

Ordinance Number 2017-02

WHEREAS, the Township of East Donegal, the Township of Conoy and the Borough of Marietta entered into a Merger Agreement on March 27, 1996 which authorized the creation of the Susquehanna Regional Police Department effective July 1, 1996; and

WHEREAS, the Township of East Donegal, the Township of Conoy and the Borough of Marietta hereby desire to reopen and amend that Merger Agreement to include provisions regarding and governing a pension investment policy; and

WHEREAS, the Township of East Donegal, the Township of Conoy and the Borough of Marietta hereby desire to repeal the prior provisions regarding pension set forth in the Merger Agreement.

NOW THEREFORE BE ORDAINED BY THE BOROUGH OF MARIETTA AS FOLLOWS:

Article XIII of the Merger Agreement entered into on March 27, 1996 is hereby repealed and replaced with the following language:

Executive Overview

The purpose of the Investment Policy Statement is to create a written document of guidelines and standards used in the selection of the portfolio's investments, to provide the basis for ongoing monitoring of the portfolio and the periodic evaluation of the investments as well as the investment advisor.

Duties and Responsibilities

All three standing members of the Susquehanna Regional Police Commission (hereinafter the Commission) shall appear on the investment account. The current Chairman of the Commission or an appointed Commission Member will be the main point of contact between the Commission and the investment advisor. He/she will communicate issues such as moving funds, both in and out of the account, changes in risk tolerance, changes in investment objectives as well as changes in liquidity needs and investment time horizons.

Decisions as to investment selection, timing of investments and investment position sizes will be based on the discretion of the investment advisor in keeping with the asset allocation guidelines.

Movement of Funds

In order to facilitate movement of money into or out of the investment account a majority vote of the Commission is required. However, any paperwork on documents that must be signed to establish the brokerage account or to amend or to update the brokerage account will require the signatures of all three Commission members.

Investment Objectives

The Commission seeks a combination of income and capital appreciation consistent with an investment time horizon of ten plus years. The Commission seeks to outperform the rate of inflation while minimizing portfolio volatility.

Investments may include stocks, bonds, closed end mutual funds, open end mutual funds, unit investments trusts and exchange traded funds (ETFs). The use of leveraged and inverse ETFs is prohibited.

No holding may account for more than 20% of the portfolio at market. Should a position grow to more than 20% of the portfolio due to appreciation or distributions from the portfolio, the account should be rebalanced within a period of no greater than 30 days to reduce the holding to below 20%.

All income is to be reinvested in the account unless the Commission approves otherwise.

Asset Allocation

	<u>Minimum</u>	<u>Maximum</u>
Cash and cash equivalents	1%	30%
Fixed Income		
US Government Securities	30%	70%
Municipal Bonds and Corporate Bonds		
International Bonds	0%	15%
Equities		
US Equities	30%	60%

International Equities	0%	30%
Real Estate Investment Trusts	0%	15%
Commodities	0%	15%

Asset Allocation – The Commission may deviate from the ranges if in the opinion of the Board market conditions require. To deviate from these ranges require a majority vote of the Board.

Portfolio Review

The Commission will review the portfolio and its performance quarterly. The investment advisor will provide statements to the Commission at a minimum of quarterly and preferably monthly. The investment advisor will meet with the Commission semi-annually or more frequently at the Commission’s discretion.

Passed and duly adopted this 14th day of February, 2017.

ATTEST

Marietta Borough Council President

Secretary

Marietta Borough Mayor

Secretary

First Reading

Date: _____

Second Reading

Date: _____