

SECTION 3 - DEPOSITORIES

Depositories must be designated as such by the governing body. This designation, and the related documentation, should be **renewed at least when a new clerk is appointed, when elections of a new governing board has occurred, or when both has happened** [W.S. 9-4-806, W.S. 9-4-817, and W.S. 9-4-808]. This is to ensure there is always a current agreement between the governing body and the board of the designated depositories. It also serves to ensure the governing body confirms the designated depository is licensed with the State of Wyoming as required by W.S. 9-4-817. Banks can frequently change ownership and the agreement must be with valid owners. The insurance provided by the FDIC can be called into question when there is not a current understanding between both parties.

It is important to note, all deposits at an approved depository **must be fully insured** by the Federal Deposit Insurance Corporation (FDIC) or collateralized by the depository's pledge of approved assets (i.e., assets listed in the statutes and accepted by the governing body). Surety bonds are also allowed as security for funds on deposit over the FDIC insurance amounts [W.S. 9-4-820(b) and W.S. 9-4-831].

Authorized Depositories

W.S. 9-4-817 provides that public funds are to be kept on deposit at an official depository, unless they are invested elsewhere. Official depositories are defined as:

- a. Banks incorporated under the law of this state;
- b. National banks;
- c. Savings and loan associations incorporated under the law of this state; and
- d. Federal savings and loan associations and federal savings banks.

Many savings and loan associations have become savings banks. This change is not a reason to disqualify them as depositories.

Note: Credit unions are not authorized official depositories. Only institutions designated by the Board of deposits qualify as depositories for public monies [W.S. 9-4-803 and W.S. 9-4-817]. This list of approved depositories can be found on the Wyoming State Treasurer's Website.

Note: This section of the manual discusses regular deposits. The Investments section identifies certificates of deposit and savings certificates as investments. Regular deposits are defined as checking accounts (either regular, Negotiable Order of Withdrawal (NOW) or money market) and savings accounts.

Federal Deposit Insurance Corporation (FDIC)

FDIC insurance has the following limits and provisions:

- a. The insurance limits are per custodian per depository. The treasurer of the special district is the custodian;
- b. There is \$250,000 of insurance on **demand accounts**. Demand accounts are checking accounts which do not earn interest; and

Philosophy

The purpose of financial management in the operation for the Town of Wright's activities is to fulfill the organization's mission in the most effective and efficient manner and to remain accountable to the citizens (tax payers) of the Town of Wright, including clients, the State of Wyoming, and the Town of Wright employees, In order to accomplish this, the Town of Wright commits to providing accurate and complete financial data for internal and external use by the Town of Wright and it's Council and Mayor.

Authority

The Town of Wright's Town Council and Mayor is ultimately responsible for the financial management of all activities. The Treasurer is authorized to act on the Town's behalf on financial matters when action is required in advance of a meeting of the Town Council.

- The Clerk/Treasurer is responsible for the day-today financial management of the Town. The Town Council authorizes the Clerk/Treasurer to hire and supervise staff, pay bills, receive funds, and maintain bank accounts.
- The Town Council and the Mayor are authorized to sign checks.
- The Clerk/Treasurer is Authorized to transact ACH's for the purpose of payroll
The Clerk/Treasurer is authorized to transfer monies between Investment Funds and Checking and Savings Accounts with the approval of the Mayor.
- The Clerk/Treasurer is authorized to enter contracts for activities that have been approved by the Town Council as a part of budgets or plans. The Town Council must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$35,000.
- The Clerk/Treasurer is authorized to manage expenses within the parameters of the overall approved budget.
- The Town of Wright Town Council must approve any use of the board designated cash reserve fund.

Responsibilities

The Clerk/Treasurer shall:

- Account for board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- Report the financial results of the Town of Wright's operations according to the schedule established by the State of Wyoming accounting procedures, at least quarterly.
- Pay all obligations and file required reports in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Town Council.
- Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
- Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- Limit vendor credit accounts to prudent and necessary levels.
- Obtain competitive bids for items or services costing more than \$35,000 per unit. Selection will be based on cost, service, and other elements of the contract.

The Wright Town Council shall:

- Review financial reports quarterly at a Town Council meeting.
- One Council person shall be responsible for opening and checking bank statements.

Financial Transactions with Insiders

No advances of funds to employees, or Town Council are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed.

Budget

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with Town Council-approved priorities, long-range organization goals, and specific five-year objectives, the Clerk/Treasurer shall:

- Submit operating and capital budgets to the Wright Town Council in time for approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections as background,

Gift Acceptance

None

Asset Protection

In order to ensure that the assets of the Town of Wright are adequately protected and maintained, the Clerk/Treasurer shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

RESOLUTION NO. 2021-02

Resolution # 2021-02 **Adopting a Financial Policy for the Town of Wright, Wright, Wyoming Campbell County.**

Whereas, the Town of Wright Financial Policies are adopted to clearly define the fiscal environment for the budget process and ongoing financial operations; and

Whereas the policy of the Town of Wright is to actively manage financial, operational, and budgetary affairs within established guidelines in order to maintain financial stability both now and in the future.

Whereas, the Town of Wright now desires to adopt the attached Financial Policy

Now, therefore, be it resolved, that the Town of Wright adopts the attached Financial Policy for the Town of Wright" and declares it effective February 22, 2021.

Passed this 22nd day of Feb, 2021.

Ralph Kingan, Mayor

Attest:

Barbara Craig
Barbara Craig, Clerk/Treasurer

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