

# Request for Proposals

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**Shakopee Public Utilities  
Finance Department**

**Investment Management Services**

**Proposals Due by: 3:00 PM on Friday, February 5, 2020**

# **Investment Management Services RFP**

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## **GENERAL INFORMATION**

### **1) BACKGROUND**

Shakopee Public Utilities is seeking proposals from qualified investment management firms to manage certain funds as identified in the Utilities portfolio under direction of the Utilities Finance Director.

- A)** The current average balance of the Utilities entire portfolio is approximately \$50 million.
- B)** The Utility may use several investment management firms to manage the Utilities core assets. All managers' performance will be measured against appropriate benchmarks.
- C)** The Utility will also be using a Custodian for the investment portfolio. All securities will be cleared and settled delivery versus payment into the appropriate managers' account with the Custodian. The investment managers will have no access to the funds or assets of the Utility at any time.
- D)** The Utility has an investment policy that was last updated in 2012. The Utilities is looking for the selected investment management firm to collaborate with the Utility in making revision/updates to the investment policy.

### **2) SCOPE OF REQUIRED INVESTMENT SERVICES**

#### **A) Overall Required Investment Services**

The overall objective of the Utility is to maintain the safety of principal, meet liquidity needs for the Utilities obligations, and achieve reasonable market yield.

- 1. Assist in developing and implementing investment strategies that will enhance portfolio performance within the parameters of the Utilities established Investment Policy and cash flow needs.
- 2. Provide full-time discretionary management of the portion of the Utilities investment portfolio under management.
- 3. Meet with Utility staff as needed to review and refine portfolio strategy and performance.
- 4. Provide detailed reports of investment portfolio activity and performance monthly. Reports will follow a format provided by the Utility and include book and market values, earnings, yield and rate of return at a minimum. Reports shall follow Generally Accepted Accounting Principles (GAAP) and include Government Accounting Standards Board (GASB) fair-value reporting (Statements 31 and 40). The manager will provide the monthly reports with the Utilities custodian and the Finance Director who will serve as the main point of contact for all managers (see reporting specifications; section 4-F).
- 5. Work with the Utilities Finance staff and the Utilities custodian to ensure coordination of investment trades, Delivery vs. Payment (DVP) delivery of the securities and availability of funds, as necessary.
- 6. The successful proposer(s) will be assigned designated funds. All investments shall comply with all federal laws, State of Minnesota laws, and be in accordance with Minnesota Statutes, 118A.01 – 118A.08 and the Utilities Investment Policy (Exhibit 1.).
- 7. Shakopee Public Utilities reserves the right to take full control of any or all cash money or securities assigned to the Investment Managers, at any time, if it is in the Utilities best interest to do so.

**B) Required Services Investment Management Accounts**

1. The Utility is seeking management services for the core portfolio.
2. Investment Authority and Limitations  
Investment authority and limitations including authorized investments are defined by Minnesota Statute 118A, and the Utilities Investment Policy, see Exhibit 1. The Investment Policy is reviewed annually.

**3) INSTRUCTIONS FOR PREPARATION AND SUBMISSION OF PROPOSALS**

**A) General Instructions**

Each Proposal shall be in the format outlined in this section. The Utility expects a concise presentation without unnecessary attachments, enclosures or exhibits. Each section of the proposal shall be clearly identified with appropriate headings in the order given. Failure to follow these instructions may cause disqualification.

**B) Anticipated Schedule**

The Utility intends to follow this schedule but may make changes as necessary:

Release RFP	January 19
Deadline for submittal of proposals	February 5
Possible Interviews with Finalists	February 11
Selection of Investment Manager(s)	February 15 - 18
Begin contract negotiations	February 22
Commission approval	March 15
Commencement of new contract	March 16

**C) Proposal due Date and Location**

The proposal shall be submitted electronically and should include the proposers name and address. The electronic proposal must be submitted **no later than 3:00 PM CDT on February 5, 2021**. The proposal will be sent by the proposer to the Interim Finance Director and labeled as follows:

**Jean McGann  
Shakopee Public Utilities  
Investment Management Services  
jean.mcgann@aemfs.com**

**It is the responsibility of the proposer to ensure the proposal arrives on time. Any proposals received after the time specified may be disqualified.**

**D) Questions Regarding the RFP**

Jean McGann shall be the contact for any or all aspects of this RFP. No contact with any other Utility employee or Commission Member is allowed. Questions are to be sent to Jean McGann at jean.mcgann@aemfs.com.

**E) Responsibility for the Proposal**

The proposer shall be totally responsible for all terms, conditions, promises, data, representations, and all information included in its proposal. The Utility will not be liable for any costs associated with the preparation and presentation of a proposal submitted in response to this RFP.

**F) Changes in Proposals**

Modifications of proposals already received by the Utility may not be made.

**G) Execution of Agreement**

If the proposer does not execute an agreement with the Utility within a reasonable amount of time after notification of its selection, the Utility may select the next most qualified proposer or call for new proposals, depending upon which course of action the Utility deems most beneficial to the Utility.

**H) Contract**

The selected managers shall be awarded a three-year contract for an initial term commencing on or around, March 16, 2021. The Investment Management contract(s) may contain a renewal clause at the option by the Utility to renew for up to two additional one-year periods under the same terms and conditions. The selected proposal, along with the RFP and any counter proposal will be incorporated into a formal agreement after negotiations.

**I) Proposal Format and Organization**

The proposal shall be prepared on letter size paper. In order to facilitate evaluation of the proposals, each proposal must respond to each question in the order given. A cover letter signed by an authorized representative of the firm, and stating that the proposal is good for 90 days from the date of submission, should be submitted and must be no longer than one page.

**J) Evaluation Criteria**

Proposals will be evaluated using the following criteria:

1. Understanding of Shakopee Public Utilities investment program and objectives.
2. Experience, resources, qualifications of the firm and individuals assigned to the account,
3. Experience of firm in managing government funds. In evaluating the firm's experience, past performance data will be considered in the context of portfolio objectives and constraints, as well as risks.
4. Approach to managing Shakopee Public Utilities investment portfolio.
5. Cost of services.

Proposals will be reviewed by a panel of Utility employees and an outside consultant. The panel may hold interviews with the finalists. The Utility reserves the right to reject any proposals submitted in whole or in part, to waive and all informalities, and to disregard all non-conforming, non-responsive or conditional proposals.

Proposer understands and acknowledges that pursuant to Minnesota Statute, public records may be inspected and examined by anyone desiring to do so, at a reasonable time, under reasonable conditions and under supervision by the custodian of the public records. Proposals are private or nonpublic until they are opened by the Utility. Once the proposals are opened, the name of the proposer becomes public. All other data in a proposal are private or nonpublic data until the completion of the evaluation process (meaning that the Utility has completed negotiating the contract with the selected proposer). After the Utility has completed the evaluation process, all remaining data submitted by all proposers are public with the exception of trade secret data as defined and classified in Minnesota Statute Section 13.37. If all proposals are rejected by the Utility prior to the completion of the evaluation process, the proposals remain private or nonpublic until a resolicitation of the Request for Proposals results in the completion of the evaluation process or a determination is made by the Utility to abandon the process. If the rejection of the proposals by the Utility occurs after the completion of the evaluation process, the proposals remain public. If a resolicitation of a request for proposals does not occur within one year of the proposal opening date, the proposals become public."

#### 4) PROPOSAL QUESTIONS

***A response must be given to each of the questions in this Request for Proposal. Answers should be concise and complete and provided in the order given.***

##### **A) ORGANIZATION and PERSONNEL**

1. Describe your organization; date founded and brief history, ownership web-site, and any other business affiliations. Does the firm have an office in Minnesota? Is the firm registered as an Investment Adviser in Minnesota?
2. Provide the firm's ADV Parts I and II and brochure.
3. Describe your firm's commitment to servicing the public sector.
4. Describe your firm's revenue sources. Categorize between retail and institutional accounts and denote governmental assets in separately managed portfolios.
5. Describe all other business affiliations (e.g., subsidiaries, joint ventures, soft dollars arrangements with brokers)
6. Describe any SEC censure or litigation involving your firm or its employees in the last five years.
7. What distinguishes your firm from other firms?
8. Within your firm, identify the number of key personnel committed to the public sector accounts and their credentials. Identify the key person(s) and their background who will take the most active role in the management of the Utility assets.
9. Provide biographical information on investment professionals within your firm that will be involved in the decision making process for the Utilities portfolio.
10. What efforts does your firm make to keep portfolio managers informed of developments relevant to government entities?
11. Describe your firm's compensation policies for investment professionals.
12. Describe your firm's policy on soft dollar arrangements.
13. Summarize the errors and omissions and liability insurance coverage of the firm.
14. Identify the number of investment professionals employed by your firm, by classification. Specify the average number of accounts handled by portfolio managers.
15. Provide a five-year history of professionals gained and lost by classification listed above. Explain any key changes to personnel during that time period.
16. Identify the size and key personnel of your staff committed to the public sector, along with their credentials.

## **B. INVESTMENT MANAGEMENT APPROACH AND PHILOSOPHY**

1. Describe your firm's risk management philosophy and investment style.
2. Describe how your firm organizes its investment process with the Utility.
3. What are the primary strategies for adding value to portfolios (e.g. market timing, credit research, trading)?
4. What would your firm require from the Utility in terms of cash flows and the cash forecasting process, and how would you assist the Utility in this process?
5. What is your firm's experience in portfolio management for public sector funds?
6. Describe your projected strategy for the portfolio(s) for which you are proposing. How would these be implemented?
7. How frequently would you suggest your firm meet with the Utility staff? Who will attend these briefings?
8. Describe the trade process you anticipate.
9. Describe your firm's research capabilities and resources. Does your firm assign credit research to specialists?
10. Describe your credit review process.

## **C. IMPLEMENTATION PLAN**

1. Describe your plan, including relevant time lines and action steps, for working with the Utility to implement the proposed investment management services. Identify any issues or concerns that would affect your ability to implement the plan.
2. Please describe your transition management approach in taking over an existing portfolio. Have you worked with transition management service providers in the past?

#### D. HISTORICAL RETURN and ASSETS UNDER MANAGEMENT

1. Provide the number and types of accounts, total asset value, and composition of portfolios currently being managed by your firm.

Category	Cash	Short Duration	Intermediate Duration	Long Duration	Other
Government/Public					
Corporate					
Endowment/Foundation					
High Net Worth					

*\* As of December 2020 (\$ Millions)*

2. Provide historical return data compared to an appropriate benchmark, and other performance statistics, over the past five years in the public sector portfolios being managed as separate portfolios.
3. List your most representative, comparable governmental clients and the length of time they have been clients.
4. How many accounts have you gained/lost over the past two years? Explain the reason for the accounts lost.

#### E. REFERENCES

1. Provide three (3) public sector references, including length of time your firm has managed their assets, client name, contact person, address and email address.
2. Provide references, if appropriate, from non-client organizations that can attest to the professional reputation of your firm and its personnel.

#### F. REPORTING SPECIFICATIONS

Each of the Utilities Investment Managers shall submit to the Finance Director, and/or designee, a monthly investment report for their portfolio holdings and investment activity. The reports will give detailed information on each portfolio to include cash positions and summary information which permits an informed outside reader to evaluate the structure and performance of the investment program. The report will include the following, at a minimum:

- A full description of each individual security or cash position held at the end of the reporting period including the amortized book and market value at the end of the period,
- Unrealized and realized gains or losses,
- Overall change in market value during the period as a measure of volatility,
- Weighted average yield of the portfolio along with its comparable benchmarks,
- Rate of return on the portfolio and its applicable benchmarks,
- Earnings for the period (accrued plus net amortization), and,
- Allocation analysis of the total portfolio by (a) market sector and (b) maturity.



Market prices for the calculations of market value will be obtained from independent sources. Weighted average maturity shall be computed recognizing all Utility funds under management including those in cash and cash equivalents to assure an accurate representation of the entire portfolio.

All portfolio performance shall be reported, both, in terms of yield and total return. Total return calculations made by Investment Managers must be consistent with the "CFA Institute's" Global Investment Performance Standards (GIPS). It is the responsibility of the Utilities Investment Manager to ensure compliance with GIPS. Key components of GIPS calculation requirements are noted below:

- Total return, including realized and unrealized gains and losses plus income, must be used.
  - Time-weighted rates of return that adjust for external cash flows must be used. Periodic returns must be geometrically linked.
  - External cash flows must be treated in a consistent manner with documented composite-specific policy and must value portfolios on the date of all large external cash flows.
  - Returns from cash and cash equivalents held in portfolios must be included in total return calculations.
  - All returns must be calculated after the deduction of the actual trading expenses incurred during the period. Estimated trading expenses are not permitted.
1. Describe the frequency and format of reports that would be provided to the Utility. Attach examples.
  2. Describe the quality control procedures your firm has in place. What types of reconciliation and editing do you perform? How do you resolve data discrepancies?
  3. What benchmarks would you suggest for the funds to be managed?
  4. What is your source for market prices?

**G. FEES**

1. Describe your firm's fee schedule. (a) Is there a minimum fee? (b) What expenses would be covered through the fee structure?
2. Are fees charged when there is no activity in the account or if the portfolio is invested in the managers designated money market fund at the Custodian?
3. What additional costs could be required in order to implement your investment services?

**APPENDIX A**  
**2012 INVESTMENT POLICY**



# **SHAKOPEE PUBLIC UTILITIES COMMISSION**

**"Lighting the Way - Yesterday, Today and Beyond"**

## **SHAKOPEE PUBLIC UTILITIES INVESTMENT POLICY**

As of January 17, 2012

Appendix A to Resolution #1012

### **I. PURPOSE AND NEED FOR POLICY**

It is the policy of the Shakopee Public Utilities Commission to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the Shakopee Public Utilities Commission and conforming to all state and local statutes governing the investment of public funds. The purpose of this Policy is to develop an overall program for cash investments, designed and managed with a high degree of professionalism, worthy of the public trust; to establish that appointed officials and employees are custodians of a portfolio which shall be subject to public review; to establish cash investment objectives, delegation of authority, standards of prudence, internal controls, authorized investments, selection process for investments, and broker representations.

### **II. SCOPE**

This Policy applies to the investment and deposit of all funds of the Shakopee Public Utilities Commission.

#### **A. Pooling of Funds**

Except for cash in certain restricted and special funds, the Shakopee Public Utilities Commission will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

### **III. OBJECTIVE**

At all times, investments of the Shakopee Public Utilities Commission shall be in accordance with Minnesota Statutes Chapter 118A and amendments thereto. The primary objectives of the Shakopee Public Utilities Commission's investment activities shall be in the following order of priority:

#### **A. Safety**

Safety of principal is the foremost objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, interest rate risk, and custodial risk.



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**Credit Risk:** Credit Risk is the risk of loss due to failure of the security issuer or backer. Thus, designated depositories shall have insurance through the FDIC (Federal Insurance) or the SIPC (Securities Investor Protection Corporation). To ensure safety, it is the policy of the Shakopee Public Utilities Commission that when considering an investment, all depositories under consideration be cross-checked against existing investments to make certain that funds in excess of insurance limits are not made in the same institution unless collateralized as outlined below. Furthermore, the Shakopee Public Utilities Commission will approve all financial institutions, brokers, and advisers with which the Shakopee Public Utilities Commission will do business.

**Interest Rate Risk:** Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. The Shakopee Public Utilities Commission will minimize Interest Rate Risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

**Custodial Risk:** The Shakopee Public Utilities Commission will minimize deposit Custodial Risk, which is the risk of loss due to failure of the depository bank (or credit union), by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

### B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet projected disbursement requirements. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Generally, investments shall have "laddered" maturities so that money becomes available on a regular schedule. Liquid funds will allow the Shakopee Public Utilities Commission to meet possible cash emergencies without being penalized on investments.

**Duration:** The duration of the fixed income portfolio shall remain within 10% of the stated benchmark. The maximum maturity of a holding that may be purchased for the portfolio may not exceed 5 years and no more than 10% of aggregate holdings within the portfolio may exceed the 3 - 5 year maturity level at any time.

### C. Yield

The investment portfolio shall be designed to manage the funds to maximize returns consistent with items A and B above and within the requirements set forth in this Policy. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic



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cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- A security swap would improve the quality.
- Liquidity needs of the portfolio require that the security be sold.

### IV. DELEGATION OF AUTHORITY

Responsibility for the investment program is hereby delegated from the Shakopee Public Utilities Commission to the Utilities Manager and/or the Director of Finance and Administration. Authority to conduct actual investment transactions may be delegated to the Utilities Manager, and/or the Director of Finance and Administration, who shall act in accordance with procedures as established with this investment policy. The authorized individuals, when acting in accordance with this Policy and exercising due diligence, shall not be held responsible for losses, provided that the losses are reported immediately and that appropriate action is taken to control further losses.

### V. PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent investor", and shall be applied in the context of managing the investments. All investment transactions shall be made in good faith with the degree of judgment and care, under the circumstances, that a person of prudence, discretion and intelligence would exercise in the management of their own affairs. This standard of prudence shall mean not for speculation, and with consideration of the probable safety of the capital as well as the probable investment return derived from assets.

### VI. INTERNAL CONTROLS

Internal controls are designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. Before the Shakopee Public Utilities Commission invests any surplus funds, competitive quotations shall be obtained. Written quotations from local financial institutions shall be obtained via fax, email or other form of written documentation, with all of them receiving the exact same rate request. Verbal quotations shall be received from all other brokers, along with a subsequent confirmation. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations will be requested for instruments that meet the maturity requirement. If no specific maturity is required, a yield analysis will be conducted to determine which maturities would be most advantageous. Quotations will be requested from financial institutions for various options with regard to term and investment type. The Shakopee Public Utilities Commission will accept the quotation, which provides the highest rate of return within the maturity required and within the limits of this Policy.



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The Utilities Manager and/or Director of Finance and Administration will report periodically to the Shakopee Public Utilities Commission on the total of all funds invested and the total interest received on all securities year to date.

### VII. AUTHORIZED INVESTMENTS AND COLLATERALIZATION

All Shakopee Public Utilities Commission investments and deposits shall be those allowable by Minnesota Statutes Chapter 118A and amendments thereto. In accordance with Minnesota Statutes 118A, collateralization will be required on all demand deposit accounts, including checking, savings, and money market accounts, and non-negotiable certificates of deposit in excess of federal deposit insurance.

State law defines the types of securities that a financial institution may pledge as collateral for public deposits. These securities include:

- United States Treasury Issues
- Issues of US Government Agencies and Instrumentalities
- Obligations of State and Local Governments
- Time Deposits (Certificates of Deposits fully insured by the federal deposit insurance company or federal agency).

Since the amount a public entity has on deposit will vary from time to time, the financial institution needs sufficient amounts of pledged collateral to cover 110% of the uninsured amount on deposit during peak deposit times.

State law permits investment in the following types of securities:

- Federal Securities – Treasury bills, notes and bonds, as well as bonds and notes issued by or guaranteed by U.S. Government Agencies such as the Small Business Administration or GNMA, or by U.S. Government instrumentalities such as FNMA, Federal Home Loan Bank, or Federal Farm Credit Bank or FHLMC (Freddie Mac)
- State and Local Securities – Bonds and other debt instruments issued by cities, counties, states or other governmental units subject to rating requirements as defined under Minnesota Statutes 118A.
- Commercial Paper – Rated short term debt issued by U.S. corporations or their Canadian subsidiaries
- Guaranteed Investment Contracts
- Certificates of Deposit – Issued by U.S. Banks fully insured by FDIC
- Bankers' Acceptances – Issued by U.S. Banks
- Money Market Mutual Funds – Subject to certain ratings
- Government Investment Pools, including the 4M Funds, the Liquid Asset Fund, MAGIC Fund, and MN Trust



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### *Additional Portfolio Guidelines:*

- Bonds must be rated by at least by one Nationally Recognized Securities Rating Organization ("NRSRO"). If the downgrade of a single bond forces the holding below the lowest rating allowed for that security, the advisor will notify Shakopee Public Utilities within a reasonable timeframe, the holding will be discussed, and a decision made based on valuation by the Advisor whether to hold or sell the bond with consent of Shakopee Public Utilities.
- Individual holdings of obligors other than those backed by the U.S. Government, its agencies, or its instrumentalities are limited to 3% of the total market value of the portfolio at the time of purchase.
- Investment managers shall purchase or sell securities through firm(s) offering the best price and execution, unless otherwise directed by the Client.
- All fixed income investments will be U.S. dollar denominated.

An investment purchased by a public entity can only be held in safekeeping with:

- a Federal Reserve Bank,
- a United States bank with corporate trust powers,
- a primary reporting dealer to the Federal Reserve Bank of New York (primary reporting dealers),  
or
- a broker dealer having its principal executive office in Minnesota

### VIII. DIVERSIFICATION

The Shakopee Public Utilities Commission will attempt to diversify its investments according to type and maturity. The portfolio, as much as possible, will contain both short-term and long-term investments. The Shakopee Public Utilities Commission will attempt to match its investments with anticipated cash flow requirements. Extended maturities may be utilized to take advantage of higher yields.

### IX. REPORTING

#### A. Methods

Investment Advisors will provide monthly reporting on the status of the current investment portfolio and individual transaction executed over the last month. The report will include the following:

- Listing of individual securities held at the end of the reporting period
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities one-year duration that are not intended to be held until maturity





## SHAKOPEE PUBLIC UTILITIES COMMISSION

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- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investments by maturity date
- Percentage of the total portfolio which each type of investment represents
- The market value of the portfolio shall be calculated and issued monthly

### B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmark shall have a similar weighted average maturity as the portfolio.

***Stated Benchmark for Fixed Income Portfolio:*** Barclays Capital 0-3 Government Index (75%)/ Bank of America/Merrill Lynch 3 month T-Bill (25%)

***Stated Benchmark for Short Term Cash Portfolio:*** Barclays 3 Month T-Bill

### C. Marking to Market

The market value of the portfolio shall be calculated and updated in the financial reporting for Shakopee Public Utilities at least quarterly.

## X. CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

## XI. BROKER REPRESENTATIONS

Municipalities must obtain from their brokers certain representations regarding future investments. Pursuant to Minnesota Statutes 118A, the Shakopee Public Utilities Commission shall provide each broker with the Shakopee Public Utilities Commission's investment policy, and the securities broker shall submit a certification annually to the Shakopee Public Utilities Commission stating that the officer has reviewed the investment policies and objectives, as well as applicable state law, and agrees to disclose potential conflicts of interest or risk to public funds that might arise out of business transactions between the firm and the Shakopee Public Utilities Commission. All financial institutions shall agree to undertake reasonable efforts to preclude imprudent transactions involving the Shakopee Public Utilities Commission's funds.



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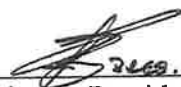
RESOLUTION #1017

A RESOLUTION ADOPTING A REVISED INVESTMENT POLICY

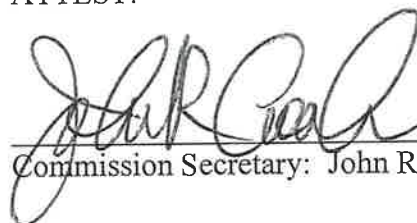
BE IT RESOLVED, the Shakopee Public Utilities Commission, in the meeting duly assembled on May 7, 2012 that the Shakopee Public Utilities Commission does adopt the Investment Policy dated May 7, 2012 as represented in Appendix "A" to this Resolution, which supersedes, Resolution #1012, Appendix "A".

BE IT RESOLVED, that all things necessary to carry out the terms and purpose of this Resolution are hereby authorized and performed.

Adopted in adjourned regular session of the Shakopee Public Utilities Commission this 7<sup>th</sup> day of May, 2012.

  
Commission President: Joseph Helkamp

ATTEST:

  
Commission Secretary: John R. Crooks