RESOLUTION
JULY 1, 2026
CLEVELAND COUNTY INVESTMENT POLICY

WHEREAS, the provisions of 62 O. S. Section 348.3 allow for a written investment policy for various municipalities and county, including Cleveland County; and

WHEREAS, Cleveland County will benefit from such policy by setting investment priorities, maximizing yields of investments and through increased safety of investment funds.

THEREFORE, Be It resolved, in a regular meeting, this 1st day of July 2026, that the attached investment policy is adopted as the official written investment policy of Cleveland County, Oklahoma, to be in effect hereafter subject to change in accordance with law.

ATTEST:

____
Chairman

____
County Clerk

____
Member

SEAL

____
Member

Cleveland County, Oklahoma

Investment Policy

Effective July 1, 2026

Table of Contents

Cleveland County

Investment Policy

Purpose:

The purpose of this Investment Policy is to establish investment guidelines for the County Treasurer, who is responsible for the stewardship of the County's Investment Program. It is the policy of the County Treasurer to invest public funds in a manner which will provide the maximum security with the best investment return, while meeting the daily cash flow demands of the County and conforming to all state statutes governing the investment of public funds. The investment process will be carried out through competition, proper oversight, and financial safeguard. Investment earnings are used to fund the general operations of the county government by providing an additional source of revenue to the county.

Standard of Prudence:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by an investment officer shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio.

Ethics and Conflicts of Interest:

All staff members involved in the investment process shall seek to act responsibly as custodians of the public trust. Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair the employee's ability to make impartial decisions.

Primary Investment Objectives:

The priorities of the Investment Policy shall be: 1) Safety, 2) Liquidity, and 3) Investment Income.

1. **Safety of Principal:** Safety of principal is the foremost objective of the investment program.

   The investments shall be diversified to minimize the risk of loss resulting from overconcentration of assets in specific maturity, issuer, or class of securities. Diversification strategies shall be utilized to minimize risk exposure and investments periodically reviewed to maintain adequate diversification.

2. **Liquidity:** The investment portfolio shall remain sufficiently liquid to enable the County to meet all operating requirements which might be reasonably anticipated.

3. **Investment Income:** The investment portfolio shall be designed with objective to earn a market rate investment income. Securities should generally be held until maturity. Securities may be sold due to liquidity needs, declining credit, or to improve the efficiency, quality, yield, or target duration in the portfolio.

Authorized Investments (Pursuant to 62 O.S. §§ 348.1 thru 348.3)

The following list represents the entire range of investments that the Treasurer may consider and which shall be authorized for the investment of funds. The classes of authorized investments allowed under Oklahoma law may change from time to time. Any amendments of authorized securities under Oklahoma law shall control any and all investments made pursuant to this investment policy. The Treasurer shall not be required to sell or otherwise divest appropriate and allowed investments made prior to any revision of Okla. Stat. tit. 62.

1. Obligations of the United States government, its agencies and instrumentalities;

   Note: U.S. government sponsored enterprises/instrumentalities, such as Fannie Mae and Freddie Mac, are not backed by the full faith and credit of the U.S. government. Per the State Auditor's Office, our investment policy should note the slight possibility of risk.

2. Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state;

3. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed ten percent (10%) of the surplus funds of the county. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution;

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the surplus funds of the county. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one commercial bank;

5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the surplus funds of the county;

6. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 through 5; and

7. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 6;

8. Local Government Investment Pools (LGIP).

The County Treasurer will maintain interest bearing demand deposit accounts at minimum levels necessary for day-to-day operations, with an exception to this policy if the interest rates received on these accounts exceed alternative investment vehicles.

The County Treasurer will invest the maximum amount of funds under their control, exercising judgment, care and good business practice. They will continually monitor rates available from alternative instruments and institutions, to ensure that optimum yields are obtained, consistent with the primary priorities of safety and liquidity.

All investments that require collateral will be collateralized at one hundred ten percent (110%) of the invested principal amount and interest at maturity, except when Letters of Credit are used as collateral and investments of $250,000 or less, which are FDIC Insured.

Investment instruments that are legal for Cleveland County are described in Title 62 O.S. Sec. 348.1 to 348.3. The County Treasurer will make all investments and money management decisions in accordance with these statutes and all other applicable statutes.

Maturity Parameters

The investment program shall follow these maturity parameters:

- Weighted Average Maturity of the investment program shall be no greater than 3.5 years (using stated final maturity)
- At least 5% of the County's Investment Pool maturing within 90 days

Authorized Broker/Dealers

The Treasurer shall approve and maintain a list of authorized broker/dealers and financial institutions to conduct business for the investment program. The list shall be submitted to the Board of County Commissioners for yearly review.

Authorized Investment Advisors

If the County enters into an agreement with an investment advisor for investment management/advisory services, the investment advisor will operate under the direction of the County Treasurer. The investment advisor shall be registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Authorized Investment Advisors may buy and sell securities with their own approved Broker/Dealers.