

O:2022-01

**Amending and Supplementing Town of Phillipsburg Code Section 5-70,
Authorizing Payment of Bills Between Council Meetings**

WHEREAS, Town of Phillipsburg Code Section 5-70 sets forth the powers and duties of the Town Chief Financial Officer, one of which is the preparation, presentation and approval of claims for payment of bills for goods and services; and

WHEREAS, under normal operating circumstances all such claims for payment shall first be submitted to the Town Council for review and approval, but in emergency circumstances this may not be possible or practical; and

WHEREAS, there are other times when, for various reasons, Town Council meetings may be delayed, postponed or cancelled, resulting in an extended period of time between meetings and a delay in the approval of claims for payment; and

WHEREAS, in some circumstances the Town is legally obligated to make payments within a defined time period, a violation of which could result in fines and/or penalties assessed against the Town for delayed payments; and

WHEREAS, as a result of the current National, State, County and Local State of Emergency caused by the Coronavirus COVID-19 pandemic, meetings of the Town Council have been cancelled and/or postponed, causing a serious disruption in the ability of the Town to conduct normal municipal services, delaying the Town Council's ability to authorize the payment of bills for routine goods and services; and

WHEREAS, N.J.S.A. 40A:5-17 permits the Town Council, by ordinance, to authorize the Town Chief Financial Officer to review and approve claims for payment between meetings of the Town Council; and

WHEREAS, it is in the best interests of the health, safety and welfare of the residents of the Town of Phillipsburg to amend Phillipsburg Code Section 5-70 to authorize the Town Chief Financial Officer to pay bills for goods and services without prior Town Council approval under certain circumstances and conditions;

NOW THEREFORE BE IT ORDAINED by the Town Council of the Town of Phillipsburg, County of Warren, State of New Jersey, that:

- I. Phillipsburg Code Section 5-70 shall be and is hereby amended and supplemented as follows, with additions in underline and deletions in strikethrough:

Sec. 5-70(d)(3). *Presentation of claim; approval.* Procedures for the presentation and approval of claims shall be as follows:

e. Payment of claims prior to Council approval. In the event of a delay, postponement or cancellation of regularly scheduled meetings of the Town Council, or under circumstances where a delay in the payment of bills until the next scheduled meeting is unreasonable or improper, the Town Chief Financial Officer shall be authorized to make all reasonable and necessary payments of bills prior to Council approval. In such circumstances, the Chief Financial Officer shall ascertain the existence of proper and sufficient appropriations for the payments to be made and determine that there is legal authority for the payments, evidenced by action of the Administrator or purchasing officer in respect to the goods or services ordered and the incurring of the expense therefore. The list of bills shall be reviewed and approved by the Mayor and Administrator and signed off on. The Chief Financial Officer shall present a list of all such bills so paid to the Town Council for ratification of such payments at the next regularly scheduled meeting.

Sec. 5-70(4)(b) Pay to the appropriate entities the following items:

- [1] Salaries.
- [2] Federal withholding taxes and social security taxes and other Payroll Taxes as required by law.
- [3] School, county and any other taxes which the Town is obligated by law to pay.
- [4] Public assistance.
- [5] Pension, DCRP and annuity fund deductions from salaries, union dues deductions from salaries and wage attachment and garnishment deductions from salaries, deferred compensation plans deducted from salaries, Flexible Spending Account deductions from salaries, AFLAC and New York Life deductions from salaries.
- [6] Postal charges.
- [7] Utilities
- [8] Lease payments
- [9] Recycling Tax

Sec. 5-70(d)(5). *Disbursements.* Bills, claims and demands against the Town shall be deemed approved or disapproved by the Council in accordance with the action of the Administrator. A voucher on a form prescribed by the Administrator shall be presented for each bill, claim or demand and shall be paid only upon the audit, warrant and approval of the Chief Financial Officer except for payments made pursuant to subsection (d)(3) of this section. Disbursement shall be made by a combination warrant — blank check or draft signed by the Mayor and countersigned by the Chief Financial Officer, except that payroll checks may be signed by two of the three following, the Chief Financial Officer, Mayor or Clerk.

II. If any clause, sentence, paragraph, section or part of this ordinance or any other codes or ordinances incorporated herein shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which said judgment shall have been rendered.

III. This ordinance shall become effective twenty (20) days after its final passage.

The above ordinance was introduced and passed on first reading at a meeting of the Town Council of the Town of Phillipsburg held on January 4, 2021. It will be considered on second reading and final passage at a meeting of the Town Council of the Town of Phillipsburg to be held on January 18, 2022 via Zoom.

ATTEST:

TOWN OF PHILLIPSBURG

Lorraine Loudenberry, Acting Municipal Clerk

Todd M. Tersigni, Mayor