

**TOWNSHIP OF NORTH BRUNSWICK
RESOLUTION 374-12.25**

Resolution Amending a Cash Management Plan and Naming Official Cash Depositories

WHEREAS, N.J.S.A. 40A: 5-14 mandates that a Governing body of a municipal corporation shall, by resolution passed by a majority vote of the full membership thereof, designate as a depository for its monies a bank or trust company having its place of business in the state and organized under the laws of the United States or this state; and

WHEREAS, N.J.S.A. 40A: 5-15.1 amended by Chapter 148, P.L. 1997 established new requirements for the investment of public funds and adoption of a cash management plan for counties, municipalities and authorities; and

WHEREAS, the Township Council of the Township of North Brunswick, County of Middlesex, hereby complies with the above statutes; and

NOW, THEREFORE, BE IT RESOLVED, that the Township Council of the Township of North Brunswick, County of Middlesex adopts the following cash management plan, including the official depositories for the Township of North Brunswick, County of Middlesex, for the period January 1, 2025 through December 31, 2025.

**CASH MANAGEMENT PLAN OF THE TOWNSHIP OF NORTH BRUNSWICK,
COUNTY OF MIDDLESEX**

I. Statement of purpose

This Cash Management Plan (the “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 (“Deposits”) and investment (“Permitted Investments”) of certain public funds of the Township of North Brunswick, 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 or otherwise invested in Permitted Investments hereinafter referred to. The intent of the Plan is to provide that the decisions made with regard to the Deposits and the Permitted Investments will be done to ensure the safety, the liquidity (regarding its availability for the intended purposes), and the maximum investment return within such limits. The Plan is intended to ensure that any Deposit or Permitted Investment matures within the time period that approximates the prospective need for the funds deposited or invested so that there is not a risk to the market value of such Deposits or Permitted Investments.

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II. Identification of funds and accounts to be covered by the plan

The plan is intended to cover all deposits and/or all investments of the funds of the Township of North Brunswick including but not limited to:

- General Operating Checking Account
- Payroll Trust Fund (Gross Pay Impress Account)
- Recreation Trust Fund (Credit Card Clearing Account)
- Water & Sewer Utility Revenue Account
- Grant Revenue Account
- Community Development (Credit Card Clearing Account)
- Police Account (Credit Card Clearing Account)
- Developers' Escrow Trust Funds
- Municipal Court General Account
- Municipal Court Bail Account
- Growth Share Account
- Soil Remediation
- Soil Remediation Settlement
- Lien Redemption Account
- Belcourt
- Money Market Account
- Redevelopment Plan Account

III. Designation of officials authorized to make deposits and investments, withdraws and electronic funds transfer under the plan

The Chief Financial Officer (the "Designated Official") is hereby authorized and directed to deposit and/or invest the funds referred to in the Plan. Prior to making any such Deposits or any Permitted Investments, such officials of the Township of North Brunswick are directed to supply to all depositories or any other parties with whom the Deposits, or Permitted Investments are made, a written copy of this Plan which shall be acknowledged in writing by such parties, and a copy of such acknowledgement kept on file with such official.

The Chief Financial Officer is further authorized to make interfund transfers between the Township Funds as may be necessary from time to time. The Chief Financial Officer is authorized to make such transfers and/or any and all payments by wire transfer as necessary.

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All monies received by, or on behalf of, the municipality from any source shall within 48 hours after the receipt thereof, either be:

1. Paid to the officer charged with the custody of the general funds of the municipality, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the municipality in its designated legal depository or
2. Deposited to the credit of the authority in its legal depository.

III. Designation of depositories

The following banks and financial institutions are hereby designated as official depositories for the Deposit of all public funds referred to in the Plan, including any certificates of deposit which are not otherwise invested in Permitted Investments as provided for in this Plan:

Provident:

General Operating Checking Account
Payroll Trust Fund
Recreation Trust Fund
Water & Sewer Utility Revenue Account
Grant Revenue Account
Municipal Court General Account
Police Clearing Account
Community Development Clearing Account
Municipal Court Bail Account
Lien Redemption Account
Growth Share Account
Soil Remediation
Belcourt
Developers' Escrow Trust Funds

United Roosevelt Saving Bank:

Redevelopment Agency Account

Money Market Investment Accounts and/or Certificates of Deposit

TD Bank
Wells Fargo
Bank of America
Hudson City Savings Bank
Magyar Savings Bank
Capital One Bank

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Provident Bank
PNC Bank
Sun National Bank
Valley National Bank
United Roosevelt Savings Bank

All such depositories shall acknowledge in writing receipt of this Plan by sending a copy of such acknowledgement to the Designated Official(s) referred to in Section III above.

IV. 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 Designated Official(s) of the Township of North Brunswick referred to in this Plan may deal for purposes of buying and selling securities identified in this Plan as Permitted investments or otherwise providing for Deposits. All such brokerage firms and/or dealers shall acknowledge in writing receipt of this Plan by sending a copy of such acknowledgement to the Designated Official (s) referred to in Section III above.

Commerce Capital
Bank of America
Wells Fargo
RBC Dain Rauscher Inc.
Robert W. Baird & Co Inc
Provident
TD Wealth- Corporate Trust
J.P Morgan

VI. Authorized investments

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 permitted investments:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;

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- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the Local Unit or bonds or other obligations of the school districts of which the Local Unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by Local Units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L.1977, ch. 281 (C.52: 18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) The underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a:
 - (b) The custody of collateral is transferred to a third party;
 - (c) The maturity of the agreement is not more than 30 days;
 - (d) The underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17: 19-41); and
 - (e) A master repurchase agreement providing for the custody and security of collateral is executed.

For purposes of the above language, the terms “governmental money market mutual fund” and “local government investment pool” shall have the following definitions:

Government Money Market Mutual Fund

An investment company or investment trust:

- (a) Which is registered with the Securities and Exchange Commission under the “Investment Company Act of 1940,” 15 USC sec. 80a-1 et seq., and operated in accordance with 17 CFR sec. 270.2a-7.

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- (b) The portfolio of which is limited to U.S. Government securities that meet the definition of any eligible security pursuant to 17 C.F.R. sec 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities; and
- (c) Which has:
 - (1) Attained the highest ranking or the highest letter and numerical rating of a nationally recognized statistical rating organization; or
 - (2) Retained an investment advisor registered or exempt from registration with the Securities and Exchange Commission pursuant to the "Investment Advisors Act of 1940," 15 U.S.C. sec 80b-1 et seq., with experience investing in U.S. Government securities for at least the most recent past 60 months and with assets under management in excess of \$500 million.

Local Government Investment Pool

An investment pool:

- (a) Which is managed in accordance with 17 C.F.R. sec 270.2a-7;
- (b) Which is rated in the highest category by a nationally recognized statistical rating organization;
- (c) Which is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. sec. 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities;
- (d) Which is in compliance with rules adopted pursuant to the "Administrative Procedure Act," P.L. 1968, c.410 (c.52: 14B-1 et seq.) by the Local Finance Board of the Division of Local Government Services in the Department of Community Affairs, which rules shall provide for disclosure and reporting requirements and other provisions deemed necessary by the board to provide for the safety, liquidity and yield of the investment;
- (e) Which does not permit investments in instruments that: are subject to high price volatility with changing market conditions; cannot reasonably be expected at the time of interest rate adjustment, to have a market value that approximates their par value, or net asset value; and
- (f) Which purchases and redeems investments directly from the issuer, government money market mutual fund, or the State of New Jersey Cash Management fund, or through the use of a National or State bank located within this State, or through a broker-dealer which, at the time of purchase or redemption, has been registered continuously for a period of at least two years pursuant to section 9 of P.L. 1967 c.9 (C49: 3-56) and has at

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least \$25 million in capital stock (or equivalent capitalization if not a corporation), surplus reserves for contingencies and undivided profits, or through a securities dealer who makes primary markets in the U.S. Government securities and reports daily to the Federal Reserve Bank of New York its position in and borrowing on such U.S. Government Securities.

It is the responsibility of the Chief Financial Officer to analyze the cash flow and to invest funds in legal investments as to maximize interest earnings. The Chief Financial Officer will observe the following guidelines:

1. When investing funds in commercial banks, saving banks, loans and other depository institutions, the Chief Financial Officer shall attempt to obtain a minimum of three quotations and shall invest at the institution offering the highest effective rate. If such investments together with all other deposits of the Township of North Brunswick in said institution exceeds the Federal Deposit Insurance Corporation limit, then the following criteria must be met:
 - a. The institution must possess a current Governmental Unit Deposit Protection Act certificate.
2. The Chief Financial Officer shall determine which type of legal investment will best serve the needs of the municipality and is authorized to place funds in any legal investment, unless otherwise restricted by the governing body.
3. The Chief Financial Officer is authorized to contract the services of a Financial Advisor, as needed.
4. The Chief Financial Officer shall develop procedures to ensure internal controls are adequate to safeguard the Township of North Brunswick funds.

VII. Safekeeping custody payment and acknowledgement of receipt of plan.

To the extent that any Deposit or Permitted Investment involves a document or security which is not physically held by the Township of North Brunswick, 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. Such institution shall provide for the designation of such investments in the name of the Township of North Brunswick to assure that there is no unauthorized use of the funds or the Permitted Investments or deposits. Purchase of any Permitted Investments that involve securities shall be executed by a "delivery versus

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payment” method to ensure that such Permitted Investments are either received by the Township of North Brunswick or by a third-party custodian prior to or upon the release of the Township of North Brunswick’s funds.

To ensure that all parties with whom the Township of North Brunswick deals either by way of Deposits or Permitted Investments are aware of the authority and the limits sets forth in the 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 be on file with the Designated Official(s)

VIII. Reporting requirements

At the public meeting of each month during which this Plan is in effect, the Designated Official(s) referred to in Section III hereof shall supply to the governing body of the Township of North Brunswick a written report of any Deposits or Permitted Investments made pursuant to this Plan, which shall include, at a minimum, the following information:

- A. The name of any institution holding funds of the Township of North Brunswick as a Deposit or a Permitted Investment.
- B. The amount of securities or Deposits purchased or sold during the immediately preceding month.
- C. The class or type of securities purchased or Deposits made.
- D. The book value of such Deposits or Permitted Investments.
- E. The earned income on such Deposits or permitted Investments. To the extent that such amounts are actually earned at maturity, this report shall provide an accrual of such earnings during the immediately preceding month.
- F. The fees incurred to undertake such Deposits or Permitted Investments.
- G. The market value of all Deposits or Permitted Investments as of the end of the immediately preceding month.
- H. All other information which may be deemed reasonable from time to time by the governing body of the Township of North Brunswick.

IX. Audit

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The Cash Management Plan shall be subject to annual audit conducted pursuant to N.J.S.A. 40A-5-4.

X. PROCEDURES FOR DISBURSEMENT OF FUNDS

- A. Payments shall be prepared by the Chief Financial Officer or the CFO designee and submitted to the Governing Body of the Township for their approval;
- B. No Municipal funds shall be disbursed by the Chief Financial Officer prior to approval of the Governing of the Township except for:
 - 1. Utilities (electric, natural gas, heating oil, gasoline, water, sewer and telephone)
 - 2. Payroll (employee wages and related liabilities)
 - 3. Debt Service (as evidenced by pre-existing bonds and notes)
 - 4. Insurance (health, dental, workers compensations, general liability, property and other health insurance premiums)
 - 5. Governmental Payments (Federal, State, and County fees, permits, taxes and approved Board of Education levy)
 - 6. Local Union fees and obligations pursuant to bargaining agreements (tuition reimbursement and clothing/uniform allowance).
 - 7. Postage
 - 8. Petty Cash
 - 9. Poll Worker payments
 - 10. Redemption of Third-Party Liens
 - 11. Payments deemed necessary by the Chief Financial Officer for Emergency Management
- C. In accordance with N.J.A.C.5:30-9A6(a) it is permissible to accept a vendor certification in the form of an original signature, signature stamp, facsimile signature

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or electronic signature of the individual making the certification. The Township shall permit all forms of signatures.

- D. In accordance with N.J.A.C. 5:30-9A(c): claimant certification is not required where the vendor claimant does not provide such certification as part of its normal course of business. The following requires Claimant Certification:
 - 1. Goods and Services provided exclusively by an individual (sole proprietor)
 - 2. Advance payments for goods and services
 - 3. Employee Reimbursements
- E. Checks approved for payment of bills and claims shall be signed by the Chief Financial Officer, the Municipal Clerk and the Mayor.
- F. Checks approved for payroll shall be signed by the Chief Financial Officer.
- G. Checks approved for payment out of the Tax Title Lien and Tax Premium accounts must have three signatures. The following three positions are permitted to sign on behalf of the Township: Chief Financial Officer, the Municipal Clerk and the Mayor

XI. BEST PRACTICES

- A. The Township shall utilize the Positive Pay feature for all checks disbursed from all accounts.
- B. Establish on-line banking alerts for Positive Pay check file uploads and exception notifications.
- C. The Township will follow MEL's JCMI banking best practices governing wire transfers, ACH payments and check issuance. The Chief Financial Officer will further confirm that its financial institution will adhere to these requirements.

XII. WIRE/ACH POLICY

- A. The Chief Financial Officer and the Finance Office designee shall be authorized to execute and confirm wire transfers and ACH payments respectively. WIRE/ACH payment transactions to accounts not in the name of the Township of North Brunswick shall be set up by one Township Official and authorized by a second.

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- B. Free form wire transfers and ACH payments going to accounts not in the name of the Township of North Brunswick shall be blocked in the banking system. Only wire transfers where an approved wire or ACH template is authorized are allowed.
- C. For all wire/ACH transfer of funds to accounts not in the name of the Township of North Brunswick, the following information is required:
 - 1. Must create a template for all transactions.
 - 2. The template should include the name of the vendor recipient, their title and phone number.
 - 3. Confirmation of wire instructions by a second party to the recipient
 - 4. Confirming telephone call to vendor/receiving entity verifying transfer information (receiving bank information including routing number, account number and dollar amount.
 - 5. Memorialization the transfer and confirm completion of transaction.
 - 6. Exception to above is when a recurring transaction with an established template is transacted; steps 3-5 will not need to be completed.
- D. Memorialization of each transfer/payment must be filed with the Chief Financial Officer and made available for audit.
- E. A detailed description of all wire transfers and ACH payments must be filed with the Chief Administrative Officer and the Clerk.
- F. Verbally confirm, within 24 hours, with receiving vendor/entity that the funds were credited to their account.
- G. A reasonable dollar limit threshold shall be established for wire transfers and ACH payments
- H. Establish on-line banking alerts for wires and ACH transactions. Notifications shall occur for all template changes and wire/ACH set-ups
- I. Only domestic wires shall be permitted. Permissions for international wires shall be restricted

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- J. On a daily basis review overnight transactions and daily balances to identify and unusual transactions or events
- K. Notify the Banking Institution and Township Administration immediately if suspicious activity is detected.

XIII. Term of the plan

This amended plan shall be effective January 1, 2025 through December 31, 2025. The Plan may be amended from time to time as necessary.

To the extent that any amendment is adopted by the Township 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, which amendment shall be acknowledged in writing in the same manner as the original Plan was so acknowledged.

Cavel Gallimore, Chief Financial Officer

Justine Progebin, Business Administrator

Ronald Gordon, Esq., Township Attorney
Approved as to legal form

COUNCIL MEMBER	MOT	SEC	YES	NO	ABSENT	ABSTAIN
RICH						
HUTCHINSON						
MEHTA						
DAVIS						
SOCIO						
GUADAGNINO						