

RESOLUTION 2025-3

A RESOLUTION DESIGNATING FIRST FARMERS AND MERCHANTS BANK AS AN OFFICIAL DEPOSITORY OF CITY FUNDS

WHEREAS, that the First Farmers and Merchants Bank be and hereby is designated as a depository for the funds of the City of Pipestone. The City Treasurer is authorized to deposit City funds therein.

WHEREAS, that before any deposits are made in the depository in excess of the amount of such deposit guaranteed by the Federal Deposit Insurance Corporation, the depository shall be required to supply to the City, a corporate surety bond subject to the approval of the City Council and conditioned to repay the above amount or any part thereof upon proper demand therefor and to perform such other duties in connection with the deposit as the Council may require. In lieu of this bond, the depository may furnish collateral in the manner and to the extent permitted by law. All such collateral shall be approved by the Council and shall be accompanied by an assignment thereof which shall provide that, in case of default upon the part of the depository, the City Council shall have full power and authority to sell such collateral or as much as may be necessary to realize the full amount due the City over such federal guarantee.

BE IT FURTHER RESOLVED, the Mayor or City Administrator is hereby authorized to exercise the powers of the governing body in designating other depositories for City funds and is further authorized to approve third party financial institutions which shall hold collateral in safekeeping.

This designation is effective until the end of the present Council year.

Passed and adopted by the City Council of the City of Pipestone on this 6<sup>th</sup> day of January 2025.

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Dan Delaney  
Mayor

ATTEST:

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Deb Nelson  
City Administrator