

Resolution
VILLAGE OF BRIARCLIFF

RESOLUTION NO. 2026-03-25-06

A RESOLUTION ADOPTING A VILLAGE OF BRIARCLIFF INVESTMENT POLICY

WHEREAS, Chapter 2256 of the Government Code, commonly known as the "Public Funds Investment Act", requires the village to adopt an investment policy by rule, order, ordinance, or resolution; and

WHEREAS, the Public Funds Investment Act requires the Village Clerk, the investment officer of the village, to attend investment training; and

WHEREAS, the Village of Briarcliff approves the investment training course sponsored by the Texas Municipal League; and

WHEREAS, the Village Clerk, the investment officer of the Village, has attended an investment training course sponsored by the Texas Municipal League as required by the Public Funds Investment Act; and

WHEREAS, the attached investment policy and incorporated strategy comply with the Public Funds Investment Act and authorize the investment of village funds in safe and prudent investments.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Briarcliff; That the Village of Briarcliff has complied with the requirements of the Public Funds Investment Act, and the Investment Policy, attached hereto as "Exhibit A," is hereby adopted as the investment policy of the village effective March 25, 2026.

PASSED, ADOPTED AND APPROVED by the Village of Briarcliff Council of the Village of Briarcliff this the 25th day of March, 2026.

APPROVED:

ATTEST:



Allen Hostetler, Mayor



Amber Rowe, Village Clerk

VILLAGE OF BRIARCLIFF INVESTMENT POLICY

POLICY

The investment policy of the Village is to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing investment of public funds.

SCOPE

The investment policy applies to investment activities of all funds of the Village and all funds under the control of the Village. Funds covered by this policy are as follows:

General Fund
Enterprise Fund
Capital Projects Fund

OBJECTIVES

The primary objectives, in priority order, of the Village's investment activities are:

1. Safety. Safety of principal is the primary objective of the investment transaction. Investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity. The Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which might be reasonably anticipated.
3. Return on Investment. The Village's investment portfolio will be designed with the objective of attaining a rate of return commensurate with the Village's investment risk constraints and the cash flow operating requirements.
4. Diversification. Diversification may be required in order that potential losses on individual securities do not exceed the Income generated from the remainder of the portfolio.

STANDARD OF CARE

Investments will 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.

DELEGATION OF AUTHORITY

Authority to manage the Village's investment program is derived from state statutes and Village resolutions. The Village Council will, by resolution, designate the Village clerk as the Investment Officer to invest and reinvest funds of the Village in accordance with the Village's investment policy. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate subordinate officials.

INVESTMENT TRAINING

It is the Village's policy to provide training required by the Public Funds Act, Sec. 2256.008 for the Village' Investment Officer. The Investment Officer shall attend at least one training session within twelve months after taking office or assuming duties. Training includes education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds act.

ETHICS AND CONFLICTS OF INTEREST

An Investment Officer who has a personal business relationship with an entity seeking to sell an investment to the Village will write a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the Village shall file a statement disclosing that relationship. These statements must be filed with the Texas Ethics Commission and the Village Council.

COLLATERALIZATION

All funds must be insured by the FDIC or FSLIC or by collateral pledged to the extent of the fair market value of any amount not insured. To the extent not insured by the FDIC or FSLIC, Village funds must be secured by direct obligations of the United States backed by the full faith and credit of the government or by governmental securities or obligations issued by the State of Texas, its agencies receipt will be supplied to the Village. The Village's bank depository will provide the Village with a monthly report on the collateral pledged, and a Village representative will have the right to inspect the pledged collateral at any time. Collateral may be substituted; however, any substitution of collateral must be approved in writing by the Village.

INVESTMENT POLICY DISCLOSURE

A written copy of the Village's investment policy shall be presented to any person seeking to sell to the Village an authorized investment. The registered principal of the business organization seeking to sell an authorized investment shall execute a written instrument substantially to the effect that the registered principal has received and thoroughly reviewed the investment policy of the Village and acknowledged that the organization has implemented reasonable procedures and controls in and between the Village and the organization. The investment officer of the Village may not buy any securities from a person who has not delivered to the Village a written document providing the above information.

AUTHORIZED INVESTMENTS

Investments described below are some of those authorized by the Public Funds Investment Act and considered suitable for investment of Village funds:

1. Obligation of the United States or guaranteed by the United States. The Village may invest its funds in obligation of the United States or its agencies and Instrumentalities.
2. Certificates of Deposit. The Village is authorized to invest its funds in certificates of deposit or other interest bearing accounts of any bank or savings and loan association domiciled in the State of Texas. All certificates of deposit must be fully insured or collateralized. Certificates of deposit should mature one to twenty-four months after purchase with maturity dates falling one to two months apart.

3. Public Funds Investment Pools. The Village is authorized to invest its funds in public fund investment pools which strive to maintain a stable \$1.00 net asset value and maintain either an "AAA" or "AA" rating from a nationally recognized rating agency.

INVESTMENT STRATEGIES

Investment strategies are developed to attain the investment objectives of the Village.

GENERAL FUND AND ENTERPRISE FUND

The investment objectives of the general fund are as follows:

1. Safety of Principal.
2. Liquidity. Availability of funds to meet the monthly operating expenditures of the Village in accordance with budgeted expenditures and availability of funds to meet unexpected expenditures.

To attain these objectives, investments should be short term that can be liquidated to assure adequate cash flows as necessary. The weighted average maturity should be 180 days or less.

CAPITAL PROJECTS FUND

The investment objectives of the capital projects fund are as follows:

1. Safety of principal.
2. Availability of funds to meet construction needs of the Village.

To attain these objectives, investment maturities should be structured to mature no later than the date funds will needed for project payments.

DEBT SERVICE FUNDS

Investment objectives of the debt services funds are as follows:

1. Safety of principal.
2. Liquidity
3. Yield

Since payment of debt is one of the highest priorities of the Village, safety of principal should be of the highest priority when selecting an investment. To ensure safety, investments should consist of U.S. Treasury notes and bills, public fund investment pools, and certificates of deposit. The investment should have a weighted average maturity of 365 days or less and should be structured to insure that the necessary amounts to retire debt on each date will mature 5 days before said due date.

INVESTMENT REPORTS

No less than quarterly, the Investment Officer shall prepare and submit to the Village Council a quarterly written investment report. The report must describe in detail the investment position of the Village on the date of the report, state the book value and fair market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested. State the maturity date of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested. State the maturity date of each separately invested asset that has a maturity date. State the fund for which each individual investment was acquired and state the compliance of the investment portfolio of the Village as it relates to the investment policies and investment strategies expressed in the Village's Investment Policy and the Public Funds Investment Act.

The report must be prepared and signed by the investment officer of the Village.

COMPLIANCE AUDIT

The Village, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the Village's Investment Policy.