

TITLE III: ADMINISTRATION

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§ 30.01 COMPENSATION OF OFFICERS AND EMPLOYEES.

Officers and employees of the town shall be compensated at a rate as established by Town Council ordinance from time to time.

§ 30.02 CREATION OF VOTING DISTRICTS.

Voting districts 1 through 4 are created, as per the map attached to Ordinance 11-2012, incorporated herein by reference. All residents of said voting districts who are registered to vote shall be eligible to participate in all municipal elections and the determination of municipal issues, effective on December 17, 2012.

(Ord. 11-2012, passed 12-17-2012)

§ 30.03 PRIMARIES FOR NOMINATING CANDIDATES.

The town hereby abolishes town conventions and replaces them with primaries for the nomination of Democratic and Republican candidates.

(Ord. 08-2014, passed 12-22-2014)

CHAPTER 31: TOWN COUNCIL

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GENERAL PROVISIONS

§ 31.001 TERM OF OFFICE.

The terms for the elected offices for the town shall be as follows:

(A) Town Council members.

(1) Districts I, III and at-large will serve a two-year term beginning with January 1, 2015, and will serve a four-year term beginning January 1, 2017, with four-year terms thereafter.

(2) Districts II and IV will serve a four-year term beginning with January 1, 2015 and a four-year term thereafter.

(B) The Clerk-Treasurer shall be elected to serve a four-year term beginning January 1, 2015, and will serve four-year terms thereafter.

(Ord. 5-2013, passed 7-22-2013)

§ 31.002 RESIDENCY REQUIRED.

(A) A member of the Town Council must reside within:

- (1) The town as provided in Indiana Constitution, Article 6, § 6; and
- (2) The district from which the member was elected, if applicable.

(B) A member of the Town Council who is elected by the voters of a district forfeits office if the member ceases to be a resident of the district.

(C) A member of the Town Council who is elected by the voters of the entire town, but is elected or selected as a candidate from a district, forfeits office if the member ceases to be a resident of the district.

(D) An at-large member of the Town Council forfeits office if the member ceases to be a resident of the town.

(I.C. 36-5-2-6)

§ 31.003 POWERS AND DUTIES.

The Town Council may:

(A) Adopt ordinances and resolutions for the performance of functions of the town;

(B) Purchase, hold, and convey any interest in property for the use of the town; and

(C) Adopt and use a common seal.

(I.C. 36-5-2-9)

§ 31.004 PRESIDENT.

The Town Council shall select 1 of its members to be its president for a definite term, which may not exceed the member's term of office, as a member of the Town Council.

(I.C. 36-5-2-7)

§ 31.005 ELECTION.

Pursuant to I.C. 36-5-2-5, the election of the 5 Town Council members shall be by the voters of the whole town.

(Ord. 11-2005, passed 10-10-2005)

MEETINGS; GENERAL PROVISIONS

§ 31.015 OPEN MEETINGS.

All meetings of the Town Council shall be held in accordance with state law regarding open meetings, being I.C. 5-14-1.5.

§ 31.016 EXECUTIVE SESSIONS.

(A) As used in this section, *PUBLIC OFFICIAL* means a person:

- (1) Who is a member of a governing body of a public agency; or
- (2) Whose tenure and compensation are fixed by law and who executes an oath.

(B) Executive sessions may be held only in the following instances:

- (1) Where authorized by federal or state statute;
- (2) For discussion of strategy with respect to any of the following:

(a) Collective bargaining;

(b) Initiation of litigation or litigation that is either pending or has been threatened specifically in writing. As used in this division, “litigation” includes any judicial action or administrative law proceeding under federal or state law;

(c) The implementation of security systems; and

(d) The purchase or lease of real property by the Town Council up to the time a contract or option to purchase or lease is executed by the parties. However, all the strategy discussions must be necessary for competitive or bargaining reasons and may not include competitive or bargaining adversaries.

(e) School consolidation.

(3) For the discussion of the assessment, design and implementation of school safety and security measures, plans, and systems.

(4) Interviews and negotiations with industrial or commercial prospects or agents of industrial or commercial prospects by:

(a) The Indiana Economic Development Corporation;

(b) The Office of Tourism Development;

(c) The Indiana finance authority;

(d) The ports of Indiana;

(e) An economic development commission;

(f) the Indiana State Department of Agriculture;

(g) A local economic development organization that is a nonprofit corporation established under state law whose primary purpose is the promotion of industrial or business development in Indiana, the retention or expansion of Indiana businesses, or the development of entrepreneurial activities in Indiana; or

(h) A governing body of a political subdivision.

However, this division does not apply to any discussions regarding research that is prohibited under I.C. 16-34.5-1-2 or under any other law.

(5) To receive information about and interview prospective employees;

(6) With respect to any individual over whom the governing body has jurisdiction:

(a) To receive information concerning the individual's alleged misconduct; and

(b) To discuss, before a determination, the individual's status as an employee, a student, or an independent contractor who is a physician.

(7) For discussion of records classified as confidential by state or federal statute;

(8) To discuss before a placement decision an individual student's abilities, past performance, behavior, and needs;

(9) To discuss a job performance evaluation of individual employees. This subdivision does not apply to a discussion of the salary, compensation, or benefits of employees during a budget process;

(10) When considering the appointment of a public official, to do the following:

(a) Develop a list of prospective appointees;

(b) Consider applications;

(c) Make 1 initial exclusion of prospective appointees from further consideration; and

(d) Notwithstanding I.C. 5-14-3-4(b)(12), the Town Council may release and shall make available for inspection and copying in accordance with I.C. 5-14-3-3 identifying information concerning prospective appointees not initially excluded from further consideration. An initial exclusion of

prospective appointees from further consideration may not reduce the number of prospective appointees to fewer than 3 unless there are fewer than 3 prospective appointees. Interviews of prospective appointees must be conducted at a meeting that is open to the public.

(11) To train school board members with an outside consultant about the performance of the role of its members as public officials; and

(12) To prepare or score examinations used in issuing licenses, certificates, permits, or registrations under I.C. 25.

(C) A final action must be taken at a meeting open to the public.

(D) (1) Public notice of executive sessions must state the subject matter by specific reference to the enumerated instance or instances for which executive sessions may be held under division (B).

(2) The requirements stated in §§ 31.018 and 31.019 for memoranda and minutes being made available to the public is modified as to executive sessions in that the memoranda and minutes must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given.

(3) The Town Council shall certify by a statement in the memoranda and minutes of the Town Council that no subject matter was discussed in the executive session other than the subject matter specified in the public notice.

(E) (1) The Town Council may not conduct an executive session during a meeting, except as otherwise permitted by applicable statute.

(2) A meeting may not be recessed and reconvened with the intent of circumventing this division.

(I.C. 5-14-1.5-6.1)

§ 31.017 NOTICE OF MEETINGS.

(A) Regular meetings of the Town Council shall be held at a time and place established by the Town Council.

(B) Public notice of the date, time, and place of any meetings, executive sessions, or of any rescheduled or reconvened meeting shall be given by the Town Council by posting a copy of the notice at the principal office of the Town Council, or if no office exists, at the building where the meeting is to be held.

§ 31.018 AGENDA.

(A) (1) The Town Council, when utilizing an agenda, shall post a copy of the agenda at the entrance to the location of the meeting prior to the meeting.

(2) A rule, regulation, ordinance, or other final action adopted by reference to agenda number or item alone is void.

(I.C. 5-14-1.5-4(a))

(B) The Town Council shall designate a person who shall prepare the agenda for each meeting.

§ 31.019 RECORD OF MEETINGS.

As the meeting progresses, the following memoranda shall be kept:

(A) The date, time, and place of the meeting;

(B) The members of the Town Council recorded as either present or absent;

(C) The general substance of all matters proposed, discussed, or decided;

(D) A record of all votes taken, by individual members if there is a roll call; and

(E) Any additional information required under I.C. 5-14-1.5-3.5 or 5-14-1.5-3.6 or any other statute that authorizes a governing body to conduct a meeting using an electronic means of communication.

(I.C. 5-14-1.5-4(b))

§ 31.020 QUORUM.

A majority of all the elected members of the Town Council constitutes a quorum.

(I.C. 36-5-2-9.2)

§ 31.021 CLERK OF COUNCIL; TIE-BREAKING VOTE.

(A) The Town Clerk-Treasurer is the Clerk of the Town Council.

(B) Whenever the Town Council has an even number of members for any reason, the Clerk-Treasurer is an ex officio member for the purpose of casting the deciding vote to break a tie.

(I.C. 36-5-2-8)

MEETINGS; RULES OF PROCEDURE**§ 31.035 PRESIDING OFFICER.**

The Council President shall take the chair at the hour appointed, or to which the Council shall have adjourned, and shall immediately call the members to order; whereupon, the Clerk of Council shall proceed to call the roll of members. If a quorum is present, the Clerk of Council shall so announce and the Council shall proceed with the order of business.

§ 31.036 QUORUM FOR CONDUCTING BUSINESS.

(A) A quorum shall consist of a majority of the entire Council, including the Council President. A quorum shall be necessary to transact the business of the Town Council.

(B) If no quorum is present, the Council shall not thereby stand adjourned, but the members present shall adjourn or recess the Council by a majority vote.

§ 31.037 ABSENCE OF PRESIDENT.

At any meeting of the Council where a majority shall be assembled, and if the President is temporarily absent, but within or near the community, the Clerk of Council shall preside and call the roll, whereupon the Council shall elect a Temporary Chairperson from its membership. In the event that the absence of the President shall be of a more permanent nature, a President Pro Tem shall be elected.

§ 31.038 DUTIES OF THE PRESIDENT.

(A) The President shall serve as the Chair, shall preserve order and decorum and may speak to points of order in preference to other members, and shall decide all questions of order subject to appeal.

(B) If the President refuses to allow the Council members to exercise their rights to appeal a decision of the Chair, the Council members may consider and pass upon the matter in spite of the Chair's failure to grant them appeal.

(C) The President shall have the power to require the Council room to be cleared, or to have any disorderly person or persons ejected, in case of any disturbances or disorderly conduct which prevent the meeting from being continued in an orderly manner.

(D) Nothing in this code shall preclude the President from making or seconding a motion, or from voting on any matters coming before the Council.

§ 31.039 DUTIES OF COUNCIL MEMBERS.

(A) While the President is stating the motion, or deciding a point of order, the members shall be seated and no member shall leave the Council room during the session without permission from the presiding officer.

(B) Every member, prior to his or her speaking, making a motion or seconding the same, shall address the presiding officer and shall not proceed with his or her remarks until recognized and named by the Chair.

(C) A member so recognized by the Chair shall confine himself or herself to the question under debate.

(D) No member shall speak more than once on the same question, except by permission of the Chair, and then not until every other member desiring to speak shall have had an opportunity to do so.

(E) No member shall speak longer than 5 minutes at any 1 time, except by consent of the Chair.

(F) While a member is speaking, no member shall hold any private discussion, nor pass between the speaker and the Chair.

(G) A member, when called to order by the Chair, shall thereupon discontinue speaking. The order or ruling of the Chair shall be binding and conclusive, subject only to the right to appeal.

(H) Any member may appeal to the Council from a ruling of the Chair and, if the appeal is seconded, the member making the appeal may briefly state his or her reason for the same, and the Chair may briefly explain his or her ruling; but there shall be no debate on the appeal and no other member shall participate in the discussion. The Chair shall then put the question, "Shall the decision of the Chair be overruled?" Otherwise, it shall be sustained.

(I) The right of a member to address the Council on a question of personal privilege shall be limited to cases in which his or her integrity, character, or motives are assailed, questioned or impugned.

§ 31.040 SECONDING OF MOTIONS REQUIRED.

No motion shall be put or debated in the Council or in committee unless it be seconded. When a motion is seconded, it shall be stated by the presiding officer before debate.

§ 31.041 WITHDRAWAL OF MOTIONS.

After a resolution or a motion is stated by the President, it shall be deemed to be in the possession of the Council, but it may be withdrawn by the maker thereof with or without the consent of the Council member seconding the motion prior to the call for the vote by the President.

§ 31.042 DIVISION OF QUESTIONS.

If any question under consideration contains several distinct propositions, the Council, by a majority vote of the members present, may divide the questions.

§ 31.043 RECORD OF MOTIONS.

In all cases where a resolution or motion is entered in the journal, the name of the member moving and seconding the same shall be entered.

§ 31.044 VOTE.

(A) The ayes and nays shall be taken upon the passage of all ordinances and on all propositions to create any liability against the town, or for the expenditure or appropriation of its money, and upon any question and in all other cases at the request of any member of the Council. When the Clerk of Council has commenced to call the roll of the Council for the taking of a vote by Ayes and Nays, all debate on the question before the Council shall be deemed concluded, and during the taking of the vote a member shall be permitted to briefly explain his or her vote and shall respond to the calling of his or her name by the Clerk of Council by answering Aye or Nay, as the case may be.

(B) The names of each member of the Council shall be listed on the official copy of every ordinance passed indicating specifically the names of those voting Aye and those voting Nay.

(C) An abstention is neither an affirmative vote, nor a negative vote. Regardless of the number of abstentions, and except as otherwise provided by law, an affirmative vote of the majority of the Council members is required to pass a motion, ordinance, resolution, or other action of the Town Council.

(D) The President shall announce the result of the Council's vote and those votes shall be entered in the journal of the proceedings.

§ 31.045 PRECEDENCE OF MOTION.

When a question is before the Council, no motion shall be received, except as specified in this section, and which shall have precedence in the following order:

- (A) To fix the time to which to adjourn;
- (B) To adjourn;
- (C) To take a recess;

- (D) To raise a question of privilege;
- (E) To call for the orders of the day;
- (F) To lay on the table;
- (G) To call for the previous question;
- (H) To postpone to a certain time;
- (I) To refer to committee;
- (J) To amend;
- (K) To postpone indefinitely; and
- (L) To the main motion.

§ 31.046 UNDEBATABLE MOTIONS AND EXCEPTIONS TO ORDER.

The motion to adjourn or to lay on the table shall be decided without debate, and the motion to fix the time to which to adjourn and the motion to adjourn shall always be in order, except:

- (A) When a member is in possession of the floor;
- (B) When the roll call votes are being called;
- (C) While the members are voting;
- (D) When adjournment was the last preceding motion; or
- (E) When it has been decided that the previous question shall be taken.

§ 31.047 MOTION TO ADJOURN.

A motion to adjourn cannot be amended; but a motion to adjourn to a given day or time shall be open to amendment and debate.

§ 31.048 MOTION TO POSTPONE INDEFINITELY.

When a question is postponed indefinitely, it shall not be taken up again before the next regular meeting.

§ 31.049 MOTION TO AMEND.

A motion to amend an amendment shall be in order, but a motion to amend an amendment to an amendment shall not be entertained.

§ 31.050 AMENDMENTS.

Only 1 amendment at a time may be offered to any question before the Council. The vote shall first be taken on the amendment and, if the amendment passes, then further amendments may be proposed. Finally, a vote shall be taken on the principal motion as finally amended.

§ 31.051 RECONSIDERATION.

(A) A vote or question may be reconsidered at any time during the same meeting, or at the first regular meeting held thereafter. A motion for reconsideration, once having been made and decided in the negative, shall not be renewed. A matter once having been decided and a motion to reconsider the matter having been defeated, it may nonetheless come before the Council at a future time by way of a motion to rescind or as a new motion. If the Chair determines that new facts are to be presented to the Council, or that there is a likelihood that the Council will reverse its previous decision, the Chair shall rule the motion in order. If a motion is continuously brought before the Council and rejected, the Chair may rule its reintroduction under a motion to rescind or as a new motion to be out of order.

(B) No motion to reconsider the approval or denial of the recommendation of an advisory body required to hold public hearings shall be entertained except at the same meeting at which the original action was taken or after the matter has been referred to the advisory body for a further hearing and recommendation.

(C) A motion to reconsider must be made and seconded by members who voted on the prevailing side of the question to be reconsidered, unless otherwise provided by law; provided, however, that where a motion has received a majority vote in the affirmative, but is declared lost solely on the ground that a greater number of affirmative votes is required by statute for the passage or adoption of the motion, then in that case, a motion to reconsider may be made and seconded only by those who voted in the affirmative on the question to be reconsidered, so long as the issue presented is the same, no new information is forthcoming, and the rights of third parties have not intervened.

§ 31.052 VISITORS AND PETITIONERS.

Except during the time allotted for public discussion and comments, no person, other than a member of the Council, shall address that body, except with the consent of a majority of the members present.

§ 31.053 REPORTS, COMMUNICATIONS, PETITIONS, AND THE LIKE.

All communications, reports, petitions or any other papers addressed to the Council shall be made available to the Clerk of Council prior to the meeting. The Clerk of Council shall endeavor to distribute copies or read the material to the members of the Council.

§ 31.054 ADOPTION OF ROBERT'S RULES OF ORDER, REVISED.

The rules of parliamentary practice comprised in the latest published edition of Robert's Rules of Order, Revised shall govern the Council in all cases to which they are applicable and in which they are not inconsistent with the ordinances of the town including these rules, or the statutes of the state.

§ 31.055 TEMPORARY SUSPENSION OF RULES; AMENDMENT OF RULES.

The rules of the Council may be temporarily suspended, altered or amended, by concurrence of a majority vote of all the Council members then in office.

ORDINANCES AND RESOLUTIONS**§ 31.070 MAJORITY VOTE; WHEN REQUIRED.**

(A) A requirement that an ordinance, resolution, or other action of the Town Council be passed by a majority vote means at least a majority vote of all the elected members.
(I.C. 36-5-2-9.4(a))

(B) A majority vote of the Town Council is required to pass an ordinance unless a greater vote is required by statute.
(I.C. 36-5-2-9.6)

§ 31.071 TWO-THIRDS VOTE; WHEN REQUIRED.

(A) A requirement that an ordinance, resolution, or other action of the Town Council be passed by a 2/3 vote means at least a 2/3 vote of all the elected members.
(I.C. 36-5-2-9.4(b))

(B) A 2/3 vote of all the elected members, after unanimous consent of the members present to consider the ordinance, is required to pass an ordinance of the Town Council on the same day or at the same meeting at which it is introduced.

(C) Division (B) does not apply to the following:

(1) A zoning ordinance or an amendment to a zoning ordinance adopted under I.C. 36-7; or

(2) An ordinance to increase the number of Town Council members adopted under I.C. 36-5-2-4.2, unless the ordinance also establishes new legislative body districts.
(I.C. 36-5-2-9.8)

§ 31.072 DATE OF ADOPTION; PUBLICATION.

(A) An ordinance, order, or resolution passed by the legislative body is considered adopted when it is signed by the executive. If required by statute, an adopted ordinance, order, or resolution must be promulgated or published before it takes effect.

(B) An ordinance prescribing a penalty or forfeiture for a violation must, before it takes effect, be published in the manner prescribed by I.C. 5-3-1, unless:

(1) It is published under division (C) below; or

(2) It declares an emergency requiring its immediate effectiveness and is posted in:

(a) One public place in each district in the town; or

(b) A number of public places in the town equal to the number of town legislative body members, if the town has abolished legislative body districts under I.C. 36-5-2-4.1.

(C) Except as provided in division (E) below, if a town publishes any of its ordinances in book or pamphlet form, no other publication is required. If an ordinance prescribing a penalty or forfeiture for a violation is published under this division, it takes effect two weeks after the publication of the book or pamphlet. Publication under this division, if authorized by the legislative body, constitutes presumptive evidence:

(1) Of the ordinances in the book or pamphlet;

(2) Of the date of adoption of the ordinances; and

(3) That the ordinances have been properly signed, attested, recorded, and approved.

(D) This section (other than division (F)) does not apply to a zoning ordinance or amendment to a zoning ordinance, or a resolution approving a comprehensive plan, that is adopted under I.C. 36-7.

(E) An ordinance increasing a building permit fee on new development must:

(1) Be published:

(a) One time in accordance with I.C. 5-3-1; and

(b) Not later than 30 days after the ordinance is adopted by the legislative body in accordance with I.C. 5-3-1; and

(2) Delay the implementation of the fee increase for 90 days after the date the ordinance is published under division (E)(1) above.

(F) Subject to division (J), the legislative body shall:

(1) Subject to division (G), give written notice to the Department of Environmental Management not later than 60 days before amendment or repeal of an environmental restrictive ordinance; and

(2) Give written notice to the Department of Environmental Management not later than 30 days after passage, amendment, or repeal of an environmental restrictive ordinance.

(G) Upon written request by the legislative body, the Department of Environmental Management may waive the notice requirement of division (F)(1).

(H) An environmental restrictive ordinance passed or amended after 2009 by the legislative body must state the notice requirements of division (F).

(I) The failure of an environmental restrictive ordinance to comply with division (H) does not void the ordinance.

(J) The notice requirements of division (F) apply only if the municipal corporation received under I.C. 13-25-5-8.5(f) written notice that the Department is relying on the environmental restrictive ordinance referred to in division (F) as part of a risk based remediation proposal:

(1) Approved by the Department; and

(2) Conducted under I.C. 13-22, I.C. 13-23, I.C. 13-24, I.C. 13-25-4, or I.C. 13-25-5. (I.C. 36-5-2-10)

§ 31.073 RECORD OF ORDINANCES.

(A) Within a reasonable time after an ordinance of the Town Council is adopted, the Clerk-Treasurer shall record it in a book kept for that purpose. The record must include:

- (1) The signature of the President of Council;
- (2) The attestation of the Clerk-Treasurer; and
- (3) The date of each recorded item.

(B) The record or a certified copy of it constitutes presumptive evidence of the adoption of the ordinance.

(I.C. 36-5-2-10.2)

CHAPTER 32: TOWN OFFICIALS

Section

Clerk-Treasurer

- 32.01 Residency Required
- 32.02 Election; term of office
- 32.03 Powers and duties
- 32.04 Deputies and employees of the Clerk-Treasurer
- 32.05 Office space for the Clerk-Treasurer

Town Marshal

- 32.15 Appointment; compensation
- 32.16 Removal from office; discipline
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- 32.18 Service as Street Commissioner and Fire Chief
- 32.19 Deputy Marshals; Humane Officer

Building Inspector

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Building Commissioner

- 32.45 Creation; appointment

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- 32.60 Creation of positions

CLERK-TREASURER**§ 32.01 RESIDENCY REQUIREMENT.**

The Clerk-Treasurer must reside within the town as provided in Indiana Constitution Article 6, § 6. The Clerk-Treasurer forfeits office if the Clerk-Treasurer ceases to be a resident of the town.
(I.C. 36-5-6-3(a))

§ 32.02 ELECTION; TERM OF OFFICE.

(A) *Election.* The Clerk-Treasurer shall be elected under I.C. 3-10-6 or I.C. 3-10-7 by the voters of the whole town.
(I.C. 36-5-6-4)

(B) *Term of office.* Except as provided in I.C. 36-5-6-3(c), (d), (e) or (f) the term of office of the Clerk-Treasurer is 4 years, beginning at noon on January 1 after election and continuing until a successor is elected and qualified.
(I.C. 36-5-6-3(b))

§ 32.03 POWERS AND DUTIES.

(A) The Clerk-Treasurer is both the Town Clerk and the Town Fiscal Officer.
(I.C. 36-5-6-2)

(B) The Clerk-Treasurer may administer oaths, take depositions, and take acknowledgments of instruments required by statute to be acknowledged.
(I.C. 36-5-6-5)

(C) The Clerk-Treasurer shall do the following:

(1) Receive and care for all town money and pay the money out only on order of the Town Council;

(2) Keep accounts showing when and from what sources the Clerk-Treasurer has received town money and when and to whom the Clerk-Treasurer has paid out town money;

(3) Prescribe payroll and account forms for all town offices;

(4) Prescribe the manner in which creditors, officers, and employees shall be paid;

- (5) Manage the finances and accounts of the town and make investments of town money;
 - (6) Prepare for the Town Council the budget estimates of miscellaneous revenue, financial statements, and the proposed tax rate;
 - (7) Maintain custody of the town seal and the records of the Town Council;
 - (8) Issue all licenses authorized by statute and collect the fees fixed by ordinance;
 - (9) Serve as Clerk of the Town Council by attending its meetings and recording its proceedings;
 - (10) Administer oaths, take depositions, and take acknowledgment of instruments that are required by statute to be acknowledged, without charging a fee; and
 - (11) Perform all other duties prescribed by statute.
- (I.C. 36-5-6-6)

§ 32.04 DEPUTIES AND EMPLOYEES OF THE CLERK-TREASURER.

(A) The Clerk-Treasurer shall appoint the number of deputies and employees needed for the effective operation of the office, with the approval of the Town Council. The Clerk-Treasurer's deputies and employees serve at the Clerk-Treasurer's pleasure.

(B) If the town owns a utility and the Clerk-Treasurer is directly responsible for the billing and collection of that utility's rates and charges, the Clerk-Treasurer shall appoint those employees who are also responsible for that billing and collection. These employees serve at the Clerk-Treasurer's pleasure.
(I.C. 36-5-6-7)

(C) (1) The Clerk-Treasurer may hire or contract with competent attorneys or legal research assistants on terms the Clerk-Treasurer considers appropriate.

(2) Appropriations for the salaries of attorneys and legal research assistants employed under this division (C) shall be approved in the annual budget.
(I.C. 36-5-6-8)

§ 32.05 OFFICE SPACE FOR THE CLERK-TREASURER.

If office space exists in a building owned or leased by the town, the Town Council shall provide suitable office space for the Clerk-Treasurer and staff and records of the Clerk-Treasurer.
(I.C. 36-5-6-5.1)

TOWN MARSHAL**§ 32.15 APPOINTMENT; COMPENSATION.**

The Town Council shall appoint the Town Marshal and shall fix the Town Marshal's compensation.
(I.C. 36-5-7-2)

§ 32.16 REMOVAL FROM OFFICE; DISCIPLINE.

The Town Marshal serves at the pleasure of the Town Council. However, before terminating or suspending a Town Marshal who has been employed by the town for more than 6 months after completing the minimum basic training requirements adopted by the Law Enforcement Training Board under I.C. 5-2-1-9, the Town Council must conduct the disciplinary removal and appeals procedures prescribed by I.C. 36-8 for city fire and police departments.
(I.C. 36-5-7-3)

§ 32.17 POWERS AND DUTIES.

(A) The Town Marshal is the chief police officer of the town and has the powers of other law enforcement officers in executing the orders of the Town Council and enforcing laws.

(B) The Town Marshal or the Marshal's deputy:

(1) Shall serve all process directed to the Marshal or deputy by the Town Court or Town Council;

(2) Shall arrest without process all persons who commit an offense within the Marshal's or deputy's view, take them before a court having jurisdiction, and detain them in custody until the cause of the arrest has been investigated;

(3) Shall suppress breaches of the peace;

(4) May, if necessary, call the power of the town to the Marshal's or deputy's aid;

(5) May execute search warrants and arrest warrants; and

(6) May pursue and jail persons who commit an offense.

(I.C. 36-5-7-4)

§ 32.18 SERVICE AS STREET COMMISSIONER AND FIRE CHIEF.

The Town Council may require the Town Marshal to serve as the Street Commissioner, Chief of the Fire Department, or both.

(I.C. 36-5-7-5)

§ 32.19 DEPUTY MARSHALS; HUMANE OFFICER.

(A) The Town Council may, by ordinance, authorize the Town Marshal to appoint up to two Deputy Marshals. Deputy Marshals have the powers and liabilities of the Town Marshal in executing the orders of the Town Council or enforcing laws. The Town Marshal's and Deputies' duties shall be to enforce the laws of the state and the town from a violation of those laws, and to issue warnings and/or citations for such violations.

(B) One Deputy Marshal may be designated as the Town Humane Officer. He or she has the duties prescribed by I.C. 36-8 for city humane officers.

(C) The Town Council shall fix the amount of bond, compensation, and term of service of Deputy Marshals. The town shall take out and maintain the appropriate insurance policies for such employees. The Town Marshal may dismiss a Deputy Marshal at any time. However, a Deputy Marshal who has been employed by the town for more than 6 months after completing the minimum basic training requirements adopted by the Law Enforcement Training Board under I.C. 5-2-1-9 may be dismissed only if the procedure prescribed hereby is followed.

(Am. Ord. passed 5-27-2008)

Statutory reference:

Similar provisions, see I.C. 36-5-7-6

BUILDING INSPECTOR**§ 32.30 CREATION; CONTRACT.**

There is hereby created a position known as Monrovia Building Inspector. That individual shall sign a contract with Monrovia governing his or her duties, rights, and responsibilities prior to performing inspections for the town of Monrovia.

(Ord. 8-1997, passed 5-12-1997)

BUILDING COMMISSIONER**§ 32.45 CREATION; APPOINTMENT.**

There is hereby created a position known as Monrovia Building Commissioner. This position will be appointed by the Town Council with the recommendations of the Plan Commission.
(Ord. 4-1998, passed 2-9-1998)

POLICE RESERVES**§ 32.60 CREATION OF POSITIONS.**

Be it ordained by the Town Council of Monrovia, 6 positions for police reserve officers are hereby created.
(Ord. 11-1998, passed 7-13-1998; Am. Ord. passed 5-27-2008)

CHAPTER 33: FINANCE

Section

Disbursement of Funds

- 33.01 Appropriation required
- 33.02 Issue of warrants
- 33.03 Allowance of claims
- 33.04 Warrants for payment of claims
- 33.05 Payment of compensation to officer or employee prior to vacation leave
- 33.06 Claim payments in advance of allowance
- 33.07 Transfer of funds

Budgets

- 33.20 Preparation of annual budget estimates
- 33.21 Preparation and approval of ordinance fixing tax rate and making annual appropriations
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Funds

- 33.35 Petty Cash Fund
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- 33.40 Large Development Special Non-reverting Fund

Use of Credit Cards for Town Purchasing

- 33.55 Credit card use for purchasing

Internal Control Standards

- 33.70 Internal control policy adopted
- Appendix A: Internal Controls Policy

DISBURSEMENT OF FUNDS**§ 33.01 APPROPRIATION REQUIRED.**

Unless a statute provides otherwise, town monies may be disbursed only after an appropriation made by ordinance of the Town Council and recorded in a book kept for that purpose by the Town Council. Each appropriation must be made from the fund against which the expenses arose.

(I.C. 36-5-4-2)

§ 33.02 ISSUE OF WARRANTS.

(A) The Town Council or a board of the town may order the issuance of warrants for payment of money by the town only at a meeting of the Town Council or board.

(B) A town officer who violates this section forfeits the town officer's office.

(I.C. 36-5-4-3)

§ 33.03 ALLOWANCE OF CLAIMS.

(A) Except as provided in § 33.06, the Town Council or a board of the town may allow a claim:

(1) Only at a meeting of the Town Council or board; and

(2) Only if the claim was filed in the manner prescribed by I.C. 5-11-10-2 at least 5 days before the meeting.

(B) A town officer who violates this section forfeits the town officer's office.

(I.C. 36-5-4-4)

§ 33.04 WARRANTS FOR PAYMENT OF CLAIMS.

(A) As used in this section, *CLAIM* means a bill or an invoice submitted for goods or services.

(B) Except as provided in § 33.06, a warrant for payment of a claim against a town may be issued only if the claim is:

(1) Supported by a fully itemized invoice or bill under I.C. 5-11-10-1.6;

(2) Filed with the town fiscal officer;

(3) Certified by the fiscal officer before payment that each invoice is true and correct; and

(4) Allowed by the Town Council or by the board of the town having jurisdiction over allowance of the payment of the claim.

(C) The certification by the fiscal officer under division (B)(3) must be on a form prescribed by the State Board of Accounts.

(I.C. 36-5-4-6)

§ 33.05 PAYMENT OF COMPENSATION TO OFFICER OR EMPLOYEE PRIOR TO VACATION LEAVE.

One to 3 days before the vacation leave period of a town officer or employee begins, the town may pay the officer or employee the amount of compensation the officer or employee will earn while he or she is on vacation leave.

(I.C. 36-5-4-7)

§ 33.06 CLAIM PAYMENTS IN ADVANCE OF ALLOWANCE.

(A) The Clerk-Treasurer is authorized to make claim payments in advance of Town Council allowance for the following types of expenses:

(1) Property or services purchased or leased from the federal government or an agency or a political subdivision of the federal government;

(2) License fees or permit fees;

(3) Insurance premiums;

(4) Utility payments or utility connection charges;

(5) Federal grant programs if advance funding is not prohibited and 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; and
- (13) Expenses described in an ordinance.

(B) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the fiscal officer.

(C) The Town Council shall review and allow the claim at the Council's next regular or special meeting following the preapproved payment of the expense.
(I.C. 36-5-4-12)

§ 33.07 TRANSFER OF FUNDS.

Notwithstanding I.C. 8-14-1 and I.C. 8-14-2, the town may transfer money distributed to the town from the motor vehicle highway account under I.C. 8-14-1, the local road and street account under I.C. 8-14-2, or the motor vehicle highway account under I.C. 8-14-1 and the local road and street account under I.C. 8-14-2, to any other town fund after the passage of an ordinance or a resolution by the Town Council that specifies the amount of the transfer, the funds involved, the date of the transfer, and the general purpose of the transfer. However, the total amount of all money transferred by the town under this section may not exceed \$40,000.

(I.C. 36-5-4-13(b))

BUDGETS

§ 33.20 PREPARATION OF ANNUAL BUDGET ESTIMATES.

Before the publication (before January 1, 2015) and before the submission of notice of budget estimates required by I.C. 6-1.1-17-3, the town shall formulate a budget estimate for the ensuing budget year in the following manner, unless the town provides by ordinance for a different manner:

(A) Each department head shall prepare for the department head's department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure the department head anticipates;

(B) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments;

(C) The President of Council shall meet with the department heads and the fiscal officer to review and revise their various estimates; and

(D) After the President's review and revision, the fiscal officer shall prepare for the President a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

(I.C. 36-5-3-3)

§ 33.21 PREPARATION AND APPROVAL OF ORDINANCE FIXING TAX RATE AND MAKING ANNUAL APPROPRIATIONS.

The town fiscal officer shall present the report of budget estimates to the Town Council under I.C. 6-1.1-17. After reviewing the report, the Town Council shall prepare an ordinance fixing the rate of taxation for the ensuing budget year and an ordinance making appropriations for the estimated department budgets and other town purposes during the ensuing budget year. The Town Council, in the appropriation ordinance, may change any estimated item from the figure submitted in the report of the fiscal officer. The Town Council shall promptly act on the appropriation ordinance.

(I.C. 36-5-3-4)

§ 33.22 INCREASE OR DECREASE OF APPROPRIATIONS AFTER APPROVAL OF ORDINANCE.

After the passage of the appropriation ordinance, the Town Council may make further or additional appropriations by ordinance, unless their result is to increase the tax levy set under I.C. 6-1.1-17. The Town Council may, by ordinance, decrease any appropriation set by ordinance.

(I.C. 36-5-3-5)

FUNDS

§ 33.35 PETTY CASH FUND.

There is hereby created a petty cash fund in the amount of \$100 which will be maintained by a custodian appointed by the Town Council.

(Ord. 8-1998, passed 4-13-1998)

§ 33.36 LOCAL LAW ENFORCEMENT CONTINUING EDUCATION FUND.

(A) In this fund the \$3 fee collected for all criminal, infraction and ordinance convictions (judgments), will be placed. This money must be used within the first full calendar year, or it will be transferred to the Law Enforcement Training Fund, which is the fund that supports the Law Enforcement Training Board and Academy.

(B) In this fund the fees collected from the Accident Reports, V.I.N. Inspections and Handgun Licenses will be placed, as established by Ord. 7-1997.

(C) The money in this fund can be used by the Police Department for training of officers, equipment or repairs for firearms, equipment for accident prevention or investigation.

(D) The Clerk-Treasurer will establish this fund within the General Fund and all fees collected will be placed in this account.

(I.C. 33-37-8-4) (Ord. 6-1999, passed 8-23-1999)

Statutory reference:

Funding of local law enforcement continuing education, see I.C. 33-37-8-4 and 33-37-8-6

Local law enforcement continuing education programs, see I.C. 5-2-8-2

§ 33.37 POLICE DEPARTMENT FEE FUND.

(A) There is hereby established a service and copying fee of \$5 for each copy of an incident report and/or pictures requested by persons from the office of the Town Marshal. The fees collected will be spent by the police department to purchase equipment and/or anything deemed necessary for the operation of the Monrovia Police Department.

(B) The Clerk-Treasurer shall establish this account within the General Fund and all fees collected will be credited to these accounts.

(Ord. 8-1999, passed 8-23-1999)

§ 33.38 POLICE DONATION FUND.

(A) Within this fund all monies donated to the Monrovia Police Department will be credited.

(B) The Town Marshal can use this money for any operation for the Monrovia Police Department.

(C) The Clerk-Treasurer will set up a fund within the General Fund and all money received will be credited to this account.

(Ord. 9-1999, passed 8-23-1999)

§ 33.39 ECONOMIC DEVELOPMENT INCOME TAX FUND.

(A) A fund shall be established known as the Town of Monrovia Economic Development Income Tax Fund, and the revenue received by the town from the County Economic Development Income Tax shall be deposited into that fund.

(B) The revenue deposited into the Town of Monrovia Economic Development Income Tax Fund, which results from the county's increase in the County Economic Development Income Tax, shall be used, once it is appropriated to the town, in accordance with Indiana law.

(Ord. 08-2004, passed 5-24-2004)

§ 33.40 LARGE DEVELOPMENT SPECIAL NON-REVERTING FUND.

(A) There is hereby created a non-reverting fund to be called the Large Development Special Non-reverting Fund (LDSNF).

(B) The LDSNF shall be funded through revenues generated when developers submit plan(s) to the Monrovia Planning Commission for preliminary approval that includes at least 6 homes/apartments/dwelling units/businesses or anticipate that such number of structures will be built (hereinafter referred to as a "large project").

(C) The town may require that the developer of such large project pay into the fund the total amount of anticipated inspection fees based on the plans submitted prior to any building permit being issued.

(D) All monies deposited into the LDSNF shall be used to pay inspection and inspection-related costs.

(E) If, during the construction phase of such project, the amount of money deposited into the fund is insufficient to cover the costs of the inspections, the town agrees to provide 7 days notice to the developer of the need for additional funds. The developer shall have 7 days to deposit such money into the LDSNF, or a stop-work order may issue.

(F) If, at the conclusion of such construction, the developer has deposited an excess of money into the LDSNF, the town agrees to remit to the developer such money within 30 days of providing an occupancy certificate.

(G) At any time, the developer may request and the town agrees to provide an accounting showing expenditures from the fund relating to the developer's large project.

(H) Upon termination of the LDSNF, any money remaining in the fund that has not been returned to any specific developer(s) shall revert to the General Fund.

(Ord. 3-2006, passed 12-11-2006)

*USE OF CREDIT CARDS FOR TOWN PURCHASING***§ 33.55 CREDIT CARD USE FOR PURCHASING.**

This chapter is adopted in compliance with the State Board of Accounts Accounting And Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7, authorizing a town to use credit cards for purchases.

(A) Town officials may use town credit cards for purchases related to the performance of town duties when such use is in the best interest of the town.

(B) The Clerk-Treasurer is authorized to obtain credit cards for use by the town.

(C) The designated users shall be responsible for the safekeeping of the credit cards.

(D) The town credit cards shall be used only by the designate users. A usage log shall be maintained in the Clerk-Treasurer's office with the following information:

- (1) The name and position of the individuals using the credit cards;
- (2) The date the card is issued to the individual; and
- (3) Upon return, the date the card is returned.

(E) The credit cards shall be used for purchases relating to the performance of the town's business only. No personal use of the card is allowed even though the user offers to reimburse the town.

(F) Payment of purchasing bills shall be subject to the audit requirements of accounts payable vouchers in conformity with I.C. 5-11-10 and I.C. 36-4-8 and the regulations of the State Board of Accounts.

(G) Credit card charges that do not meet audit requirements are the responsibility of the user authorizing the charge. The town will take all necessary steps to obtain reimbursement for charges which do not meet audit requirements from the person authorizing the charge.

(H) Any interest or penalty incurred due to late filing with the Clerk-Treasurer of an accounts payable voucher for payment of a credit card bill due to delay in furnishing documentation required, that of an itemized charge, shall be the responsibility of the user of that card.

(I) The Clerk-Treasurer shall be notified immediately if a credit card is lost or stolen. If a credit card is lost due to negligence of the user, the user shall be responsible for any and all expenses incurred on the lost credit card.

(J) The Town Council has the authority to revoke a credit card that has been used in violation of town policy.
(Ord. 01-2011, passed 4-25-2011)

INTERNAL CONTROL STANDARDS

§ 33.70 INTERNAL CONTROL POLICY ADOPTED.

(A) The town hereby adopts the Internal Control Policy attached hereto and incorporated herein as Appendix A.

(B) The Clerk/Treasurer is directed to insure that all personnel receive training concerning the Internal Control Procedures adopted and approved herein prior to June 30, 2016.

(C) The town hereby adopts a materiality threshold of \$500 for purposes of the Internal Control Procedures adopted and approved herein.
(Ord. 02-2016, passed - -2016)

APPENDIX A: INTERNAL CONTROLS POLICY

Internal Controls Policy Pursuant to I.C. 5-11-1-27

I. Policy

The purpose of this policy is to communicate the Town Council's internal control objectives to all employees and elected officials of the Town of Monrovia and to firmly commit the Town to the seventeen (17) key principles of internal control as established by the Indiana State Board of Accounts.

COMPONENT ONE: CONTROL ENVIRONMENT

Principle 1: The oversight body and management demonstrate a commitment to integrity and ethical values.

The Town has the responsibility to establish and maintain an adequate system of internal control and to furnish to the Town Council, various boards and commissions, governmental agencies, creditors and others reliable financial information on a timely basis. An adequate system of internal control is necessary for the Town to discharge these responsibilities.

Controls help ensure that assets are not exposed to unauthorized access and use, transactions are properly recorded in the financial records and the resultant financial information is reliable. External organizations and stakeholders of the Town rely on financial information to make decisions toward appropriations, loans and other debt, grants and other contractual relationships. Town resources are dependent upon the system of internal control. Auditors are required annually to report upon the adequacy of the Town's systems for control over financial reporting and compliance per I.C. 5-11-1-27. The safeguarding of Town assets and the reliability which the Town and others can place upon its financial records is dependent upon the effectiveness of the internal control process.

As the fiscal body, Town Council expects the Town administration to effect an internal control environment with policies and procedures necessary to provide reasonable assurance that practices cause effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations.

The system of internal control is meant to keep the Town on course toward its mission and to minimize surprises. The system promotes efficiency, minimizes risks of asset loss, helps ensure the reliability of financial information and compliance with applicable laws, rules and regulations.

Internal control is a process; a means to an end and not an end unto itself. The control environment is the foundation upon which all components of internal control are based. It sets the tone for Town operations. Internal control is about people, operations, communications and the work environment. It is not about policies and forms though it takes shape through the implementation of relevant policies,

procedures and practices. Internal control can provide reasonable assurance but no system of control can provide absolute assurance to the Town Council and other users of financial information.

The Clerk-Treasurer shall be charged with:

- Conveying periodic messages of the Town's internal control philosophy and expectations to all employees;
- Evaluating the Town's internal control system for weaknesses on a periodic (but no less frequently than annual) basis, providing solutions to any discovered weaknesses and inform employees of necessary changes in procedures;
- Working to establish a confidential reporting system for individuals to report suspected fraud and abuse of internal control policies; and,
- Working to institute procedures to address violations of policies and consequences for violations.

Principle 2: The oversight body oversees the entity's internal control system.

As the fiscal body for the Town, the Town Council is responsible for setting the institutional expectations for internal control, ensuring management is aware of those expectations, requiring the upward communications channels are open through all levels of management and evaluating management's effectiveness toward monitoring the control environment and implementing sound control policies and procedures. As the Town's Chief Fiscal Officer, the Clerk-Treasurer will be the Town Council's chief agent in implementing and managing the internal control policies and procedures.

Principle 3: Management establishes an organizational structure, assigns responsibility and delegates authority to achieve the entity's objectives.

Individuals with delegated approval authority, e.g. Elected Officials and Department Heads are responsible for establishing, maintaining and supporting a system of internal controls within their areas of responsibility and for creating the control environment that encourages compliance with Town policies and procedures.

Adequate supervision is necessary to monitor that internal controls are operating as intended and to help ensure the reliability of accounting and operational controls by pointing out errors, omissions, exceptions and inconsistencies in procedures. Staff in leadership rolls are responsible for the application of this policy and the design, development, implementation and maintenance of systems of internal controls focusing on the effectiveness of operations and the safeguarding of assets within their respective areas of responsibility. All levels of management and supervision are responsible for strengthening internal controls when weaknesses are detected. Department managers should periodically review departmental procedures to ensure that the general principles of internal control are being followed.

The Clerk-Treasurer's Office has the primary responsibility for internal control over financial reporting and compliance with applicable laws, rules and regulations. The Clerk-Treasurer is the Town's chief

source for information and assistance to staff and Department Heads on this topic and will make resources available to assist in administering this policy.

The Town Council is responsible for internal controls over employee recruitment, hiring, separation, promotion, job classification, employee rights and salary administration. The Clerk-Treasurer is the Town source for information and assistance on this topic and will make resources available to assist in administering this policy.

All levels of internal control are subject to examination by external auditors who are required to report on the adequacy of internal controls over finance and compliance.

Department Heads are responsible for prompt corrective action on all internal control findings and recommendations made by internal and external auditors. The audit process is completed only after Department Heads receive the audit results and take action to correct internal control weaknesses, improve systems or demonstrate that management action is not warranted. Department Heads have the responsibility to ensure that those who report to them have adequate knowledge, skills and abilities to function within, and contribute to, an effective internal control environment. This includes providing access to appropriate training on topics relevant to their job responsibilities.

Principle 4: Management demonstrates a commitment to recruit, develop and retain competent individuals.

The Town Employee Handbook provides a roadmap for recruiting and maintaining quality employees. Prior to employment individuals may be subject to pre-employment background screening and/or a credit history check. The Town will continue to assess the best recruitment pools and tools for the different skill sets of skills necessary to adequately implement and maintain quality internal controls.

Job descriptions will be updated where necessary to reflect internal control responsibilities and duties. Employees will be regularly trained in internal control methods and all training will be documented in employees' personnel files. Employees will be regularly evaluated by their supervisors on internal control duties and receive feedback on possible improvements.

Principle 5: Management evaluates performance and holds individuals accountable for their internal control responsibilities.

Individuals are held accountable for their internal control responsibilities through a recognized structure which includes relevant job descriptions, operating procedures, periodic reviews, regular feedback and a progressive disciplinary policy. Additional, Town Administration seeks to address issues in specific departments and positions through regular one-on-ones with Department Heads.

COMPONENT TWO: RISK ASSESSMENT**Principle 6: Management defines objectives clearly to enable the identification of risks and risk tolerances.**

Through the creation of standard operating procedures and accurate organizational reporting charts management conveys and identifies objectives, missions, policies and risk tolerances to employees. The Clerk-Treasurer and Town Council will lead a risk analysis of three (3) major areas:

1. The effectiveness and efficiency of operations.
2. The reliability of reporting for internal and external use.
3. Compliance with applicable laws and regulations.

For each category, the Clerk-Treasurer and Town Council will define objectives in specific measurable terms in order to enable the design of internal control for related risk, increase understanding at all levels, assess performance, identify what is to be achieved, who is to achieve it, how it will be achieved, when it will be achieved and incorporate external requirements.

Principle 7: Management identifies, analyzes and responds to risks related to achieving the defined objectives.

The Clerk-Treasurer and Town Council will identify, analyze and respond to the risks identified in Principle 6 by determining:

1. How likely is the risk to occur?
2. How will it impact the objective?
3. Is the risk based on complex or unusual transactions?
4. Is the risk based on fraud?

Once each risk has been identified and analyzed, the Clerk-Treasurer and Town Council will work with Department Heads to determine how to respond to each risk with a specific solution and action.

Principle 8: Management considers the potential for fraud when identifying, analyzing and responding to risks.

Management is committed to fraud prevention by utilizing a “trust but verify” approach. The potential for fraud, misappropriation and outright theft are contemplated as controls are designed for various Town divisions. Fraud responses will include statutorily required responses to fraud, including, but not limited to I.C. 5-11-1-27(1) relating to the Report of Misappropriation of Funds to State Board of Accounts and Prosecuting Attorney and I.C. 5-11-1-27(j) relating to the Report of Material Variances, Losses, Shortages or Thefts to the State Board of Accounts. The Town shall utilize a materiality threshold of Five Hundred Dollars (\$500.00)

Principal 9: Management identifies, analyzes and responds to significant changes that could impact the internal control system.

The Clerk-Treasurer and Town Council, in coordination with Department Heads, will regularly evaluate and adjust internal control policies in order to accommodate for the impact of future changes, including but not limited to, personnel changes, newly elected officials, new programs, new technology, new laws and regulations, and financial fluctuations.

COMPONENT THREE: CONTROL ACTIVITIES

Principle 10: Management designs control activities to achieve objectives and respond to risks.

The Clerk-Treasurer and Town Council will establish and maintain a system of internal controls that satisfies the Town's objectives in the following categories:

1. Risks are identified and effectively managed.
2. Safeguarding of Town assets.
3. Reliability and integrity of financial information.
4. Compliance with Town policy, plans, procedures, laws and regulations.
5. Economical and efficient use of Town resources.
6. Meeting established objectives and goals for Town operations and programs.

A. General internal control principles for Departments are:

1. Separation of duties
 - a. Duties are separated so that one person's work routinely serves as a check on another's work.
 - b. No one person has complete control over more than one key function or activity (e.g. authorizing, approving, certifying, disbursing, receiving or reconciling).
2. Authorization and approval
 - a. Proposed transactions are authorized when proper and consistent with Town policy and the Department's plans.
 - b. Transactions are approved by the person who has delegated approval authority, which is usually delegated on the basis of special competency or knowledge.
3. Custodial and security arrangements
 - a. Responsibility for physical security/custody of Town assets is separated from record keeping/accounting for those assets.
 - b. Unauthorized access to Town assets and institutional data is prevented.

4. Timely and accurate review and reconciliation
 - a. Departmental accounting records and documents are examined by employees who have sufficient understanding of the Town accounting and financial systems to verify that recorded transactions actually took place and were made in accordance with Town policies and procedures.
 - b. Departmental accounting records and documentation are compared with Town accounting system reports and financial statements to verify their reasonableness, accuracy and completeness,
 5. The general internal control principles should be applied to all departmental operations, especially accounting records and reports, payroll, purchasing/receiving/disbursement approval, equipment and supply inventories, cash receipts, petty cash and change funds, billing and accounts receivable.
- B. All Town systems, processes, operations, functions and activities are subject to evaluations of internal control systems. The results of these evaluations provide information regarding the Town's overall system of control.
- C. Information and communication - Information must be timely and communicated in a manner that enables people to carry out their responsibilities.
1. All covered employees must be trained on Internal Controls according to I.C. 5-11-1-27(g).

All personnel must receive a clear message from the Town's administration that control responsibilities are to be taken seriously. Failure to comply with established practices will subject individuals to the terms of disciplinary action or dismissal.
 2. Employees must understand their own roles in the internal control system, as well as how individual activities relate to the work of others. To this end, whenever a new budgetary unit, financial activity, etc. is set up, the Clerk-Treasurer will provide notification to the appropriate parties of the responsibilities incumbent on them for good business practices and sound financial management, including reference to the principles within this policy.
 3. Employees must have a means of communicating significant information to the Town's administration.
 4. The Town must communicate effectively with external parties, such as auditors, creditors, contractors, suppliers, regulators and other stakeholders.
- D. Internal control is meant to keep the Town focused on achieving its mission while avoiding surprises. There is a balance between effective controls and mission accomplishment. Costs associated with internal controls should not exceed their benefit, nor should controls be allowed to

stifle mission effectiveness and timely action. All levels of management must assess the costs, benefits and risks when designing controls to develop a positive control environment and compensate for the risks of non-compliance, loss of assets or unreliable reporting while accomplishing the Town mission.

The following specific internal control policies are adopted for use by Town Departments:

Payroll Activities

- Salaries and wage rates are verified by the Clerk-Treasurer.
- The responsibilities for hiring, terminating and approving promotions are segregated from those preparing payroll transactions or inputting data.
- The responsibilities for approving time sheets are segregated from those preparing payroll transactions or inputting data.
- Payroll adjustment reports are submitted by someone outside of the payroll process.
- Employee's time and attendance records are approved by their supervisors.
- Corrections to recorded time and attendance records are approved by the employee and employee's supervisor.
- Procedures are in place to ensure that changes in employment status are promptly reported to the payroll processing unit.
- Payroll disbursements are reviewed and approved by an authorized individual prior to payment.
- Access to payroll applications is appropriately controlled by user logins and passwords.
- Changes to a payroll disbursement are approved by an individual other than the ones authorized to process these changes.
- Payroll checks are accounted for in numerical order and reconciled to the payroll check register.
- Access to the signature stamp used to sign payroll checks is adequately controlled.
- Payroll checks are mailed or distributed by someone outside the normal payroll distribution function.
- Unclaimed payroll checks are returned to Clerk-Treasurer via the Department Head.
- Employees are cross-trained on the payroll process; those assigned to payroll take regular vacations.

Disbursement Activities

- The responsibility for approving claims is segregated from those preparing the claims.
- Checks are written by an individual other than the one approving the claim.
- Checks are signed by an individual other than the one preparing them.
- Claims for payment are reviewed and approved by the governing body prior to payment.
- A reconciliation is completed between the claims for payment approved by the board and the actual disbursements posted to the ledger.
- The responsibility for acknowledging the receipt of goods or services is segregated from those preparing claims and writing checks.
- Vendor checks are accounted for in numerical order and reconciled to the disbursement ledger.
- Invoices or other receipts are attached to each claim to support the disbursement.

- A review is completed by an individual outside the disbursement process in which the claim amount is compared to the supporting documentation attached to the claim and the amount of the check.
- Access to disbursement applications is appropriately controlled by user logins and passwords.

Receipting Activities

- The responsibility for collecting money and issuing receipts is segregated from those preparing the bank deposit.
- The responsibility for making bank deposits is segregated from those preparing the monthly bank reconciliation.
- Pre-numbered receipts are issued for all money collected and the receipt is retained with supporting documentation.
- Receipts are reconciled to the cash receipts ledger by an individual other than the one collecting money and issuing receipts.
- Posting of receipts to the ledger is completed by an individual other than the one who collects money and makes the deposit.
- Receipts indicate the type of payment received (cash, check, etc.) and this is reconciled to the make-up of the bank deposit.
- Accounts receivable records are maintained by an individual other than the one(s) involved in the billing process.
- The billing process is completed by an individual other than the one who collects cash payments from customers.
- Adjustments to customer accounts above our managerial threshold are approved by the governing body only after review.

Cash Activities

- A reconciliation between the recorded cash balance and the bank balance is completed monthly by an individual separate from the receipting and disbursing processes.
- A reconciliation between the receipts ledger and the credits to the bank account is completed periodically by an individual separate of the receipting process.
- A reconciliation between the disbursement ledger and the debits to the bank account is completed periodically by an individual separate of the disbursement process.
- The monthly reconciliation between the cash balance and the bank balance is thoroughly reviewed and approved by the governing body.
- Disbursements from and reimbursements to petty cash funds are periodically reviewed by an individual other than the one responsible for maintaining the petty cash fund.

Credit Cards Transactions

- A designated official or employee oversees the issuance and use of the credit cards.
- An ordinance or resolution specifically states the purposes for which the credit card may be used.
- A designated person separate from disbursement process reviews transactions listed on the credit card statements for sufficient documentation and inclusion in claim to the Board.

Principle 11: Management designs the political subdivision's information system and related control activities to achieve objectives and respond to risks.

The Clerk-Treasurer, Town Council and Department Heads will work with the Information Technology Department to ensure that information technology is used as an integral part of the internal control system. This may include, but not be limited to:

- Setting permission such that only certain users may perform certain tasks.
- Using technology to accomplish segregation of duties by forcing duties to be completed by different users.
- Automating certain processes and calculations.
- Limiting the authority to access different components of various software to employees with duties specifically related to that component.
- Prohibiting user ID and password sharing among employees.
- Restricting the authority to correct or make adjustments to records to key employees.
- Requiring the use of prescribed forms or the approval of alternative forms.

Principle 12: Management implements control activities through policies.

The Town has an employee handbook that is regularly updated to communicate policies to employees. Additionally, the Clerk-Treasurer regularly works with departments and employees who handle financial transactions to recommend and ensure best practices. All procedures are in writing and communicated frequently to all relevant employees. Policies are available both electronically and in hard copy form.

COMPONENT FOUR: INFORMATION AND COMMUNICATION

Principle 13: Management uses quality information to achieve the political subdivision's objectives.

The Town strives to lead in the areas of financial transparency and accountability. By adopting standards and investing in systems that exceed State mandated minimums, Town management provides employees and stakeholders with high quality information and informatics systems. The Clerk-Treasurer's Office attends training and industry seminars to stay abreast of changes and developments in requirements and communicate that information effectively to impacted employees.

Principle 14: Management internally communicates the necessary quality information to achieve the political subdivision's objectives.

Internal communications on internal controls are communicated through adoption of formal policies by relevant boards and commissions and/or the legislative body or documented through memos from the Clerk-Treasurer or relevant Department Head. Internal memos and reports are maintained to document communication.

Principle 15: Management externally communicates the necessary quality information to achieve the entity's objectives.

Communications with the State Board of Accounts, other State agencies, grantor agencies and regulatory agencies are documented by email, memos, letters and other forms of written correspondence. Logs are kept for information provided verbally. All documents are maintained in accordance with the Town and state's record retention policies. Reports and policies are cross checked for accuracy, relevancy and timeliness of information.

COMPONENT FIVE: MONITORING ACTIVITIES

Principle 16: Management establishes and operates monitoring activities to monitor the internal control system and evaluate the results.

Town Administration monitors and evaluates compliance with internal control policies via multiple vectors. Separation of duties, redundancy policies, layered approval systems, monthly reports and physical controls such as video monitoring allow management to both review and evaluate control systems.

The Clerk-Treasurer and Town Council shall implement a system of monitoring that includes:

- Periodic checks to determine if controls are in place and working effectively.
- Reviewing control activities to determine if the actual activities are in compliance with established procedures.
- Documenting deficiencies in the internal control processes and remediating them quickly.

Monitoring activities will be documented by signatures, initials or other appropriate methods.

Principle 17: Management remediates identified internal control deficiencies on a timely basis.

Breaches of internal controls are subject to significant levels of internal scrutiny. If informed of a material breach of internal controls, the Clerk-Treasurer and Town Council actively investigate and address said breach and adjust policies and procedures to prevent such breaches in the future. Once breaches are identified and investigated, a formal or informal corrective action plan will be developed.

(Ord. 02-2016, passed - -2016)

CHAPTER 34: ORDINANCE VIOLATIONS BUREAU

Section

- 34.01 Establishment
- 34.02 Violations Clerk designated
- 34.03 Administration
- 34.04 Schedule of fines
- 34.05 Noncompliance; enforcement

§ 34.01 ESTABLISHMENT.

There is hereby established a town Ordinance Violations Bureau, pursuant to I.C. 33-36, as amended.

§ 34.02 VIOLATIONS CLERK DESIGNATED.

The Town Council shall appoint a person to serve as the Violations Clerk, who may be the Town Clerk-Treasurer or the Town Manager, to administer the Ordinance Violations Bureau.

§ 34.03 ADMINISTRATION.

(A) The Violations Clerk and his or her staff, as agents, shall accept written appearances, waivers of trial, admissions of violations, and payment of civil penalties up to a specific dollar set forth in an ordinance adopted by the Town Council, but not more than \$250.

(I.C. 33-36-2-3)

(B) Civil penalties shall be paid to, receipted, and accounted for by the clerk under procedures provided for by the state's Board of Accounts. Payment of civil penalties under this chapter may be made in person or by mail to the Violations Clerk.

(I.C. 33-36-3-7)

(C) A person charged with an ordinance or code violation under this chapter is entitled to a trial before a court as provided by law, unless the person waives the right to trial and enters an admission of

the violation with the Violations Clerk. Upon an admission, the Violations Clerk shall assess and receive from the violator the amount prescribed by the schedule of civil penalties established and adopted under § 34.04.

(I.C. 33-36-3-2)

(D) If a person charged with a violation under this chapter wants to exercise the right to trial, the person shall appear before the Violations Clerk and deny the violation or enter a written denial with the Violations Clerk.

(I.C. 33-36-3-3)

§ 34.04 SCHEDULE OF FINES.

The schedule of code and ordinance violations which shall be subject to admission of violation before the Violations Clerk shall, when adopted by the Town Council, be published as part of this code.

§ 34.05 NONCOMPLIANCE; ENFORCEMENT.

If a person denies an ordinance or code violation as set out herein, or fails to pay and satisfy the civil penalty assessed by the Violations Clerk after having entered an admission of violation, or fails to deny or admit the violation of any of the provisions adopted by reference in § 34.04, then the Violations Clerk shall report this fact to the Town Attorney, who may then initiate an action to prosecute the ordinance violation.

(I.C. 33-6-3-3)

CHAPTER 35: TOWN POLICIES

Section

Tort Claims Against Town

- 35.01 Clerk-Treasurer to receive notice
- 35.02 Form and service of notice

Payment of Claims Prior to Board Allowance

- 35.15 Review of claims

Use of Buildings Owned, Rented by Town

- 35.25 Keys
- 35.26 Use
- 35.27 Forfeiture

Fees

- 35.40 Fee for copying public records
- 35.41 Accident report fees

TORT CLAIMS AGAINST TOWN

§ 35.01 CLERK-TREASURER TO RECEIVE NOTICE.

The town Clerk-Treasurer is hereby designated as the town official to receive notice of a tort claim under I.C. 34-13-3-1 *et seq.*

§ 35.02 FORM AND SERVICE OF NOTICE.

(A) The notice of a tort claim against the town must be in writing and must be delivered in person or by registered or certified mail.

(I.C. 34-13-3-12)

(B) The notice must comply with the provisions of I.C. 34-13-3-1 *et seq.*

PAYMENT OF CLAIMS PRIOR TO BOARD ALLOWANCE**§ 35.15 REVIEW OF CLAIMS.**

The Fiscal Officer, Town of Monrovia and the Town Council shall review and allow that claims at the Council's next regular or special meeting following; these preapproved payment of expenses.

(Ord. 9-1997, passed 6-23-1997)

USE OF BUILDINGS OWNED, RENTED BY TOWN**§ 35.25 KEYS.**

Keys to any and all facilities will only be given to authorized persons who have been approved by the Town Council.

(Ord. 14-1997, § 1, passed 8-25-1997)

§ 35.26 USE.

All use of these buildings shall be for town business only, unless prior approval is obtained from the Town Council.

(Ord. 14-1997, § 2, passed 8-25-1997)

§ 35.27 FORFEITURE.

Any authorized person who violates §§ 35.25 and 35.26 shall return all keys and be denied access to the buildings without being with an authorized person. This forfeiture requires a hearing by the Town Council.

(Ord. 14-1997, § 3, passed 8-25-1997)

FEES

§ 35.40 FEE FOR COPYING PUBLIC RECORDS.

(A) The fees established for copying costs of public records shall be \$.25 per copy for any general documents, like meeting minutes.

(B) The Town Clerk-Treasurer shall charge these fees, and payment shall be made at the time the copies are requested. The party requesting them shall contact the Clerk-Treasurer to make arrangements to pick up the copies.

(Ord. 16-1997, passed 10-27-1997)

§ 35.41 ACCIDENT REPORT FEES.

(A) The Town Council has established an ordinance to charge a fee of \$5 for the copying of an accident report.

(B) This section will establish a fee for a V.I.N. Inspection of \$5.

(C) This section will establish a fee for Handgun License Application. The fee of \$10 will be paid to the Monrovia Police Department and a fee of \$15 will be paid to the State of Indiana.

(D) These fees will go into the Local Law Enforcement Continuing Education Fund established by Ord. 6-1999.

(Ord. 7-1999, passed 8-23-1999)

Statutory reference:

Application for license to carry handgun; procedure, see I.C. 35-47-2-3

