

**LOWER NAZARETH TOWNSHIP
NORTHAMPTON COUNTY, PENNSYLVANIA**

RESOLUTION NO. LNT-25-18

**A RESOLUTION ESTABLISHING AN INVESTMENT OF
TOWNSHIP FUNDS POLICY CONSISTENT WITH
SECTION 3204 OF THE SECOND CLASS TOWNSHIP
CODE**

WHEREAS, Lower Nazareth Township is a municipal corporation located in Northampton County, Commonwealth of Pennsylvania governed by the Second Class Township Code; and

WHEREAS, in conjunction with the course of Township operations, the Township collects revenue from various sources in order to implement the day-to-day operations of the Township as well as plan for capital projects and equipment; and

WHEREAS, it is the desire of the Board of Supervisors of Lower Nazareth Township to exercise the highest level of integrity and sound fiscal management in the handling of Township funds; and

WHEREAS, the implementation of an investment policy consistent with Section 3204 of the Second Class Township Code will assist the Board of Supervisors in attaining this level of integrity and sound fiscal management;

NOW, THEREFORE BE IT RESOLVED, that on this 9th day of May, 2018, the Board of Supervisors hereby adopts the following investment policy for the funds of Lower Nazareth Township, Northampton County, Commonwealth of Pennsylvania.

1. All Township funds shall be deposited with the depository designated by the Board of Supervisors. All accounts shall be interest bearing accounts.
2. Prior to any Township funds deposited into acceptable investments, the Board of Supervisors by majority must approve the investment of Township funds.
3. In accordance with Section 3204 of the Second Class Township Code, The Board of Supervisors may:
 - (a) Make investment of township sinking funds as authorized by the act of July 12, 1972 (P.L. 781, No. 185), known as the "Local Government Unit Debt Act."

- (b) Make investment of moneys in the general fund and in special funds of the Township.
 - (c) Liquidate any investment, in whole or in part, by disposing of securities or withdrawing funds on deposit. Any action taken to make or to liquidate any investment shall be made by the officers designated by action of the Board of Supervisors.
- 4. The Board of Supervisors shall invest Township funds consistent with sound business practices.
- 5. The Board of Supervisors shall provide for an investment program subject to restrictions contained in the Second Class Township Code, §3204 and in any other applicable statute and any rules and regulations adopted by the Board of Supervisors.
- 6. Authorized types of investments of Township funds are:
 - (a) United States Treasury bills
 - (b) Short-term obligations of the Federal Government or its agencies or instrumentalities
 - (c) Deposits in savings accounts or time deposits, other than certificate of deposit, or share accounts of institutions insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, the Pennsylvania Deposit Insurance Corporation or the Pennsylvania Savings Association Insurance Corporation, or their successor agencies, to the extent that the accounts are so insured, and, for any amounts above the insured maximum, if approved collateral therefor is pledged by the depository.
 - (d) Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.
 - (e) Shares of an investment company registered under the Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. §80 a-1 et seq.), whose shares are registered under the Securities Act of 1933 (48 Stat. 74, 15 U.S.C. § 77a et seq.), if the only investments of that company are in the authorized investments for Township funds listed in paragraphs (a) through (d).
 - (f) Certificates of deposit purchased from institutions insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance

Fund, the Pennsylvania Deposit Insurance Corporation or the Pennsylvania Savings Association Insurance Corporation, or their successor agencies, to the extent that the accounts are so insured. However, for any amounts above the insured maximum, the certificates of deposit shall be secured by a pledge or assignment of assets of the institution, and the collateral may include loans, including interest in pools of loans, secured by first mortgage liens on real property. Certificate of deposits purchased from savings and loan associations or savings banks shall be limited to an amount equal to twenty percent of an institution's assets minus liabilities.

- (g) Any investment authorized by 20 PaC.S.Ch. 73 (relating to fiduciaries investments). This paragraph is limited to investments for any pension or retirement fund.

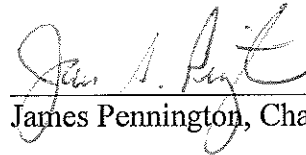
7. Furthermore, in considering investment strategies, the Board of Supervisors may:

- (a) Permit assets pledged as collateral under subsection (d)(3) to be pooled under the act of August 6, 1971 (P.L.281, No. 72), entitled "An act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuation of assets to be pledged against deposits on a pooled basis; and authorizing the appointment of custodians to act as pledges of assets."
- (b) Combine moneys from more than one fund under township control for the purchase of a single investment if each of the funds combined for the purpose is accounted for separately in all respects and the earnings from the investment are separately and individually computed and recorded and credited to the accounts from which the investment was purchased.
- (c) Join with one or more other municipal corporations, municipality authorities or school districts under the act of July 12, 1972 (P.L. 762, No. 180), referred to as the Intergovernmental Cooperation Law, in the purchase of a single investment if the requirements of paragraph (b) on separate accounting of individual funds and separate computation, recording and crediting of the earnings therefrom are adhered to.

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DULY ADOPTED on this 9th day of May, 2018 by a majority of the Board of Supervisors of Lower Nazareth Township, Northampton County, Commonwealth of Pennsylvania.

LOWER NAZARETH TOWNSHIP
BOARD OF SUPERVISORS



James Pennington, Chairman

ATTEST:



Tammi Dravecz, Secretary/Treasurer