

**JACKSON TOWNSHIP FIRE DISTRICT NO. 2**

**OCEAN COUNTY, NEW JERSEY**

**CASH MANAGEMENT PLAN**

Be it resolved by the Board of Fire Commissioners of the Township of Jackson, County of Ocean, that the following shall serve as the Cash Management Plan of the Jackson Township Fire District No. 2 for the period ending March 31, 2012.

1. Cash Management and Investment Objectives

The Jackson Township Fire District No. 2 objectives in this area are:

- A. Preservation of capital.
- B. Adequate safekeeping of assets.
- C. Maintenance of liquidity to meet operating needs.
- D. Diversification of the District's portfolio to minimize risks associated with individual investments.
- E. Investment of assets in accordance with State and Federal Laws and Regulations.

2. Designation of Official Depositories

- 1. The following Government Unit Depository Protection Act approved banks are authorized depositories for deposit of funds:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 2. Designated official depositories are required to submit to the Treasurer a copy of the Government Unit Depository Protection Act notification of eligibility, which is filed semi-annually with the Department of Banking each June 30<sup>th</sup> and December 31<sup>st</sup> of each year.
- 3. Designated official depositories are required to submit to the Treasurer a copy of the institution's "Annual Report" on an annual basis.

3. Designation of Security Broker/Dealers

- 1. The following are approved security broker/dealers:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### 4. Cash Management

1. All funds shall be deposited within 48 hours of receipt in accordance with N.J.S.A. 40A:5-15.
2. The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that the amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.
3. The method of calculating banking fees and compensating balances shall be reviewed on a monthly basis.
4. Investment decisions shall be guided by the cash flow projections prepared by the Treasurer.

#### 5. Permissible 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 federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
4. Bonds or other obligations of the local unit or school districts of which the local unit is a part of.
5. Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
6. Local government investment pools.
7. New Jersey State Cash Management Fund.
8. Repurchase agreements of fully collateralized securities.

#### 6. Authority for Investment Management

1. The Treasurer is authorized and directed to make investments on behalf of the District. All investment decisions shall be consistent with this plan and all appropriate regulatory constraints.

7. Safekeeping

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

8. Reporting

1. The Treasurer shall report to the Board of Fire Commissioners all purchases of investments in accordance with N.J.S.A. 40A:5-15.2.

9. Audit

1. The Cash Management Plan shall be subject to annual audit conducted pursuant to N.J.S.A. 40A:5-14.

10. Disposition of Abandoned Property

1. The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance.

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Date