

RESOLUTION NO. 2017-30

WHEREAS, N.J.S.A. 40A: 5-14 directs each local unit to adopt a cash management plan and

WHEREAS, N.J.S.A. 40A: 5-14.1 provides that the Director of the Division of Local Government Services shall adopt rules and regulations to implement this act,

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Aberdeen, County of Monmouth, State of New Jersey that the following Cash Management Plan be adopted.

CASH MANAGEMENT PLAN

- I. STATEMENT OF PURPOSE
- II. IDENTIFICATION OF FUNDS AND ACCOUNTS TO BE COVERED BY
THE PLAN
- III. DESIGNATION OF OFFICIALS OF THE TOWNSHIP OF ABERDEEN
AUTHORIZED TO MAKE DEPOSITS AND INVESTMENTS UNDER THE
PLAN
- IV. DESIGNATION OF DEPOSITORIES
- V. DEPOSIT OF FUNDS
- VI. DESIGNATION OF BROKERAGE FIRMS AND DEALERS WITH WHOM
THE DESIGNATED OFFICIALS MAY DEAL
- VII. INVESTMENT INSTRUMENTS AND PROCEDURE
- VIII. SAFEKEEPING, CUSTODY, PAYMENT AND ACKNOWLEDGEMENT OF
RECEIPT OF PLAN
- IX. DISBURSEMENT OF FUNDS
- X. PETTY CASH FUND
- XI. CHANGE FUNDS
- XII. BONDING
- XIII. COMPLIANCE
- XIV. TERM OF PLAN

I. STATEMENT OF PURPOSE

This Cash Management Plan is prepared pursuant to the provisions of N.J.S.A.40A: 5-14 in order to set forth the basis for the deposits and investment of certain public funds of the Township of Aberdeen, pending the use of such funds for the intended purposes. The plan is intended to assure that all public funds identified herein are deposited in interest bearing deposits. The intent of the plan is to provide that the decisions made with regard to the Deposits will be done to insure the safety, liquidity and maximum investment return within such limits. The plan is intended to insure that any deposit matures within the time period that approximates the need for the funds.

II. IDENTIFICATION OF FUNDS AND ACCOUNTS TO BE COVERED BY THE PLAN

The plan is intended to cover the deposit and/or investment of the following funds and accounts of the Township of Aberdeen

1. Current Fund
 - a) General Deposit
 - b) General Disbursement
 - c) Payroll
 - d) Sanitation District
 - e) Grant Fund
2. Trust Fund
 - a) Developer's Escrow
 - b) Special Development Trust
 - c) State Unemployment
 - d) Health Benefits
 - e) State Unemployment
 - f) Dog Trust
 - g) Housing Trust
 - h) Celebration Trust
 - i) Snow Trust
3. General Capital
 - a) General capital
4. Sewer/Water Utility
 - a) Operating
 - b) Capital

III. DESIGNATION OF OFFICIALS OF THE TOWNSHIP OF ABERDEEN AUTHORIZED TO MAKE DEPOSITS AND INVESTMENTS UNDER THE PLAN

The Chief Financial Officer and/or the Township Manager of the Township of Aberdeen is hereby authorized and directed to deposit and/or invest the funds referred to in the plan. Prior to making any such deposits or investments, such official of the Township is directed to supply to all depositories a written copy of this plan which shall be acknowledged in writing by such parties and a copy of such acknowledgment kept on file with such officials.

IV. DESIGNATION OF DEPOSITORIES

The following banks and financial institutions are hereby designated as official depositories for the deposit of all public funds including any certificates of deposit:

Bank of America
Columbia Savings Bank
Commerce Bank
First Union National Bank
First Financial Federal
PNC Bank Corporation
Sovereign Bank
Two River Community Bank

V. DEPOSIT OF FUNDS

All funds shall be deposited within forty-eight (48) hours of receipt, in accordance with N.J.S.A.40: A5-15, into the appropriate fund operating accounts. Debt services and trust accounts shall be maintained in accordance with Federal and State statutes. Payroll, Developers' Escrow, Special Development Trust and other agency funds, which represent funds of individuals and other organizations held by the Township shall be deposited in regular non-interest bearing checking accounts, unless applicable State statutes direct otherwise. Grant funds shall be deposited in accordance with the regulations of the granting government or agency.

Where compensating balances are required by any designated depository to offset the cost of services provided an agreement

between the Township and the depository shall be executed, specifying the charge for each service and the balance required offsetting each charge. Said agreement shall be reviewed on an annual basis.

VI. DESIGNATION OF BROKERAGE FIRMS AND DEALERS WITH WHOM THE DESIGNATED OFFICIALS MAY DEAL

The following brokerage firms and/or dealers and other institutions are hereby designated as firms with whom the officials of the Township may deal for the purposes of buying and selling securities identified in this plan as deposits or investments. All such brokerage firms and/or dealers shall acknowledge in writing receipt of this plan by sending a copy of such acknowledgment to the officials referred to in Section III above.

VII. INVESTMENT INSTRUMENTS AND PROCEDURE

Except as otherwise specifically provided for herein, the Designated official is hereby authorized to invest the public funds covered by this plan, to the extent not otherwise held in Deposits, in the following investments:

- 1.) Bonds of other obligations of the US or obligations guaranteed by the US
- 2.) Government money market mutual funds
- 3.) Local government investment pools
- 4.) Deposits with the State of NJ Cash Management Fund
- 5.) Any authorized investment under N.J.S.A. 40A5:15.1

VIII. SAFEKEEPING CUSTODY PAYMENT AND ACKNOWLEDGEMENT OF RECEIPT OF PLAN

To the extent that any deposit of investment involves a document or security which is not physically held by the Township, then such instrument or security shall be covered by a custodial agreement with an independent third party, which shall be a bank or financial institution in the State of New Jersey

To assure that all parties with whom the Township deals either by way of deposits or investments are aware of the authority and limits set forth in this plan, all such parties shall be supplied with a copy of this plan in writing and all such parties shall acknowledge the receipt of that plan in writing, a copy of which shall acknowledge the receipt of

that plan in writing, a copy of which shall be on file with the Designated Official.

IX. DISBURSEMENT OF FUNDS

All funds shall be disbursed as authorized and directed by the Township Manager. The Chief Financial Officer shall, at the beginning of the fiscal year, present to the Township Manager a schedule of debt service principal and interest payments and when available, a schedule of School Tax payments for the upcoming fiscal year. Upon approval of the schedules for payments by the Township Manager, the Chief Financial Officer shall then have the authority to make the following disbursements:

- School Taxes
- County Taxes
- Inter-funds
- Purchase of Investments
- Debt Service
- Salaries & Wages
- Budget Appropriations

X. PETTY CASH FUND

Reimbursements for expenditures through the Petty Cash Fund shall be made within the limits approved by the Director of the Division of Local Government Services. The Petty Cash Fund shall be maintained in accordance with N.J.S.A.40A: 5-21. Petty Cash Funds shall be maintained in the following amounts:

- Treasurer \$ 200.00
- Police \$ 150.00

XI. CHANGE FUNDS

Change funds have been established by past resolutions of the governing body to provide change to taxpayers making payments to the following departments:

- Tax Office \$ 225.00
- Court \$ 75.00
- Water Dept. \$ 200.00

XI. BONDING

The following officials shall be covered by surety bonds; said surety bonds to be examined by the independent auditor to insure their proper execution:

Director of Finance
Tax Collector/Tax Search Officer
Sewer & Water Utility Collector
Magistrate
Court Administrator
Deputy Court Clerk

Staff members of the Department of Finance and Tax/Utility Collection not covered by separate surety bonds shall be covered by a Public Employee's blanket Bond.

XII. COMPLIANCE

The Cash Management Plan of the Township of Aberdeen shall be subject to the approval of the Township Attorney, and shall be subject to the annual audit conducted pursuant to N.J.S.A.40A: 5-4.

As stated in N.J.S.A. 40A: 5-14, the official charged with the custody of Township funds shall deposit them as instructed by this Cash Management Plan, and shall thereafter be relieved of any liability or loss due to the insolvency or closing of any designated depository.

If at any time, this Cash Management Plan conflicts with any regulation of the State of New Jersey or any department thereof, the applicable State regulations shall apply.

XIII. TERM OF PLAN

This plan shall be effective for the calendar year through December 31, 2017. Attached to this Plan is a resolution of the governing body of the Township of Aberdeen approving this Plan for such period of time. The Plan may be amended from time to time. To the extent that any amendment is adopted by the Council, the Designated Official is directed to supply copies of the amendments to all of the parties who otherwise have received the copy of the originally approved Plan. The amendments shall be acknowledged in writing in the same manner as the original plan was so acknowledged.