

***If the selectboard meets every two weeks and paychecks are issued on a weekly basis, can the town treasurer disburse funds without selectboard authorization?***

No. A town treasurer has no independent authority to pay bills without first receiving a signed order from the selectboard. Nor may the selectboard grant conditional approval to the treasurer to make certain payments, such as payroll, prior to an order being issued. Vermont law clearly states that the “treasurer shall pay orders drawn on him by officials authorized by law to draw such orders.” 24 V.S.A. § 1576.

Generally speaking, an order must be approved by a majority of the total number of the selectboard. However, the Legislature has created a statutory fix to this administrative problem by allowing the selectboard to “authorize one or more of its members to examine and allow claims against the town” so long as the full board is “provided with a record of orders drawn” whenever orders are signed by less than a majority of the board. 24 V.S.A § 1623(1). Note that the initial act of delegating authority to one or more members is an act of the board. Practically speaking, the selectboard should choose a member(s) whose flexibility of schedule allows him or her to perform this duty.

As an alternative, the selectboard may submit a certified copy of its minutes to the treasurer (signed by either a majority of the board or its chair and clerk) showing to whom and for what purpose each payment is to be made. This too shall serve as full authority for the treasurer to make approved payments. 24 V.S.A. § 1623(2). Some municipalities have inquired whether this authority allows selectboards to approve payroll orders after payroll checks have been dispersed and reflect this approval in the minutes. We believe orders must be signed prior to dispersing any checks.

- *Garrett Baxter, Senior Associate, VLCT Municipal Assistance Center*

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