

# 2020 REORGANIZATION AGENDA

BOROUGH OF BOUND BROOK REORGANIZATION  
COUNCIL CHAMBERS -230 HAMILTON STREET  
PUBLIC AGENDA  
JANUARY 2-2020- 7:00 PM

CALL TO ORDER

SWEARING IN OF ELECTED OFFICIALS

ROBERT FAZEN	MAYOR
RICHARD JANNUZZI	COUNCILPERSON
JAKE HARDIN	COUNCILPERSON

OPEN PUBLIC MEETING STATEMENT

PLEDGE OF ALLEGIANCE

OPENING PRAYER

ROLL CALL

MAYOR FAZEN NEW YEARS MESSAGE

NOMINATION FOR COUNCIL PRESIDENT

ADOPTION OF BY-LAWS

COUNCIL COMMITTEE APPOINTMENTS

COUNCIL LIAISON APPOINTMENTS

APPOINTMENT OF PROFESSIONALS

APPOINTMENT OF MUNICIPAL OFFICIALS

APPOINTMENT TO BOARD, COMMITTEE AND COMMISSION

SOMERSET COUNTY COMMITTEE APPOINTMENTS

RESOLUTIONS

COUNCIL COMMENTS

NEW BUSINESS

PUBLIC PORTION

BENEDICTION

ADJOURNMENT

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-01

APPOINTMENT OF MUNICIPAL PROFESSIONALS

WHEREAS, the Borough of Bound Brook solicited qualifications through a fair and open process in accordance with N.J.S.A. 19:44A-20.4 et. seq for the following municipal professionals:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE BOROUGH COUNCIL that the following municipal professionals are hereby appointed to the following positions for the period January 1-December 31, 2020.

Attorney	DeCotiis, Fitzpatrick, Cole & Giblin, LLP Teaneck, NJ
Auditor	Hodulik & Morrison, P.A. Highland Park, NJ
Bond Counsel	McManimon, Scotland & Bawmann, LLC Roseland, NJ
Grant Writer	Millenium Strategies Caldwell, NJ
Prosecutor	John E. Bruder, Esq. Bound Brook, NJ
Assistant Prosecutor	Eric Bernstein, Esq. Warren, NJ
Public Defender	Robert Spengler, Esq. Bound Brook, NJ
Labor Counsel	DeCotiis, Fitzpatrick, Cole & Giblin , LLP –Teaneck, NJ
Tax Appeal Counsel	Shain, Schaffer & Rafanello, P.C. Bernardsville, NJ

Approved: \_\_\_\_\_  
Mayor Robert P. Fazen

Attest: \_\_\_\_\_  
Donna Marie Godleski

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-02

APPOINT MUNICIPAL OFFICIALS

WHEREAS, the following employees are subject to appointment and have performed their jobs ably and faithfully:

Deputy Borough Clerk	Jasmine Mathis	1 year term
Tax Search Officer	Cynthia Griffith	1 year term
Assessment Search Officer	Donna Marie Godleski	1 year term

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the above appointments are approved.

Approved:

\_\_\_\_\_  
Robert P. Fazen, Mayor

Attest:

\_\_\_\_\_  
Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-03  
ADOPT 2020 MEETING SCHEDULE

WHEREAS, the Open Public Meeting Act (P.L. 1975, Chapter 231) of the Laws of the State of New Jersey, Section 13 thereof, requires the public body, at least once each year within seven (7) days following the Annual Organization or Reorganization meeting of the public body, or by January 10<sup>th</sup> to provide notice of a schedule of regular meeting of said public body to be held during the succeeding year;

NOW, THEREFORE, BE IT RESOLVED on this 2<sup>nd</sup> day of January 2020 by the Borough of Bound Brook County of Somerset and State of New Jersey that the meeting schedule for the period January 14 2020 through December 31 2020 shall be held in Council Chambers, at 230 Hamilton Street, Bound Brook, NJ @ 7:00 PM on the following dates.

January	14	Regular
January	28	Regular
February	11	Regular
February	25	Regular
March	10	Regular
March	24	Regular
April	14	Regular
April	28	Regular
May	12	Regular
May	26	Regular
June	9	Regular
June	23	Regular
July	14	Regular
July	28	Regular
August	11	Regular
August	25	Regular
September	8	Regular
September	22	Regular
October	13	Regular
October	27	Regular
November	10	Regular
November	24	Regular
December	8	Regular
December	22	Regular

Approved: \_\_\_\_\_ Mayor Robert P. Fazen

Attest: \_\_\_\_\_ Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-04  
DESIGNATE NEWSPAPERS

WHEREAS, the state statues require that the Mayor and Council provide a resolution annually to establish and designate certain news media as its official news publications;  
and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the official newspaper for the borough legal advertising and ordinance publications shall be designated as the Courier News, Bridgewater, a newspaper printed and circulated in Somerset County;  
and

BE IT FURTHER RESOLVED, that the Star Ledger, Newark, be designated as an alternate source of publication for legal bidding and ordinance publication for the borough.

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-05  
DESIGNATION OF DEPOSITORIES

WHEREAS, N.J.S.A. 40A5-14 mandates that the 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 the State of New Jersey; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey, that the following institutions be and are hereby designated as depositories for the year 2019-

NJ Cash Management Fund-Harborside Financial Center, Plaza Two, Jersey City, N.J.

Somerset Savings Bank-220 West Union Avenue, Bound Brook, N.J.

Wells Fargo Bank- 432 West Union Avenue, Bound Brook, N.J.

Valley National Bank- 466 West Union Avenue, Bound Brook, N.J.

Provident Bank – 477 Union Ave, Bridgewater, N.J.

All Banks covered under the Government Unit Protection Act.

BE IT FURTHER RESOLVED, that prior to the deposit of any municipal funds in the above mentioned depositories, said bank shall file with the Chief Financial Officer statements indicating that the depository is covered under the Government Unit Deposition Protection Act (R.S. 17:19-41).

APPROVED: \_\_\_\_\_  
Robert P. Fazen, Mayor

Attest:

\_\_\_\_\_  
Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-06  
DESIGNATE CHECK SIGNATURES

BE IT RESOLVED, by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the following Municipal Officials are hereby authorized to sign checks where a combination of three principal signatures is required:

Robert P. Fazen, Mayor  
Donna Marie Godleski, Borough Clerk  
Hector Herrera , Acting Chief Finance Officer

BE IT FURTHER RESOLVED that signature cards with the signatures of above named persons authorized to sign checks be forwarded to the designated depositories of the Borough of Bound Brook.

Approved:

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Robert P. Fazen, Mayor

Attest:

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Donna Marie Godleski, Clerk

Date of Adoption: January 2 2020

BOROUGH OF BOUND BROOK

RESOLUTION NO. 2020-07

AUTHORIZE TAX COLLECTOR CANCELLATION OF PROPERTY TAX REFUND OR  
DELINQUENCY

WHEREAS, N.J.S.A. 4A:5-17.1 provides that the Governing Body of a municipality may adopt a resolution authorizing a municipal employee chosen by the Governing Body to process, without further action on the part of the Governing Body, the cancellation of any sewer/property tax refund or delinquency of less than \$10.00 and any refuse fee refund or delinquency of less than \$2.00; and

WHEREAS, the adoption of such a resolution will facilitate the tax and refuse collection for the Borough of Bound Brook; and

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the Tax Collector be and is hereby authorized to cancel any sewer/property tax refund or delinquency of less than \$10.00 and any refuse fee refund or delinquency of less than \$2.00.

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020



BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-08  
APPROVE INTEREST RATES

WHEREAS, N.J.S.A. 54:4-67 permits the Governing Body of each municipality to fix the rate of interest rates charged for nonpayment of taxes  
Or assessments and other municipal charges subject to any abatement or discount for the late payment of taxes as provided by law; and

WHEREAS, N.J.S.A. 54:4-67 permits the fixing of said rates as 8% per annum of the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00.

WHEREAS, N.J.S.A. 54:4-67 has also been amended to allow for a 6% penalty on all amounts owed in excess of \$10,000.00 at the end of the year.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey, that:

- 1) The Tax Collector be and is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of the delinquency and 18% on any sum in excess of \$1,500.00;
- 2) The Tax Collector be and is hereby authorized and directed to charge the 6% year end penalty on delinquent taxes greater than \$10,000.00;
- 3) Effective January 1, 2020 there shall be a ten calendar day grace period after the due date of each quarterly tax and/or assessment installment in which payments will not be subject to interest charges. Should the expiration of the grace period fall on a non-working day, the payment shall be accepted on the next working day without interest charges.
- 4) Any tax and refuse payments not made in accordance with paragraph 3 of this resolution shall be charged interest from the due date.

Approved:

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Robert P. Fazen, Mayor

Attest:

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Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-09  
AUTHORIZE TAX COLLECTOR TO CONDUCT TAX SALE

WHEREAS, a tax sale may be conducted by the Tax Collector for all prior year delinquencies, pursuant to N.J. Law Chapter 99; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the Tax Collector be authorized to conduct a tax sale for prior year delinquent taxes pursuant to N.J. Law Chapter 99.

Approved: \_\_\_\_\_  
Mayor Robert P. Fazen

Attest:

\_\_\_\_\_  
Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK

RESOLUTION NO. 2020-10

AUTHORIZE TAX COLLECTOR TO IMPOSE A SERVICE CHARGE ON RETURNED CHECKS FOR INSUFFICIENT FUNDS

WHEREAS, N.J.S.A. 40:5-19 has been enacted to allow a municipality the authority to impose a service charge to be added on an account where payment by check or other written instrument was returned for insufficient funds; and

NOW THEREFORE BE IT RESOLVED that the Governing Body of the Borough of Bound Brook Somerset County State of New Jersey hereby authorizes the Tax Collector to charge the aforementioned fee at a rate of \$20.00 per check or other written instrument for all checks returned for insufficient funds during the current fiscal year; and,

BE IT FURTHER RESOLVED, that the Tax Collector may require future payments to be tendered in certified check, cashier's check, or cash, and,

BE IT FURTHER RESOLVED that a certified copy of this Resolution be forwarded to the Chief Financial Officer, the Tax Collector and the Municipal Auditor.

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Borough Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK

RESOLUTION NO. 2020-11

AUTHORIZE TAX COLLECTOR TO ISSUE A DUPLICATE TAX SALE CERTIFICATE

WHEREAS, Pursuant to Chapter 99 of the Public Laws of 1977, the Tax Collector of the municipality issues tax sale certificates; and

WHEREAS , the purchaser of the aforesaid tax sale certificate may lose or misplace the original tax sale certificate; and

NOW THEREFORE BE IT RESOLVED THAT THE TAX COLLECTOR is authorized upon receipt of a notarized Loss Affidavit and payment of a fee of \$100.00 per certificate, to issue an appropriate duplicate tax sale certificate to the said purchaser; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution be forwarded to the Chief Financial Officer, the Tax Collector and the Municipal Auditor.

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Borough Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-12  
AUTHORIZE TAX ASSESSOR TO CORRECT ERRONEOUS ASESSEMENTS

WHEREAS, the Tax Assessor of the Borough of Bound Brook has in the past had to correct erroneous assessments on properties in the borough; and

WHEREAS, the Tax Assessor has said that assessments should be corrected without the necessity of the owners of the affected properties filing formal tax appeals with the Somerset County Board of Taxation; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that the Tax Assessor for the borough is hereby authorized to correct any error in assessments as he shall deem proper and that a copy of this resolution will also be forwarded to the Somerset County Board of Taxation.

Approved: \_\_\_\_\_  
Robert P. Fazen, Mayor

Attest: \_\_\_\_\_  
Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020- 13

APPOINT POLICE MATRONS

WHEREAS, the Chief of Police of the Borough of Bound Brook requires the services of certain persons to act as Police Matrons in accordance with the statutes of the State of New Jersey; and

WHEREAS, all of the following individuals have been trained at the Somerset County Police Academy and are certified Police Matrons; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, State of New Jersey that Constance Casale, Monica Jimenez and Alexandra Rice are hereby appointed Police Matrons for the year 2020.

APPROVED:

\_\_\_\_\_  
Mayor Robert P. Fazen

Attest:

\_\_\_\_\_  
Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK

RESOLUTION NO. 2020-14

ADOPT POLICE DEPARTMENT RULES AND REGULATIONS

WHEREAS, the Borough of Bound Brook Police Department has been established pursuant to N.J.S.A. 40A:14-118 and Borough Ordinance #2-21 of the Code of the Borough of Bound Brook.

In accordance with N.J.S.A. 40A:14-118 Borough Ordinance #2-21 of the Code of the Borough of Bound Brook designates the Police Committee, consisting of three (3) councilpersons appointed by the Mayor and Council and chaired by a Police Commissioner as the Appropriate Authority responsible for adopting and promulgating Rules and Regulations for the government of the police force and the discipline of its members.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Bound Brook, County of Somerset, do hereby adopt the Police Department Rules and Regulations known as the "BOUND BROOK BOROUGH POLICE DEPARTMENT RULES AND REGULATIONS".

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Borough Clerk

Date of Adoption: January 2, 2020

**BOROUGH OF BOUND BROOK  
RESOLUTION NO. 2020-15**

**ESTABLISHING A CASH MANAGEMENT PLAN  
AND NAMING OFFICIAL CASH DEPOSITORIES**

**WHEREAS**, NJSA 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**, NJSA 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 Borough Council of the Borough of Bound Brook, County of Somerset wish to comply with the above statutes;

**NOW, THEREFORE, BE IT RESOLVED**, that the Borough Council of the Borough of Bound Brook, County of Somerset adopts the following cash management plan, including the official depositories for the Borough of Bound Brook, County of Somerset for the period January 1, 2019 through December 31, 2019.

**CASH MANAGEMENT PLAN OF THE  
BOROUGH OF BOUND BROOK,  
COUNTY OF SOMERSET**

**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 Borough of Bound Brook, 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 Borough of Bound Brook including but not limited to:

Current Fund  
Payroll Trust Fund  
Agency Account  
Developers' Escrow Trust Funds  
Municipal Court General Account  
Municipal Court Bail Account  
Outside Employment Accounts  
General Capital Account  
Regular Trust Accounts  
Tax Collector Trust Account  
Tax Title Lien Redemption Account  
Premium Account  
Grant Account  
Unemployment Account  
Housing Rehabilitation Account  
Local Improvement Assessment Account  
Police Forfeiture Account  
Dog/Cat Trust Account  
Parking Account  
Recreation Trust Account  
Recreation Referee 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 Borough of Bound Brook 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 officials.

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:

TD Bank  
Valley National Bank  
Provident Bank  
Peapack-Gladstone Bank  
Amboy Bank  
Investors Bank  
NJ Cash Management Plan

Money Market Investment Accounts and/or Certificates of Deposit

Bank of America  
TD Bank  
MBIA-Class Management Unit Trust  
NJ ARM Program  
NJ Cash Management Fund  
North Fork Bank  
PNC Bank  
Sovereign Bank  
Valley National Bank  
Millington Savings Bank  
Provident Bank  
Peapack-Gladston Bank  
Amboy Bank  
Investors Bank  
Valley 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 Borough of Bound Brook 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.

TD Capital  
Bank of America  
MBIA  
Millington Savings Bank  
New Jersey Cash Management

PNC Bank  
Provident Bank  
Peapack-Gladstone Bank  
Amboy Bank  
Investors Bank

**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 Borough of Bound Brook, 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 Borough of Bound Brook 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 Borough of Bound Brook or by a third party custodian prior to or upon the release of the Borough of Bound Brook’s funds.

To assure that all parties with whom the Borough of Bound Brook 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 Borough of Bound Brook 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 Borough of Bound Brook 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 Borough of Bound Brook.

**IX. SURPLUS**

Borough of Bound Brook recognizes and supports the philosophy that maintenance of fiscal stability is important to the prudent operation of government. Fiscal stability is a determining factor in creditworthiness and the ability to adjust local government revenues during the budget year. A fund balance represents an available resource that can be used to meet working capital requirements, emergency expenditures and allow for a manageable transition due to systemic changes in revenues and expenditures. Sufficient levels of unreserved fund balance can assure the continued orderly operation of government and the provision of services to taxpayers and the stability of the tax structure. Maintaining the stability of sufficient levels of unreserved fund balance is important for the Borough of Bound Brook. So that the fund balance policy will be meaningful and effective, the following shall be adopted as a working guideline for fiscal policy:

1. The Borough of Bound Brook may establish or maintain a target fund balance of 4% to

8% of the previous year's operating expenditures (the "Target").

2. In case of a need to drawdown of the fund balance, without the reasonable expectation of regenerating such amounts drawn down during the budget year -a plan shall be developed to restore fund balance to the Target balance within a five-year period.
3. If the year-end available fund balance, based upon unaudited figures, is for any reason below the Target, then, to rebuild the fund balance toward the Target, no more than 80% of the surplus generated in the prior fiscal year shall be appropriated as revenue in the succeeding year's budget.
4. This policy will be reviewed by the Administration every three years.

**X. TERM OF THE PLAN**

This plan shall be effective January 1, 2019 through December 31, 2019. The Plan may be amended from time to time as necessary.

To the extent that any amendment is adopted by the Borough 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.

Introduced	Seconded	Council	Aye	Nay	Abstain	Absent

Approved: \_\_\_\_\_  
 Mayor Robert P. Fazen

Attest: \_\_\_\_\_  
 Donna Marie Godleski, Clerk

Date of Adoption: January 2, 2020

BOROUGH OF BOUND BROOK

RESOLUTION NO. 2020-16

APPOINT PUBLIC AGENCY COMPLIANCE OFFICER

WHEREAS, in accordance with N.J.A.C. 17:27-3.3, each Public Agency shall designate an individual to serve as its Public Agency Compliance Officer or P.A.C.O.; and

WHEREAS, the P.A.C.O. is the liaison between the New Jersey Department of the Treasury-Division of Purchase & Property –Contract Compliance Audit Unit and is the point of contact for all matters concerning implementation and administration of the statute and regulations; and

WHEREAS, every year the public agencies are required to submit a designation of the Public Agency Compliance Officer; and

NOW, THEREFORE BE IT RESOLVED BY THE MAYOR AND THE BOROUGH COUNCIL OF THE BOROUGH OF BOUND BROOK that Hector Herrera, Administrator be appointed as the Public Agency Compliance Officer for the Borough of Bound Brook.

Approved:

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Mayor Robert P. Fazen

Attest:

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Donna Marie Godleski, Borough Clerk

Date of Adoption: January 2, 2020