

ORDINANCE NO. 021324

**AN AMENDED ORDINANCE OF THE TOWN COUNCIL OF THE
TOWN OF MCCORDSVILLE, INDIANA ALLOWING
PRE-APPROVED PAYMENT OF CLAIMS**

WHEREAS, the Town of McCordsville (the "Town") is a political subdivision existing under the provisions of Indiana law;

WHEREAS, the Town of McCordsville Council (the "Council") is the legislative body of the Town;

WHEREAS, pursuant to Indiana Code sections 36-5-4-12 and 5-11-10-1.6, the Clerk-Treasurer of the Town may make claim payments in advance of approval by the Town Council for certain types of expenses;

WHEREAS, on September 9, 1992, Council adopted Ordinance 91292, which was later amended on September 19, 2000, allowing the Clerk-Treasurer to make certain payments in advance of Council approval;

WHEREAS, the Council now desires to amend the Town's ordinance to affirm the pre-approval for payment of claims to include other categories where the Clerk-Treasurer is authorized to make claim payments in advance of Council approval;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE TOWN OF MCCORDSVILLE, INDIANA:

1. The Clerk-Treasurer of the Town is hereby authorized to make claim payments in advance of council allowance for the following kinds of expenses:

- (a) Property or services purchased or leased from:
 - (i) the United States government; or
 - (ii) an agency or a political subdivision of the United States government;
- (b) License fees or permit fees;
- (c) Insurance premiums;
- (d) Utility payments or utility connection charges;
- (e) Federal grant programs if:
 - (i) advance funding is not prohibited; and
 - (ii) the contracting party provides sufficient security for the amount advanced;
- (f) Grants of state funds authorized by statute;
- (g) Maintenance agreements or service agreements;
- (h) Lease agreements or rental agreements;
- (i) Principal and interest payments on bonds and associated fees;
- (j) Payroll and all employee funds withheld from his/her pay;
- (k) State, federal, or county taxes;

- (l) Expenses that must be paid because of emergency circumstances;
- (m) Expenses described in any ordinance;
- (n) Fuel bills;
- (o) Any claim that will incur a late charge if its due date falls before a scheduled Town Council meeting.

2. The Clerk-Treasurer of the Town is also hereby authorized to make claim payments in advance of council allowance in accordance with Indiana Code section 5-11-10-1.6, as amended. Those include:

A. Advance payments to contractors to enable the contractors to purchase materials needed for a public works project for the Town, so long as the amount does not exceed the lesser of the following:

- (i) Fifty percent (50%) of the entire cost of the contract.
- (ii) Two million dollars (\$2,000,000).

The solicitation for the public works contract providing for advance payment for contractors must include the following information:

- (i) That the political subdivision will make advance payments to contractors to enable contractors to purchase materials.
- (ii) Any limitations on the amount of advance payments that will be made.
- (iii) Requirements for documentation relating to making advance payments to contractors for materials.
- (iv) Any other information about advance payment for materials the political subdivision considers useful to contractors that make offers.

B. Advance payments for goods or services before the goods are delivered or services are completed, so long as the amount does not exceed the lesser of the following:

- (i) Fifty percent (50%) of the entire cost of the contract.
- (ii) Two million dollars (\$2,000,000).

The Clerk-Treasurer and/or her designee must do all of the following when advance payments are made:

- (i) Track prepayments by defining the prepayment on a purchase order.
- (ii) Create a prepayment invoice that is associated with the purchase order.
- (iii) Require insurance or a surety bond in the amount of the prepayment if the amount of the prepayment is more than one hundred fifty thousand dollars (\$150,000).

3. Each payment of expenses under this Ordinance must be supported by a fully itemized invoice or bill and certification by the Clerk-Treasurer.

4. The Town Council shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

5. This Ordinance shall be effective upon passage.

ADOPTED BY THE COUNCIL OF THE TOWN OF MCCORDSVILLE, INDIANA this
_____ day of February, 2024.

MCCORDSVILLE TOWN COUNCIL

FOR:

AGAINST:

_____	Greg Brewer	_____
_____	Scott Jones	_____
_____	Bryan Burney	_____
_____	John Price	_____
_____	Chad Gooding	_____

ATTEST:

Stephanie Crider, Clerk-Treasurer