

ORDINANCE NO. 66-4

AN ORDINANCE AUTHORIZING THE TOWNSHIP TO SECURE PENSION ANNUITY CONTRACTS FOR THE BENEFIT OF TOWNSHIP POLICEMEN.

The Township of Hilltown hereby enacts and ordains as follows:

1. Any funds received by the Township from the Commonwealth of Pennsylvania arising from the tax on premiums paid by foreign casualty insurance companies shall be expended to secure pension annuity contracts, as herein defined, for the benefit of Township policemen; provided, however, that any surplus funds not so expended shall be invested in securities authorized by law as investments for fiduciaries and registered in the name of "Hilltown Township Police Pension Fund", which securities may later be liquidated to secure additional pension annuity contracts. Provided, further, that all funds thus received from the Commonwealth of Pennsylvania shall be utilized either for the securing of pension annuity contracts or invested as above set forth within two years of the receipt thereof.

2. Pension annuity contract is defined as any contract made by the Township with an insurance or other authorized company to provide pension, retirement or disability benefits to the policemen employed by the Township, or death benefits to beneficiaries designated by such policeman. The Township shall be the

owner of all rights under the contract, except the rights to designate the beneficiary, to change the beneficiary, and to receive the death, pension and retirement benefits thereunder. When the employment of any policeman is terminated other than by death or retirement, the Township shall apply the value of such contract to provide for the policeman death, pension, retirement or disability benefits in accordance with the terms and conditions of the contract.

3. The pension annuity contracts shall be secured from such companies and pursuant to such terms, consistent with this ordinance, as the Board of Supervisors shall from time to time determine.

4. Policeman is defined as a full time paid policeman or policewoman working not less than forty (40) hours per week at a definite salary.

5. Pending expenditure or investment of the funds received from the Commonwealth of Pennsylvania referred to in section 1 hereof, said funds shall be deposited with a banking institution authorized to do the business in Pennsylvania in the name "Hilltown Township Police Pension Fund". All checks on said account shall be signed by both the chairman and the secretary of the Township Board of Supervisors.

6. All pension annuity contracts and securities shall

be placed in a safe deposit box in a banking institution authorized to do business in Pennsylvania. The box shall be registered in the name "Hilltown Township Police Pension Fund", and in all instances, access to the box shall require both the chairman and the secretary of the Township Board of Supervisors.

7. A separate fidelity bond shall be maintained to cover both the chairman and the secretary of the Township Board of Supervisors, said bond to be in an amount equal to at least 25 percent. of the moneys on deposit at any time in the checking account plus 15 percent. of the cash surrender value of all pension annuity contracts (including prepaid premiums) plus 15 percent. of the value of all registered securities. Such bond must contain a clause stating that the insurance company issuing the same cannot cancel the bond as issued unless it shall first have given to the Office of the Auditor General of the Commonwealth of Pennsylvania, 30 days notice in writing of its intention so to cancel.

ENACTED AND ORDAINED this 19 day of November
A.D., 1966.

HILLTOWN TOWNSHIP SUPERVISORS

Elmer S. Hockman

Elmer S. Hockman, Chairman

Paul Frankenfield

Paul Frankenfield

Albert T. Agin

Albert T. Agin