CITY OF TONKA BAY
ITEMS NO. 9H

Memo

To: Honorable Mayor and City Council

From: Joe Kohlmann, City Administrator

Date: May 8, 2012

Re: Investments

Staff has sent the *attached email* to UBS, Stifel Nicholaus, and Ehlers Investment Partners requesting recommendations for investments by Tuesday May 8th at 5:00 p.m. (will be an insert at the Council Meeting).

Staff requests review and discussion of the recommendations. These recommendations follow MN Statute 118A and guidelines have been established in the attached email for the brokers to follow.

The City currently has $226,000 of Liquor Funds that are not invested and $51,000 of Water/Sewer Reserve Funds that need to be invested. In addition, the City's auditor has recommended investing approximately $500,000 of funds from the 4M Fund. Finally, the City has $242,000 of investments maturing in June of 2012. The total amount of cash that should be invested is approximately **$1,019,000**- depending a cash flow analysis of the 4M Fund.

There are three options to consider:

1) Continue investing in CDs-
    a. pros= FDIC insured, can be liquid;
    b. cons= low yield
2) Follow Statute 118A and Broker Recommendation-
    a. pros – higher yield expected, can be liquid, follows State Law, consistent with 4M Fund practices, investments can be backed by taxing authority of districts and generally considered safe investments;
    b. Cons = not FDIC insured investments; more administrative work handling the portfolio.

3) Create an intermediate policy between current practices and the allowable investments under Statute 118A.
    a. Pros and cons to be determined.

Council Action Requested:
Discuss the investment recommendations. If option #2 above is selected – adopt the attached Resolution to create accounts at UBS, Stifel Nicholaus, and Ehlers Investment Partners.

Joe Kohlmann

From: Joe Kohlmann
Sent: Tuesday, May 01, 2012 6:14 PM
To: Joe Kohlmann
Subject: Investment Recommendation
Attachments: Financial Report.pdf; UBS Safekeeping.pdf

All:

As I have discussed with you earlier in the week, the City is looking for recommendations to invest $225,000. If you could get your recommendation to me by 5:00 p.m. on Tuesday May 8th, I will be able to bring them to the City Council that night. Also, as we have discussed, the City will be looking to invest/reinvest roughly $500,000 - $1,000,000 over the next year.

Also, I will need all of the companies to fill out the *Attached Form* and send it to me so I can forward it to UBS, where we have a safekeeping account.

Attached is our most recent financial report, investment holdings, and below are some guidelines to follow, however I will be relying on your expertise in order to properly invest these funds according to MN Statute 118A. - Which you all have a copy of and the City uses as an investment policy.

1) The City has been investing in CDs with 6 month call protection. These investments have been getting called and now there is an excess of cash the City is holding.
2) The City is willing to investigate legal investments under Statute 118A (General obligation bonds, revenue bonds, etc.).
3) The City is looking to eventually move cash from the 4M Fund to other investments.
4) We have investments laddered out through 2013. We are looking to backfill the maturity dates out to 2017.
5) I would prefer no maturities past 60 months, but am willing to listen to your recommendations.
6) The City would like to keep the investments in sums of $50,000 - $100,000 but I am willing to listen to your recommendations.
7) The City requires annual or semi-annual interest payments.

Again, please have recommendations to me no later than 5:00 p.m. on Tuesday May 8th.

Please direct all questions to: joseph.kohlmann@gmail.com or (651) 329-1326.

Thanks,

Joe Kohlmann
City Administrator

City of Tonka Bay

FINANCIAL REPORT
March 31, 2012

FUND #	FUND NAME	4M Fund CHECKING (0.02%)	4M Fund SAVINGS (0.05%)	Managed Investments SAVINGS (0.01%)	Managed Investments CD's	Other CD INVESTMENTS	FUND BALANCE
101	General Fund	16,664.85	42,588.01	90,942.54	196,000.00		346,195.40
301	Woodpecker Ridge Road Fund	0.00					0.00
406	Southshore Comm Ctr Fund	3,834.00					3,834.00
407	Park Fund	757.15	874.77				1,631.92
408	Manitou Seawall Fund	2,727.55					2,727.55
409	Capital Improvement Fund	(31,380.18)	41,858.74				10,478.56
411	Water/Sewer Reserve Fund	199,299.29	9,846.50	51,282.82	242,000.00		502,428.61
601	Water Operating Fund	59,651.28					59,651.28
602	Sewer Operating Fund	97,625.29	205,635.25				303,260.54
603	Garbage Fund	51,602.79					51,602.79
609	Liquor Store Fund	9,885.77		226,416.52	75,000.00		311,302.29
617	Municipal Dock Fund	237,080.55					237,080.55
651	Storm Water Drainage Fund	66,244.25					66,244.25
652	Recycling Fund	30,697.62					30,697.62
653	Antenna Fund	83,501.96					83,501.96
		828,192.17	**300,803.27**	**368,641.88**	**513,000.00**	**0.00**	**2,010,637.32**

CITY OF TONKA BAY
ITEM NO. 4C

INVESTMENTS
March 31, 2012

DUE DATE	FUND	CUSIP	LOCATION	AMOUNT	INTEREST RATE
Jun 20, 2012	General Fund-101	939379FQ1	MSSB CD-Washington Mutual	96,000.00	5.35
Jun 20, 2012	Water/Sewer Reserve-411	518038VE1	MSSB CD-LaSalle Bank	96,000.00	5.25
Jun 20, 2012	Water/Sewer Reserve-411	25467RZH9	MSSB CD-Discover Bk	50,000.00	5.35
Apr 29,2013	Water/Sewer Reserve-411	795450JM8	MSSB CD-Sallie Mae	96,000.00	3.35
Apr 29,2013	Liquor Fund-609	140653W77	MSSB CD-Capmark	75,000.00	3.25
Oct 15,2013	Gen Fund-101 / Wtr Swr Resv -411	02004MW90	MSSB CD-Ally Bank Utah	100,000.00	1.35
	Timed Investments			513,000.00	
	General Fund-101		Money Market Acct-4MP	42,588.01	0.05
	Park Fund-407		Money Market Acct-4MP	874.77	0.05
	Capital Improvement-409		Money Market Acct-4MP	41,858.74	0.05
	Water/Sewer Reserve-411		Money Market Acct-4MP	9,846.50	0.05
	Sewer Operating-602		Money Market Acct-4MP	205,635.25	0.05
	General Fund-101		MSSB House Acct	90,942.54	0.01
	Water/Sewer Reserve-411		MSSB House Acct	51,282.82	0.01
	Liquor Fund-609		MSSB House Acct	226,416.52	0.01
	Cash available for Investments			669,445.15	
	Timed Investments & Cash Total			1,182,445.15	

118A.04 INVESTMENTS.

Subdivision 1. **What may be invested.** Any public funds, not presently needed for other purposes or restricted for other purposes, may be invested in the manner and subject to the conditions provided for in this section.

Subd. 2. **United States securities.** Public funds may be invested in governmental bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress.

Subd. 3. **State and local securities.** Funds may be invested in the following:

(1) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;

(2) any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; and

(3) a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated "A" or better by a national bond rating agency.

Subd. 4. **Commercial papers.** Funds may be invested in commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.

Subd. 5. **Time deposits.** Funds may be invested in time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States banks.

Subd. 6. **High-risk mortgage-backed securities.** For the purposes of this section and section 118A.05, "high-risk mortgage-backed securities" are:

(a) interest-only or principal-only mortgage-backed securities; and

(b) any mortgage derivative security that:

(1) has an expected average life greater than ten years;

(2) has an expected average life that:

(i) will extend by more than four years as the result of an immediate and sustained parallel shift in the yield curve of plus 300 basis points; or

(ii) will shorten by more than six years as the result of an immediate and sustained parallel shift in the yield curve of minus 300 basis points; or

(3) will have an estimated change in price of more than 17 percent as the result of an immediate and sustained parallel shift in the yield curve of plus or minus 300 basis points.

Subd. 7. **Temporary general obligation bonds.** Funds may be invested in general obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7, 469.178, subdivision 5, or 475.61, subdivision 6.

Subd. 8. **Debt service funds.** Funds held in a debt service fund may be used to purchase any obligation, whether general or special, of an issue which is payable from the fund, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of such an issue prior to maturity in accordance with its terms. The securities

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representing any such investment may be sold by the governmental entity at any time, but the money so received remains part of the fund until used for the purpose for which the fund was created. Any obligation held in a debt service fund from which it is payable may be canceled at any time unless otherwise provided in a resolution or other instrument securing obligations payable from the fund.

Subd. 9. **Broker; statement and receipt.** (a) For the purpose of this section and section 118A.05, the term "broker" means a broker-dealer, broker, or agent of a government entity, who transfers, purchases, sells, or obtains securities for, or on behalf of, a government entity.

(b) Prior to completing an initial transaction with a broker, a government entity shall provide annually to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota Statutes governing the investment of public funds.

(c) A broker must acknowledge annually receipt of the statement of investment restrictions in writing and agree to handle the government entity's account in accordance with these restrictions. A government entity may not enter into a transaction with a broker until the broker has provided this written agreement to the government entity.

(d) The state auditor shall prepare uniform notification forms which shall be used by the government entities and the brokers to meet the requirements of this subdivision.

History: *1996 c 399 art 1 s 5*

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RESOLUTION 12-

A RESOLUTION ESTABLISHING ACCOUNTS FOR THE INVESTMENT OF MUNICIPAL FUNDS

WHEREAS, pursuant to Minnesota Statutes, the City Council must designate at the beginning of each calendar year the depositories in which the Treasurer of the City shall deposit and keep the monies of the City; and

WHEREAS, the City of Tonka Bay appoints City Administrator Joe Kohlmann as City Treasurer and Utility Billing Clerk/Bookkeeper Carol Spoerner as Alternate City Treasurer for the City of Tonka Bay; and

WHEREAS, the City from time to time has municipal funds not at the time needed for other purposes; and

WHEREAS, it is in the best interest of the City that said funds be invested in allowable investments under Minnesota Statutes Chapter 118A.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tonka Bay that:

1. That UBS Financial Services Inc., Stifel Nicolaus, and Ehlers Investment Partners are hereby designated depositories for City funds in unlimited amounts for the term of the council now in office and the attached Exhibits A, B, and C be executed and made a part of this resolution.

2. That the transfer or withdrawal of funds on deposit in any of the aforementioned institutions, by check, shall be by at least two (2) of the three (3) signatures of the following officers or their alternatives: Mayor Bill LaBelle, City Administrator Joe Kohlmann and Utility Billing Clerk/Bookkeeper Carol Spoerner. A transfer or withdrawal of funds may also be affected by use of facsimile signatures of Mayor Bill LaBelle, City Administrator Joe Kohlmann, and Utility Billing Clerk/Bookkeeper Carol Spoerner in lieu of their signatures.

PASSED at a regular meeting of the Tonka Bay City Council this 8th day of May, 2012.

Motion introduced by _____ and seconded by _____.

Roll Call Vote:

Ayes –
Nays –
Absent –

_____
William LaBelle, Mayor

ATTEST:

_____
Joseph Kohlmann, Clerk/Administrator

Exhibit A

UBS

UBS Financial Services Inc.

Account Number _____

☐ Check here if this document applies to multiple accounts.

Corporate Resolutions

Corporation Name

City of Tonka Bay

WHEREAS, The Corporation seeks to benefit from opening and maintaining one or more securities, loan and/or guarantee accounts at UBS Financial Services Inc., ("UBS").

NOW, THEREFORE, BE IT RESOLVED THAT:

1) The Corporation is authorized to establish with UBS one or more accounts for the purchase and sale of securities, money, stocks, options, bonds, notes, futures contracts, commodities, commercial paper, certificates of deposit and other obligations, contracts, all other property usually and customarily dealt in by brokerage firms, the establishment of credit and/or the guarantee of another person's or entity's obligations (the "Account"). UBS is designated an agent of the Corporation for property of any nature and is authorized to receive, hold and deliver any funds, securities or other property within or without the United States, registered in or transferred into the name of UBS or its nominee(s) or the name of one or more custodians or nominees thereof. UBS may either directly or through custodians retain unregistered securities or deposit the certificates representing such securities, in bulk with a central certificate depositary, so that transfer of ownership of such securities may be made by bookkeeping entry on the books of such depositary.

2) The Corporation is authorized to use the Account(s) and services offered by UBS to (a) sell short, (b) trade on margin, (c) borrow and/or obtain credit (including all manner of credits and/or letters of credit) from time to time from UBS and guarantee obligations of others to UBS in United States dollars or any foreign currency, (d) effect UBS Card transactions, (e) contract for any and all investment management and advisory services that UBS now or hereafter provides and delegate discretion to UBS or to a subadvisor in connection with such services, and (f) pledge, mortgage, assign or subject to a security interest or lien any property of any sort of the Corporation as security for any liability of the Corporation.

3) Each of the corporate officers or authorized representatives named in the spaces below (each, together with persons designated under resolution number 4 below, hereinafter called an "Authorized Person") are authorized individually, without counter signature or co-signature, to act on behalf of the Corporation and UBS is authorized, but not obligated, to deal with each Authorized Person, individually, in connection with all aspects of the Accounts) to (a) open the Account(s) and, with respect to the Account(s), to execute on behalf of the Corporation any and all relevant documents, and to deal with UBS, with no limits as to amount, (b) obtain all such services as UBS shall offer, including but not limited to the services set forth under resolutions number 2 and 5 and to purchase and sell and enter into any transaction whatsoever in connection with the Account(s) and the property therein, and (c) bind the Corporation in respect of any agreements entered into pursuant to clause (a) or (b) of this third resolution, and (d) the said Authorized Persons acting as above specified are authorized for the current taxable year and all future taxable years until this resolution is revoked or modified or the Account(s) is/are closed to execute and deliver to UBS on behalf of the Corporation any and all tax forms and other tax-related documents related to an Account of this Corporation (including without limitation U.S. Internal Revenue Service Forms W-8 and W-9, as applicable, and any documents relating thereto) and to make any certifications or representations under penalty of perjury on behalf of the Corporation that are required by such forms or documents. These resolutions supersede any previous resolutions of the Corporation presented to UBS Financial Services Inc. regarding the Account(s).

4) The Authorized Persons acting as above specified are authorized to appoint one or more attorneys-in-fact or agents to act on behalf of the Corporation in the same capacity as set forth above, and are authorized to execute and deliver to UBS any powers of attorney or other documents to effect or evidence such appointment.

5) UBS is authorized, but not obligated, to deal with each Authorized Person individually, as follows, subject to the Corporation having completed documentation relating to the relevant products and services and subject to UBS policy and practice as in effect from time to time:

   a) to accept all orders for purchases and sales and all instructions of any nature whatsoever in connection with the Account(s) which UBS Financial Services Inc. believes in good faith to have been originated by an Authorized Person, whether given verbally, in writing, or via electronic or other communications as the action of the Corporation without limit or further inquiry;
   b) to receive any funds, securities or other property for the Account(s) of the Corporation; to receive drafts, checks or other funds or property delivered to it for deposit for the Account(s) of the Corporation, whether or not endorsed

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UBS

with the name of the Corporation by rubber stamp, facsimile, mechanical, manual or other signature, and any such endorsement by whomsoever affixed shall be the endorsement of the Corporation, or otherwise endorsed, or unendorsed, provided that if any such item shall bear, or be accompanied by directions (by whomsoever made) for deposit to a specific account, then such deposit shall be to such specific account; and to honor written instructions from each Authorized Person to deliver either in bearer form, in street certificates, in any names or in any other manner any funds, securities or other property held for the Account(s) of the Corporation;

c) to honor instructions from each Authorized Person to write checks, drafts, instruments, instructions or orders for the payment or withdrawal of funds drawn on the Account(s) or payable to the order of the Corporation ("Payments") without limit as to amount, without inquiry including Payments to the order of or in favor of any person who authorized the Payment or any other officer authorized representative or agent of the Corporation and UBS, its subsidiaries and affiliates shall not be liable for any disposition which any such officer or authorized representative or agent shall make of all or any part of any Payment notwithstanding that such Payment may be for the personal account or benefit or in payment of the individual obligation of any such officer or authorized representative or agent to UBS, or otherwise;

d) to open deposit accounts in foreign currencies with any depositary to purchase, sell, transfer, or dispose of for present or future delivery foreign moneys, credits or exchange on deposit or otherwise and all manner of instruments representative thereof by endorsement or otherwise, and to execute and deliver any agreements or instruments relating to any such transactions.

6) Any and all actions previously taken with respect to matters provided for by these resolutions are hereby ratified, confirmed and approved.

7) UBS, its subsidiaries and affiliates are authorized to rely upon the authority conferred by these resolutions and upon any certification given in accordance with these resolutions unless and until UBS receives written notice of an amendment modification or revocation of these resolutions. In the event that UBS for any reason, is uncertain as to the continuing effectiveness of the authority conferred by these resolutions or any other resolutions of the Corporation or the authority to any Authorized Person, UBS may refrain from taking any action with respect to the Account(s) until such time as it is satisfied as to its authority.

8) In consideration of UBS and any of its subsidiaries or affiliates acting in reliance upon these resolutions or any certification by the Secretary or Assistant Secretary they shall be fully protected in so acting and the Corporation agrees to indemnify and save harmless UBS and any of its subsidiaries or affiliates from and against any and all loss, damage, liability, claims and expenses including legal fees arising out of their so acting or its refraining from taking any action.

9) The Secretary or an Assistant Secretary of the Corporation is authorized and directed to certify to UBS and any of its subsidiaries or affiliates:

a) that these resolutions have been duly adopted, are in full force and effect and are in accordance with provisions of applicable law, the charter and by-laws of the Corporation;

b) the identities and specimen signatures of the Corporation's Authorized Persons and, from time to time hereafter, such changes as may occur in the identities of such Authorized Persons as such changes are made.

ATTENTION TRANSFER AGENT

10) Any Authorized Person is fully authorized and empowered to transfer, convert, endorse, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidence of indebtedness, or other securities now or hereafter standing in the name of or owned by the Corporation, and to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any and all written instruments of assignment and transfer necessary or proper to effectuate the authority hereby conferred.

11) Whenever there shall be annexed to any instrument of assignment and transfer, executed pursuant to and in accordance with the foregoing resolution, a certificate of the Secretary or an Assistant Secretary of the Corporation in office at the date of such certificate and such certificate shall set forth these resolutions and shall state that these resolutions are in full force and effect, and shall also set forth the names of the persons who are then officers or authorized representatives of the Corporation, then all persons to whom such instrument with the annexed certificate shall thereafter come, shall be entitled, without further inquiry or investigation and regardless of the date of such certificate, to assume and to act in reliance upon the assumption that the shares of stock or other securities named in such instrument were theretofore duly and properly transferred, endorsed, sold, assigned, set over and delivered by the Corporation, and that with respect to such securities the authority of these resolutions and of such officers or authorized representatives is still in full force and effect.

NOTE: ALL OFFICERS/AUTHORIZED REPRESENTATIVES MUST COMPLETE THE ADDITIONAL INFORMATION SECTION AND SIGN BELOW

Sign Here

Joseph	Kohlmann		
Officer First Name	Last Name	Signature	Date

City Administrator

Title

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UBS

The undersigned, as the Secretary or Assistant Secretary of
City of Tonka Bay
("Corporation"), a corporation duly organized and existing under the laws of Minnesota, hereby certifies that the foregoing resolutions were duly adopted by the Board of Directors at a duly called meeting or by unanimous consent, and the resolutions remain in full force and effect and are in accord with and pursuant to the Corporation's Charter, by-laws and applicable law, and the Corporation is in good standing under all applicable state laws.

I further certify that the persons listed above are duly elected or appointed qualified officers or authorized representatives of the Corporation, hold in the Corporation the respective positions indicated above and that set forth opposite each respective name is the true and correct signature of such person.

WITNESS my hand and the seal of the Corporation at City of Tonka Bay this _____ day of _____, 2012.

_____
(SIGNATURE OF SECRETARY or ASSISTANT SECRETARY)

Additional Information
Officer or Authorized Representative Name:

First Name	Middle Name	Last Name
Carol		Spoerner

Country of Citizenship: ☒ USA ☐ Other (specify): _____ Passport/Cedula: _____

Address Line 1	Address Line 2
4901 Manitou Road	

City	State/Province	Zip/Postal Code	Country
Tonka Bay	MN	55331	United States of America

_____
Home Phone

0028050044

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Exhibit B

STIFEL NICOLAUS

(NCOR)

Account Title _____

Account Number _____

Non-Corporate (Unincorporated) Account Resolution

(AUTHORIZING TRADING IN SECURITIES)

To: Stifel, Nicolaus & Company, Incorporated ("Stifel")

The undersigned association or unincorporated entity ("Entity"), by _____ (Name), its President, Chairperson, Director, or other Authorized Officer, _____ (Title if Other), pursuant to the resolutions, a copy of which, certified by the Secretary, is annexed hereto, hereby authorizes you to open an account in the name of said Entity; and the undersigned represents that no one other than the undersigned has any interest in such account.

By initialing here: _____, the undersigned further requests margin privileges for this account.

This authorization shall continue in force until revoked by the undersigned Entity by a written notice, addressed to you and delivered at your office at the above address.

Dated: _____

_____ (President, Chairperson, Director, or other Authorized Officer Signature)

_____ (Name and Title)

I, _____ (Name), being the Secretary or other Authorized Officer of _____ (Entity Name), hereby certify that the annexed resolutions were duly adopted at a duly convened meeting of the _____ (Name of Governing Body of the Entity) of said Entity, at which a quorum of said governing body were present and acting throughout and that no action has been taken to rescind or amend said resolutions and that the same are now in full force and effect.

I further certify that each of the following has been duly elected and is now legally holding the office set opposite their name:

_____ (Name and Title)	_____ (Signature)
_____ (Name and Title)	_____ (Signature)
_____ (Name and Title)	_____ (Signature)
_____ (Name and Title)	_____ (Signature)

I further certify that the said Entity is duly organized and existing and has the power to take the action called for by the resolutions annexed hereto.
IN WITNESS WHEREOF, I have hereunto affixed my hand this

_____ day of _____, 20_____

_____ (Secretary's or other Authorized Officer Signature)

_____ (Name and Title)

CERTIFIED COPY OF CERTAIN RESOLUTIONS ADOPTED BY THE GOVERNING BODY OF THE ENTITY WHEREBY THE ESTABLISHMENT AND MAINTENANCE OF SECURITY ACCOUNTS HAVE BEEN AUTHORIZED

RESOLVED

FIRST: That the above named Officers of this Entity, whether acting individually or collectively, are hereby authorized and empowered, for and on behalf of this Entity, to establish and maintain one or more accounts with Stifel, Nicolaus & Company, Incorporated ("Stifel") for the purpose of purchasing, investing in, or otherwise acquiring, selling, possessing, transferring, exchanging, pledging, or otherwise disposing of, or turning to account of, or realizing upon, and generally dealing in and with any and all forms of securities, including, without limitation, shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, option warrants, options, certificates of deposit, mortgages, choses in action, evidences of indebtedness, commercial paper, certificates of indebtedness and certificates of interest of any and every kind and nature, whatsoever, secured or unsecured, whether represented by trust, participating and/or other certificates or otherwise, and any and all commodities and/or contracts for the future delivery thereof, whether represented by trust, participating and/or other certificates or otherwise.

The fullest authority at all times with respect to any such commitment or with respect to any transaction deemed by any of the Officers and/ or agents of the Entity to be proper in connection therewith is hereby conferred, including authority (without limiting the generality of the foregoing) to give written or oral instructions to Stifel with respect to said transactions; to bind and obligate the Entity to and for the carrying out of any contract, arrangement, or transaction, which shall be entered into by any of the Officers and/or agents of the Entity with or through Stifel; to order the transfer or delivery thereof to any other person, whatsoever, and/or to order the transfer of record of any securities to any name selected by any of the Officers or agents of the Entity; to affix the Entity seal to any documents or agreements, or otherwise; to endorse any securities in order to pass title thereto; to direct the sale or exercise of any rights with respect to any securities; to sign for the Entity all releases, powers of attorney, and/or other documents in connection with any such account, and to agree to any terms or conditions to control any such account; to direct Stifel to surrender any securities to the proper agent or party for the purpose of effecting any exchange or conversion, or for the purpose of deposit with any protective or similar committee, or otherwise; to accept delivery of any securities; to appoint any other person or persons to do any and all things that any of the Officers and/or agents of the Entity are hereby empowered to do, and take all action necessary in connection with the account, or considered desirable by the Officers and/or agents of the Entity with respect thereto.

SECOND: That Stifel may deal with any and all of the Officers and/or agents of the Entity directly or indirectly empowered by the foregoing resolution, as though they were dealing with the Entity directly.

THIRD: That the Secretary of the Entity is hereby authorized, empowered, and directed to certify to Stifel:
(a) a true copy of these resolutions;
(b) specimen signatures of each and every person by these resolutions empowered; and
(c) a certificate (which, if required by Stifel, shall be supported by an opinion of the general counsel of the Entity, or other counsel satisfactory to Stifel) that the Entity is duly organized and existing, that its charter empowers it to transact the business by these resolutions defined, and that no limitation has been imposed upon such powers by the By-Laws or otherwise.

FOURTH: That Stifel may rely upon any certification given in accordance with these resolutions as continuing fully effective unless and until Stifel shall receive due written notice of a change in or the rescission of the authority so evidenced and the dispatch or receipt of any other form of notice shall not constitute a waiver of this provision, nor shall the fact that any person hereby empowered ceases to be an officer of the Entity or becomes an officer under some other title in any way affects the powers hereby conferred. The failure to supply any specimen signature shall not invalidate any transaction if the transaction is in accordance with authority actually granted.

FIFTH: That in the event of any change in the office or powers or person hereby empowered, the Secretary shall certify such changes to Stifel in writing in the manner hereinabove provided, which notification, when received, shall be adequate both to terminate the powers of the persons theretofore authorized, and to empower the persons thereby substituted.

SIXTH: That the foregone resolutions and the certificates actually furnished to Stifel by the Secretary of the Entity pursuant thereto are hereby made irrevocable until written notice of the revocation thereof shall have been received by Stifel.

SEVENTH: That if the Entity has elected to hold a margin account with Stifel, as evidenced in writing executed by the Officers, the Entity is authorized to borrow against the securities of the Entity as collateral for a loan with Stifel, and the Entity will pay in cash or by checks and/or drafts drawn upon the funds of the Entity such sums as may be necessary in connection with any of the said accounts to deliver securities to and deposit funds with Stifel, including for the purpose of meeting margin calls.

Exhibit C

TD Ameritrade
Institutional

SECRETARY'S CERTIFICATE REGARDING CORPORATE RESOLUTIONS (PROFIT OR NONPROFIT)

Account #: _____

Advisor #: 29S

Agreement

I hereby certify that I am the Secretary of The City of Tonka Bay (Corporation), _____ (Tax ID Number), a corporation duly organized and existing under the laws of the State of Minnesota (State/Province), and that the following is a true copy of a resolution duly adopted by the board of directors of said corporation at a meeting held the _____ (Day) day of _____ (Month), _____ (Year), at which meeting a quorum was present and acting throughout, or by unanimous consent of the board of directors dated as of the _____ (Day) day of _____ (Month), _____ (Year), and that such resolution has not been rescinded or modified and is in full force and effect:

> RESOLVED, that the President, Vice President and the Treasurer of this corporation, or any one of such officers, are hereby fully authorized and empowered to open a brokerage account, transfer, endorse, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, evidences of indebtedness or other securities (including short sales) now or hereafter standing in the name of or owned by this corporation, to purchase stocks, bonds, debentures, notes, evidences of indebtedness and other securities (on margin or otherwise), and to make, execute and deliver, under the corporate seal of this corporation, any and all written instruments necessary or proper to effectuate the authority hereby conferred.

Investments Permitted

The undersigned agree to the entering of purchases and sales of securities as well as all other transactions in the following types of accounts:

☑ **Cash** ☐ **Margin** **Options:** ☐ Writing Covered ☐ Creating Spreads ☐ Purchasing Long ☐ Writing Uncovered

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person authorized to trade on an account.

What this means for you: When you are authorized to trade on an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also utilize a third-party information provider for verification purposes and/or ask for a copy of your driver's license or other identifying documents.

I further certify that the authority hereby conferred is consistent with the charter or by-laws of this corporation. Unless indicated below that I am a sole officer, the following is a true and correct list of the officers of this corporation as of the present date and a record of the officers' signatures:

☐ I am the sole officer.

PRINT INFORMATION

President Name (First, Middle Initial, Last):		
Street Address:		
City:	State:	ZIP Code:
Social Security Number:	Date of Birth:	Phone Number:

☐ Check here if you, a member of your immediate family or any business associate is a senior political figure (SPF). Specify the name of the SPF, political title, relationship to the Account Owner and country of office:

☐ Check here if you are a director, 10% shareholder or policy-making officer of a publicly traded company. Specify the company name, address, city and state/province*

☐ Check here if you are licensed or employed by a registered broker/dealer securities exchange or member of a securities exchange. Specify the company name and include a compliance letter:

Signature: _____ Date: _____

Vice President Name (First, Middle Initial, Last):		
Street Address:		
City:	State:	ZIP Code:
Social Security Number:	Date of Birth:	Phone Number:

☐ Check here if you, a member of your immediate family or any business associate is a senior political figure (SPF). Specify the name of the SPF, political title, relationship to the Account Owner and country of office:

☐ Check here if you are a director, 10% shareholder or policy-making officer of a publicly traded company. Specify the company name, address, city and state:

☐ Check here if you are licensed or employed by a registered broker/dealer securities exchange or member of a securities exchange. Specify the company name and include a compliance letter:

Signature: _____ Date: _____

Treasurer Name (First, Middle Initial, Last):		
Street Address:		
City:	State:	ZIP Code:
Social Security Number:	Date of Birth:	Phone Number:

☐ Check here if you, a member of your immediate family or any business associate is a senior political figure (SPF). Specify the name of the SPF, political title, relationship to the Account Owner and country of office:

☐ Check here if you are a director, 10% shareholder or policy-making officer of a publicly traded company. Specify the company name, address, city and state:

☐ Check here if you are licensed or employed by a registered broker/dealer securities exchange or member of a securities exchange. Specify the company name and include a compliance letter:

Signature: _____ Date: _____

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said corporation this _____ (Day) day of _____ (Month), _____ (Year)

Secretary's Signature (or sole officer): _____ Date: _____

Printed Name of Secretary:

[PLACE YOUR CORPORATE SEAL HERE]

TD Ameritrade Institutional
4075 Sorrento Valley Blvd., Suite A
San Diego, CA 92121

TDAI 9303 REV 10/10

Investment Products: Not FDIC Insured * No Bank Guarantee * May Lose Value

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