



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 02/19/2026

**REQUESTER:**

**PRESENTER:**

**ITEM TITLE:** DISCUSSION REGARDING PROPOSED INTERLOCAL AGREEMENT ESTABLISHING AND PARTICIPATING IN THE OKLAHOMA COOPERATIVE LIQUID ASSETS SECURITY SYSTEM AND RELATED CHANGES TO THE CITY'S INVESTMENT POLICY.

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### **BACKGROUND:**

Oklahoma law provides guidelines for the investment of municipal funds within the state and directs municipalities to adopt formal investment policies. 62 O.S. §348. Article IV, Section 1 of the City Charter authorizes the Finance Director to invest City funds pursuant to the policies adopted by Council. Council has long adopted an investment policy to guide the investment decisions of the Finance Director. Senate Bill 957 was adopted in the last legislative session. Effective November 1, 2025, political subdivisions, including cities and public trusts, can now purchase or invest in additional types of securities, including but not limited to, qualified pooled investment programs governed by interlocal cooperative agreements.

Oklahoma Cooperative Liquid Assets Security System ("OK CLASS") was created to "provide the opportunity for political subdivisions to conveniently invest funds on a cooperative basis in short-term investments that are carefully selected and aim to provide safety and liquidity while prioritizing yields." (OK CLASS Mission, <https://oklahomaclass.com>) In order to join OK CLASS, the City must adopt an Interlocal Agreement. Interlocal Agreements are authorized by state law to allow public agencies to jointly exercise its powers, privileges or authority. 74 O.S. 1004.

In order to participate in OK CLASS, the Investment Policy for the City and its public trusts (not including the Norman Regional Hospital Authority) must be amended to reflect the provisions in Senate Bill 957. The City and each public trust must also adopt a resolution approving the Interlocal Agreement. The Interlocal Agreement contains all of the terms required by law and has previously been approved by the Attorney General. The Agreement sets out the initial board members and provides for elections for successors. The Board of Directors of OK CLASS is responsible for the general investment policy and program, but may appoint, employ or contract with any other person deemed to be necessary or desirable for the efficient management of the Pool. Pursuant to the Agreement, the Directors have engaged Public Treasury Management and Advisory Financial Solutions ("PTMA") as Investment Advisor and Administrator. The duration of the agreement is 50 years from initial adoption, or January 15, 2074. However, the City and/or

its public trusts can terminate its membership from OK CLASS by adoption of a resolution after giving 30 days notice to the Board.

**RECOMMENDATION:**

With the direction of the Finance Committee, Staff intends to prepare the following items for the February 24, 2026 Council/Public Trusts consent agenda:

1. Resolution R-2526-101 adopting an updated investment policy to reflect Senate Bill 957 and allow for participation in OK CLASS.
2. Resolution R-2526-115 approving the entrance into the Interlocal Agreement (City)
3. Resolution R-2526-116 approving the entrance into the Interlocal Agreement (NTIFA)
4. Resolution R-2526-117 approving the entrance into the Interlocal Agreement (NMA)
5. Resolution R-2526-118 approving the entrance into the Interlocal Agreement (NEDA)
6. Resolution R-2526-119 approving the entrance into the Interlocal Agreement (NPTA)
7. Resolution R-2526-120 approving the entrance into the Interlocal Agreement (NUA)