

**TOWN OF MORGANTOWN, INDIANA**

**ORDINANCE NO. 2025-04**

**ORDINANCE TO PREAPPROVE PAYMENT OF CERTAIN CLAIMS**

**WHEREAS**, pursuant to Indiana Code Section 36-5-4-12, an Indiana town council, acting as the legislative body of its town, may adopt ordinances allowing money to be disbursed for lawful town purposes;

**WHEREAS**, notwithstanding the applicable restrictive provisions of Indiana Code Chapter 5-11-10, with the prior written approval of the town council, an Indiana clerk treasurer, as the town's fiscal officer, may make claim payments, for specified expenses, in advance of formal approval and allowance by the town council;

**WHEREAS**, the Town Council for the Town of Morgantown, Indiana (the "Council") on August 5, 2008, adopted Ordinance 2008-3, to authorize the Town's Clerk Treasurer to pay certain claims prior to the Council's formal approval;

**WHEREAS**, the Council seeks to make more current the Town's policy related to preapproved claims and to add to those claims, which may be prepaid by the Clerk Treasurer, claims which may subject the town to a late payment finance charge or penalty.

**ACCORDINGLY, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MORGANTOWN, INDIANA, AS FOLLOWS:**

Section 1. Pursuant to and as authorized by Indiana Code Section 36-5-4-12, the Clerk Treasurer for the Town of Morgantown, Indiana is hereby authorized, prior to formal approval and allowance by the Council, to pay the following "**Preapproved Claims**":

- (1) Property or services purchased or leased from:
  - (A) the United States government; or
  - (B) an agency or a political subdivision of the United States

- government.
- (2) License fees or permit fees.
  - (3) Insurance premiums.
  - (4) Utility payments or utility connection charges.
  - (5) Federal grant programs if:
    - (A) advance funding is not prohibited; and
    - (B) the contracting party provides sufficient security for the amount advanced.
  - (6) Grants of state funds authorized by statute.
  - (7) Maintenance agreements or service agreements.
  - (8) Lease agreements or rental agreements.
  - (9) Principal and interest payments on bonds.
  - (10) Payroll.
  - (11) State, federal, or county taxes.
  - (12) Expenses that must be paid because of emergency circumstances.
  - (13) Claims that, if not paid prior to the next meeting of the town council, will subject the town to a late payment finance charge or penalty.<sup>1</sup>

Section 2. Payment of any claim, prior to formal approval and allowance by the Council, must be supported by a fully itemized invoice or bill and certification by the Clerk Treasurer.

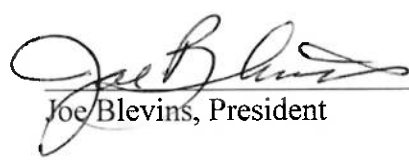
Section 3. The Council, at its next regular or special meeting, after payment of a Preapproved Claim, upon a review and finding that the prepaid claim is supported by a fully itemized invoice, as certified by the Clerk Treasurer, shall approve it.

Section 4. Except for the Preapproved Claims as described in and as expressly permitted by this Ordinance, the provisions of Indiana Code Section 36-5-4-4, as may be amended, shall strictly apply to all other expenses of the Town.

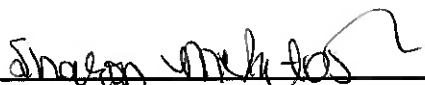
Section 5. This Ordinance repeals and replaces all ordinances and parts thereof with which it may be in conflict.

Section 6. This Ordinance shall be effective upon its final adoption and publication as required.

Introduced and adopted at the March 3, 2025 Morgantown Town Council meeting, at which at least four (4) Morgantown Council Members were present, by unanimous consent of all council members present and the affirmative vote of at least four of those (4) of those members.

  
Joe Blevins, President

ATTEST:

  
Sharon McIntosh, Clerk-Treasurer

<sup>i</sup> Pasted in below is a June 2, 2021 email from the Director of Audit Services for the Indiana State Board of Accounts in which the Department communicates its position on pre-payment of claims to which late payment fees may be applied.

*Our position is we would not have any audit issues with including a category [under IC 36-5-4-12(b)(13)] that would provide for paying claims that might incur a late penalty. We would, though, prefer it be as specific as possible. For example, credit card payments. If it's too generic, someone might argue every claim is subject to a vendor assessing a late penalty and then almost all payments might be made in advance.*

Todd



**TODD CALDWELL, CFE**  
**Director of Audit Services**  
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