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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL**  
**No. 1537** Session of  
1981

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INTRODUCED BY NAHILL, NOYE, MAIALE, J. L. WRIGHT, DAWIDA, TELEK  
AND ITKIN, JUNE 15, 1981

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 15, 1981

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AN ACT

1 Amending the act of June 24, 1931 (P.L.1206, No.331), entitled  
2 "An act concerning townships of the first class; amending,  
3 revising, consolidating, and changing the law relating  
4 thereto," further providing for the investment of funds by  
5 the treasurer, and permitting savings and loan associations  
6 to be designated as depositories.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Section 803 and the first paragraph of section  
10 808, act of June 24, 1931 (P.L.1206, No.331), known as "The  
11 First Class Township Code," reenacted and amended May 27, 1949  
12 (P.L.1955, No.569), are amended and a section is added to read:

13 Section 803. Accounts to Be Kept by Treasurer.--Every  
14 township treasurer shall take charge of all township moneys from  
15 all sources, and promptly deposit the same in a bank, banking  
16 institution, [or] trust company or savings and loan association  
17 in the name of the township, and keep distinct accounts of all  
18 sums received from taxes and other sources, which accounts shall  
19 at all times be open to the inspection of the commissioners and

township auditor or controller. He shall annually state his accounts, and lay the same, together with the books and the vouchers, before the township auditors or controller for audit.

Section 808. Depositories of Township Funds; Selection; Bonds.--The board of commissioners shall, from time to time, designate, by resolution, a depository or depositories for township funds. Such depository or depositories shall be banks, banking institutions, [or] trust companies or savings and loan associations, which are subject to national or State supervision, and the accounts of which are insured by a corporation organized under the Laws of the Commonwealth, or by an instrumentality of the Federal Government, located in the Commonwealth.

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Section 809. Investment of Moneys.--The treasurer may, from time to time pursuant to ordinance or resolution adopted by the board invest and reinvest such moneys of any fund as shall be accumulated beyond the ordinary needs of the various funds and which are not authorized by law to be invested by any other board or commission or township officer by purchasing certificates of deposit from commercial banks domiciled in this Commonwealth up to the level equal to twenty per centum of such bank's total capital and surplus. Certificates of deposit may likewise be purchased from savings and loan associations domiciled in the Commonwealth up to a level equal to twenty per centum of such association's assets minus liabilities. Such certificates of deposit need not be collateralized. In applying the proceeding limitation on investments in certificates of deposit, the treasurer must include the similar investments of the township employees' retirement fund. The treasurer shall not

1 at anytime have invested in uncollateralized certificates of  
2 deposit more than the total amount authorized by ordinance or  
3 resolution of the board. The treasurer shall purchase  
4 certificates of deposit under this section pursuant to  
5 procedures established by ordinance or resolution by the board  
6 and shall take into account the differences, if any, in  
7 competitive bids, the financial strength of each of the bidders  
8 and the services provided to or at the request of the township  
9 and any of its departments, agencies, boards, commissions or  
10 bureaus by each of the bidders.

11       Section 2. This act shall take effect in 60 days.