

TOWNSHIP OF FREDON
RESOLUTION 2020-16

RESOLUTION APPROVING CASH MANAGEMENT PLAN
FOR THE TOWNSHIP OF FREDON FOR THE YEAR 2020

WHEREAS, N.J.S.A. 40A:5-14 mandates that the governing body of a municipal corporation shall, by resolution passed by a majority vote of the full membership thereof, approve a cash management plan of the Township of Fredon;

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Fredon, County of Sussex, State of New Jersey, that the Cash Management Plan attached be approved for the Township of Fredon, County of Sussex, State of New Jersey for calendar year 2020; and

NOW, THEREFORE, BE IT RESOLVED that certified copies of this Resolution be forwarded to the Chief Financial Officer and Township Treasurer.

I do hereby certify that the foregoing is a true copy of a resolution adopted by the Township Committee, Township of Fredon at a meeting duly held on the 2nd day of January, 2020.



Debra Prommel, Acting Municipal Clerk

IV. 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:

Valley National Bank
Lakeland Bank
SB One
First Hope Bank
Wells Fargo Bank, N.A.
PNC Bank, Nation Association

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

V. AUTHORIZED INVESTMENTS.

- A. 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;
 - (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 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, c.281 (C.52:18A – 90.4) ;
 - (8) agreements for the repurchase of fully collateralized securities if:

and other provisions deemed necessary by the board to provide for the safety, liquidity and yield of the investments;

- (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 utilize an index that does not support a stable net asset value; and
- (f) which purchases and redeems investments directly from the issuer, government money market 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 (C.49:3-56) and has at 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 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.

VI. 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 Fredon, 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 Fredon 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 payment" method to insure that such Permitted Investments are either received by the Township of Fredon or by a third party custodian prior to or upon the release of the Township's funds.

To assure that all parties with whom the Township of Fredon deals either by way of Deposits or Permitted 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 which shall be on file with the Designated Official(s).

VII. REPORTING REQUIREMENTS

- A. On the first day 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 Fredon a written report of any Deposits or Permitted Investments