



Town of Newcastle

BOARD OF SELECTMEN

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Policy Regarding Check Disbursement Prior To Expenditure Warrant Approval

I. Purpose

The purpose of this policy is to allow for prompt payments of the obligations of the Town of Newcastle by the Town Treasurer, and to allow for timely payment of bills submitted to the town, and for cash purchases by town staff prior to issuance of an expense warrant.

II. Scope

This policy is approved by the Board of Selectmen and applies to the Town Treasurer. It empowers the Treasurer to distribute certain funds prior to expenditure warrant approval. It is the policy of the Town of Newcastle that all expenditures of town funds receive written approval of the Board of Selectmen pursuant to MRSA 30-A § 5603. The Treasurer shall prepare a written warrant for signature to be presented at the regular Selectmen's meeting.

III. Permitted Disbursements Prior to Warrant Approval

The following expenditures may be made by the Treasurer of Newcastle prior to final signature on the Expenditure Warrant by the Board of Selectmen:

- A. Town Employee Payroll paid on a weekly schedule on Thursdays, including reimbursement for job related expenditures (including mileage, meals, tolls, etc.) less than \$500.
- B. Payment of state funds collected by the agent for the Bureau of Motor Vehicles, the Department of Inland Fisheries and Wildlife and the State Animal Welfare Department, and Shellfish licensing fees due to the Lincoln County. Such funds are not considered municipal funds, though they are co-mingled with the town's checking account. The tax collector and treasurer shall verify with each other that the proper balance is being paid.
- C. Payroll Taxes.
- D. Automatically deducted bank charges.
- E. Minor purchases (less than \$500) when payment is required at the time of purchase with use of town's debit card.
- F. Major purchases (greater than \$500) when payment is required at the time of purchase with use of town's debit card but said purchase has been previously approved by the Board of Selectmen.
- G. The treasurer may schedule On-Line bill payment prior to warrant signature in order to ensure that owed funds are received on time.

IV. Prohibited Early Disbursements

The following types of expenditures must await final approval via the signed expenditure warrant process:

- A. Regular contractual payments for services (Unless by specific prior vote of the Board of Selectmen).
- B. Major purchases (over \$1,000) made by town staff that require cash payment before delivery.
- C. Payments not due prior to the next scheduled expenditure warrant.
- D. Education operation (accounts payable) warrants
- E. Items requiring final Selectman approval for payment.
- F. Any other item not covered in section III above.

V. Deadline for bill submission

To be considered for payment on the next expenditure warrant, bills for payment must be received by the Treasurer of Newcastle at least four days prior to the scheduled meeting of the Board of Selectmen at which an expenditure warrant signing is scheduled. The treasurer may, at his discretion, present vouchers for payment after the deadline when time permits, or **when** doing so is in the best interest of the town.

VI. Warrant Signatures Outside of Regular Meetings

The Treasurer of Newcastle may seek individual approval by the Selectmen on an expenditure warrant when meeting schedules do not coincide with the normal two-week expenditure cycle. Selectmen shall review the proposed warrant before signing. The treasurer shall note the total amount of expenditure at the next regular Selectmen's meeting and ask for the Board to formally approve the warrant. The treasurer shall not disburse funds until a majority of the Selectmen sign the expenditure warrant. A copy of the proposed warrant shall be available for public inspection prior to signature.

Approved this 9th day of July, 2018