Resolution# 32-111

RESOLUTION ESTABLISHING A CASH MANAGEMENT PLAN AND NAMING OFFICIAL CASH DEPOSITORIES

WHEREAS, N.J.S.A. 40A: 5-14 mandates that a Governing body of a municipal corporation shall, by resolution passed by a majority vote of the full membership thereof, designate as a depository for its monies a bank or trust company having its place of business in the state and organized under the laws of the United States or this state; and

WHEREAS, N.J.S.A. 40A: 5-15.1 amended by Chapter 148, P.L. 1997 established new requirements for the investment of public funds and adoption of a cash management plan for counties, municipalities and authorities; and

WHEREAS, the Township Council of the Township of North Brunswick, County of Middlesex, hereby complies with the above statutes; and

NOW, THEREFORE, BE IT RESOLVED, that the Township Council of the Township of North Brunswick, County of Middlesex adopts the following cash management plan, including the official depositories for the Township of North Brunswick, County of Middlesex, for the period January 1, 2011 through December 31, 2011.

CASH MANAGEMENT PLAN OF THE TOWNSHIP OF NORTH BRUNSWICK, COUNTY OF MIDDLESEX

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 investment ("Permitted Investments") of certain public funds of the Township of North Brunswick, 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

A. The plan is intended to cover all deposits and/or all investments of the funds of the Township of North Brunswick including but not limited to:

General Operating Checking Account
Payroll Trust Fund (Gross Pay Impress Account)
Recreation Trust Fund (Credit Card Clearing Account)
Water & Sewer Utility Revenue Account (Utility Contract Operator)
Developers' Escrow Trust Funds
Municipal Court General Account
Municipal Court Bail Account
RCA Current Account
Growth Share Account
RCA Future Account
Green Acres Account
Soil Remediation
Lien Redemption Account

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

The Chief Financial Officer (the "Designated Official") 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 North Brunswick are directed to supply to all depositories or any other parties with whom the Deposits, or Permitted Investments are made, a written copy of this Plan which shall be acknowledged in writing by such parties, and a copy of such acknowledgement kept on file with such official.

The Chief Financial Officer is further authorized to make interfund transfers between the Township Funds as may be necessary from time to time. The Chief Financial Officer is authorized to make such transfers and/or any and all payments by wire transfer as necessary.

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:

Wachovia/Wells Fargo Bank
- General Operating Checking Account
- Payroll Trust Fund
- Recreation Trust Fund
- Water & Sewer Utility Revenue Account
- Municipal Court General Account
- Municipal Court Bail Account
- Lien Redemption Account
- RCA Current Account
- Growth Share Account
- RCA Future Account
- Green Acres Account
- Soil Remediation

Bank of America
- Developers' Escrow Trust Funds

Money Market Investment Accounts and/or Certificates of Deposit
- Amboy National Bank
- TD Bank
- Wachovia Bank/Wells Fargo
- Bank of America
- Hudson City Savings Bank
- Magyar Savings Bank
- MBIA-Class Management Unit Trust
- NJ ARM Program
- NJ Cash Management Fund
- Capital One Bank
- Provident Bank
- PNC Bank
- Sovereign Bank
- Sun National Bank
- United Trust Bank
- Valley National Bank
- Yardville National Bank

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

V. DESIGNATION OF BROKERAGE FIRMS AND DEALERS WITH WHOM THE DESIGNATED OFFICIALS MAY DEAL.

The following brokerage firms and/or dealers and other institutions are hereby designated as firms with whom the Designated Official(s) of the Township of North Brunswick referred to in this Plan may deal for purposes of buying and selling securities identified in this Plan as Permitted investments or otherwise providing for Deposits. All such brokerage firms and/or dealers shall acknowledge in writing receipt of this Plan by sending a copy of such acknowledgement to the Designated Official (s) referred to in Section III above.

Commerce Capital
Bank of America
Wachovia Bank/Wells Fargo
RBC Dain Rauscher Inc.

VI. AUTHORIZED INVESTMENTS

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 the 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, ch. 281 (C.52: 18A-90.4); or

(8) Agreements for the repurchase of fully collateralized securities if:

(a) The underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a:

(b) The custody of collateral is transferred to a third party;

(c) The maturity of the agreement is not more than 30 days;

(d) The underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17: 19-41); and

(e) A master repurchase agreement providing for the custody and security of collateral is executed.

For purposes of the above language, the terms "governmental money market mutual fund" and "local government investment pool" shall have the following definitions:

Government Money Market Mutual Fund

An investment company or investment trust:

(a) Which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 USC sec. 80a-1 et seq., and operated in accordance with 17 CFR sec. 270.2a-7.

(b) The portfolio of which is limited to U.S. Government securities that meet the definition of any eligible security pursuant to 17 C.F.R. sec 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities; and

(c) Which has:

(1) Attained the highest ranking or the highest letter and numerical rating of a nationally recognized statistical rating organization; or

(2) Retained an investment advisor registered or exempt from registration with the Securities and Exchange Commission pursuant to the "Investment Advisors Act of 1940," 15 U.S.C. sec 80b-1 et seq., with experience investing in U.S. Government securities for at least the most recent past 60 months and with assets under management in excess of $500 million.

Local Government Investment Pool

An investment pool:

(a) Which is managed in accordance with 17 C.F.R. sec 270.2a-7;

(b) Which is rated in the highest category by a nationally recognized statistical rating organization;

(c) Which is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. sec. 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities;

(d) Which is in compliance with rules adopted pursuant to the "Administrative Procedure Act," P.L. 1968, c.410 (c.52: 14B-1 et seq.) by the Local Finance Board of the Division of Local Government Services in the Department of Community Affairs, which rules shall provide for disclosure and reporting requirements and other provisions deemed necessary by the board to provide for the safety, liquidity and yield of the investment;

(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 net asset value; and

(f) Which purchases and redeems investments directly from the issuer, government money market mutual 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 (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 makes primary markets in the 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.

VII. 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 North Brunswick, 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 North Brunswick to assure that there is no unauthorized use of the funds or the 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 North Brunswick or by a third party custodian prior to or upon the release of the Township of North Brunswick's funds.

To assure that all parties with whom the Township of North Brunswick deals either by way of Deposits or Permitted Investments are aware of the authority and the limits sets forth in the 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)

VIII. REPORTING REQUIREMENTS

At the public meeting 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 North Brunswick 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 North Brunswick 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 governing body of the Township of North Brunswick.

IX. TERM OF THE PLAN

This plan shall be effective January 1, 2011 through December 31, 2011. The Plan may be amended from time to time as necessary.

To the extent that any amendment is adopted by the Township Council, the Designated Official is 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.

Resolution#_____

Kala Sriranganathan
Chief Financial Officer

Ronald Gordon, Esq
Township Attorney
Certified as to form

RECORDED VOTE:

COUNCIL MEMBER	YES	NO	ABSTAIN	NOTES
MS. NARRA				
MR. ANDREWS				
MS. NICOLA				
MR. DAVIS				
MR. SOCIO				
MR. CORBIN				
MAYOR WOMACK				

I hereby certify that the above Resolution was duly adopted by the Township Council of the Township of North Brunswick, County of Middlesex, at its meeting held on January 1, 2011.

Lisa Russo,
Township Clerk