

# TOWN OF STAMFORD, VERMONT

— Chartered 1753 —

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## INVESTMENT/FINANCE POLICY

The following investment/finance policy shall be followed by the Town of Stamford:

### 1. OBJECTIVE

The primary objectives of the Investment/Finance Policy shall be, in order of priority:

- 1) security of principal
- 2) liquidity, as needed, to meet projected expenditures
- 3) to allow a method for obtaining funding for day to day operations as needed, and
- 4) return of investment.

### 2. AUTHORITY

Money received by the town treasurer on behalf of the town may be invested and reinvested by the treasurer with the approval of the legislative body. 24 V.S.A. 1571.

### 3. ACCEPTABLE FUNDS

All funds are to be fully insured. The treasurer, with the approval of the Selectboard, is authorized to invest and deposit any town funds as follows:

- Checking accounts
- Certificates of Deposits (CDs)
- Money market accounts
- Savings accounts
- Insured municipal/corporate bonds

The investing of any town funds in any option not listed above will require Selectboard approval and an amendment of this policy.

4. ACCEPTABLE FINANCING

The treasurer, as authorized by the Selectboard, may seek financing for day to day operations using one or more of the following methods:

Tax anticipation note

Line of credit

5. STANDARDS OF PRUDENCE

The standard to be used in making investments and by which investment decisions will be assessed shall be made with judgment and care under circumstances then prevailing. Investments will be made whereby the person(s) shall use discretion and intelligence to consider the probable safety of the capital as well as the probable income to be earned.

6. DIVERSIFICATION OF THE INVESTMENT PORTFOLIO

The treasurer shall maintain sufficient diversification of investments such that the ability of the town to continue to do business on an ongoing basis will not be impaired because of a liquidity crisis occurring in any one institution with which the town has invested.

7. ETHICS AND CONFLICT OF INTEREST

Officials who participate in the investment process shall act responsibly as custodians of the funds and shall avoid any transactions that might impair their ability to make impartial decisions or impair public confidence. Officials shall disclose any position held with a financial institution in which town funds are invested.

8. REVIEW PROCESS

The treasurer will report financial activity and balances monthly to the Selectboard, annually in the Town Report, and to the auditors. The report to the Selectboard shall include, as a minimum, type of investment, earnings and rate of return for the month, if available.

DESCRIPTION OF CURRENT TOWN ACCOUNTS

9. GENERAL FUND CHECKING ACCOUNT

The checking account receives all money collected by the town treasurer that is not designated for any specific fund. All money is spent from this account. Excess money in this account can be transferred to and from the general fund money market account as needed.

10. GENERAL FUND MONEY MARKET

This account acts as a holding account for excess money in the checking account. Excess funds may also be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates in accordance with what best serves the needs of the town at the time.

11. NATIONAL FOREST FUNDS

This fund was established to receive money from landowners who sell property to the national forest. Landowners pay a one-time payment for future tax revenue losses. This money is invested in CDs. The purpose of the fund is to reduce the raise and appropriate by using the yearly interest.

12. EQUIPMENT FUND

This is a designated fund established by town vote and allows disbursements only by town vote. The fund receives money allocated at town meeting. The funds may be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates, in accordance with what best serves the needs of the town at the time.

13. BRIDGE FUND

Money for this fund is appropriated by town vote and can only be expended for the designated bridge. All bridges will receive separate accounts.

14. ACT 60 REAPPRAISAL FUND

This is a designated fund established by town vote in March 2002. Money is received yearly from the state and can only be used for reappraisal and maintenance of the grand list. The money may be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates in accordance with what best serves the needs of the town at the time.

15. DELINQUENT TAXPAYER ACCOUNT

This savings account was established in conjunction with the delinquent tax collector and the town treasurer. Both names are on the account. The purpose of this account is for the convenience of deposits for the delinquent tax collector. Money and reports to the treasurer are processed as needed throughout the year and before the close of the fiscal year.

16. FUTURE NEEDS FUND

This is a designated fund established by town vote in March 2005 and allows for disbursements only by town vote. The fund receives money allocated at town meeting. The money may be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates in accordance with what best serves the needs of the town at the time.

17. TOWN OFFICE EQUIPMENT REPLACEMENT FUND

This fund was established in March 2002 and is part of the general fund but accounted for separately. Any unused funds from the Office Equipment Purchase budget line at the end of the year are moved to this fund. The purpose of this fund is to provide for the purchase or replacement of town office equipment without the need to increase the raise and appropriate.

18. RECORD RESTORATION FUND

This fund was established by town vote in March 2000 and is part of the general fund but accounted for separately. A portion of the recording fees received by the town is allocated to the Record Restoration Fund to preserve and restore permanently kept town records.

19. TECHNOLOGY FUND

This fund was established by town vote in March 2010 and is part of the general fund but accounted for separately. A portion of the recording fees received by the town is allocated to the Technology Fund for electronic and technological improvements for the indexing, viewing, storage and back up of permanently kept town records.

20. FIRE TRUCK REPLACEMENT FUND

This is a designated fund established by town vote in March 2018 and allows for disbursements only by town vote. The town treasurer and assistant treasurer are signers on this account. The fund receives money allocated at town meeting. The money may be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates in accordance with what best serves the needs of the town at the time.

21. COMMUNITY PROJECTS FUND

This is a holding account which was established by the Selectboard in July 2019. The town treasurer and assistant treasurer are signers on this account. The fund does not include any town money. It receives money through grants and awards received by various town groups supporting community-oriented projects. The money may be invested in short term CDs, money market or savings account(s) based on liquidity and interest rates in accordance with what best serves the needs of the town at the time.

22. PLANNING COMMISSION

This account is not controlled by the Selectboard. The town treasurer and assistant treasurer are signers on this account and transactions are made with the approval of the Planning Commission.

23. CEMETERY COMMISSION

These accounts are not controlled by the Selectboard. The town treasurer and assistant treasurer are signers on the account(s) and transactions are made with the approval of the Cemetery Commission.

24. LIBRARY

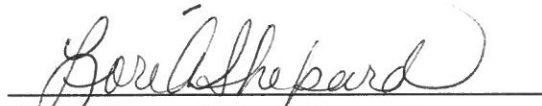
These accounts are not controlled by the Selectboard. A library trustee, the town treasurer and assistant treasurer are signers on the account(s) and transactions are made with the approval of the Library Board of Trustees.

The foregoing Policy is hereby adopted by the Town of Stamford, Vermont, this 18<sup>th</sup> day of August, 2022 and will be effective as of this date, until amended or repealed.

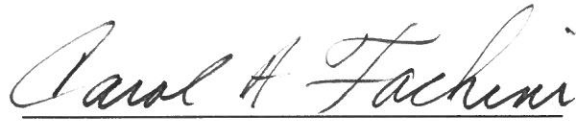
SELECTBOARD:

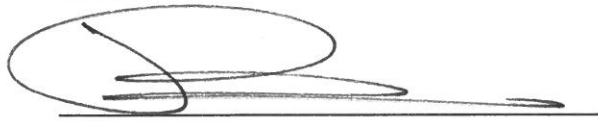
TREASURER:

  
Nancy L. Bushika, Chair

  
Lori A. Shepard, Town Treasurer

  
Michael G. Denault

  
Carol A. Fachini

  
Pamela Tworig

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Brandon Field

Adopted by the Selectboard on August 18, 2022.

