

MERCHANTVILLE-PENNSAUKEN WATER COMMISSION

RESOLUTION ADOPTING A CASH MANAGEMENT PLAN FOR THE 2017-18
COMMISSION YEAR

WHEREAS, the Cash Management Plan of the Merchantville-Pennsauken Water Commission for the reorganization period beginning July 13, 2017 and ending July 2018 has been presented for adoption before the governing body of the Merchantville-Pennsauken Water Commission at its open public meeting of July 13, 2017; and

WHEREAS, the New Jersey Statute NJ.S.A. 40A5-14 requires the establishment of a Cash Management Plan in accordance with the requirements of NJ.S.A. 40A5-14, *et seq*; and

WHEREAS, the Administrative Code at N.J.A.C.5:31-3.1 also require same; and

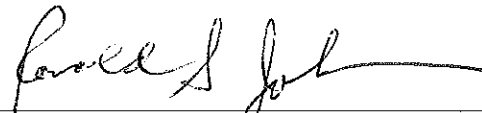
WHEREAS, the Cash Management Plan as attached and presented for adoption reflects the total funds and accounts covered by the Plan; and

WHEREAS, same does hereby adopt and incorporate by reference the P-Card resolution and procedures passed by the Commission on June 8, 2017; and

WHEREAS, law and regulation and the public trust which is placed in this governmental entity require that monies held in any separate fund, i.e., operating fund general fund, capital fund, trust fund, and all escrow accounts shall be treated as monies held in trust, and shall not be diverted to any other purpose; and

NOW THEREFORE, BE IT RESOLVED by the governing body of the Merchantville-Pennsauken Water Commission, at an open public meeting held on July 13, 2017 that the Cash Management Plan of the Merchantville-Pennsauken Water Commission which is attached and is hereby adopted for the Commission Year period beginning July 13, 2017.

Merchantville-Pennsauken Water Commission By:



Ronald S. Johnson, Asst. Secretary

MERCHANTVILLE-PENNSAUKEN WATER COMMISSION

CASH MANAGEMENT PLAN

RE-ORGANIZATION PERIOD

JULY 1, 2017 TO JUNE 30, 2018

Pursuant to the requirements of N.J.S.A. 40A5-14, et. seq., the following is the Cash Management Plan the Merchantville-Pennsauken Water Commission Utilities Commission for the fiscal year indicated above.

I. Identification of Funds and Accounts to Be Covered By the Plan.

- a. Revenue Money Market
- b. Operating Checking
- c. Payroll Checking
- d. Legal/Court Fees
- e. Change Fund (Cash Drawers)
- f. Petty Cash Fund
- g. Escrow Fund
- h. Bond Funds
- i. Investments
- j. P-Card Purchases (Resolution 2017-07 / 6-8-2017)**

II. Designation of Individuals Authorized to Make Deposits

- a. Chief Operating Officer
- b. Director of Finance, or her/his designee(s)

III. Designation of Depositories

The designation of depositories shall be made by resolution at the annual reorganization meeting of the Commission. The resolution may be amended or supplemented as deemed by the Commission, they are;

PNC; Bank of America; Sun National; TD Bank; BB&T; Hudson City Savings Bank; Beneficial Savings Bank; First Colonial Community Bank; Audubon Savings; Haddon Savings Bank ;Republic Bank; Santander Bank; New Jersey Cash Management and any other Bank/Financial institution deemed necessary by the Treasurer and approved by the Commission during the year.

IV. Deposit Policies

All Commission funds received by any official or employee shall be deposited within 48 hours to an interest bearing account in the name of the Commission.

V. Accounts Held by the Trustee

The accounts will be various according to the covenant of the bond or bond anticipation note issue or other lender.

Approved by Commission – July 13, 2017



VI. Investment Policies

It shall be the responsibility of the Director of Finance, under the direct supervision of the Treasurer, to analyze the cash flow and to invest funds in legal investments so as to maximize interest earnings. When investing funds in commercial savings banks, savings and loans, etc., the Director of Finance shall obtain a minimum of two (2) quotations and shall invest at the institution offering the highest effective rate. The Director of Finance may recommend which type of legal investment will best serve the needs of the Commission and upon approval by the Treasurer is hereby authorized to place the funds in any such legal investments unless otherwise restricted by bond or loan covenant of the Commission.

The Director of Finance shall report monthly all of the investment transactions to the Commission as required by N.J.S.A. 40A:5-15.2.

VII. Securities Which May Be Purchased By or On Behalf of the Commission

- a. Certificates of Deposit
- b. United States Treasury Bills or Notes

VIII. Disbursement Policies

No Commission funds shall be disbursed by the Director of Finance prior to the approval of the Commission except for:

- a. Debt Service Payments
- b. Payroll and Payroll Withholdings
- c. Petty Cash - \$500.00

IX. Designation of Individuals Authorized to Sign Checks for Disbursements

The designation of individuals authorized to sign checks for disbursements shall be made by resolution at the annual reorganization meeting of the Commission. The signatures of the following Commissioners shall be required on all checks issued for disbursement of monies:

- a) Treasurer or Assistant Treasurer and President or Vice-President
- b) Chief Operating Officer or Director of Engineering (Payroll Account Only)
- c) Vice-President, Treasurer, Assistant Treasurer, **C.O.O. and Director of Engineering (Legal/Court Fees Only)**

X. Cancellation of Outstanding Checks

Outstanding checks shall be addressed as follows:

- a) Checks not cashed at the monthly bank account reconciliation (statement) shall be left open until the following statement, if still not cashed, the Director of Finance shall;
 1. Wait until the next statement is received and ascertain if the check was cashed, if still not cashed, then;
 2. The Director of Finance shall notify the vendor (in writing) of the check number, date and amount that has not been cashed and 1) if they never received the check, they are directed to sign the enclosed affidavit and return it. Upon receipt, the check will be voided and a new one issued and 2) should they still have the check, they will be

directed to cash the check immediately or the check will be cancelled on the date specified in the notification.

XI. Conflict of Interest

Any official of the Commission involved in the designation of the depositories, or in the authorization for investments as permitted pursuant to the Plan, or any combination of the proceeding, who has a material, business, or personal relationship with the organization, shall disclose that relationship to the Commission as appropriate.

XII. Approval, Amendment, and Administration of the Plan

Cash Management Plan shall be approved annually by resolution and may be amended in order to reflect changes in Federal or State law or regulations, or in the designation of depositories, funds, investment instruments, or the authorization for investments. The Chief Operating Officer shall be charged with administering the Plan; however, any amendments to the plan shall be approved by the Treasurer on behalf of the Commission prior to implementation. The Director of Finance shall deposit or invest the monies of the Commission as designated or authorized by the Plan, and shall, thereafter, be relieved of any liability for loss of such monies due to the insolvency or closing of any depository designated by, or the decrease in value of any investments authorized by the Plan.

