

## RESOLUTION NO.

### **CITY OF MILLVILLE CASH MANAGEMENT PLAN**

This plan is established to comply with the requirements of N.J.S.A. 40A: 5-14 and to provide a guide to municipal officials and employees in carrying out their duties concerning the receipt and disbursement and investment of City of Millville funds.

The following requirements shall be adhered to:

- A. The Board of Commissioners shall, at the first reorganization meeting, designate the legal depositories for all municipal funds. The resolution may be amended or supplemented from time to time as the Board of Commissioners deems necessary. Such resolution(s) shall be deemed a part of the Cash Management Plan.
- B. The Board of Commissioners shall, at the first reorganization meeting of the newly elected Board, designate by resolution the required signatories to all municipal bank accounts. The resolution may be amended or supplemented from time to time as the Board of Commissioners deems necessary.
- C. All municipal funds received by an official or employee shall be either deposited within 48 hours to an interest bearing account in the name of the City of Millville, or shall be turned over to the Chief Financial Officer within 48 hours of receipt.
- D. All revenues received by the Chief Financial Officer shall be deposited to interest bearing accounts in the legal depositories.
- E. The City's Chief Financial Officer shall be charged with administering the Cash Management Plan.
- F. The following funds shall not be required to be maintained in 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 the 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 Board of Commissioners.
- G. The Tax Collector and Utilities Collector(s) shall deposit all funds in a City interest bearing account as directed by the Chief Financial Officer. Any funds collected during the month, not previously turned over, shall be remitted to the

Chief Financial Officer no later than the first day of the following month.

H. No municipal funds shall be disbursed by the Chief Financial Officer prior to approval of the Board of Commissioners except for:

1. Debt Service Payments
2. Investments
3. Payroll turnovers to agencies.
4. Discount vouchers.

Note: Debt service payments and discount vouchers must be ratified after payment.

I. It shall be the responsibility of the Chief Financial Officer, to analyze the City's cash flow and identify funds that are not needed for the City's immediate needs.

Such funds identified shall be invested after obtaining documented quotations and reviewing all investment options, and with the approval of the Chief Financial Officer, in the authorized investment(s) offering the highest effective rate of return, that meets the cash flow needs of the City, unless otherwise restricted by the Board of Commissioners.

**The following are the authorized investments approved by the Board of Commissioners and are permitted for Local Government units by N.J.S.A. 40A: 5-15.1(a).**

1. **Interest-bearing bank accounts and certificates of deposits in authorized banks for deposit of local funds (GUDPA approved) as listed in resolution(s) authorizing depositories.**
2. Government money market mutual funds as comply with N.J.S.A. 40A: 5-15.1(e).
3. Any federal agency or instrumentality obligation authorized by the United States Congress that matures within 397 days from the date of purchase and has a fixed rate of return not dependent on any index or external factors.
4. Bonds or obligations of the City of Millville or the City of Millville School District.
5. Any other obligations with maturities not exceeding 397 days, as permitted by the New Jersey Division of Investments.
6. Local Government Investment pools which comply with N.J.S.A. 40A:5-15.1(e) and conditions set by the Division of Local Government Services.
7. New Jersey Cash Management Plan
8. Repurchase agreements (repo's) of fully collateralized securities, which comply with N.J.S.A. 40A: 5-15.1(a).

J. The Chief Financial Officer shall report monthly all investment transactions as required by N.J.S.A. 40A: 5-15.2 to the Board of Commissioners.

**Audit Requirement**

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

Moved By:

Seconded By:

**VOTING**

Michael Santiago  
W. James Parent  
Ashleigh Udalovas  
Joseph Pepitone  
Bruce Cooper

<u>In Favor</u>	<u>Against</u>	<u>Abstain</u>	<u>Absent</u>

CERTIFICATION

I certify that the foregoing is a true copy of a Resolution adopted by the Board of Commissioners, of the City of Millville in the County of Cumberland, at a meeting thereof held on January 2, 2020.

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Jeanne M. Hitchner, City Clerk