

**TOWNSHIP OF HOPEWELL
MERCER COUNTY, NEW JERSEY**

RESOLUTION # 25-5

**A RESOLUTION DESIGNATING THE CASH MANAGEMENT PLAN AND
DEPOSITORIES FOR ALL FUNDS OF THE TOWNSHIP OF HOPEWELL**

BE IT RESOLVED, on this 2nd day of January 2025 by the Township Committee of the Township of Hopewell, County of Mercer and State of New Jersey, that the following shall serve as the Cash Management Plan of the Township of Hopewell, County of Mercer, for the year 2025.

BE IT FURTHER RESOLVED, that the Administrator and the Chief Financial Officer/Treasurer are hereby directed to use this cash management plan as the guide in depositing and investing for the Township of Hopewell.

**CASH MANAGEMENT PLAN OF THE TOWNSHIP OF HOPEWELL
IN THE COUNTY OF MERCER, STATE OF 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 investment (“Permitted Investment”) of certain public funds of the Township of Hopewell, 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 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 Hopewell:

- A. Current Fund
- B. Water Utility Fund
- C. Sewer Utility Fund
- D. Grant Fund
- E. All Trust Funds
- F. General Capital
- G. Open Space Capital
- H. Affordable Housing Capital
- I. Sewer Utility Capital

J. Water Utility Capital

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

The Chief Financial Officer of the Township of Hopewell and the Township Administrator are 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 Hopewell 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 acknowledgements 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:

New Jersey Cash Management Fund
New Jersey ARM
TD Bank
The Bank of Princeton

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. CASH MANAGEMENT

- A. 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 Hopewell, 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, money orders, credit cards and online payments.
- B. The Chief Financial Officer shall be guided by the cash flow projection prepared by the CFO when determining which investment form to utilize.

VI. 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. Obligations – Treasury Bills, Notes and Bonds
 - 2. Certificate of Deposit

3. Government money market mutual funds
4. Local Government Investment Pools
5. Repurchase Agreements
6. Savings/Checking Bank Accounts
7. Federal Agency Bonds
8. Bonds or Other Obligations of the County, Municipality or School District
9. New Jersey Cash Management

VII. SAFEKEEPING

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

VIII. REPORTING REQUIREMENTS

- A. The Chief Financial Officer shall report to the Township Committee all purchases of investments in accordance with N.J.S.A. 40A:5-15.2
- B. N.J.S.A. 40A:2-28 provides that the Governing Body may designate a financial officer of the Town to sell bond anticipation notes, tax anticipation notes and capital notes at private sale. The Chief Financial Officer is hereby authorized to sell all bond anticipation notes, tax anticipation notes and capital notes in connection with any and all bond ordinances including general obligation 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.

IX. AUDIT

The investment practices, receipt procedures and the agreement for banking services and compensation thereof shall be reviewed by the Township auditor as part of the annual audit, as required by N.J.S.A. 40A5-4.

X. PROCEDURES FOR DISBURSEMENT OF FUNDS

- A. Payments shall be prepared by the Chief Financial Officer or the CFO designee and submitted to the Township Committee for their approval;
- B. No municipal funds shall be disbursed by the Chief Financial Officer prior to approval of the Township Committee except for:
 1. Payroll
 2. Payroll Agencies
 3. Payroll Taxes
 4. DCRP Contributions
 5. Annual Employer Appropriation (PERS, PFRS)
 6. Hopewell Valley School District Taxes
 7. County of Mercer Taxes

8. Debt Service
9. Payments deemed necessary by Chief Financial Officer
10. Payments to Third Party lien holders

- C. In accordance with N.J.S.A. 5:30-9A6(a) it is permissible to accept a vendor certification in the form of signature stamp, facsimile signature, electronic signature and “wet” signatures. The Township shall permit all forms of signatures.
- D. In accordance with N.J.S.A. 5:30-9A6(c); claimant certification is not required where the vendor or claimant does not provide such certification as part of its normal course of business. The following requires Claimant Certification:
 1. Goods and Services over \$17,500.00
 2. Goods and Services provided exclusively by an individual (sole proprietor)
 3. Advanced payments for goods and services
 4. Employee Reimbursements
- E. Checks approved for payment of bills and claims and payment of payroll shall be signed by the Township Administrator and the Chief Financial Officer. All checks are signed by a secure electronic signature.
- F. Checks approved for payment out of the Tax Title Lien and Tax Premium Accounts must have two signatures. The following three positions are permitted to sign on behalf of the Township: Tax Collector, Township Administrator and Chief Financial Officer.

XI. BEST PRACTICES

- A. The Township shall utilize Positive Pay feature for all checks disbursed from the accounts listed below:
 1. Accounts Payable
 2. Payroll
 3. Tax Title Lien
 4. Tax Premium
- B. Establish on-line banking alerts for Positive Pay check file uploads and exception notifications.

X. WIRE/ACH POLICY

- A. The Chief Financial Officer, Township Administrator and the Finance Office designee shall be authorized to execute and confirm wire transfers and ACH payments respectively. Wire/ACH payment transactions to accounts not in the name of the Township of Hopewell shall be set-up by one Township Official and authorized by a second.
- B. Free form wire transfers and ACH payments going to accounts not in the name of the Township of Hopewell shall be blocked in the banking system. Only wire transfers where an approved wire or ACH template is authorized or allowed.
- C. For all wire/ACH transfer of funds to accounts not in the name of the Township

of Hopewell, the following information is required:

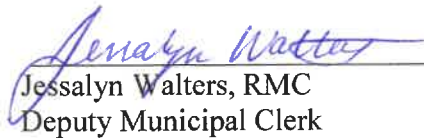
1. Must create a template for the transactions
 2. Name of Title of person who provided the instructions
 3. Confirmation of wire instructions by a second party at the recipient
 4. Confirming telephone call to vendor/receiving entity verifying transfer information
 5. Memorialize the transfer and confirm completion of transaction
 6. Exception to above is when a recurring transaction with an established template is transacted; steps 3-5 will not need to be completed.
- D. Memorialization of each transfer/payment must be filed with the Chief Financial Officer/JIF treasurer and made available for audit.
- E. A detailed description of all wire transfers and ACH payments must be filed with the Administrator and the Clerk.
- F. Verbally confirm, within 24 hours, with receiving vendor/entity that the funds were credited to their account.
- G. A reasonable dollar limit threshold shall be established for wire transfers and ACH payments.
- H. Establish on-line banking alerts for wires and ACH transactions. Notifications should occur for all template changes and wire/ACH set-ups.
- I. Only domestic wires shall be permitted. Permissions for international wires shall be restricted.

NOW THEREFORE BE IT RESOLVED, that the Township Committee of the Township of Hopewell, County of Mercer, State of New Jersey does hereby adopt the Cash Management Plan for the year 2025.

Date Adopted: January 2, 2025

CERTIFICATION

I, Jessalyn Walters, Deputy Municipal Clerk, of the Township of Hopewell, County of Mercer, State of New Jersey, do hereby certify that the foregoing resolution was duly adopted by the Township Committee at the reorganization meeting held on the 2nd day of January, 2025, in the Municipal Building Auditorium, Hopewell Township, New Jersey and via Zoom Video Communications.



Jessalyn Walters, RMC
Deputy Municipal Clerk