

**TOWNSHIP OF CEDAR GROVE
ESSEX COUNTY, NEW JERSEY**

AGENDA ITEM: #5(d)

JANUARY 5, 2026

CASH MANAGEMENT PLAN

BE IT RESOLVED by the Township Council of the Township of Cedar Grove, County of Essex, State of New Jersey that for the year 2026, the following shall serve as the cash management plan of the Township of Cedar Grove.

CASH MANAGEMENT AND INVESTMENT OBJECTIVES

The Township of Cedar Grove 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 Township's portfolio to minimize risks associated with individual investments.
- E. Investment of assets in accordance with State and Federal laws and regulations.

DESIGNATION OF OFFICIAL DEPOSITORIES

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

Provident Bank

464 Eagle Rock Avenue, W. Orange, NJ 07052

Designated official depositories are required to submit to the Chief Financial Officer, a copy of the Governmental Unit Deposit Protection Act Notification of eligibility, which is filed semi-annually with the Department of Banking each June 30th and December 31st of each year.

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 Chief Financial Officer 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 Chief Financial Officer.

PERMISSIBLE INVESTMENTS

1. Bonds or other obligations of the United States of America or obligations guaranteed 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.
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 Cash Management Fund
8. Repurchase agreements of fully collateralized securities.

AUTHORITY FOR INVESTMENT MANAGEMENT

The Chief Financial Officer is authorized and directed to make investments on behalf of the Township. All investment decisions shall be consistent with this plan and all appropriate regulatory constraints.

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 accounts for such securities on behalf of the Township.

AUDIT

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

INTRODUCED BY: Councilman Zazzali

SECONDED BY: Councilwoman Skabich

ROLL CALL VOTE				
COUNCILMEMBER	YES	NO	ABSTAIN	ABSENT
Peterson				X
Skabich	X			
Zazzali	X			
Maceri	X			
Mega	X			

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I HEREBY CERTIFY the foregoing to be a true copy of a resolution adopted by the Township Council of Cedar Grove, in the County of Essex, at its meeting held on January 5, 2026.



 Dale A. Forde
 Township Clerk

