

DRAFT FINANCIAL POLICIES AND GOALS  
INTRODUCTION  
TOWN OF POMFRET  
**Revised 3/10/2022**

GOALS

1. To ensure compliance with laws and conformance with accounting standards.
2. To promote year-to-year consistency and efficiency in handling budgetary and financial matters and methodology regardless of change of personnel.
3. To help local officials make more informed financial decisions, safeguard the town's resources and capital assets, and promote financial stewardship (committed to responsible, moral, ethical, and prudent decision-making).
4. To support development of long and short term financial goals, which become a vital part of the planning process and the annual budget.
5. To maintain a stable tax rate while avoiding tax spikes and short-term debt.
6. To support the use of reserves for funding capital projects and special projects.
7. To clarify responsibilities for managing various facets of financial, capital, and budgetary planning and oversight.
8. To review and manage the budget on a monthly basis with the goal of ending the fiscal year with a balanced budget. If one line-item looks like it will exceed budget by the end of the year, compensate by identifying and underspending other line items.
9. To promote positive working relationships between the town's elected and appointed officials.
10. To require that new staff and public officials, who are responsible for town finances, familiarize themselves with these policies, and comply with their intent.
11. To Inform municipal officials without financial background and provide tools to properly manage the town's finances.
12. To ensure that the goals set for all financial policies together express how to reach the above goals.

To establish sound practices, the following policies are proposed, some of which already have been adopted:

- ACCOUNTING, AUDIT, REPORTING POLICY
- PURCHASING POLICY: adopted April 2, 2014 and amended May 7, 2014
- INCOME, EXPENSE, AND CASH POLICY
- CREDIT CARD POLICY: Adopted March 17, 2021
- CAPITAL PROGRAM AND BALANCED BUDGET POLICY
- INVESTMENT POLICY
- RESERVES AND RAINY DAY FUND POLICY
- FRAUD PREVENTION

Currently the Town is not in debt, but should this change, a Debt Policy would be advisable to outline the issues and considerations of debt and its financial reporting requirements.

Additionally, the Selectboard may choose to request a policy outlining handling of the funds overseen by the Trustees of Public Funds.