

TOWN OF RICHMOND
ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICY

PURPOSE: The purpose of this Accounting, Auditing and Financial Reporting Policy is to establish and maintain high standards for accounting practices in the Town of Richmond, thereby enabling voters, the Selectboard, and the Treasurer to make sound decisions in preparing and adopting the Town budget and managing Town finances.

ACCOUNTING: The accounting practices of the Town will conform to Generally Accepted Accounting Principles for local governments as established by the Governmental Accounting Standards Board. The Treasurer will establish and maintain a system of fund accounting and shall measure financial position and results of operations using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary and fiduciary funds.

AUDITING: Annually the Selectboard will cause the Town financial statements to be prepared by an independent Certified Public Accountant (CPA) and then audited by a qualified, properly licensed independent accounting firm.

MONTHLY AND ANNUAL FINANCIAL REPORTING: The Town Manager and Finance Assistant will prepare monthly financial reports for the Selectboard for management purposes. These will consist of:

Budget report showing revenues collected and appropriations expended for the previous month with the variance from the budget amounts.

Statement of Revenue, Expenditures, and Changes in Fund Balance showing revenues and expenditures and the difference between the two, the beginning fund balance for the period, the ending fund balance; and Balance Sheet showing town assets less liabilities and the fund balance.

The independent CPA will prepare an annual financial report. This report shall include financial statements for each of the funds, as well as appropriate additional disclosures as necessary for the complete understanding of the financial statements presented. In addition, the report should include a narrative discussion to explain how the town's current financial position and results of financial activities compare with those of the prior year and with budgeted amounts.

Date: 10/19/15

 

David Sander

Ellen Kane

Taylor Yeates



Bard Hill



Lincoln Bressor