *Total Project Cost:*

3. *Business Investment Incentive Fund Request:*

4. *Source of Repayment (if a loan): (List any collateral, accounts receivable, guarantees, etc.):*

I. **Personal Financial Information:** *(Complete attached Personal Information form for each owner or partner of business).*

J. **Business Plan:** *(Submit a complete business plan with corporate financial statements. See attached outline.)*

Business Plan Contents

- I. Summary**
 - A. Business description
 - 1. Name
 - 2. Location and facility description
 - 3. Product(s)
 - 4. Market and competition
 - 5. Management expertise
 - B. Business goals
 - C. Summary of financial needs and application of funds
 - D. Earnings, projections, and potential return to investors

- II. Market Analysis**
 - A. Description of total market
 - B. Industry trends/Target markets
 - C. Competition

- III. Products or Services**
 - A. Description of product line or service
 - B. Proprietary position: patents, copyrights, and legal/technical considerations
 - C. Comparison or competitors' products or services

- IV. Manufacturing Process (if applicable)**
 - A. Materials
 - B. Source of supply
 - C. Production methods

- V. Marketing Strategy**
 - A. Overall strategy
 - B. Pricing policy/Sales terms
 - C. Method of selling, distributing and servicing products

- VI. Management Plan**
 - A. Form of business organization
 - B. Board of Directors composition
 - C. Officers: Organization chart and responsibilities
 - D. Resumes of key personnel
 - E. Staffing plan/number of employees
 - F. Facilities plan/planned capital improvements
 - G. Operating plan/ schedule of upcoming work for next one to two years

- VII. Financial Data**
 - A. Financial history (three years to present)
 - B. Three year financial projections (first year by months; remaining years quarterly)
 - 1. Profit /loss statement and balance sheet
 - 2. Cash flow chart
 - 3. Capital expenditure estimates
 - C. Explanation of projections

ORDINANCE 05-17

**TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED
“ADMINISTRATION AND PERSONNEL”**

Re: Inserting Section 2.26.070 which Establishes a Restricted Donation Fund

- WHEREAS, Indiana law generally requires that all expenditures be made with funds that have been appropriated for a particular purpose; and
- WHEREAS, The State Board of Accounts has authorized an exception to the appropriation requirement for expenditures made from a Restricted Donation Fund; and
- WHEREAS, the City of Bloomington from time to time receives monetary donations from citizens and businesses, often for specified purposes; and
- WHEREAS, because the City has not heretofore established a Restricted Donation Fund, such donated funds cannot be spent even for the specified purposes without passage of an appropriation ordinance and approval of such ordinance by the Indiana Department of Local Government Finance; and
- WHEREAS, the appropriation and approval process requires several weeks to complete; and
- WHEREAS, the City desires to expedite the process of fulfilling donor requests by establishing a fund in which restricted donations are deposited and from which monies may be expended for restricted purposes without appropriation;

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

SECTION I. Chapter 2.26 of the Bloomington Municipal Code, “Controller’s Department,” shall be amended to add Section 2.26.070, “Restricted Donation Fund,” which shall be reflected in the Chapter’s table of contents and shall read:

2.26.070 Restricted Donation Fund.

- (a) Establishment of Fund. A Restricted Donation Fund (Fund) is hereby established in the Office of the Controller.
- (b) Source of Revenues. Monetary donations for restricted purposes in amounts not to exceed \$5,000 per donation shall be deposited into the Fund.
- (c) Purpose of Fund. The monies contained in the Fund shall be used for the purpose for which the donation was received.
- (d) Expenditures from Fund. Claims for payment from the Fund shall be subject to approval of the Board of Public Works.
- (e) Amendment and Termination. The Fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the Fund at termination shall be deposited into the General Fund.

SECTION II. 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, 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 III. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2005.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This ordinance establishes the Restricted Donation Fund to be used for monetary donations not exceeding \$5,000 with a restricted purpose.



MARK KRUZAN
MAYOR

CITY OF BLOOMINGTON

401 N Morton St
Post Office Box 100
Bloomington IN 47402

SUSAN CLARK
CONTROLLER

CONTROLLER'S OFFICE

p 812.349.3412
f 812.349.3456
controller@bloomington.in.gov

Memorandum

To: Council Members
From: Susan Clark, Controller
Date: June 21, 2005
Re: Ordinance 05-17 – To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” – Re: To Insert Section 2.26.070 which Establishes a Restricted Donation Fund

Ordinance 05-17 will establish and codify the Restricted Donation Fund. On occasion, the City of Bloomington receives donations for restricted purposes. Currently, these donations are deposited into whatever fund will be used for the intended expenditure. For instance, a \$50 check intended to buy food to thank the Street Department crews for their snow removal efforts would be deposited into the Motor Vehicle Highway Fund. A \$500 donation for the Animal Shelter would be deposited into the General Fund. In such cases, there may be a concern by the donor (and/or recipient department) that the gift money is being commingled with other funds.

Our proposed solution is to establish a separate Restricted Donation Fund for money donated to the City for restricted purposes in amounts that do not exceed \$5,000 per donation. A separate accounting of donations will be maintained by using individual program numbers. We will also improve efficiency by eliminating the need to submit an appropriation ordinance when sufficient funds to make the requested expenditure do not exist in the recipient department's budget. All claims will be subject to the approval of the Board of Public Works.

The following is an excerpt from the State Board of Accounts' Accounting and Compliance Guidelines Manual for Cities and Towns:

The Attorney General held in Official Opinion No. 68 of 1961 that no further appropriation by other officials of government is necessary to expend monies donated for the specific purpose designated by the donor of the gift.

Such donation should be receipted into a separate fund properly titled, such monies not to be commingled with any other monies received by the city or town.

Based upon the reasoning used in the foregoing opinion, we believe payments may be made by a city or town at any time from this fund for the purpose specified by the donor without appropriation. However, accounts payable vouchers must be filed and approved in the regular legal manner before payments are made from this specific fund.

Please contact me if you have any questions or concerns about the establishment of this fund.

~~strike~~ – proposed deletion
bold – proposed addition
▶ -- relevant section

**TITLE 2 “ADMINISTRATION AND PERSONNEL”
OF THE BLOOMINGTON MUNICIPAL CODE
AS AMENDED BY ORDINANCE 05-17**

Ord 05-17 amends Chapter 2.26, “Controller’s Department” by adding §2.26.070, “Restricted Donation Fund.”

Title 2

ADMINISTRATION AND PERSONNEL

Chapters:

- 2.02 Boards and Commissions
- 2.04 Common Council
- 2.08 Executive Branch
- 2.09 Board of Public Works
- 2.10 Department of Public Works--Establishment
- 2.11 Department of Public Works--Divisions
- 2.12 Boards, Commissions and Councils
- 2.13 Plan Commission
- 2.14 Planning Department
- 2.15 Advisory Board of Zoning Appeals
- 2.16 Historical Preservation Commission
- 2.17 Board of Public Safety
- 2.18 Bloomington Redevelopment Commission
- 2.19 Housing and Neighborhood Development
- 2.20 Bloomington Board of Park Commissioners
- 2.21 Department of Law
- 2.22 Employee Services Department
- 2.23 Community and Family Resources Department
- 2.24 Utilities
- 2.25 Information and Technology Services Department
- 2.26 Controller’s Department
- 2.27 Ordinance Violations Bureau

- 2.28 (Reserved)
- 2.29 (Reserved)
- 2.30 Statutory Boards and Commissions
- 2.31 (Reserved)
- 2.32 Police Collective Bargaining
- 2.33 (Reserved)
- 2.34 Firefighters Collective Bargaining
- 2.44 Airports

- 2.52 Property Sales
- 2.56 Miscellaneous Provisions
- 2.76 Bloomington Public Transportation Corporation

Chapter 2.26

CONTROLLER'S DEPARTMENT

Sections:

- 2.26.000 Establishment--Appointment of director.
- 2.26.010 Special nonreverting fund--Establishment and funding.
- 2.26.020 Special nonreverting fund--Uses.
- 2.26.030 Special nonreverting fund--Appropriations from the fund, amendments and termination.
- 2.26.040 Telecommunications nonreverting fund--Establishment and funding.
- 2.26.050 Telecommunications nonreverting fund--Uses.
- 2.26.060 Telecommunications nonreverting fund--Appropriations from the fund, amendments and termination.
- ▶ **2.26.070 Restricted Donation Fund**
- 2.26.080 Authorized Financial Instruments [*as proposed by Ord 05-18*]
- 2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument [*as proposed by Ord 05-18*]
- 2.26.100 Fees for Copying Public Records [*as proposed by Ord 05-18*]

2.26.000 Establishment--Appointment of director.

There is hereby created a Controller's Department which shall have responsibility, pursuant to statute, for all fiscal affairs of the city. The Controller's Department shall be directed by the City Controller. (Ord. 83-6 § 2 (part), 1983).

2.26.010 Special nonreverting fund--Establishment and funding.

There is created a special nonreverting improvement fund. All monies received by the city pursuant to the agreement in lieu of annexation approved by Ordinance 87-30, and the agreement to modify and extend the 1987 agreement approved by Ordinance 97-55 and Resolution 98-02, shall be placed in the special nonreverting improvement fund. Within the special nonreverting fund shall be a "road and traffic improvement account" as authorized by Ordinance 87-31, to receive and expend funds in a manner consistent with the provisions of the agreement in lieu of annexation as modified and amended. (Ord. 04-24 § 1 (part), 2004).

2.26.020 Special nonreverting fund--Uses.

Pursuant to the provisions of the agreement in lieu of annexation as modified and amended, the monies in the special nonreverting improvement fund, other than those deposited in the road and traffic improvement account, may be used for any legal public purpose. The uses of said funds shall include but not be limited to:

- (a) The provision of police and fire protection service and other services related to health and safety, including animal care and control and the acquisition of emergency equipment;
- (b) Road and traffic improvements, including but not limited to right-of-way procurement, traffic signalization and the construction or reconstruction of streets, curbs and gutters, and any and all costs associated with the acquisition of land and/or payment for improvements thereon in order to serve the existing industries and encourage development in the vicinity of the industries, thereby strengthening the city's position for future annexation;
- (c) Payment for professional services, salaries, material and equipment necessary to prepare fiscal plans and other reports and studies required to proceed with annexation of the areas contiguous to the city of Bloomington, including services provided by the city controller's department staff in the development of written fiscal plan(s) for annexation of contiguous territory, and to obtain federal and nonfederal grant funding that may be used for the benefit of the city or industries which are party to the agreement;
- (d) Advances on expenditures for capital improvement projects in anticipation of the issuance of bonds; and advances on expenditures for capital improvement projects in anticipation of receipt of anticipated tax revenues. Upon issuance of bonds, said advances shall be repaid from bond proceeds; upon receipt of anticipated tax revenues, said advances shall be repaid from said revenues. (Ord. 04-24 § 1 (part), 2004).

2.26.030 Special nonreverting fund--Appropriations from the fund, amendments and termination.

Expenditures from the special nonreverting fund and the road and traffic improvement account within that fund which are not included in the annual budget appropriation shall be authorized by approval of an appropriation ordinance by the city's fiscal body. The special nonreverting fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the fund at termination shall be deposited into the general fund. (Ord. 04-24 § 1 (part), 2004).

2.26.040 Telecommunications nonreverting fund--Establishment and funding.

A telecommunications nonreverting fund (fund) shall be established in the office of the controller. The fund shall derive its revenues from cable franchise fees and from monies received by the city from the sale, lease, operation or other use of its telecommunications infrastructure. All cable franchise fee revenues received by the city shall be deposited into the fund. In addition, all monies received by the city from the sale, lease, operation, or other use of its telecommunications infrastructure up to a maximum of one hundred twenty-five percent of the total amount previously appropriated from the telecommunications infrastructure portion of the fund shall be deposited into the fund and used for telecommunications infrastructure. (Ord. 04-24 § 2 (part), 2004).

2.26.050 Telecommunications nonreverting fund--Uses.

Sixty percent of cable franchise fees shall be dedicated for audio-visual and information technology, and public, education, and government access/telecommunications services (hereinafter known as telecommunications services) and forty percent of cable franchise fees shall be dedicated for audio-visual and information technology, and for the planning, design, development, construction, maintenance, and repair of the city's telecommunications infrastructure (hereinafter known as telecommunications infrastructure). In addition to the forty percent of the cable franchise fees dedicated for telecommunications infrastructure, all monies received by the city from the sale, lease, operation or other use of its telecommunications infrastructure shall also be dedicated for this purpose up to the amount specified in Section 2.26.040. (Ord. 04-24 § 2 (part), 2004).

2.26.060 Telecommunications nonreverting fund--Appropriations from the fund, amendments and termination.

All expenditures from the telecommunications nonreverting fund shall be subject to appropriation by the city's fiscal body and shall be budgeted through the department of public works. The telecommunications nonreverting fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the fund at termination shall be deposited into the general fund. (Ord. 04-24 § 2 (part), 2004).

► **2.26.070 Restricted Donation Fund.**

(a) Establishment of Fund. A Restricted Donation Fund (Fund) is hereby established in the Office of the Controller.

(b) Source of Revenues. Monetary donations for restricted purposes in amounts not to exceed \$5,000 per donation shall be deposited into the Fund.

(c) Purpose of Fund. The monies contained in the Fund shall be used for the purpose for which the donation was received.

(d) Expenditures from Fund. Claims for payment from the Fund shall be subject to approval of the Board of Public Works.

(e) Amendment and Termination. The Fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the Fund at termination shall be deposited into the General Fund.

2.26.080 Authorized Financial Instruments. [*as proposed by Ord 05-18*]

Pursuant to Indiana Code Section 36-1-8-11, the City of Bloomington, including the City of Bloomington Utilities, is hereby authorized to accept 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.

If the City incurs any charge for the use of a financial instrument, the City, including the City of Bloomington Utilities, may collect a sum equal to the amount of the charge from the person or entity that uses the financial instrument.

2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument [*as proposed by Ord 05-18*]

- (a) Application. This section shall apply to any person who tenders a check, draft, order, or like instrument to any department of the City of Bloomington, including the City of Bloomington Utilities.
- (b) Surcharge. If a check, draft, order, or like instrument tendered to the City of Bloomington is dishonored or returned unpaid for any reason, the City may charge and collect from the maker or drawer, or the person for whose benefit the instrument was given, an amount not to exceed twenty dollars (\$20.00), plus an amount equal to the actual charge by the depository institution for each returned or dishonored instrument. The charge shall not be considered an interest charge, a finance charge, a time price differential, or any charge of a similar nature.
- (c) Notice; Collection by City; Referral of Dishonored Checks to Prosecuting Attorney. When a surcharge is imposed under Section 2.26.090(b), the City shall notify the maker or drawer, or the person for whose benefit the instrument was given, to inform them that the instrument was dishonored or returned unpaid and that the person has ten (10) days after the date the notice is mailed to pay the total amount due, including the surcharge, either in cash or by certified check or money order.

If the person fails to make payment within the ten (10) day period, the City shall, pursuant to Indiana Code Section 36-1-8-13, refer the matter to the prosecuting attorney not later than ninety (90) days from the date the City received the dishonored check.

2.26.100 Fees for Copying Public Records. [*as proposed by Ord 05-18*]

(a) Pursuant to Indiana Code Section 5-14-3-8(d), the following fee schedule is established for the City of Bloomington for requests for public records made under Indiana Code 5-14-3. Each department of the City, including the City of Bloomington Utilities, shall charge the following fees, which fees shall not exceed the amounts allowed by Indiana law:

Paper records, 8 ½ x 11 inches:
Black and white copies -
Up to 50 copies – no charge.

More than 50 copies - \$0.04 per copy for each copy after 50, or such other amount as determined by the City Controller from time to time that represents the actual cost of providing the copies.

Color copies - \$0.20 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Paper records, 11 x 17 inches:

Black and white copies - \$0.08 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Color copies - \$0.23 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Large format copies (larger than 11 x 17 inches)

\$0.40 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Photographs – Actual cost of processing or providing copies.

Recordings – Actual cost of blank tape, CD, DVD or similar medium onto which the record will be copied.

(b) The fees charged pursuant to this section shall be separate and distinct from the enhanced access fees charged pursuant to BMC 2.25.030 through 2.25.070, and from the fees charged pursuant to BMC 15.060.080.

ORDINANCE 05-18

**TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE
ENTITLED “ADMINISTRATION AND PERSONNEL”
(Amending Chapter 2.26 (Controller’s Department) in Order to Authorize
Acceptable Financial Instruments, a Surcharge for Dishonored Checks, Drafts,
Orders, or Like Instruments, and a Fee Schedule for the Providing Copies of Public
Records; and, Amending Chapter 2.21 (Department of law) in Order to Authorize
the Purchase of a Blanket Bond or Crime Insurance Policy and Fixing the Amount
of the City Controller’s Surety Bond)**

WHEREAS, Indiana Code Section 36-1-8-11 authorizes the fiscal body of a political subdivision or the board of the municipally owned utility to accept payments by cash, check, bank draft, money order, bank card or credit card, or electronic funds transfer;

WHEREAS, Indiana Code Section 26-1-3.1-502.5 permits the assessment of a surcharge if a negotiable instrument is dishonored or returned unpaid for any reason; and

WHEREAS, Indiana Code Section 5-14-3-8(d) authorizes local government agencies to establish fees for the copying of documents that are uniform throughout the agency and do not exceed the actual cost of copying; and

WHEREAS, Indiana Code Section 5-4-1-18 authorizes the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit, including the City Clerk and the City Controller, and also requires that the City Controller’s surety bond be a fixed amount; and

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

SECTION 1. Chapter 2.26 of the Bloomington Municipal Code, “Controller’s Department,” shall be amended to add Section 2.26.080 Authorized Financial Instruments, which shall be reflected in the Chapter’s table of contents and shall read:

2.26.080 Authorized Financial Instruments.

Pursuant to Indiana Code Section 36-1-8-11, the City of Bloomington, including the City of Bloomington Utilities, is hereby authorized to accept 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.

If the City incurs any charge for the use of a financial instrument, the City, including the City of Bloomington Utilities, may collect a sum equal to the amount of the charge from the person or entity that uses the financial instrument.

SECTION 2. Chapter 2.26 of the Bloomington Municipal Code, “Controller’s Department,” shall be amended to add Section 2.26.090 Surcharge for a Dishonored Check, Draft, Order, or Like Instrument, which shall be reflected in the Chapter’s table of contents and shall read:

2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument

(a) Application. This section shall apply to any person who tenders a check, draft, order, or like instrument to any department of the City of Bloomington, including the City of Bloomington Utilities.

(b) Surcharge. If a check, draft, order, or like instrument tendered to the City of Bloomington is dishonored or returned unpaid for any reason, the City may charge and collect from the maker or drawer, or the person for whose benefit the instrument was given, an amount not to exceed twenty dollars (\$20.00), plus an amount equal to the actual charge by the depository institution for each returned or dishonored instrument. The charge shall not be considered an interest charge, a finance charge, a time price differential, or any charge of a similar nature.

(c) Notice; Collection by City; Referral of Dishonored Checks to Prosecuting Attorney. When a surcharge is imposed under Section 2.26.090(b), the City shall notify the maker or drawer, or the person for whose benefit the instrument was given, to inform them that the instrument was dishonored or returned unpaid and that the person has ten (10) days after the date the notice is mailed to pay the total amount due, including the surcharge, either in cash or by certified check or money order.

If the person fails to make payment within the ten (10) day period, the City shall, pursuant to Indiana Code Section 36-1-8-13, refer the matter to the prosecuting attorney not later than ninety (90) days from the date the City received the dishonored check.

SECTION 3. Chapter 2.26 of the Bloomington Municipal Code, "Controller's Department," shall be amended to add Section 2.26.100 Fees for Copying Public Records, which shall be reflected in the Chapter's table of contents and shall read:

2.26.100 Fees for Copying Public Records.

(a) Pursuant to Indiana Code Section 5-14-3-8(d), the following fee schedule is established for the City of Bloomington for requests for public records made under Indiana Code 5-14-3. Each department of the City, including the City of Bloomington Utilities, shall charge the following fees, which fees shall not exceed the amounts allowed by Indiana law:

Paper records, 8 ½ x 11 inches:

Black and white copies -

Up to 50 copies – no charge.

More than 50 copies - \$0.04 per copy for each copy after 50, or such other amount as determined by the City Controller from time to time that represents the actual cost of providing the copies.

Color copies - \$0.20 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Paper records, 11 x 17 inches:

Black and white copies - \$0.08 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Color copies - \$0.23 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Large format copies (larger than 11 x 17 inches)

\$0.40 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Photographs – Actual cost of processing or providing copies.

Recordings – Actual cost of blank tape, CD, DVD or similar medium onto which the record will be copied.

(b) The fees charged pursuant to this section shall be separate and distinct from the enhanced access fees charged pursuant to BMC 2.25.030 through 2.25.070, and from the fees charged pursuant to BMC 15.060.080.

SECTION 4. Chapter 2.21 of the Bloomington Municipal Code, “Department of Law,” shall be amended to add Section 2.21.135 Blanket and Individual Surety Bonds, which shall be reflected in the Chapter’s table of contents and shall read:

2.21.135 Blanket and Individual Surety Bonds.

(a) The purpose of this section is to authorize the purchase of a blanket bond or crime insurance policy and fix the amount of the surety bond of the City Controller.

(b) Pursuant to Indiana Code Section 5-4-1-18(b), the Risk Manager is hereby authorized to purchase a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the City, including employees of the City of Bloomington Utilities. The blanket bond or crime insurance policy may include the individual surety bond which must be filed by the City Clerk and City Controller.

(c) Pursuant to Indiana Code Section 5-4-1-18(c), the individual surety bond of the City Controller is hereby fixed in the amount of three hundred thousand dollars (\$300,000), or such other amount as may hereafter be fixed by amendment to the statute.

SECTION 5. 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, provisions, or applications of this ordinance which can be given effect without the invalid section, sentence, provision, or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 6. This ordinance shall be in full force and effect on and after its passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2005.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2005.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends Title 2 of the BMC (Administration and Personnel) in order to establish financial instruments which are acceptable methods of payment, a surcharge for dishonored negotiable instruments, fees for copying public records, and authority to purchase a blanket bond and fix the amount of the City Controller's surety bond.



MARK KRUZAN
MAYOR

CITY OF BLOOMINGTON

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Post Office Box 100
Bloomington IN 47402

SUSAN CLARK
CONTROLLER

CONTROLLER'S OFFICE

p 812.349.3412
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controller@bloomington.in.gov

Memorandum

To: Council Members
From: Susan Clark, Controller
Date: June 23, 2005
Re: Ordinance 05-18 – To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration and Personnel” – Amending Chapter 2.26 (Controller’s Department and Amending Chapter 2.21 (Department of law))

Ordinance 05-18 will add four new sections to the Bloomington Municipal Code.

2.26.080 Authorized Financial Instruments. Per Indiana Code § 36-1-8-11, the City of Bloomington should have authorization from the Common Council in order to accept various forms of payment or financial instruments. While we suspect that this authorization was granted in the past, we feel it is appropriate to codify the list of “Authorized Financial Instruments” so that we will know in the future which items are permitted. This list includes all of normal types of payments that we currently receive: cash, check, bank draft, money order, bank card or credit card, and electronic funds transfer.

2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument. Indiana Code § 26-1-3.1-502.5, Indiana Code § 35-43-5-5 and Indiana Code § 36-1-8-13 all provide relevant information used to formulate our policy regarding dishonored checks. Municipalities are permitted to charge a fee when authorized by ordinance in order to recoup the money lost in bank fees when a check is returned for insufficient funds, etc. The maximum allowed under state code is \$20 plus bank fees. We would like to charge payees \$25 for each bad check, since the minimum amount charged to us by the bank is \$5. This is not a money-making proposal, simply an attempt to offset revenue lost when someone bounces a check.

2.26.100 Fees for Copying Public Records. Indiana Code § 5-14-3-8(d), allows municipalities to establish fees for copies made as a result of a request for public records. The fees must be uniform throughout the City and must be set at the actual cost of the paper and per-page cost of copying. We are proposing that fees be set as follows:

Paper records, 8 ½ x 11 inches:

Black and white copies of paper records – Up to 50 pages – no charge.

More than 50 pages – \$0.04 per page for each page after 50, or such other amount as determined by the City Controller from time to time that represents the actual cost of providing the copies.

Color copies - \$0.20 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Paper records, 11 x 17 inches:

Black and white copies - \$0.08 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Color copies - \$0.23 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Large format copies (larger than 11 x 17 inches):

\$0.40 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Photographs – Actual cost of processing or providing copies.

Recordings – Actual cost of blank tape, CD, DVD or similar medium onto which the record will be copied.

From time to time, we will adjust the fees for copies based solely on the cost of paper and copying. As required by state law, no labor or overhead costs will be included.

2.21.135 Blanket and Individual Surety Bonds. (This section of the memo was provided by Paige Freitag, Assistant City Attorney for Risk Management.)

Indiana Code Section 5-4-1-18 provides in relevant part:

(a) Except as provided in subsection (b), the following city, town, county, or township officers and employees shall file an individual surety bond:

(1) City judges, controllers, clerks, and clerk-treasurers.

* * *

(b) The fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a).

(c) The fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

(1) The amount must equal fifteen thousand dollars (\$15,000) for each one million dollars (\$1,000,000) of receipts of the officer's office

during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).

(2) The amount may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000).

(Emphases added).

Risk Management has consistently procured a crime insurance policy, in addition to individual surety bonds for all offices or employees required by statute. However, the Bloomington Municipal Code does not contain enabling legislation which authorizes Risk Management to procure such a policy (or blanket bond). As a result, the first part of this ordinance, in compliance with Indiana Code Section 5-4-1-18(b), authorizes the Risk Manager to purchase a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit. In addition, the ordinance mirrors the statute when it states that the blanket bond or crime insurance policy may include the individual surety bond which must be filed by the City Clerk and the City Controller. As a practical matter, the ordinance authorizes the Risk Manager to perform a task already done. Further, the ordinance may provide the Risk Manager with more leeway in negotiating the City's future insurance coverage.

The second part of the section addresses Indiana Code Section 5-4-1-18(c), which requires the fiscal body to fix the amount of the bond of city controllers, in addition to the bonds of other officials not relevant to the City. Again, Risk Management has consistently procured the individual surety bond for the City Controller in the amount of \$300,000, but no section of the Bloomington Municipal Code fixes the amount of that bond as required by law. Therefore, the second part of the ordinance fixes the amount of the City Controller's surety bond at \$300,000.

Please feel free to contact Paige Freitag at 349-3438 or me at 349-3416 if you have any questions or concerns about this legislation.

~~strike~~ – proposed deletion
bold – proposed addition
▶ -- relevant section

**TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE
ENTITLED “ADMINISTRATION AND PERSONNEL”**

AS AMENDED BY ORDINANCE 05-18

Section 1 of Ord 05-18 amends §2.26, “Controller’s Office” by adding §2.26.080, “Authorized Financial Instruments.”

Section 2 of Ord 05-18 amends §2.26, “Controller’s Office” by adding §2.26.090, “Surcharge for a Dishonored Check, Draft, Order, or Like Instrument.”

Section 3 of Ord 05-18 amends §2.26, “Controller’s Office” by adding §2.26.100, “Fees for Copying Public Records.”

Section 4 of Ord 05-18 amends §2.21, “Department of Law” by adding §2.21.135, “Blanket and Individual Surety Bonds.”

Title 2

ADMINISTRATION AND PERSONNEL

Chapters:

- 2.02 Boards and Commissions
- 2.04 Common Council
- 2.08 Executive Branch
- 2.09 Board of Public Works
- 2.10 Department of Public Works--Establishment
- 2.11 Department of Public Works--Divisions
- 2.12 Boards, Commissions and Councils
- 2.13 Plan Commission
- 2.14 Planning Department
- 2.15 Advisory Board of Zoning Appeals
- 2.16 Historical Preservation Commission
- 2.17 Board of Public Safety
- 2.18 Bloomington Redevelopment Commission
- 2.19 Housing and Neighborhood Development
- 2.20 Bloomington Board of Park Commissioners
- 2.21 Department of Law

- 2.22 Employee Services Department
- 2.23 Community and Family Resources Department
- 2.24 Utilities
- 2.25 Information and Technology Services Department
- 2.26 Controller's Department
- 2.27 Ordinance Violations Bureau
- 2.28 (Reserved)
- 2.29 (Reserved)
- 2.30 Statutory Boards and Commissions
- 2.31 (Reserved)
- 2.32 Police Collective Bargaining
- 2.33 (Reserved)
- 2.34 Firefighters Collective Bargaining
- 2.44 Airports

- 2.52 Property Sales
- 2.56 Miscellaneous Provisions
- 2.76 Bloomington Public Transportation Corporation

Chapter 2.21

DEPARTMENT OF LAW

Sections:

- 2.21.000 Establishment--Appointment of Director.
- 2.21.010 Human Rights Commission-- Establishment.
- 2.21.020 Public policy and purpose.
- 2.21.030 Definitions.
- 2.21.040 Appointments.
- 2.21.050 Qualifications.
- 2.21.060 Rules and regulations.
- 2.21.070 Powers and duties.
- 2.21.080 Educational program.
- 2.21.090 Relationship with Civil Rights Commission.
- 2.21.095 Housing discrimination--Definitions.
- 2.21.097 Housing discrimination--Exemptions.
- 2.21.100 Establishment--Division of Risk Management.
- 2.21.110 Administration.
- 2.21.120 Establishment--Risk management committee.
- 2.21.130 Claim settlement.
- ▶ **2.21.135 Blanket and Individual Surety Bonds**
- 2.21.140 Hate crime statistics.
- 2.21.150 Complaints of sexual orientation discrimination.

2.21.100 Establishment--Division of Risk Management.

There is hereby created a Division of Risk Management which shall be responsible for the implementation of a comprehensive safety/loss prevention program, self-administration of the workers' compensation program, and processing and review of all City insurance-related matters. (Ord. 89-33 § 2 (part), 1989).

2.21.110 Administration.

The Division of Risk Management shall be administered by the Risk Manager who is appointed by the Corporation Counsel, with approval of the Risk Management Committee, and reports to the Corporation Counsel. (Ord. 89-33 § 2 (part), 1989).

2.21.120 Establishment--Risk management committee.

There is created a risk management committee which shall consist of the corporation counsel, city controller, director of employee services, director of utilities, and assistant director of finance/utilities.

The committee shall be convened at least quarterly for the purpose of reviewing claim statistics, and shall serve in an advisory committee to the risk manager in policy and financial decisions, in addition to the approvals of claim settlement authority as defined in Section 2.21.130. The risk manager or his/her designee shall act as the secretary of the committee and shall be responsible for preparing its agendas and providing the committee with all applicable reports and documentation necessary to properly assess matters brought before the committee. (Ord. 97-04 § 7, 1997; Ord. 89-33 § 2 (part), 1989).

2.21.130 Claim settlement.

The Risk Manager is hereby authorized to settle claims for an amount not to exceed five thousand dollars. All claims in excess of five thousand dollars shall be submitted to and approved by the Risk Management Committee prior to payment. (Ord. 89-33 § 2 (part), 1989).

► **2.21.135 Blanket and Individual Surety Bonds.**

(a) The purpose of this section is to authorize the purchase of a blanket bond or crime insurance policy and fix the amount of the surety bond of the City Controller.

(b) Pursuant to Indiana Code Section 5-4-1-18(b), the Risk Manager is hereby authorized to purchase a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the City, including employees of the City of Bloomington Utilities. The blanket bond or crime insurance policy may include the individual surety bond which must be filed by the City Clerk and City Controller.

(c) Pursuant to Indiana Code Section 5-4-1-18(c), the individual surety bond of the City Controller is hereby fixed in the amount of three hundred thousand dollars (\$300,000), or such other amount as may hereafter be fixed by amendment to the statute.

2.21.140 Hate crime statistics.

The Bloomington Human Rights Commission may collect data and issue reports on the incidence of hate crimes in the city. Hate crimes include verbal or physical abuse directed at individuals or groups because of their race, sex, color, disability, age, sexual orientation, ancestry, religion or national origin. (Ord. 98-22 § 10, 1998; Ord. 90-36 § f, 1990).

2.21.150 Complaints of sexual orientation discrimination.

In complaints of discrimination on the basis of sexual orientation, the Commission's authority shall be limited to voluntary investigations and voluntary mediation. (Ord. 93-28 § 5, 1993).

Chapter 2.26

CONTROLLER'S DEPARTMENT

Sections:

- 2.26.000 Establishment--Appointment of director.
- 2.26.010 Special nonreverting fund--Establishment and funding.
- 2.26.020 Special nonreverting fund--Uses.
- 2.26.030 Special nonreverting fund--Appropriations from the fund, amendments and termination.
- 2.26.040 Telecommunications nonreverting fund--Establishment and funding.
- 2.26.050 Telecommunications nonreverting fund--Uses.
- 2.26.060 Telecommunications nonreverting fund--Appropriations from the fund, amendments and termination.
- 2.26.070 Restricted Donation Fund [*as proposed by Ord 05-17*]
- ▶ **2.26.080 Authorized Financial Instruments.**
- ▶ **2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument**
- ▶ **2.26.100 Fees for Copying Public Records**

2.26.000 Establishment--Appointment of director.

There is hereby created a Controller's Department which shall have responsibility, pursuant to statute, for all fiscal affairs of the city. The Controller's Department shall be directed by the City Controller. (Ord. 83-6 § 2 (part), 1983).

2.26.010 Special nonreverting fund--Establishment and funding.

There is created a special nonreverting improvement fund. All monies received by the city pursuant to the agreement in lieu of annexation approved by Ordinance 87-30, and the agreement to modify and extend the 1987 agreement approved by Ordinance 97-55 and Resolution 98-02, shall be placed in the special nonreverting improvement fund. Within the special nonreverting fund shall be a "road and traffic improvement account" as authorized by Ordinance 87-31, to receive and expend funds in a manner consistent with the provisions of the agreement in lieu of annexation as modified and amended. (Ord. 04-24 § 1 (part), 2004).

2.26.020 Special nonreverting fund--Uses.

Pursuant to the provisions of the agreement in lieu of annexation as modified and amended, the monies in the special nonreverting improvement fund, other than those deposited in the road and traffic improvement account, may be used for any legal public purpose. The uses of said funds shall include but not be limited to:

- (a) The provision of police and fire protection service and other services related to health and safety, including animal care and control and the acquisition of emergency equipment;
- (b) Road and traffic improvements, including but not limited to right-of-way procurement, traffic signalization and the construction or reconstruction of streets, curbs and gutters, and any and all costs associated with the acquisition of land and/or payment for improvements thereon in order to serve the existing industries and encourage development in the vicinity of the industries, thereby strengthening the city's position for future annexation;
- (c) Payment for professional services, salaries, material and equipment necessary to prepare fiscal plans and other reports and studies required to proceed with annexation of the areas contiguous to the city of Bloomington, including services provided by the city controller's department staff in the development of written fiscal plan(s) for annexation of contiguous territory, and to obtain federal and nonfederal grant funding that may be used for the benefit of the city or industries which are party to the agreement;
- (d) Advances on expenditures for capital improvement projects in anticipation of the issuance of bonds; and advances on expenditures for capital improvement projects in anticipation of receipt of anticipated tax revenues. Upon issuance of bonds, said advances shall be repaid from bond proceeds; upon receipt of anticipated tax revenues, said advances shall be repaid from said revenues. (Ord. 04-24 § 1 (part), 2004).

2.26.030 Special nonreverting fund--Appropriations from the fund, amendments and termination.

Expenditures from the special nonreverting fund and the road and traffic improvement account within that fund which are not included in the annual budget appropriation shall be authorized by approval of an appropriation ordinance by the city's fiscal body. The special nonreverting fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the fund at termination shall be deposited into the general fund. (Ord. 04-24 § 1 (part), 2004).

2.26.040 Telecommunications nonreverting fund--Establishment and funding.

A telecommunications nonreverting fund (fund) shall be established in the office of the controller. The fund shall derive its revenues from cable franchise fees and from monies received by the city from the sale, lease, operation or other use of its telecommunications infrastructure. All cable franchise fee revenues received by the city shall be deposited into the fund. In addition, all monies received by the city from the sale, lease, operation, or other use of its telecommunications infrastructure up to a maximum of one hundred twenty-five percent of the total amount previously appropriated from the telecommunications infrastructure portion of the fund shall be deposited into the fund and used for telecommunications infrastructure. (Ord. 04-24 § 2 (part), 2004).

2.26.050 Telecommunications nonreverting fund--Uses.

Sixty percent of cable franchise fees shall be dedicated for audio-visual and information technology, and public, education, and government access/telecommunications services (hereinafter known as telecommunications services) and forty percent of cable franchise fees shall be dedicated for audio-visual and information technology, and for the planning, design,

development, construction, maintenance, and repair of the city's telecommunications infrastructure (hereinafter known as telecommunications infrastructure). In addition to the forty percent of the cable franchise fees dedicated for telecommunications infrastructure, all monies received by the city from the sale, lease, operation or other use of its telecommunications infrastructure shall also be dedicated for this purpose up to the amount specified in Section 2.26.040. (Ord. 04-24 § 2 (part), 2004).

2.26.060 Telecommunications nonreverting fund--Appropriations from the fund, amendments and termination.

All expenditures from the telecommunications nonreverting fund shall be subject to appropriation by the city's fiscal body and shall be budgeted through the department of public works. The telecommunications nonreverting fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the fund at termination shall be deposited into the general fund. (Ord. 04-24 § 2 (part), 2004).

2.26.070 Restricted Donation Fund. [*as proposed by Ord 05-17*]

(a) Establishment of Fund. A Restricted Donation Fund (Fund) is hereby established in the Office of the Controller.

(b) Source of Revenues. Monetary donations for restricted purposes in amounts not to exceed \$5,000 per donation shall be deposited into the Fund.

(c) Purpose of Fund. The monies contained in the Fund shall be used for the purpose for which the donation was received.

(d) Expenditures from Fund. Claims for payment from the Fund shall be subject to approval of the Board of Public Works.

(e) Amendment and Termination. The Fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the Fund at termination shall be deposited into the General Fund.

► **2.26.080 Authorized Financial Instruments.**

Pursuant to Indiana Code Section 36-1-8-11, the City of Bloomington, including the City of Bloomington Utilities, is hereby authorized to accept 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.**

If the City incurs any charge for the use of a financial instrument, the City, including the City of Bloomington Utilities, may collect a sum equal to the amount of the charge from the person or entity that uses the financial instrument.

► **2.26.090 Surcharge for a Dishonored Check, Draft, Order or Like Instrument**

(a) **Application.** This section shall apply to any person who tenders a check, draft, order, or like instrument to any department of the City of Bloomington, including the City of Bloomington Utilities.

(b) **Surcharge.** If a check, draft, order, or like instrument tendered to the City of Bloomington is dishonored or returned unpaid for any reason, the City may charge and collect from the maker or drawer, or the person for whose benefit the instrument was given, an amount not to exceed twenty dollars (\$20.00), plus an amount equal to the actual charge by the depository institution for each returned or dishonored instrument. The charge shall not be considered an interest charge, a finance charge, a time price differential, or any charge of a similar nature.

(c) **Notice; Collection by City; Referral of Dishonored Checks to Prosecuting Attorney.** When a surcharge is imposed under Section 2.26.090(b), the City shall notify the maker or drawer, or the person for whose benefit the instrument was given, to inform them that the instrument was dishonored or returned unpaid and that the person has ten (10) days after the date the notice is mailed to pay the total amount due, including the surcharge, either in cash or by certified check or money order.

If the person fails to make payment within the ten (10) day period, the City shall, pursuant to Indiana Code Section 36-1-8-13, refer the matter to the prosecuting attorney not later than ninety (90) days from the date the City received the dishonored check.

► **2.26.100 Fees for Copying Public Records.**

(a) Pursuant to Indiana Code Section 5-14-3-8(d), the following fee schedule is established for the City of Bloomington for requests for public records made under Indiana Code 5-14-3. Each department of the City, including the City of Bloomington Utilities, shall charge the following fees, which fees shall not exceed the amounts allowed by Indiana law:

Paper records, 8 ½ x 11 inches:

Black and white copies -

Up to 50 copies – no charge.

More than 50 copies - \$0.04 per copy for each copy after 50, or such other amount as determined by the City Controller from time to time that represents the actual cost of providing the copies.

Color copies - \$0.20 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Paper records, 11 x 17 inches:

Black and white copies - \$0.08 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Color copies - \$0.23 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Large format copies (larger than 11 x 17 inches)

\$0.40 per copy or such other amount as determined by the City Controller from time to time that represents the actual cost.

Photographs – Actual cost of processing or providing copies.

Recordings – Actual cost of blank tape, CD, DVD or similar medium onto which the record will be copied.

(b) The fees charged pursuant to this section shall be separate and distinct from the enhanced access fees charged pursuant to BMC 2.25.030 through 2.25.070, and from the fees charged pursuant to BMC 15.060.080.