

Township of West Milford

Passaic County, New Jersey

~ Resolution 2023 – 014 ~

RESOLUTION OF THE TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC AND STATE OF NEW JERSEY DESIGNATING THE CASH MANAGEMENT PLAN AND DEPOSITORIES FOR ALL FUNDS

I STATEMENT OF PURPOSE

This Cash Management Plan (the “plan”) has been prepared pursuant to the provisions of N.J.S.A 40A:5-14 in order to set forth the basis for deposits and permitted investments of certain public funds of the Township of West Milford pending the use of such funds for the intended purposes. The plan is intended to assure that all such funds are deposited in interest bearing accounts or permitted investments. The intent of the Plan is to provide that the decisions made with regard to the Deposits and Permitted Investments will be made in a manner intended to insure the safety and preservation of principal value, the liquidity (regarding its availability for the intended purpose) and the maximum investment return within such limits. The plan is intended to insure 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.

II IDENTIFICATION OF FUND AND ACCOUNTS TO BE COVERED BY THE PLAN

The Plan is intended to cover the deposits and or investments of the following governmental fund types and accounts of the Township of West Milford as follows:

- Current Account
- Payroll Account
- Capital Account
- Developer’s Escrow Account
- Trust Account
- Heritage Trust Account
- Open Space Trust Account
- Assessment Trust Account
- Claims Account
- MUA Sale Account
- Tax Sale Trust
- Court General Account
- Court Bail Account

III DESIGNATING OF OFFICIALS OF THE TOWNSHIP OF WEST MILFORD AUTHORIZED TO MAKE DEPOSITS, INVESTMENTS, WITHDRAWS AND ELECTRONIC TRANSFER UNDER THE PLAN

The Chief Financial Officer of the Township of West Milford shall be charged with the administering of this Plan. The Chief Financial Officer shall monitor all deposits and investments for consistency with this plan.

No person shall engage in an investment transaction involving the Township of West Milford funds except as directed or authorized by the Chief Financial Officer. Prior to making such deposits or permitted investments, all authorized depositories or investment facilities shall be supplied with a written copy of this plan, which shall be acknowledged in writing by such parties and copy of such acknowledgement shall be kept on file with the Township

(A)

- Current Account
- Payroll Account
- Capital Account
- Developer's Escrow Account
- Trust Account
- Heritage Trust Account
- Open Space Trust Account
- Assessment Trust Account
- Claims Account
- MUA Sale Account
- Tax Sale Trust

The accounts listed above (A) of the Township of West Milford shall have the following individual as designated official custodians and signatories of the same through an electronic signature:

1. Michele Dale, Mayor
2. William Senande, Township Administrator/Clerk
3. Ellen Mageean, Chief Financial Officer

The following designated official are responsible for the electronic transfer of the above accounts:

1. Ellen Mageean, Chief Financial Officer
2. Allison Zeltner, Assistant Treasurer
3. Jane Lombardo, Account Clerk (Payroll and Current Only)

The following individuals are designated custodian and signatories for the Court General Account and the Court Bail Account:

1. Michele Walker, Municipal Court Administrator
2. Dana Parrello, Deputy Court Administrator

IV DESIGNATION OF OFFICIAL DEPOSITORIES

The Township of West Milford designates the following banks as legal depositories for all municipal funds:

1. Columbia Bank
2. New Jersey Cash Management Fund.
3. New Jersey Asset & Rebate Management Program

Each depository must submit to the Chief Financial Officer a copy of the Governmental Unit Deposit Protection Act (GUDPA) notification of eligibility. This list may be amended or supplemented from time to time as Mayor and Council deems necessary.

V. CASH MANAGEMENT

All municipal funds received by any official or employee shall be either deposited within 48 hours to an account in the name of the Township of West Milford or shall be turned over to the CFO within 48 hours of receipt, in accordance with N.J.S.A 40A:5-15. Collections are accepted by Cash, Checks, Credit Cards and ACH Payments.

Investment decisions shall be guided by the cash flow projections prepared by the Chief Financial Officer.

VI. AUTHORIZED INVESTMENTS AND INVESTMENT POLICY

It shall be the responsibility of the Chief Financial Officer to analyze the cash flow and to invest funds in investments as designated below as to maximize interest earnings. When investing funds in commercial banks, the Chief Financial Officer shall obtain a minimum of three (3) quotations through a formal request of proposal process and shall invest at the institution offering the highest effective interest rate. The following are permissible investment options for the Township of West Milford:

- A. Obligations – Treasury Bills, Notes and Bonds
- B. Certificate of Deposits
- C. Savings/Checking Bank Accounts
- D. Federal Agency Bonds
- E. Bonds or Other Obligations of the County, Municipality or School District
- F. New Jersey Cash Management Fund

VII. AUTHORITY FOR INVESTMENT MANAGEMENT

The Chief Financial Officer is authorized and directed to make investments on behalf of the Township. All investment decisions shall be consistent with the plan and all appropriate regulatory constraints.

VIII. SAFEKEEPING

Securities purchased on behalf of the Township, shall be delivered electronically or physically to the Townships custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the Township.

IX. PROCEDURES FOR DISBURSEMENT OF FUNDS

Payments shall be prepared by the Chief Financial Officer and submitted to Mayor and Council for their approval. No municipal fund shall be disbursed by the Chief Financial Officer prior to approval of the Mayor and Council of the Township of West Milford, except for:

- 1. Township of West Milford payroll obligations
- 2. Payments to the West Milford Board of Education and Passaic County
- 3. Debt Service obligations
- 4. Banks for investment purposes and internal transfers
- 5. State of New Jersey – Application fees
- 6. Permit Fees
- 7. DEP Fees
- 8. State Surcharges
- 9. Payments to the State for Marriage Licenses and Rabies Control fees
- 10. Miscellaneous disbursement approved by specific resolutions
- 11. Reissue of lost or mutilated checks after stop payment has been enforced
- 12. Ten percent (10%) Bid Bond Returns (Clerk’s office)
- 13. Certain emergencies at the discretion of the Mayor or the Administrator by the Mayor’s designation
- 14. Payments necessary to all vendors that require compliance with the 2006 Prompt Payment Law, Chapter 96, whereby the Township of West Milford shall pay the bill not more than 30 calendar days after the billing dated to avoid billable late charges
- 15. Postage and Express Mail Services
- 16. Motor Vehicle/Equipment Title Fees
- 17. Utilities
- 18. Enterprise Fleet Management for car lease payment in order to avoid late payment penalties

The above exceptions shall be reported on an Additions List for review by the Mayor and Council at each meeting when a Bill List is prepared

Checks approved for payment shall be signed by and two (2) of the following three (3) signatures: 1) the Mayor, 2) Township Administrator and 3) the Chief Financial Officer. All checks are signed by a secure electronic signature and processed electronically or through ACH Direct Deposit.

X. REPORTING

The Chief Financial Officer shall report to Mayor and council all purchases of investments in accordance with N.J.S.A. 40A:5-15.2.

N.J.S.A. 40A:2-28 provide that the Governing Body may designate a financial officer of the Township to sell bond anticipation notes, tax anticipation noted and capital notes at private sales.

The Chief Financial Officer is hereby authorized to sell at private sale all bond anticipation notes, tax anticipation notes and capital notes in connection with any and all bond ordinances, including general obligations bonds, provided that the Chief Financial Officer upon making any such sale, shall report in writing to the Governing Body at the next meeting following any such sale the principal amount, interest rate and maturities of the notes sold, the price obtained and the name of the purchaser

XI. AUDIT

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

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of West Milford does hereby adopt the above Cash Management Plan for the Township of West Milford.:

Adopted: January 4, 2023

Adopted this 4th day of January, 2023
and certified as a true copy of an original.

William Senande, Township Clerk