

Resolution No. 2025-010
A Resolution Accepting A Cash Management Plan
For The Morris County Municipal Utilities Authority

WHEREAS, The Morris County Municipal Utilities Authority must adopt a Cash Management Plan in accordance with N.J.S.A. 40A:5-14, and

WHEREAS, this plan is intended to assure that all public funds identified herein are deposited in interest bearing deposits or otherwise invested in permitted investments, and

WHEREAS, 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, and the maximum investment return within such limits, and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED, by the Morris County Municipal Utilities Authority accepts the attached Cash Management Plan until such time as there is an amendment thereto or the next reorganization meeting.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Reorganization Meeting held on February 11, 2025.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

By: _____
Marilyn Regner, Secretary

**CASH MANAGEMENT PLAN OF THE MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY, IN THE COUNTY OF MORRIS,
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 Investments") of certain public funds of the Morris County Municipal Utilities Authority ("MCMUA"), 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 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

A. The Plan is intended to cover the deposit and/or investment of the following funds and accounts of the MCMUA;

Solid Waste Operating
Water Operating
Capital
Payroll

B. It is understood that this Plan is not intended to cover certain funds and accounts of the MCMUA, specifically:

None

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

The Treasurer of the MCMUA (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 MCMUA are directed to supply to 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 acknowledgment 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 as provided for in this Plan:

First Bank
Kearny Bank
Valley Bank
TD Bank
Fulton Bank
Citizens Bank
Bank of America
Capital One
PNC Bank
Santander
Provident Bank
Peapack-Gladstone Bank
JP Morgan Chase Bank, N.A.
ConnectOne Bank
Bethpage Federal Credit Union
Blue Foundry Bank
OceanFirst Bank
First Commerce Bank
First Hope Bank
New Jersey Cash Management Fund

All such depositories shall acknowledge in writing receipt of this Plan by sending a copy of such acknowledgement to the Treasurer, 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 of the MCMUA 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 Treasurer, referred to in Section III above.

Wells Fargo Bank, N.A.

VI. AUTHORIZED INVESTMENTS.

A. Except as otherwise specifically provided for herein, the Treasurer 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 obligation 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 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 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, c.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;
 - (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 sections 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

For purposes of the above language, the terms "government 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 U.S.C. sec. 80a-1 et seq., and operated in accordance with 17 C.F.R. 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;
 - (i) attained the highest ranking or the highest letter and numerical rating of a nationally recognized statistical rating organization; or
 - (ii) 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 investments;
- (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 utilize an index that does not support a stable 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 (C.49:3-56) 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 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.

- B. Notwithstanding the above authorization, the monies on hand in the following funds and accounts shall be further limited as to maturities, specific investments or otherwise as follows;

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 MCMUA, 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 MCMUA to assure that there is no unauthorized use of the funds or the Permitted Investments or Deposits. Purchase of any 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 MCMUA or by a third party custodian prior to or upon the release of the MCMUA's funds.

VIII. REPORTING REQUIREMENTS

On the first day of each month during which this Plan is in effect, the Treasurer, referred to in Section III hereof shall supply to the Board members of the MCMUA 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 MCMUA 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 MCMUA.

IX. TERM OF PLAN.

This plan shall be in effect from February 1, 2025 to January 31, 2026. Attached to this Plan is a resolution of the governing body of the MCMUA approving this Plan for such period of time. The Plan may be amended from time to time. To the extent that any amendment is adopted by the Board members, the Treasurer 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.