BOARD OF COMMISSIONERS
COUNTY OF GLADWIN
STATE OF MICHIGAN

At a regular session of the said Board, held in the City of Gladwin, in said County, Michigan on the 24th day of March, 2026 the following Resolution was adopted/amended:

RESOLUTION 2026-006

Resolution for Authorizing Deposit and Investment of County Funds and Approving County Investment Policy

WHEREAS, under the law of the State of Michigan, Act No. 40 of the Michigan Public Acts of 1932, 1st Extra Session, as amended (MCL 129.12), this Board is required to provide, by resolution, for the deposit of all public monies including tax monies, belonging to, or held for, the State, County or other political units coming into the hands of the County Treasurer, in one or more banks, savings and loan associations, broker/securities firms or credit unions within the State.

WHEREAS, (1) the Gladwin County Board of Commissioners hereby directs Christy Van Tiem, Gladwin County Treasurer, to deposit all public monies, including monies and funds held for the State Board of Escheats or missing heirs, coming into her hands as Treasurer in any bank, savings and loan association, broker/securities firms or credit union within the State which is a legal depository as defined by State and/or Federal law, and (2) the Treasurer is authorized to invest funds with these institutions or any institution legally permitted by State Statute Act No. 20 of the Michigan Public Acts of 1943, as amended (MCL 129.91) or Federal law or regulation within the limits set therein; and

WHEREAS, pursuant to the provisions of Act No. 20 of the Public Acts of Michigan of 1943, as amended, ("Act 20") the Board of Commissioners of the County of Gladwin may authorize the County Treasurer to invest County funds in certain investments; and

WHEREAS, this Board wishes to authorize such investments as are permitted by Act 20; and

WHEREAS, Section 5 of Act 20 requires this Board of Commissioners in conjunction with the County Treasurer to adopt an investment policy which complies with the provisions of Act 20; and

WHEREAS, the County Treasurer has submitted a proposed Investment Policy which complies with provisions of Act 20; and

WHEREAS, all resolutions and parts of resolutions in so far as they conflict with the provisions of this resolution be and the same are hereby rescinded.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the County of Gladwin as follows:

1. The County Treasurer is authorized to invest funds of the County of Gladwin in investments authorized by Act 20.

2. The Investment Policy attached hereto as Appendix 1 is approved and shall take effect on March 24, 2026.

3. Before executing an order to purchase or trade the funds of the County of Gladwin, a financial intermediary, broker, or dealer shall be provided with a copy of the County's Investment Policy and shall acknowledge receipt of the Investment Policy and agree to comply with the terms of the Investment Policy regarding the buying or selling of securities by executing the form attached as Appendix 2.

4. The County Treasurer is authorized to rely on the continuing effect of this resolution until and unless:

   a. Specifically amended or rescinded by the Gladwin County Board of Commissioners, or
   b. A new Board is seated.

5. This resolution shall take effect on March 24, 2026.

Motion by Comm O'Donnell Supported by Comm Winaroski to adopt the foregoing Resolution. The vote being Ayes: Visnaw, Davidson, O'Donnell, Moore, Winaroski
Nays: Ø Absent: Ø

The Resolution was adopted March 24, 2026.

STATE OF MICHIGAN)
)ss
COUNTY OF GLADWIN)

_____, Chairman
Gladwin County Board of Commissioners

I, Constance Thurlow-White, Clerk of the Gladwin County Board of Commissioners, do hereby certify that the Investment Policy for the County of Gladwin was unanimously adopted by the said Board of Commissioners at its regular meeting held on the 24th day of March 2026 A.D.

_____
Constance Thurlow-White Clerk, County of Gladwin

APPENDIX 1

INVESTMENT POLICY FOR THE COUNTY OF GLADWIN AS REQUIRED BY PUBLIC ACT 20 OF 1943, AS AMENDED

1.0 POLICY

It is the policy of Gladwin County to invest public funds in a manner which will ensure the preservation of principal while providing the highest investment return with maximum security, meeting the daily cash flow requirements of the county, and conforming to all state statutes governing the investment of public funds.

2.0 SCOPE

This investment policy applies to all financial assets of the county held by the County Treasurer. These funds are accounted for in the County Treasurer's Annual Financial Report.

3.0 OBJECTIVES

The primary objectives, in priority order, of the County Treasurer's investment activities shall be:

3.1 **Safety**: Safety of principal is the foremost objective in the investment of county funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Credit Risk (Custodial Risk and Concentration of Credit Risk). The County will minimize Custodial Credit Risk, which is the risk of loss due to the failure of the security issue or backer, by: limiting investments to the types of securities listed in Section 7.0 of this Investment Policy; and pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the County will do business in accordance with the Policy.

The County will minimize Concentration of Credit Risk, which is the risk of loss attributed to the magnitude of the County's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Interest Rate Risk. The County will minimize Interest Rate Risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by: structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the County's known cash requirements.

Foreign Currency Risk. The County is not authorized to invest in investments which have this type of risk pursuant to this Investment Policy.

3.2 **Liquidity:** The investment portfolio shall remain sufficiently liquid to enable the county treasurer to meet all operating requirements that might be reasonably anticipated.

3.3 **Return of investments:** The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

4.0 DIVERSIFICATION

The County Treasurer shall diversify his/her investments by security type and institution. With the exception of U.S. Treasury securities and authorized investment pools, no more than 60% of the total investment portfolio will be invested in a single security type or with a single financial institution.

5.0 DELEGATION OF AUTHORITY

Management responsibility for the investment policy is hereby delegated to the County Treasurer as required by state statute per MCL 48.40, who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, collateral/depositary agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Gladwin County Treasurer. The Gladwin County Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Gladwin County Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The Gladwin County Treasurer can use one or more of the investment institutional raters available in the State of Michigan.

The internal control structure established will:

5.1 *Control of Collusion.* Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

5.2 *Separation of transaction authority from accounting and record keeping.* By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved. Due to the limited number of personnel available, the greatest degree of separation possible will be achieved to allow for the efficient function of the *office.*

5.3 *Custodial safekeeping.* Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.

5.4 *Physical delivery of securities.* Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities will be held in Gladwin County Treasurer's safe.

5.5 *Clear delegation of authority to subordinate staff members.* Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

5.6 *Written confirmation or telephone transactions for investments and wire transfers.* Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by a confirmation call or written communications and approved by the appropriate person. Written communication may be via fax if on letterhead and safekeeping institution has a list of authorized signatures.

5.7 *Development of a wire transfer agreement with the lead bank or third-party custodian.* This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers. Gladwin County accomplishes this through wire transfer agreement contracts and signature cards.

5.8 *Collateral deposit.* Gladwin County reserves the right to demand evidence of collateral from institutions it invests in as permitted by Public Act 20.

5.9 *Banking contracts.* Gladwin County Treasurer will have on file signed contractual agreements with financial institution with which it does business.

6.0 AUTHORIZED & SUITABLE INVESTMENTS

The County Treasurer is authorized to invest in the following securities by Public Act 20 of 1943, as amended:

6.1 Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

6.2 Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution. A public corporation that invests its fiords shall not deposit or invest the funds in a financial institution that is not eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.

6.3 Commercial paper with a rating of not less than Al from Moody's, P1 from Standard & Poor's, and that matures not more than 270 days after the date of purchase.

6.4 Repurchase agreements *consisting* of instruments in subdivision 6.1.

6.5 Banker's acceptances of United States banks.

6.6 Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.

6.7 Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public

corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:

a. The purchase of securities on a when issued or delayed delivery basis.
b. The ability to lend portfolio securities as long as the mutual fund receives collateral
at all times equal to at least 100% of the value of the securities loaned.
c. The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
d. Mutual funds are limited to securities whose intention is to maintain a net asset value of $1.00 per share, which is not subject to fluctuation. The intention of the funds' portfolio average life will be 90 days or less.

6.8 Obligations described in subdivisions of 6.1 through 6.7 if purchased through an interlocal agreement under the Urban Cooperation Act of 1967, 1967 (ex sess) PA 7, *MCL* 124.501 to 124.512.

6.9 Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, *MCL* 129.111 to 129.118.

6.10 The investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

7.0 SAFEKEEPING AND CUSTODY

It shall be the responsibility of the County Treasurer to determine which securities will be held by a third-party custodian. A safekeeping receipt shall evidence securities held in safekeeping by a third-party custodian. All investment transactions where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institutions with safekeeping receipts.

8.0 PRUDENCE

The standard of prudence to be used by the County Treasurer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

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 the probable income to be derived.

9.0 REPORTING

The County Treasurer shall provide at least an annual report to the Board of Commissioners, which provides a clear picture of the status and types of investments of the current investment portfolio. This report shall be prepared in a manner that will allow the Board of Commissioners to ascertain whether investment activities during the reporting period have conformed to the investment policy.

ACKNOWLEDGMENT OF RECEIPT OF INVESTMENT POLICY AND AGREEMENT TO COMPLY

I have read and fully understand Act 20 PA 1943, as amended, and the Investment Policy for the COUNTY OF GLADWIN.

Any investment advice or recommendation given by _____
Representing _____, to the Gladwin County Treasurer shall comply with the requirements of **Act 20 PA 1943, as amended**, and the Investment Policy of the County of Gladwin. Any existing investment not conforming with the statute, or the policy will be disclosed promptly.

By: _____

Title: _____

Date:_____