

**TOWNSHIP OF CHESTERFIELD
RESOLUTION 2020-1-7**

CASH MANAGEMENT PLAN

WHEREAS, *N.J.S.A. 40A:5-14* requires that each local unit annually adopt a cash management plan; and

WHEREAS, it is desired by the Township Committee of the Township of Chesterfield to comply with said statute;

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Chesterfield in the County of Burlington and State of New Jersey that the attached Cash Management Plan for the year ending December 31, 2020 be approved.

CHESTERFIELD TOWNSHIP COMMITTEE

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I, Caryn M. Hoyer, Clerk of the Township of Chesterfield in the County of Burlington and State of New Jersey do hereby certify the foregoing Resolution to be a true and accurate copy of the Resolution approved by the Township Committee at a duly advertised meeting held on January 2, 2020 at which a quorum was present.

Caryn M. Hoyer, RMC  
Township Clerk

**CASH MANAGEMENT PLAN  
TOWNSHIP OF CHESTERFIELD  
COUNTY OF BURLINGTON, NEW JERSEY**

**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 investments ("Permitted Investments") of certain public funds of the Township of Chesterfield 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 insure the safety, the liquidity (regarding its availability for the intended purposes), 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 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 Chesterfield:

Current Fund  
Trust Funds  
Capital Funds  
Dog Funds  
Sewer Fund  
Unemployment  
Payroll  
Municipal Court Account  
Bail Account

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

The Treasurer of the Township of Chesterfield 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 Chesterfield are directed to supply all depositories or any other parties with whom the Deposits or Permitted Investments are made a written copy of the Plan which shall be acknowledged in writing by such parties and a copy of such acknowledgement 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 referred to in the Plan, including any Certificates of Deposit which are not otherwise invested in Permitted Investments as provided for in this Plan:

First Bank  
The Bank of Princeton  
Bank of America  
New Jersey Cash Management Fund

All such depositories shall acknowledge in writing receipts of this Plan by sending copy of such acknowledgements to the Designated Official(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 of 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)
- b. Any investment instruments in which the security is not physically held by the local unit shall be covered by a third party custodial agreement which shall provide for the designation of such investments in the name of the local unit and prevent unauthorized use of such investments.
- c. Purchase of investment securities shall be executed by the "delivery versus payment" method to ensure that securities are either received by the local unit or a third party custodian prior to or upon the release of the local unit's fund.
- d. Any investment not purchased and redeemed directly from the issuer, government money market mutual fund, local government investment pool, of the State of New Jersey Cash Management Fund, shall be purchased and redeemed 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, c93(C49:3-56) 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 make 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 Chesterfield, 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 Chesterfield 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 Chesterfield or by a third party custodian prior to or upon the release of the Township of Chesterfield's funds.

To assure that all parties with whom the Township of Chesterfield deals either by way of Deposits or Permitted Investments are aware of the authority and the 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 be on file with the Designated Official(s).

## **VII. REPORTING REQUIREMENTS**

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 Chesterfield 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 Chesterfield 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 Township Committee of the Township of Chesterfield.

## **VIII. TERM OF PLAN**

This plan shall be in effect from January 1, 2020 to December 31, 2020. Attached to the Plan is a resolution of the Township Committee of the Township of Chesterfield 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 Township Committee, the Designated Officials are 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.