

## No. 34

## AN ACT

## SB 601

Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An act providing for the incorporation as bodies corporate and politic of 'Authorities' for municipalities, counties and townships; prescribing the rights, powers and duties of such Authorities heretofore or hereafter incorporated; authorizing such Authorities to acquire, construct, improve, maintain and operate projects, and to borrow money and issue bonds therefor; providing for the payment of such bonds, and prescribing the rights of the holders thereof; conferring the right of eminent domain on such Authorities; authorizing such Authorities to enter into contracts with and to accept grants from the Federal Government or any agency thereof; and conferring exclusive jurisdiction on certain courts over rates," providing further powers of investment.

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

Section 1. Section 8, act of May 2, 1945 (P.L.382, No.164), known as the "Municipality Authorities Act of 1945," amended October 12, 1973 (P.L.295, No.89), is amended to read:

Section 8. Moneys of the Authority.—All moneys of any Authority, from whatever source derived, shall be paid to the treasurer of the Authority. Said moneys shall be deposited in the first instance by the treasurer in one or more banks or **bank and** trust companies **in one or more special accounts or under savings contracts in savings associations** in one or more special accounts, and each of such special accounts to the extent the same is not insured shall be continuously secured by a pledge of direct obligations of the United States of America, of the Commonwealth or of the municipality or municipalities creating the Authority, having an aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account. Such securities shall either be deposited with the treasurer, or be held by a trustee or agent satisfactory to the Authority. All banks **bank and** trust companies **and savings associations** are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the chairman of the Authority, or of such other person or persons as the Authority may authorize to execute such warrants or orders. Every Authority whose fiscal year ends December 31, shall file on or before July 1 an annual report of its fiscal affairs covering the preceding calendar year with the Department of Community Affairs and with the municipality or municipalities creating the Authority on forms prepared and distributed by the Department of Community Affairs; Authorities whose fiscal year does not end on December 31, shall file the report within ninety days after the end of their fiscal year. Every Authority shall have its books,

accounts and records audited, annually, by a certified public accountant, and a copy of his audit report shall be filed in the same manner and within the same time period as the aforesaid annual report. A concise financial statement shall be published annually, at least once in a newspaper of general circulation in the municipality where the principal office of the Authority is located. If such publication is not made by the Authority, the municipality or municipalities shall publish such statement at the expense of the Authority. If the Authority fails to make such an audit, then the controller, auditors or accountant designated by the municipality or municipalities, are hereby authorized and empowered from time to time to examine at the expense of the Authority the accounts and books of the Authority, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its finances, operation and affairs.

The Attorney General of the Commonwealth of Pennsylvania shall have the right to examine the books, accounts and records of any Authority.

Section 2. This act shall take effect immediately.

APPROVED—The 16th day of July, A. D. 1975.

MILTON J. SHAPP