

IC 36-2-6

Chapter 6. Fiscal Administration

IC 36-2-6-1

Application of chapter

Sec. 1. This chapter applies to all counties.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-2

Claims against county; procedure

Sec. 2. A person who has a claim against a county shall file an invoice or a bill with the county auditor. The auditor shall present the invoice or bill to the executive, which shall examine the merits of the claim. The executive may allow any part of the claim that it finds to be valid.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.39-1996, SEC.9.

IC 36-2-6-3

Inapplicability of section to certain claims; publication of court allowances; payments in violation; offense

Sec. 3. (a) This section does not apply to claims for salaries fixed in a definite amount by ordinance or statute, per diem of jurors, and salaries of officers of a court.

(b) The county auditor shall publish all allowances made by courts of the county. Court allowances shall be published at least three (3) days before the issuance of warrants in payment of those allowances. Allowances subject to this section shall be published as prescribed by IC 5-3-1 except that only one (1) publication in two (2) newspapers is required.

(c) A county auditor who issues warrants in payment of allowances made by a court of the county, before compliance with subsection (b), commits a Class C infraction.

(d) A county auditor shall publish one (1) time in accordance with IC 5-3-1 a notice of all allowances made by a circuit or superior court. The notice must be published within sixty (60) days after the allowances are made and must state their amount, to whom they are made, and for what purpose they are made.

As added by Acts 1980, P.L.212, SEC.1. Amended by Acts 1980, P.L.127, SEC.2; P.L.52-1987, SEC.2; P.L.64-1995, SEC.12; P.L.141-2009, SEC.7.

IC 36-2-6-4

Allowance and payment of claims; requirements; violation; offense; action to recover illegal allowance

Sec. 4. (a) This section does not apply to a county having a consolidated city.

(b) Except as provided in section 4.5 of this chapter, the county executive may allow a claim or order the issuance of a county warrant for payment of a claim only at a regular or special meeting

of the executive. The county auditor may issue a county warrant for payment of a claim against the county only if the executive or a court orders him to do so. However, this subsection does not apply to the issuance of warrants related to management of the common or congressional school fund.

(c) The county executive may allow a claim if the claim:

- (1) complies with IC 5-11-10-1.6; and
- (2) is placed on the claim docket by the auditor at least five (5) days before the meeting at which the executive is to consider the claim.

(d) A county auditor or member of a county executive who violates this section commits a Class C infraction.

(e) A county auditor who violates this section is liable on his official bond for twice the amount of the illegally drawn warrant, which may be recovered for the benefit of the county by a taxpayer of the county. A person who brings an action under this subsection shall give security for costs, and the court shall allow him a reasonable sum, including attorney's fees, out of the money recovered as compensation for his trouble and expense in bringing the action. This compensation shall be specified in the court's order.

(f) If, within sixty (60) days after the county executive allows a claim, a taxpayer of the county demands that the executive refund that allowance to the county, and the executive refuses to do so, the taxpayer may bring an action to recover an illegal, unwarranted, or unauthorized allowance for the benefit of the county. A person who brings an action under this subsection shall give security for costs, and the court shall allow him a reasonable sum, including attorney's fees, out of the money recovered as compensation for his trouble and expense in bringing the action. This compensation shall be specified in the court's order.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.39-1996, SEC.10; P.L.89-2001, SEC.5.

IC 36-2-6-4.5

Claim payments in advance of board allowance

Sec. 4.5. (a) A county executive may adopt an ordinance allowing money to be disbursed for lawful county purposes under this section.

(b) Notwithstanding IC 5-11-10, with the prior written approval of the board having jurisdiction over the allowance of claims, the county auditor may make claim payments in advance of board allowance for the following kinds of expenses if the county executive has adopted an ordinance under subsection (a):

- (1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.
- (2) License or permit fees.
- (3) Insurance premiums.
- (4) Utility payments or utility connection charges.
- (5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.

- (6) Grants of state funds authorized by statute.
- (7) Maintenance or service agreements.
- (8) Leases or rental agreements.
- (9) Bond or coupon payments.
- (10) Payroll.
- (11) State or federal taxes.
- (12) Expenses that must be paid because of emergency circumstances.
- (13) Expenses described in an ordinance.

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the county auditor.

(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

As added by P.L.89-2001, SEC.6. Amended by P.L.234-2005, SEC.191; P.L.145-2006, SEC.373; P.L.146-2008, SEC.688; P.L.141-2009, SEC.8.

IC 36-2-6-5

Supplies; review of invoice and certification; approval of claim on contract; allowance

Sec. 5. (a) A county officer or employee authorized to receive supplies contracted for by the county shall review the invoice or bill for the supplies item by item and certify in writing on the invoice or bill:

- (1) the fact that the supplies listed on the invoice or bill have been delivered to him in compliance with the contract; or
- (2) the facts showing a breach of contract.

If the officer or employee discovers a breach of contract on receipt of the supplies, he shall deduct a just amount from the invoice or bill. The officer or employee shall immediately file his certificate and the bill or invoice with the county auditor.

(b) The county executive may approve a claim on a contract for supplies only if:

- (1) it finds that the claimant has complied with the contract; and
- (2) the county auditor certifies in writing that the invoice or bill for the supplies corresponds with the contract as to quality and prices.

The executive may not use a county auditor's certificate as the sole basis for this finding.

(c) The county executive may make an allowance for printed blanks or stationery for a county officer only if they are to be used for the benefit of the county.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-6

Claim for work on contract; certification of supervisor; allowance

Sec. 6. (a) The county executive may allow a contract claim for

work that was to be conducted under the supervision of the county surveyor, or an architect, engineer, superintendent, or inspector appointed by the executive, only if that supervisor certifies in writing on the claim that the work listed in the claim has been performed according to the contract and that the claim is due and owing under the contract. The supervisor's certificate must be filed with the claim.

(b) A county executive may not allow a claim on a contract covered by this section solely on the basis of the supervisor's certificate.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-7

Payment of claims; warrants; requirements

Sec. 7. (a) The county auditor may issue a warrant for money to be paid out of the county treasury in payment of a claim only if the claim:

- (1) complies with IC 5-11-10-1.6; and
- (2) is filed with the auditor more than five (5) days before the first day of the meeting of the county executive at which it is allowed.

(b) The county auditor may issue a warrant for money to be paid out of the county treasury in payment of a claim:

- (1) for supplies; or
- (2) on a contract with the county executive for the execution of a public work;

only if the supplies were purchased or the contract was made in compliance with this article.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.39-1996, SEC.11.

IC 36-2-6-8

Prohibited allowances; allowances to certain officers; violation; offense

Sec. 8. (a) The county executive or a court may not make an allowance to a county officer for:

- (1) services rendered in a criminal action;
- (2) services rendered in a civil action; or
- (3) extra services rendered in the county officer's capacity as a county officer.

(b) The county executive may make an allowance to the clerk of the circuit court, county auditor, county treasurer, county sheriff, township assessor (if any), or county assessor, or to any of those officers' employees, only if:

- (1) the allowance is specifically required by law; or
- (2) the county executive finds, on the record, that the allowance is necessary in the public interest.

(c) A member of the county executive who recklessly violates subsection (b) commits a Class C misdemeanor and forfeits the member's office.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.222-1997,

SEC.2; P.L.146-2008, SEC.689.

IC 36-2-6-9

Appeal of decision by county executive by aggrieved person; procedure

Sec. 9. A person aggrieved by a decision of the county executive made under section 2 of this chapter may appeal that decision to the circuit or superior court of the county or bring an action against the county. An appeal must be taken within thirty (30) days of the executive's action and must be accompanied by a bond covering court costs and payable to the executive. If the appeal does not result in an increase of the executive's original allowance, the appellant shall pay the costs of the appeal.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-10

Judgments obligating county to exceed its appropriation

Sec. 10. A court may obligate the county to exceed its appropriation for that court only by judgment rendered in a cause in which the court has jurisdiction of the parties and subject matter of the action. An obligation imposed on a county in violation of this section is void.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-11

Charge of claim against appropriation; apportionment

Sec. 11. Whenever the county auditor draws a warrant for a claim under this chapter he shall charge the claim against the appropriation made for that purpose. If the claim is for materials, supplies, or labor for more than one (1) officer or institution, the auditor shall apportion the claim and charge the proper amount against the appropriation for each officer or institution. Similar apportionments shall be made in other cases in which a claim should be charged to more than one (1) appropriation.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-12

Drawing of warrant on county treasury; notification of depletion of treasury; liability of county treasurer or county officer; void agreements

Sec. 12. (a) A warrant for the payment of money may be drawn on the county treasury only if there is money in the county treasury.

(b) The county treasurer shall notify county officers authorized to draw warrants on the county treasury when there is no money in the county treasury. A county treasurer is liable on his official bond to persons holding county warrants if those warrants were issued:

- (1) when there was no money in the county treasury; and
- (2) before the county treasurer gave the notice required by this subsection.

The treasurer is liable for the amount of those warrants, plus interest.

(c) A county officer or member of the county executive who:
(1) recklessly issues a bond, certificate, or warrant for the payment of money that would require the county to exceed its appropriation for the bond, certificate, or warrant; or
(2) enters into an agreement of any type that would require the county to exceed its appropriation for a particular purpose;
commits a Class B misdemeanor and is liable on his official bond to any person injured by his offense.

(d) An agreement of any type that:

(1) is entered into by the county executive or a county officer, agent, or employee; and

(2) would require the county to exceed its appropriation for a particular purpose;

is void.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-13

Recovery of payments in violation of article

Sec. 13. (a) Money paid out of the county treasury in violation of this article may be recovered by the county executive in an action in the name of the state against the officer who paid the money or assisted in the payment, the person who received the money, or both. If the county executive fails to bring the action within thirty (30) days after the illegal payment, a citizen or taxpayer may make a written demand on the county executive to bring the action and may then bring the action in the name of the state for the benefit of the county if the executive fails to comply with his demand.

(b) If an action brought under this section is successful, the court shall award the amount of money paid out of the treasury illegally, plus interest at the rate of six percent (6%) per year, to the county and shall award reasonable attorney's fees and expenses to the plaintiff.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-14

Money received for taxes; record; certification of gross amount received

Sec. 14. The county treasurer shall keep a record of all money he receives for taxes imposed by the county fiscal body, and, on the first day of each month, shall certify the gross amount of taxes received during the preceding month to the county auditor. The part of that amount that belongs to the county may be used by the county to pay any item of appropriation for that year.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-14.5

Special assessment required to be certified to county auditor

Sec. 14.5. Notwithstanding any other provision of law, a special assessment required to be certified to the county auditor and added to the tax duplicate by law shall be certified within each county on or before a uniform date or dates established by the legislative body of

that county. If the legislative body of a county does not establish a date for the certification required by this section, a special assessment required to be certified to the county auditor and added to the tax duplicate by law shall be certified on or before March 1.

As added by P.L.154-1999, SEC.3.

IC 36-2-6-15

Settlement made by county executive with county, township, or school officer; overpayment

Sec. 15. (a) A settlement made by the county executive with a county, township, or school officer is binding on the state or county only if the officer has accounted for all money he has collected by virtue of his office and has performed every duty required of him by law. If the settlement is not binding, the officer and his sureties are liable as if no settlement had been made.

(b) If the county executive finds that through mistake or any other cause a county, township, or school officer has paid over to the county, or reported, settled, or accounted to the county executive for more money than he owed, the executive may:

- (1) order that the officer be repaid out of the proper fund and be given the proper credit by the county auditor; or
- (2) if the money has not yet been paid by the officer, release so much of his debt as it finds to be mistaken.

As added by Acts 1980, P.L.212, SEC.1.

IC 36-2-6-16

Repealed

(Repealed by P.L.252-1993, SEC.6.)

IC 36-2-6-17

Purchase of supplies for county institutions

Sec. 17. (a) This section applies to purchases of supplies used for the maintenance and subsistence of persons confined to, living in, or treated at county institutions.

(b) Supplies shall be contracted for and shall be purchased by the business manager or purchasing agent of each county institution.

(c) The executive shall make contracts for:

- (1) meats;
- (2) groceries;
- (3) dry goods;
- (4) fuel; and
- (5) furniture and equipment;

at stated prices, leaving the quantity to vary with the needs of the county.

As added by Acts 1980, P.L.212, SEC.1. Amended by Acts 1980, P.L.125, SEC.21; P.L.252-1993, SEC.4.

IC 36-2-6-18

Loans; bonds; tax anticipation warrants; deficits

Sec. 18. (a) The county fiscal body may, by ordinance:

(1) make loans for the purpose of procuring money to be used in the exercise of county powers and for the payment of county debts other than current running expenses, and issue bonds or other county obligations to refund those loans;

(2) make temporary loans to meet current running expenses, in anticipation of and not in excess of county revenues for the current fiscal year, which shall be evidenced by tax anticipation warrants of the county; and

(3) make loans and issue notes under subsection (d).

(b) An ordinance authorizing the issuance of bonds under this section must state the purpose for which the bonds are issued and may provide that the bonds:

(1) are or are not negotiable;

(2) bear interest at any rate;

(3) run not longer than twenty (20) years; and

(4) mature by installments payable annually or otherwise.

(c) An ordinance authorizing the issuance of tax anticipation warrants under this section must:

(1) state the total amount of the issue;

(2) state the denomination of the warrants;

(3) state the time and place payable;

(4) state the rate of interest;

(5) state the funds and revenues in anticipation of which the warrants are issued and out of which they are payable; and

(6) appropriate and pledge a sufficient amount of those revenues to the punctual payment of the warrants.

The warrants are exempt from taxation for all purposes.

(d) The county fiscal body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the county, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the county's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made in the same manner as loans made under subsection

(a)(1), except that:

(1) the ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans;

(2) the loans must be evidenced by notes of the county in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable; and

(3) the interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

(e) If a deficit is incurred for the current running expenses of the

county because the total of county revenues for the fiscal year is less than the anticipated total, the county fiscal body shall provide for the deficit in the next county tax levy.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.37-1988, SEC.21.

IC 36-2-6-19

Bonds or tax anticipation warrants; sale; bidding; notice; disclosures

Sec. 19. (a) Whenever bonds authorized under section 18 of this chapter are to be sold, the county auditor shall prepare and place on file copies of:

- (1) the ordinance authorizing the sale;
- (2) specifications describing the bonds to be sold;
- (3) a list of the outstanding debts of the county;
- (4) a statement of the assessed valuation of property in the county, according to the most recent assessment for property tax purposes; and
- (5) any other information that may help bidders and other interested persons to understand the financial condition of the county and to determine the market value of the bonds.

The auditor shall present these items to persons requesting them and to financial institutions that are in the market for the purchase of county bonds.

(b) After filing the items required by subsection (a), the county auditor must, in the manner prescribed by IC 5-3-1 and IC 5-1-11-2, publish a notice calling for sealed bids on the bonds and stating:

- (1) the amount and type of bonds to be sold;
- (2) the rate of interest the bonds are to bear;
- (3) the time the bonds are to run; and
- (4) that specifications and information concerning the bonds are on file in the office of the county auditor and available on request.

(c) Whenever tax anticipation warrants issued under section 18 of this chapter are to be sold, the county auditor must publish a notice of sale in accordance with IC 5-3-1. No other publication or statement is necessary.

(d) The county auditor shall sell bonds or tax anticipation warrants to the highest responsible bidder, if a satisfactory bid is received. However, they may not be sold for less than their par value plus the interest:

- (1) accrued at the date of sale, in the case of bonds; or
- (2) accrued at the date of delivery, in the case of tax anticipation warrants.

(e) Notwithstanding subsection (d), if on the date of a sale of tax anticipation warrants no bids at par value plus the interest accrued at the date of delivery are received, the county auditor may:

- (1) sell all or part of the warrants at a private sale or sales; or
- (2) issue and deliver all or part of the warrants in payment of claims against the county that have been approved by the county

executive;
at not less than par value plus the interest accrued at the date of delivery.

(f) Whenever a loan authorized by the county fiscal body is to be refunded by some manner other than the sale of bonds or tax anticipation warrants, the county auditor must give notice, receive bids, and let the loans in the manner prescribed by this section.

As added by Acts 1980, P.L.212, SEC.1. Amended by Acts 1981, P.L.45, SEC.10.

IC 36-2-6-20

Issuance of bonds, notes, or warrants; requirements; disposition of proceeds and delivery of instruments

Sec. 20. (a) Whenever any county bonds, notes, or warrants are to be issued, the county auditor must:

- (1) supervise the preparation and engraving or printing of the bonds, with the advice of an attorney representing the county; and
- (2) deliver the bonds to the county treasurer, who shall be charged with them.

(b) Each county bond, note, or warrant must contain a reference to the ordinance authorizing it, including the date of adoption of that ordinance.

(c) All bonds, notes, or warrants of the county must be executed by the board of commissioners of the county and attested by the county auditor. Money received for the bonds, notes, or warrants shall be paid to the county treasurer, who shall then deliver the bonds, notes, or warrants to the persons entitled to receive them.

(d) Tax anticipation warrants are payable at the office of the county treasurer or at one (1) of the authorized depositories of the county, as checks or other warrants of the county are payable, upon presentation on or after their maturity date. All interest on tax anticipation warrants ceases upon their maturity.

As added by Acts 1980, P.L.212, SEC.1. Amended by P.L.137-1989, SEC.15.

IC 36-2-6-21

Repealed

(Repealed by Acts 1981, P.L.57, SEC.45.)

IC 36-2-6-22

Payments in lieu of taxes

Sec. 22. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Exemption.
- (3) Owner.
- (4) Person.
- (5) Property taxation.
- (6) Real property.

(7) Township assessor.

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7 that is not located in a county containing a consolidated city.

(d) Subject to the approval of a property owner, the fiscal body of a county may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance remains in full force and effect until repealed or modified by the legislative body, subject to the approval of the property owner.

(e) The PILOTS must be calculated so that the PILOTS are in an amount equal to the amount of property taxes that would have been levied upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS shall be imposed in the same manner as property taxes and shall be based on the assessed value of the real property described in subsection (d). Except as provided in subsection (i), the township assessor, or the county assessor if there is no township assessor for the township, shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section shall be distributed in the same manner as if they were property taxes being distributed to taxing units in the county.

(h) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

(i) If the duties of the township assessor have been transferred to the county assessor as described in IC 6-1.1-1-24, a reference to the township assessor in this section is considered to be a reference to the county assessor.

*As added by P.L.185-2001, SEC.5 and P.L.291-2001, SEC.196.
Amended by P.L.1-2002, SEC.155; P.L.219-2007, SEC.107;
P.L.146-2008, SEC.690.*