

R17-09
RESOLUTION MODEL CASH MANAGEMENT PLAN

BE IT RESOLVED, by the Borough Council of the Borough of Merchantville, County of Camden, that for the year 2017, the following shall serve as the Cash Management Plan of the Borough of Merchantville.

The Chief Financial Officer is directed to use this Cash Management Plan as the guide in depositing and investing the Borough of Merchantville's funds.

The following are suitable and authorized investments:

1. Interest-bearing bank accounts and certificates of deposit in authorized banks, listed below, for deposit of local unit funds.
2. Government money market mutual funds as comply with NJSA 40A:5-15.1(e)
3. Local government investment pools which comply with NJSA 40A:5-15.1(e) and conditions set by the Division of Local Government Services
4. New Jersey State Cash Management Fund.
5. Repurchase agreements (repos) of fully collateralized securities which comply with NJSA 40A:5-15.1(a).

Each month, the Chief Financial Officer shall prepare a schedule of investments purchased and redeemed, investment earnings, fees incurred and market value of all investments.

The following Government Unit Depository Protection Act approved banks are authorized depositories for the deposit of funds in 2017:

- 1st Colonial Community Bank, Collingswood, New Jersey
- TD Bank, Cherry Hill, New Jersey

The Chief Financial Officer shall report to the governing body any account that does not earn interest.

The Chief Financial Officer shall be guided by the attached Cash Management Policy, identified as Exhibit A

BE IT FURTHER RESOLVED that the Cash Management Plan be adopted by resolution of the Borough Council of the Borough of Merchantville annually at its reorganization meeting.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Merchantville, County of Camden, State of New Jersey, that the Cash Management Plan is hereby adopted and shall forthwith be followed by Borough Officials.

APPROVED:

ATTEST:

EDWARD F. BRENNAN
Mayor

DENISE L. BROUSE
Borough Clerk

January 3, 2017

I, **DENISE L. BROUSE**, Borough Clerk for the Borough of Merchantville, do hereby certify the foregoing to be a true and correct copy of the Resolution of the Borough of Merchantville, at a meeting of said Borough of Merchantville on January 3, 2017, and that said Resolution was passed by a majority vote of the Borough Council of the Borough of Merchantville.

DENISE L. BROUSE, BOROUGH CLERK

EXHIBIT "A"
CASH MANAGEMENT POLICY

The Cash Management Policy is established to comply with the requirements of NJSA 40A:5-14 and to provide a guide to municipal officials and employees in carrying out their duties concerning the receipt and disbursement of all funds of the Borough of Merchantville.

The following requirements shall be adhered to:

A. The Borough Council of the Borough of Merchantville shall annually establish by resolution adopted at its annual reorganization meeting the required signatures to all municipal bank accounts.

B. All municipal funds received by an official or employee shall be either deposited within forty-eight (48) hours in the name of the Borough of Merchantville, or shall be turned over to the Chief Financial Officer within forty-eight (48) hours of receipt.

C. All revenues received by the Chief Financial Officer shall be deposited to interest-bearing accounts in the legal depositories.

D. The following funds shall not be required to be maintained in the interest-bearing accounts:

1. Change Funds
2. Petty Cash Funds
3. Payroll Funds
4. Trust Funds to the extent that the deposit of such funds to an interest bearing account would require by law the payment of interest to the provider of funds.
5. Checking accounts established for the express purpose of paying bills approved by the governing body. The balances in these funds shall be kept at the minimum amount required for the orderly operation of the account.
6. Compensating balances maintained for the purpose of obtaining specific

services from financial institutions. Such accounts shall be established only under terms of written agreements approved by the Borough Council of the Borough of Merchantville.

E. No municipal funds shall be disbursed by the Chief Financial Officer prior to approval of the Borough Council except for:

1. Debt Service Payments
2. Investments
3. Payroll-related disbursements including turnovers to agencies
4. Discount vouchers
5. Tax title lien redemptions
6. Interfund transfers
7. Recreation Commission expense reimbursements
8. Postage
9. Petty Cash replenishments
10. Disbursements to governmental or quasi-governmental agencies in order to avoid penalties for late payment

F. The Chief Financial Officer shall determine which type of legal investment will best serve the needs of the municipality and is authorized to place the funds in any such legal investment, unless otherwise restricted by the governing body.

G. The Chief Financial Officer shall report monthly all investment transactions as required by NJSA 40A:5-15.2 to the Borough Council of the Borough of Merchantville.

H. The Cash Management Plan is subject to audit.