# CHAPTER 1

## ADMINISTRATION

# Part 1

	. 1	000	• 1	
ΗЛ	ected	Offi	cıa	S

	Elected Officials
§101. §102.	Compensation of Mayor Compensation of Council Members
	Part 2
	Appointed Officials
A. Offic	ee of Borough Manager
<b>§201.</b>	Creation of the Office
§202.	Appointment and Removal
§203.	Qualifications
§204.	Bond
§205.	Manager's Compensation
<b>§206.</b>	Powers and Duties
<b>§207.</b>	Mayor's Powers and Duties
<b>§208.</b>	Procedural Limitations on Council
<b>§209.</b>	Disability or Absence of the Manager
B. Inde	pendent Auditor
<b>§221.</b>	Audits to be Performed by Certified Public Accountant
<b>§222.</b>	Appointments of Independent Auditor
C. Offic	ce of Fire Marshal
<b>§231.</b>	Office of Fire Marshal Created
<b>§232.</b>	Office of Deputy Fire Marshal Created
<b>§233.</b>	Appointment; Compensation; Powers and Duties
<b>§234.</b>	Interference with Fire Marshal Unlawful
<b>§235.</b>	Penalties

# Part 3

# **Departments**

# A. Police Department

## ADMINISTRATION

B. Water Department

**§301.** 

§302. §303.

§321.	Creation of Department			
<b>§322.</b>	Authority and Accountability			
<b>§323.</b>	Water Superintendent			
<b>§324.</b>	Responsibilities and Functions			
	Part 4			
	Commissions			
A. Boro	ough Planning Commission			
<b>§401.</b>	Creation			
§402.	Terms of Members			
§403.	Powers and Authority			
B. Shad	le Tree Commission			
§421.	Shade Tree Commission Established			
§421. §422.	Powers and Authority of Shade Tree Commission			
y+22.	Towers and Authority of Shade Tree Commission			
	Part 5			
	Boards and Agencies			
A. Recr	reation Board			
§501.	Recreation Board Created			
§ <b>502</b> .	Authority of Recreation Board			
B. Educ	cational Service Agency			
<b>§521.</b>	Agency Established			
§522.	Composition			
§523.	Service Without Compensation			
$\S524.$	Performance Bond Required			
§525.	Functions of Agency			
§526.	Authority and Duty			
§527.	Funding			
§528.	School Crossing Guards; Authority			
U				

**Establishing Police Department; Chief Executive** 

Rank of Officers; Compensation

Authority to Appoint Special Police

1-2 10/12/2006

## §529. Continuity of Agency

#### Part 6

## **Municipal Authorities**

Α.	Holliday	vsburg	Borough	Authority
<b></b>	HUHHUU	, BUUL S	DOLUGEII	ILUUIIOIIU

<b>§601.</b>	Intention and Desire to Organize
<b>§602.</b>	<b>Effectuation of Incorporation</b>
§603.	Articles of Incorporation

## B. Hollidaysburg Sewer Authority

§621.	Intention and Desire to Organize Sewer Authority
§622.	Articles of Incorporation

#### Part 7

## Retirement Plans; Social Security

## A. Employee Retirement Plan

<b>§701.</b>	Election to Change Municipal Employee's Retirement System
<b>§702.</b>	Membership in Plan
<b>§703.</b>	Credit for Prior Service
<b>§704.</b>	Payment for Obligation
<b>§705</b> .	Acceptance of Agreement
<b>§706.</b>	Filing
U	5

## B. Social Security

<b>§721.</b>	Extension	of Social	Security	Coverage	$\mathbf{to}$	Borough	<b>Employees</b>	and
	Officers Au	ıthorized						

- §722. Payroll Deduction System and Matching Borough Payments Authorized
- §723. Appropriation into Contribution Fund Authorized

#### Part 8

#### Fire Department

#### A. Firemen's Relief Association

## §801. Recognition of Firemen's Relief Association

## ADMINISTRATION

§802. §803.	Certification to Auditor General Annual Appropriation
B. Author	ized Activities of the Volunteer Fire Company
§811. §812. §813. §814.	Recognition Authority Officers Control of Equipment and Funds
	Part 9
	Fire Insurance Proceeds
\$901. \$902. \$903. \$904. \$905.	Designated Official Municipal Certificate Required for Payment of Claim Over \$7,500 Payment of Claim Establishment of Fee Penalty
	Part 10
	Pension Advisory Committee
A. Police	Pension Committee
\$1001. \$1002. \$1003. \$1004. \$1005. \$1006. \$1007. \$1008.	Purpose Scope Composition of the Board Duties Ethics and Conflicts of Interest Prudence Reporting Investment Policy Adoption
B. Nonun	iform Pension Committee
\$1011. \$1012. \$1013. \$1014. \$1015. \$1016. \$1017. \$1018.	Purpose Scope Composition of the Board Duties Ethics and Conflicts of Interest Prudence Reporting Investment Policy Adoption

1-4 10/12/2006

#### **Elected Officials**

#### §101. Compensation of Mayor.

The salary of the Mayor of the Borough of Hollidaysburg, Blair County, Pennsylvania, is hereby fixed at the rate of \$4,200 per annum for the year 2005 and each year thereafter, until amended or repealed. Said salary shall be payable in monthly installments. The said salary shall be in lieu of all costs and fees not fixed heretofore allowed the Mayor. The said Borough having, at the last official census, a population of 5,368. (Ord. 754, 12/18/1997, §1; as amended by Ord. 808, 12/16/2004)

#### §102. Compensation of Council Members.

Effective as of January 1, 2000, the compensation for members of the Borough Council shall be \$150 per month. (Ord. 764, 12/16/1999, §1)

#### **Appointed Officials**

#### A. Office of Borough Manager

#### §201. Creation of the Office.

The Office of Borough Manager is hereby created by the Borough of Hollidaysburg. (Ord. 474, 2/3/1969, §1)

#### §202. Appointment and Removal.

The Manager shall be appointed for an indefinite term by a majority of all members of Council. The Manager shall serve at the pleasure of the Council and may be removed at any time by a majority vote of all its members. At least 30 days before such a removal is to become effective, the Council shall furnish the Manager with a written statement setting forth its intention to remove him. In the event of such a removal for any reason other than charges sustained under those enumerated in §1190(1)-(5) of the Borough Code, the Manager shall receive severance pay in accordance with any agreement or policy of the Borough. (Ord. 474, 2/3/1969, §2; as amended by Ord. 504, 9/13/1971; and by Ord. 795, 10/2/2003, §1)

#### §203. Qualifications.

The Manager shall be chosen solely on the basis of his executive and administrative abilities, with special reference to the duties of his office as herein outlined. The Manager need not be a resident of the Borough or of the Commonwealth of Pennsylvania at the time of his appointment, but during the tenure of his office he may reside outside the Borough only with the approval of Council. If the Council fails within a reasonable time, not to exceed 60 days after the appointment, to approve the Manager's residence outside the Borough he must immediately become, and during his tenure remain, a resident of the Borough. (Ord. 474, 2/3/1969, §3)

#### §204. Bond.

Before entering upon his duties, the Manager shall give a bond to the Borough with a bonding company as surety, to be approved by the Council, conditioned upon the faithful performance of his duties, the premium for said bond to be paid by the Borough, except where he is automatically bonded or otherwise insured via the Borough's general insurance coverage. (Ord. 474, 2/3/1969, §4)

#### §205. Manager's Compensation.

The salary of the Borough Manager shall be fixed from time to time by ordinance, but shall not be decreased while he holds office. (Ord. 474, 2/3/1969, §5)

#### §206. Powers and Duties.

The Manager shall be the Chief Administrative Officer of the Borough and he shall be responsible to the Council as a whole for the proper and efficient administration of the affairs of the Borough. The powers and duties of administration of all Borough business shall be vested in the Manager, unless expressly imposed or conferred by statute upon other Borough officers.

Subject to recall by ordinance of Council, the powers and duties of the Borough Manager shall include the following:

- 1. He shall supervise and be responsible for the activities of all municipal departments except for the Police Department, which may be granted to him at the discretion of the Mayor.
- 2. He shall hire and, when necessary for the good of the service, shall suspend or discharge any employee under his supervision, provided that persons covered by the civil service provisions of the Borough Code shall be hired, suspended or discharged in accordance with such provisions, and provided further that the Manager shall report, at the next meeting thereafter of Council, any action taken by authority of this subsection.
- 3. He shall have the power to fix wages and salaries of all personnel under his supervision, within a range previously authorized by Council.
- 4. He shall prepare and submit annually to Council, according to State uniform budget requirements, a budget for the next fiscal year. In preparing the budget, the Manager, or an officer designated by him, shall obtain from the head of each department, agency or board, or any qualified officer thereof, estimates of revenues and expenditures and such other supporting data as he requires. The Manager shall review such estimates and may revise them before submitting the budget to the Council.
- 5. He shall be responsible for the administration of the budget after its adoption by the Council.
- 6. He shall, in conjunction with the preparation of the yearly budget, develop longrange fiscal plans for the municipality, such plans to be presented as necessary to the Council for its review and adoption.
- 7. He shall hold such other municipal offices and head such municipal departments as the Council may from time to time direct.

1-8 10/12/2006

- 8. He shall attend all meetings of Council and its committees with the right to take part in the discussions and he shall receive notice of all special meetings of Council and its committees.
- 9. He shall prepare the agenda for each meeting of Council and supply facts pertinent thereto.
- 10. He shall keep the Council informed as to the conduct of Borough affairs; submit periodic reports on the condition of the Borough finances and such other reports as the Council requests; and make such recommendations to the Council as he deems advisable.
- 11. He shall submit to Council from time to time a complete report on the finances and the administrative activities of the Borough.
- 12. He shall see that the provisions of all franchises, leases, permits, privileges granted by the Borough are observed.
- 13. He may employ, by and with the approval of Council, experts and consultants to perform work and to advise in connection with any of the functions of the Borough.
- 14. He shall attend to the letting of contracts in due form of law, and he shall supervise the performance and faithful execution of the same except insofar as such duties are expressly imposed by statute upon some other Borough Officer.
- 15. He shall see that all money owed the Borough is promptly paid and that proper proceedings are taken for the security and collection of all the Borough's claims.
- 16. He shall be the Purchasing Officer of the Borough and he shall purchase in accordance with the provisions of the Borough Code, all supplies and equipment for the agencies, boards, departments, and other offices of the Borough. He shall keep an account of all purchases and shall, from time to time or when directed by Council, make a full written report thereof. He shall also issue rules and regulations, subject to the approval of Council, governing the procurement of all municipal supplies and equipment.
- 17. All complaints regarding Borough services shall be referred to the Office of the Manager. He, or an officer designated by him, shall investigate and dispose of such complaints, and the Manager shall report thereon to Council.

(Ord. 474, 2/3/1969, §6)

#### §207. Mayor's Powers and Duties.

The Mayor is hereby authorized to delegate to the Borough Manager, subject to revocation by written notification at any time, any of his non-legislative and non-judicial powers and duties. (Ord. 474, 2/3/1969, §7)

#### §208. Procedural Limitations on Council.

Neither the Council, its members, nor its committees shall dictate or influence or attempt to dictate or influence the hiring of any person to, or his discharge from, municipal employment by the Manager, or in any manner take part in the hiring, suspending or discharging of employees in the administrative service of the Borough except as required by the civil service provisions of the Borough Code. Other than for the purposes of inquiry, the Council or any of its members or any of the Council's committees or its members shall deal with the administrative service solely through the Borough Manager and neither the Council nor any of its members, nor any of Council's committees or its members shall give orders – publicly or privately – to any subordinate of the Manager. (Ord. 474, 2/3/1969, §8)

#### §209. Disability or Absence of the Manager.

If the Manager becomes ill or needs to be absent from the Borough, he shall designate one qualified member of his staff to perform the duties of the Manager during his absence or disability. The person so designated shall not perform these duties for a period longer than two weeks without the approval of the Council. (Ord. 474, 2/3/1969, §9)

## B. Independent Auditor

#### §221. Audits to be Performed by Certified Public Accountant.

The financial records and accounts of the Borough of Hollidaysburg, shall hereafter be audited by an independent auditor who is a certified public accountant, registered in the Commonwealth of Pennsylvania, or a firm of certified public accountants, so registered. (Ord. 507, 12/6/1971, §1)

## §222. Appointments of Independent Auditor.

An independent auditor or a firm of independent auditors shall be appointed annually by resolution before the close of the fiscal year to make an independent examination of the accounting of the records of the Borough of Hollidaysburg, for such fiscal year and such independent auditor or auditors shall also perform the other duties and exercise the other powers conferred by Article 11 of the Act of 1966, February, 1st, P.L., 1965, as amended and supplemented. (Ord. 507, 12/6/1971, §2)

1-10 10/12/2006

#### C. Office of Fire Marshal.

#### §231. Office of Fire Marshal.

The office of Fire Marshal is hereby created in the Borough of Hollidaysburg, such officer to be appointed by and with the consent of Borough Council. The office of Fire Marshal shall be in the Department of Public Safety and the Fire Marshal shall report to the Mayor except on those matters of which he is required by law to report directly to Borough Council. (Ord. 745, 6/19/1997, §1)

#### §232. Office of Deputy Fire Marshal Created.

The office of Deputy Fire Marshal is hereby created in the Borough of Hollidaysburg, such officer to be appointed by and with the consent of Borough Council. The office of Deputy Fire Marshal shall be in the Department of Public Safety and the Deputy Fire Marshal shall report to the Mayor except on those matters of which he is required by law to report directly to Borough Council. (Ord. 745, 6/19/1997, §2)

#### §233. Appointment; Compensation; Powers and Duties.

Appointments to the office of Fire Marshal and Deputy Fire Marshal shall be made by December 31 of each odd numbered year, to be effective January 1 of each even year. Such appointees to serve until their respective successors have been duly appointed and qualified. The aforesaid appointment for a specified term notwithstanding; the Borough Council retains the right to remove the Fire Marshal and/or Deputy Fire Marshal at its pleasure. Vacancies shall be filled in the same manner as the original appointment was made for the unexpired portion of the term. If for any reason this office is not separately filled by appointment of, and with the approval and consent of the Borough Council, the Fire Chief shall be deemed the ex officio Fire Marshal thereof and shall have all the powers and duties hereinafter given to or imposed upon the Fire Marshal. Compensation of the Fire Marshal shall be fixed from time to time by Borough Council. The Fire Marshal shall perform all duties and shall have and exercise all powers prescribed by law. (Ord. 745, 6/19/1997, §3)

#### §234. Interference with Fire Marshal Unlawful.

No person shall in any way obstruct or prevent, or attempt to obstruct or prevent, the Fire Marshal in the discharge of his duties by denying or attempting to deny him access to any premises owned or occupied by such person, either by failing or refusing correct information requested by him in the investigation into the cause, origin or circumstances of any fire. (Ord. 745, 6/19/1997, §4)

## ADMINISTRATION

# §235. Penalties.

Any person who shall violate any provision of this Part shall, upon conviction thereof, be sentenced to pay a fine not more than \$600, and/or to imprisonment for a term not to exceed 90 days. (Ord. 745, 6/19/1997, §5)

1-12 10/12/2006

#### **Departments**

#### A. Police Department.

#### §301. Establishing Police Department; Chief Executive.

A Police Department is hereby established in and for the Borough of Hollidaysburg. The Chief of Police shall be the chief executive of the Police Department. He shall, under the direction of the Mayor, be in charge of the police force and have supervision over its members, in the exercise of their powers, duties and authority. (Ord. 530, 12/9/1974, §1)

#### §302. Rank of Officers; Compensation.

Subordinate to the Chief of Police in the Police Department, the following classifications are hereby established: Assistant Chief of Police, Sergeant, Detective, Police Officer and Public Safety Clerks. The priority of authority among such subordinate classifications shall be in the order above listed. The number of persons to serve in each of such subordinate classifications, on a full-time and/or part-time basis, and the compensation of each shall be determined by the Borough Council from time to time. (Ord. 530, 12/9/1974, §2; as amended by Ord. 549, 9/13/1976; and by Ord. 769, 7/20/2001, §1)

#### §303. Authority to Appoint Special Police.

Nothing herein contained shall affect the authority of the Mayor to appoint special policemen during emergencies, or limit the power of the Mayor to delegate his administrative authority over the Police Department to the Borough Manager as provided in Part 2, §206 of this Chapter, creating the Office of Borough Manager. (Ord. 530, 12/9/1974, §3)

#### B. Water Department

#### §321. Creation of Department.

There is hereby created a Department to be called the Water Department. This Department shall be under the direction and supervision of the Borough Manager. (Ord. 453, 5/1/1967, §1)

## §322. Authority and Accountability.

The Water Department shall have control of the Water Fund and, subject to the annual approval of the Borough Council and the supervision of the Borough Manager, shall expend such monies from the Water Fund as are authorized. (Ord. 453, 5/1/1967, §2)

#### §323. Water Superintendent.

The Department shall be headed by an individual to be known as the Water Superintendent, who shall report to the Borough Manager, and who shall be responsible for all responsibilities assigned to the Water Department, and who shall have full authority over the functions and personnel of that Department. (Ord. 453, 5/1/1967, §3)

#### §324. Responsibilities and Functions.

The authorized responsibilities and functions of the Water Department are as follows:

- 1. To maintain such records and to take such readings as may be necessary to provide the accounting section with information necessary to send out billings for water and sewage charges to all water users of the Borough.
- 2. To install and remove all water meters as the occasion requires.
- 3. To acquire and maintain a stock pile of water meters and water meter parts and related equipment and parts, and to provide for the maintenance of the water meters of customers as well as those in stock.
- 4. To calibrate and test the accuracy of all water meters, both in use as well as in stock.
- 5. To turn water on and shut water off, as required by Council policy and Borough Manager instructions.
- 6. To advise and assist the Borough Manager and Borough Department Heads in the operation of the Water Meter System.
- 7. To provide for the correct amount of chlorine in the Water System at all times, and to test the water for chlorine content, and to take samples of the water for this purpose.
- 8. To perform final readings, and to assist in the computation and adjustment of water and sewer readings, and to act as a member of the Water and Sewer Adjustment Committee.
- 9. To prepare and submit such reports as may be necessary by the Borough Manager, the Council, and County and State authorities.

1-14 10/12/2006

10. To be responsible for ordering and stocking all water meters and parts, and to be responsible for such equipment as may be assigned to the Department.

(Ord. 453, 5/1/1967, §4)

#### Commissions

#### A. Borough Planning Commission

#### §401. Creation.

There is hereby created under the authority of the Act of 1968, July 31, P.L. 805, and the amendments thereto, a Planning Commission to be composed of five members, who shall be residents of the Borough of Hollidaysburg, to be appointed by Council. (Ord. 529, 9/9/1974, §1)

#### §402. Terms of Members.

The terms of the first members of the Commission shall be as follows: The term of one member shall be for one year, the term of a second member shall be for two years, the term of a third member shall be for three years, the term of the fourth and fifth members shall be for four years. As the terms herein provided expire, successors shall be appointed for terms of four years. At least three members shall be citizen members and two members may be officers or employees of the Borough of Hollidaysburg. (Ord. 529, 9/9/1974, §2)

#### §403. Powers and Authority.

The Planning Commission hereby created shall have all the powers and authorities and be subject to all restrictions set forth in the Act of 1968, July 31, P.L. 805, Purdon Title 53, Section 10101, known as the Pennsylvania Municipalities Planning Code. (Ord. 529, 9/9/1974, §3)

#### B. Shade Tree Commission

## §421. Shade Tree Commission Established.

There is hereby established a Shade Tree Commission to be composed of three residents of this Borough. The said Commissioners shall be appointed by the Council, one member to be appointed for a term of three years, one for a term of four years and one for a term of five years; on the expiration of the term of any Commissioner, a successor shall be appointed by the Council to serve for a term of five years. Vacancies in the Office of Commissioner shall be filled by the Council for the unexpired term. (Ord. 191, 3/7/1949, §1; as amended by Ord. 626, 4/13/1987)

#### ADMINISTRATION

## §422. Powers and Authority of Shade Tree Commission.

There is hereby conferred upon the said Commission all the powers and authorities set forth in Article XXVII, Sections 2721 et seq., of the Act of 1966, February 11, P.L. 581, known as the Borough Code, and as the same may from time to time be supplemented and amended. (Ord. 191, 3/7/1949, §2; as amended by Ord. 626, 4/13/1987)

1-18 10/12/2006

#### **Boards and Agencies**

#### A. Recreation Board

#### §501. Recreation Board Created.

In pursuance of the provisions of the Borough Code there is hereby created a recreation board. Said Board shall consist of five members to be appointed by the Council of the Borough of Hollidaysburg and shall serve for a term of five years or until their successors are appointed, except that the members of said Board first appointed shall be appointed for such terms that the term of one member shall expire annually thereafter. (Ord. 296, 1/7/1957, §1)

#### §502. Authority of Recreation Board.

Said Board shall possess all the authority vested in Borough recreation boards by law. (Ord. 296, 1/7/1957, §2)

#### B. Educational Service Agency.

#### §521. Agency Established.

By authority of 43 P.S. §802.1(4), the Borough of Hollidaysburg establishes an agency to be known as "Hollidaysburg Educational Service Agency." (Ord. 588, 5/12/1980, §1; as amended by Ord. 743, 6/19/1997, §1)

#### §522. Composition.

The Hollidaysburg Educational Service Agency shall be composed of three individuals, one of whom shall be the Mayor, one of whom shall be the Borough Secretary, and one of whom shall be a third person who shall be a resident of the Borough and at least 18 years of age, who shall be appointed by Council for a three-year term. If the third member of the said agency ceases to be a resident of the Borough or otherwise becomes disqualified for appointment or membership, a vacancy shall be deemed to exist and the same shall be filled by appointment by the Borough Council of a successor to serve for the remainder of the term of the individual being replaced. (Ord. 588, 5/12/1980, §2)

#### §523. Service Without Compensation.

Members of the Hollidaysburg Educational Service Agency shall serve without compensation. (Ord. 588, 5/12/1980, §3)

#### §524. Performance Bond Required.

Each member of the Hollidaysburg Educational Service Agency may, at the discretion of the Borough Council, be required to furnish a bond in the amount and with the surety specified by the Borough by resolution from time to time for the faithful performance of his duties as a member of the said agency. (Ord. 588, 5/12/1980, §4)

#### §525. Functions of Agency.

The Hollidaysburg Educational Service Agency shall be operated exclusively for the purpose of providing school crossing guard services to educational institutions located with the Borough of Hollidaysburg and shall have general supervision and general control over school crossing guards, also referred to as special school police. (Ord. 588, 5/12/1980, §5; as amended by Ord. 743, 6/19/1997, §2)

#### §526. Authority and Duty.

The Hollidaysburg Educational Service Agency shall have the following authority and it shall be its duty to:

- 1. Prepare annually, and, on or before the first day of November of each year, submit to the Borough Council for approval a budget showing its contemplated income and its proposed expenditures for the succeeding year.
- 2. Annually adopt the budget as submitted under subsection 1 of this section, as modified by the Borough.
- 3. Exercise general supervision and general control over the school crossing guards, also referred to as special school police.
- 4. From moneys budgeted and available, make all payments for the services of school crossing guards or special school police and make all other expenditures as prescribed by law or superior body or agency, or as otherwise deemed necessary or appropriate.
- 5. Receive, in addition to payments by the Borough, any payments by the school district or any other gift, grant, devise or bequest.
- 6. Establish a system of accounts for all moneys under its control, and establish one or more separate bank accounts into which all income shall be deposited and from which all expenditures shall be made.

(Ord. 588, 5/12/1980, §6)

1-20 10/12/2006

#### §527. Funding.

The Borough shall transfer and pay over to the Hollidaysburg Educational Service Agency the moneys that the Borough is required to pay as compensation to special school police under the Borough Code, or other agreement executed with the school district, as provided in the Borough Code, as well as other moneys as necessary to cover expenditures budgeted, for the Hollidaysburg Educational Service Agency as provided in §526 hereof. (Ord. 588, 5/12/1980, §7)

#### §528. School Crossing Guards; Authority.

The school crossing guards, also referred to as special school police, shall serve at the pleasure of the Agency and shall not come within the Civil Service Provisions of the Borough Code and shall not be entitled to participate in any pension plan or plans now in effect or hereafter effective. They shall be vested all the power of local police officers, and shall be under and subject to the direction of the Mayor. (Ord. 588, 5/12/1980, §8)

#### §529. Continuity of Agency.

The Hollidaysburg Educational Service Agency hereby recognized and formally established shall continue until changed or abolished by action of the Borough or until the suspension of Act 108 of December 12, 1979 as adopted by the legislature of the Commonwealth of Pennsylvania in accord with the terms thereof. (Ord. 588, 5/12/1980, §9)

#### **Municipal Authorities**

#### A. Hollidaysburg Borough Authority

#### §601. Intention and Desire to Organize.

The municipal authorities of the Borough of Hollidaysburg, Blair County, Pennsylvania, hereby signify their intention and desire to organize an Authority under the provisions of the Municipality Authorities Act of 1945, P.L. 382, as amended and supplemented. (Ord. 250, 6/7/1954, §1)

#### §602. Effectuation of Incorporation.

The President of Council and Borough Secretary are hereby authorized and directed to execute, on behalf of the Borough of Hollidaysburg aforesaid, Articles of Incorporation for said Authority, and to do all other acts and things necessary or appropriate to effect incorporation of the same. (Ord. 250, 6/7/1954, §2)

#### §603. Articles of Incorporation.

The Articles of Incorporation for said Authority shall be in substantially the following form, to wit:

#### ARTICLES OF INCORPORATION

To the Secretary of the Commonwealth of Pennsylvania, Harrisburg, Pennsylvania:

In compliance with the requirements of the Act of May 2, 1945, P.L. 382, as amended, known as the Municipality Authorities Act of 1945, the municipal authorities of the Borough of Hollidaysburg, Blair County, Pennsylvania, desiring that a body corporate and politic be incorporated under said Act, to hereby certify:

- 1. The name of the Authority shall be "Hollidaysburg Borough Authority."
- 2. Said Authority is formed under the Act of May 2, 1945, P.L. 382, as amended or supplemented.
- 3. No other Authority has been organized under the provisions of this Act or the Act approved the 28th day of June, 1935, P.L. 463, nor is in existence within the said Borough of Hollidaysburg.

#### **ADMINISTRATION**

- 4. The name of the incorporating municipality is Borough of Hollidaysburg, Blair County, Pennsylvania, a duly incorporated Borough of said Commonwealth.
- 5. The Board of said Authority shall consist of five persons, residents of the Borough of Hollidaysburg; one member shall serve for one year, one for two years, one for three years, one for four years, and one for five years, from January 1st next succeeding the date of incorporation; and thereafter whenever a vacancy has occurred or is about to occur, by reason of the expiration of the term of any member, the Council of the Borough of Hollidaysburg shall appoint the member of the Board for a term of five years to succeed the member whose term has expired or is about to expire.

The names and addresses and terms of office of the first members of the Board of said Authority are as follows: [Here followed names, addresses, and terms of office of the first Board of the Authority]

6. The purpose of the said Authority is to acquire, hold, construct, improve, maintain, operate, own and lease, either as lessor or lessee, a waterworks, water supply works and water distribution system for the Borough of Hollidaysburg and the territory adjacent thereto, and to undertake any other project or projects permitted and authorized by the laws of the Commonwealth of Pennsylvania as the Borough of Hollidaysburg may from time to time by resolution or ordinance specify. [Ord. 304]

(Ord. 250, 6/7/1954, §3; as amended by Ord. 304, 8/5/1957)

#### B. Hollidaysburg Sewer Authority

#### §621. Intention and Desire to Organize Sewer Authority.

The Borough of Hollidaysburg, Blair County, Pennsylvania, hereby signifies its intention and desire to organize an Authority under the Municipal Authorities Act approved May 2, 1945, P.L. 382, and its amendments. (Ord. 319, 8/4/1958, §1)

#### §622. Articles of Incorporation.

The President and Secretary of the Council of the Borough of Hollidaysburg are hereby authorized and directed to execute on behalf of the Borough of Hollidaysburg Articles of Incorporation for said Authority in substantially the following form, to wit:

#### ARTICLES OF INCORPORATION

To the Secretary of the Commonwealth of Pennsylvania, Harrisburg, Pennsylvania:

1-24 10/12/2006

In compliance with the requirements of the Act of May 2, 1945, P.L. 382, as amended, the Council of the Borough of Hollidaysburg, a municipal corporation of the County of Blair and Commonwealth of Pennsylvania, desiring to organize an Authority thereunder does hereby certify:

- 1. The name of the Authority is Hollidaysburg Sewer Authority.
- 2. Said Authority is formed under the Act of May 2, 1945, P.L. 382, as amended and supplemented.
- 3. No other Authority has been organized under the Act of May 2, 1945, P.L. 382, as amended, or under the Act approved the 28th day of June, 1935, P.L. 463, and is in existence in or for said incorporating municipality except the Hollidaysburg Borough Authority formed under the Act of May 2, 1945, P.L. 382, as amended, by the Borough of Hollidaysburg.
- 4. The name of the incorporating municipality is the Borough of Hollidaysburg.
- 5. The names, addresses and terms of office of the first members of the Board of the said Authority, all of whom are residents of Hollidaysburg Borough, are as follows: [Here follow the names, addresses and terms of office of the first appointees to the Authority Board.]
- 6. The purposes for which the said Authority is incorporated shall be the acquiring, holding, construction, improving, maintaining and operating, owning, leasing, either in the capacity of lessor or lessee, sewers, sewer systems or parts thereof, and sewage treatment works, including works for treating and disposing of industrial wastes.
- 7. The term of existence of the Authority is increased to a date of 50 years from the date of approval of these Articles of Amendment, July 15, 2054.

(Ord. 319, 8/4/1958, §2; as amended by Ord. 534, 5/12/1975; and by Ord. 802, 7/15/2004)

#### Retirement Plans; Social Security

#### A. Employee Retirement Plan

#### §701. Election to Change Municipal Employee's Retirement System.

Hollidaysburg Borough, being a member municipality of the Pennsylvania Municipal Retirement System, hereby elects to change its member benefits in that system as authorized by the Pennsylvania Municipal Retirement Law, as amended, and does hereby agree to be bound by all the requirements and provisions of said Article and the Law, as the case may be, and to assume all obligations, financial and otherwise, placed upon member municipalities by said amendment, as the case may be. All references hereafter shall be based on benefits negotiated between the Board and the municipality under the provisions of Article IV. (Ord. 736, 11/7/1996, §I)

## §702. Membership in Plan.

Membership in the Pennsylvania Municipal Retirement System shall be mandatory for all permanent, municipal employees of the Borough. Membership for elected officials and employees hired on a temporary or seasonal basis is prohibited, as is membership for individuals paid only on a fee basis. (Ord. 736, 11/7/1996, §II)

#### §703. Credit for Prior Service.

Credit for prior service for original members is granted for each year or partial year thereof that the member was employed by the Borough from original date of hire or the expiration of the member's probationary period if one so existed. Benefits provided to members in the agreement dated November 7, 1996, shall accrue based on all credited service granted and earned in accordance with this Section. (Ord. 736, 11/7/1996, §III)

## §704. Payment for Obligation.

Payment for any obligation established by the adoption of this Part and agreement between the System and Hollidaysburg Borough shall be made by the Borough in accordance with the Pennsylvania Municipal Retirement Law and Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act. (Ord. 736, 11/7/1996, §IV)

#### §705. Acceptance of Agreement.

As part of this Part, the Borough agrees that the System shall provide the benefits set forth in the agreement between the Board and the Hollidaysburg Borough, dated No-

#### ADMINISTRATION

vember 7, 1996. The passage and adoption of this Part by Hollidaysburg Borough is an official acceptance of said agreement and the financial obligations resulting from the administration of said benefit package. Hollidaysburg Borough hereby assumes all liability for any unfundedness created, or which may be created, due to the acceptance of this benefit structure outlined in the above-referenced agreement. (Ord. 736, 11/7/1996, §V)

#### §706. Filing.

A duly certified copy of this Part and the referenced agreement shall be filed with the Pennsylvania Municipal Retirement System of the Commonwealth of Pennsylvania. Membership for the municipal employees of Hollidaysburg Borough in the Pennsylvania Municipal Retirement System shall be effective the first day of February, 1966, with the revised plan structure reflected in the agreement dated 199-11 effective the first day of January, 1997. (Ord. 736, 11/7/1996, §VII)

#### B. Social Security

# §721. Extension of Social Security Coverage to Borough Employees and Officers Authorized.

The Borough of Hollidaysburg is hereby authorized to execute and deliver to the State Agency a plan, or plans and agreement, required under Section 6 of the Enabling Act and the Social Security Act to extend coverage to employees and officers of the Borough of Hollidaysburg and to do all other necessary things to effectuate coverage of employees and officers under the Old Age [and] Survivors Insurance System. (Ord. 223, 5/5/1952, §1)

#### §722. Payroll Deduction System and Matching Borough Payments Authorized.

The Secretary is hereby authorized to establish a system of payroll deduction to be matched by payments by the Borough of Hollidaysburg to be made into the Contribution Fund of the Social Security Act through the office of the State Agency, and to make charges of this tax to the fund, or funds, from which wage or salary payments are issued to employees of the Borough of Hollidaysburg. Such payments are to be made in accordance with the provisions of the law and regulations promulgated by the State Agency and the Federal Security Administrator. Such payments which are delinquent shall bear interest at the rate of 1/2% per month until such time as payments are made. (Ord. 223, 5/5/1952, §2)

## §723. Appropriation into Contribution Fund Authorized.

Appropriation is hereby made from the proper fund, or funds, of the Borough of Hollidaysburg in the necessary amount to pay into the Contribution Fund as provided in Sec-

1-28 10/12/2006

tion 4 of the Enabling Act and in accordance with the plan or plans, and agreement. Authority is given to the President of Council and the Secretary of the Borough of Hollidaysburg to enter into an agreement with the State Agency, which agreement shall be in accordance with Act No. 491 and with paragraph 218 of the Social Security Act. Such plan and agreement shall provide that the participation of this Borough of Hollidaysburg shall commence as of July 1, 1952. (Ord. 223, 5/5/1952, §3)

#### Fire Department

#### A. Firemen's Relief Association

#### §801. Recognition of Firemen's Relief Association.

1. The following association is hereby recognized as actively engaged in providing fire protection and/or emergency services in the Borough of Hollidaysburg.

Phoenix Fire Company Firemen's Relief Association

The above named association has been formed for the benefit of its members and their families in case of death, sickness, temporary or permanent disability or accident suffered in the line of duty.

2. The above named Association of the Borough is designated the proper association to receive such funds as are due and payable to the Borough Treasurer by the Treasurer of the State of Pennsylvania from the tax on premiums from foreign fire insurance companies.

(Ord. 626, 4/13/1987)

## §802. Certification to Auditor General.

The Borough Council shall annually certify to the Auditor General of the Commonwealth, the name(s) of the active associations and the percentage of service they contribute to the protection of the Borough of Hollidaysburg. Such certification shall be on forms prescribed by the Auditor General. (Ord. 626, 4/13/1987)

#### §803. Annual Appropriation.

There is annually appropriated from the Borough Treasury all such sums of money that may hereafter be paid into the Borough Treasury by the Treasurer of the State of Pennsylvania on account of taxes paid on premiums of foreign fire insurance companies in pursuance of 1984 Act of December 18, No. 205, §§701 et seq. as hereafter amended, supplemented, modified or reenacted by the General Assembly of Pennsylvania. Such monies received by the Borough Treasurer from the State Treasurer shall be distributed to the duly recognized association(s) within 60 days of receipt. The funds shall be distributed on the basis of the percentage of service established in the certification to the Auditor General and with other provisions of the Act. (Ord. 626, 4/13/1987)

## B. Authorized Activities of Volunteer Fire Company.

#### §811. Recognition.

The Borough of Hollidaysburg hereby recognizes the Phoenix Volunteer Fire Company which has been organized by residents of said Borough. (Ord. 710. 7/7/1994, §1)

#### §812. Authority.

The Phoenix Volunteer Fire Company is hereby given all power, so far as the Borough of Hollidaysburg has power to grant the same, to enact such rules and regulations for the management and government of individual members thereof as shall be necessary for the proper maintenance and control of said Volunteer Fire Company including, but not limited to, fire suppression, training, fire prevention activities and fund raising activities. Neither the grant of the aforesaid power nor the recognition set forth in §811 shall be construed as constituting the Phoenix Volunteer Fire Company as an agent, department or employee of the Borough of Hollidaysburg except insofar as such effect is provided under the provisions of the Act of June 2, 1915 (P.L. 736), as amended, known as the "Pennsylvania Workers' Compensation Act," or the Act of October 5, 1980 (P.L. 693, No. 142) known as the "Political Subdivision Tort Claims Act." (Ord. 710, 7/7/1994, §2)

#### §813. Officers.

The members of the Phoenix Volunteer Fire Company may elect from their number such officers as may be provided by the bylaws of the Fire Company. (Ord. 710, 7/7/1994, §3)

#### §814. Control of Equipment and Funds.

All appropriations made by the Borough of Hollidaysburg to or for the use of said fire company, whether of money or property, and all equipment purchased by the Borough of Hollidaysburg for the fire company shall continue to be the property of the Borough of Hollidaysburg. None of the fire apparatus or equipment so belonging to the Borough of Hollidaysburg shall be permanently removed from the Borough of Hollidaysburg without consent of the Council of the Borough of Hollidaysburg thereof. (Ord. 710. 7/7/1994, §4)

1-32 10/12/2006

#### Fire Insurance Proceeds

#### §901. Designated Official.

The Finance Director, by virtue of said position is directly involved with taxes and tax records, be and is hereby appointed as the designated officer who is authorized to carry out all responsibilities and duties as stated herein. (Ord. 711, 7/7/1994, §1)

#### §902. Municipal Certificate Required for Payment of Claim Over \$7,500.

No insurance company, association or exchange (hereinafter the "insuring agent") doing business in the Commonwealth of Pennsylvania shall pay a claim of a named insured for fire damage to a structure located within the Borough of Hollidaysburg (hereinafter the "Municipality") where the amount recoverable for the fire loss to the structure under all policies exceeds \$7,500 unless the insuring agent is furnished by the Finance Director with a municipal certificate pursuant to \$508(b) of Act 98 of 1992, and unless there is compliance with \$\$508(c) and (d) of Act 98 of 1992, and the provisions of this Part. (Ord. 711, 7/7/1994, \$2; as amended by Ord. 733, 8/15/1996, \$1)

#### §903. Payment of Claim.

Where pursuant to §508(b)(1)(i) of Act 98 of 1992, the Finance Director issues a certificate indicating that there are no delinquent taxes, assessments, penalties or user charges against real property, the insuring agent shall pay the claim of the named insured; provided, however, that if the loss as agreed upon by the named insured and the insuring agent equals or exceeds 60% of the aggregate limits of liability on all fire policies covering the building or structure, the following procedures must be followed: [Ord. 733]

- A. The insuring agent shall transfer from the insurance proceeds to the designated officer of the Borough of Hollidaysburg in the aggregate of \$2,000 for each \$15,000 of a claim and for each fraction of that amount of a claim, this Section to be applied such that if the claim is \$15,000 or less, the amount transferred to the Borough shall be \$2,000. [Ord. 733]
- B. If, at the time of a proof of loss agreed to between the named insured and the insuring agent, the named insured has submitted a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure, the insuring agent shall transfer to the Borough from the insurance proceeds the amount specified in the estimate.
- C. The transfer of proceeds shall be on a pro rata basis by all companies, associations or exchanges insuring the building or other structure.

- D. After the transfer, the named insured may submit a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure, and the designated officer shall return the amount of the funds transferred to the Borough in excess of the estimate to the named insured, if the Borough has not commenced to remove, repair or secure the building or other structure.
- E. Upon receipt of proceeds under this Section, the Borough shall do the following:
  - (1) The designated officer shall place the proceeds in the separate fund to be used solely as security against the total costs of removing, repairing or securing the building or structure which are incurred by the Borough. Such costs shall include, without limitation, any engineering, legal or administrative costs incurred by the Borough in connection with such removal, repair or securing of the building or any proceedings related thereto.
  - (2) It is the obligation of the insuring agent when transferring the proceeds to provide the Borough with the name and address of the named insured. Upon receipt of the transferred funds and the name and address of the named insured, the designated officer shall contact the named insured, certify that the proceeds have been received by the Borough and notify the named insured that the procedures under this subsection shall be followed.
  - (3) When repairs, removal or securing of the building or other structure have been completed in accordance with all applicable regulations and orders of the Borough and the required proof of such completion received by the designated officer, and if the Borough has not incurred any costs for repairs, removal or securing, the fund shall be returned to the named insured. If the Borough has incurred costs for repairs, removal or securing of the building or other structure, the costs shall be paid from the fund and, if excess funds remain, the Borough shall transfer the remaining funds to the named insured.
  - (4) To the extent that interest is earned on proceeds held by the Borough pursuant to this Section, and not returned to the named insured, such interest shall belong to the Borough. To the extent that proceeds are returned to the named insured, interest earned on such proceeds shall be distributed to the named insured at the time that the proceeds are returned.
- F. Nothing in this Section shall be construed to limit the ability of the Borough to recover any deficiency. Furthermore, nothing in this subsection shall be construed to prohibit the Borough and the named insured from entering into an agreement that permits the transfer of funds to the named insured if

1-34 10/12/2006

some other reasonable disposition of the damaged property has been negotiated.

(Ord. 711, 7/7/1994, §3; as amended by Ord. 733, 8/15/1996, §2)

#### §904. Establishment of Fees.

The Borough of Hollidaysburg may, by resolution, adopt procedures and regulations to implement Act 98 of 1992 and this Part, and may, by resolution, fix reasonable fees to be charged for municipal activities or services provided pursuant to Act 98 of 1992 and this Part including, but not limited to, issuance of certificates and bills, performance of inspections and opening separate fund accounts. (Ord. 711, 7/7/1994, §4)

#### §905. Penalty.

Any owner of property, any named insured or any insuring agent who violates this Part shall be subject to a penalty of up to \$1,000 per violation. (Ord. 711, 7/7/1994, §5)

#### **Pension Benefit Advisory Committee**

#### A. Police Pension Committee.

#### §1001. Purpose.

To make recommendations regarding the Police Pension Plan of the Borough of Hollidaysburg, to the Hollidaysburg Borough Council and to oversee the implementation of the official policy, guidelines, goals and objectives for the pension plans as set forth by the Borough Council. (Res. 2001-97, 12/20/2001, Exhibit A)

#### §1002. Scope.

The Committee's authority shall apply to the Hollidaysburg Borough Police Pension Plan. (Res. 2001-97, 12/20/2001, Exhibit A)

## §1003. Composition of the Board.

- 1. The Committee shall consist of eight members who shall be the President of Borough Council and one other member of Borough Council, the Mayor (ex officio), the Borough Manager, the Finance Director, the Chief of Police and one active and one retired or inactive vested member of the plan.
- 2. The Committee may organize itself in any manner deemed appropriate to effectuate its purpose, provided that the President of Council shall act as chairman, the Borough Manager shall act as vice-chairman, the Finance Director of the Borough shall act as treasurer and the remaining member of Council shall act as secretary. The Committee may appoint such other agents as it may deem advisable.
- 3. The Mayor shall vote in the case of a tie.
- 4. Vacancies on the Committee shall be filled in the same manner as the position was originally filled.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1004. Duties.

The Committee's duties regarding the Borough's Police Pension Plan shall include but not be limited to:

A. Meetings.

- (1) The Committee shall meet periodically, but not less frequently than once every six months. Special meeting may be called by the Chairman between regular periodic meetings if deemed advisable.
- (2) The plan's pension consultant shall attend a Board meeting annually.
- (3) Minutes shall be kept for all meetings and maintained in a pension file.
- B. Review of Financial Statements. The Committee shall review the financial and actuarial statements of the plan. The Committee shall also resolve any audit problems.
- C. Benefits. The Committee shall make recommendations on levels of plan benefits based upon the plan's financial condition, the cost of any benefit enhancements and the impact that any enhancements would have on the long-time financial condition of the plan and the Borough as a whole.
- D. Employee Contributions. The Committee shall make recommendations on employee contribution requirements based upon the plan's financial condition and the impact that contributions or waiving of would have on the long-time financial condition of the plan and the Borough as a whole.
- E. Performance Review. On an annual basis the Committee shall review the performance of the investment advisors.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1005. Ethics and Conflicts of Interest.

Officials and employees involved in the investment process shall refrain from personal business activity which could conflict with proper execution of the investment program, or which could impair their ability to make unbiased investment decisions. Employees and investment officials shall disclose to the Borough Council any material financial interests in financial institutions that conduct business for the Borough and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Borough's portfolio. (Res. 2001-97, 12/20/2001, Exhibit A)

#### §1006. Prudence.

1. The standard of prudence to be applied by the investment officer in managing the Borough's overall investment portfolio shall be that of the "Prudent Person Rule" which states: "Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for in-

1-38 10/12/2006

- vestment, considering the probable safety of their capital as well as the probable income to be derived."
- 2. Investment officers acting within the guidelines set forth in the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market risk price changes; provided, deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1007. Reporting.

- 1. The Treasurer is charged with the responsibility of monthly and quarterly reporting on the investment portfolio.
- 2. Quarterly Reports. The Treasurer will provide a brief report to Council regarding the current status of the portfolio, including investment activity, location and type of investment.
- 3. Semi-Annual Reports. The Treasurer shall submit to the Investment Committee a semi-annual investment report that summarizes the investment strategies employed in the most recent semi-annual period, description of the portfolio in terms of investment securities, yields, maturities, risk characteristics and other features. The report shall explain the six month's investment activity, as well as compare the return on investment with both the target rate of return projections and budgetary expectations.
- 4. The Secretary shall provide a copy of the minutes of all meetings to Council.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1008. Investment Policy Adoption.

The Borough's investment policy shall be adopted by resolution of the Borough Council. The policy shall be reviewed periodically by the Treasurer. Any modifications made to the policy shall be approved by the Council. (Res. 2001-97, 12/20/2001, Exhibit A)

#### B. Nonuniform Pension Committee.

#### §1011. Purpose.

To make recommendations regarding the Nonuniform Plan of the Borough of Hollidaysburg, to the Hollidaysburg Borough Council and to oversee the implementation of the

#### **ADMINISTRATION**

official policy, guidelines, goals and objectives for the pensions plan as set forth by the Borough Council. (Res. 2001-97, 12/20/2001, Exhibit A)

#### §1012. Scope.

The Committee's authority shall apply to the Hollidaysburg Borough Nonuniform Pension Plan. (Res. 2001-97, 12/20/2001, Exhibit A)

#### §1013. Composition of the Board.

- 1. The Committee shall consist of seven members who shall be the President of Borough Council and one other member of Borough Council, the Borough Manager, the Finance Director and two active and one retired or inactive vested member of the plan.
- 2. The Committee may organize itself in any manner deemed appropriate to effectuate its purpose, provided that the President of Council shall act as chairman, the Borough Manager shall act as vice-chairman, the Finance Director of the Borough shall act as treasurer and the remaining member of Council shall act as secretary. The Committee may appoint such other agents as it may deem advisable.
- 3. Vacancies on the Committee shall be filled in the same manner as the position was originally filled.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1014. Duties.

The Committee's duties regarding the Borough's Nonuniform Pension Plan shall include but not be limited to:

#### A. Meetings.

- (1) The Committee shall meet periodically, but not less frequently than once every six months. Special meeting may be called by the Chairman between regular periodic meetings if deemed advisable.
- (2) The plan's pension consultant shall attend a Board meeting annually.
- (3) Minutes shall be kept for all meetings and maintained in a pension file.
- B. Review of Financial Statements. The Committee shall review the financial and actuarial statements of the plan. The Committee shall also resolve any audit problems.

1-40 10/12/2006

- C. Benefits. The Committee shall make recommendations on levels of plan benefits based upon the plan's financial condition, the cost of any benefit enhancements and the impact that any enhancements would have on the long-time financial condition of the plan and the Borough as a whole.
- D. Employee Contributions. The Committee shall make recommendations on employee contribution requirements based upon the plan's financial condition and the impact that contributions or waiving of would have on the long-time financial condition of the plan and the Borough as a whole.
- E. Allocation of Excess Interest. The Committee shall make recommendations on the allocation of excess interest among the municipal, member and retiree accounts and the method of allocation within each account.
- F. Performance Review. On an annual basis the Committee shall review the performance of the investment advisors.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1015. Ethics and Conflicts of Interest.

Officials and employees involved in the investment process shall refrain from personal business activity which could conflict with proper execution of the investment program, or which could impair their ability to make unbiased investment decisions. Employees and investment officials shall disclose to the Borough Council any material financial interests in financial institutions that conduct business for the Borough and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Borough's portfolio. (Res. 2001-97, 12/20/2001, Exhibit A)

#### §1016. Prudence.

- 1. The standard of prudence to be applied by the investment officer in managing the Borough's overall investment portfolio shall be that of the "Prudent Person Rule" which states: "Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."
- 2. Investment officers acting within the guidelines set forth in the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market risk price changes; provided, deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development.

(Res. 2001-97, 12/20/2001, Exhibit A)

#### §1017. Reporting.

- 1. The Treasurer is charged with the responsibility of monthly and quarterly reporting on the investment portfolio.
- 2. Quarterly Reports. The Treasurer will provide a brief report to Council regarding the current status of the portfolio, including investment activity, location and type of investment.
- 3. Semi-Annual Reports. The Treasurer shall submit to the Investment Committee a semi-annual investment report that summarize the investment strategies employed in the most recent semi-annual period, description of the portfolio in terms of investment securities, yields, maturities, risk characteristics and other features. The report shall explain the six month's investment activity, as well as compare the return on investment with both the target rate of return projections and budgetary expectations.
- 4. The Secretary shall provide a copy of the minutes of all meetings to Council.

(Res. 2001-97, 12/20/2001, Exhibit A)

## §1018. Investment Policy Adoption.

The Borough's investment policy shall be adopted by resolution of the Borough Council. The policy shall be reviewed periodically by the Treasurer. Any modifications made to the policy shall be approved by the Council. (Res. 2001-97, 12/20/2001, Exhibit A)

1-42 10/12/2006