

**AGENDA**  
**EAST GOSHEN TOWNSHIP**  
**BOARD OF SUPERVISORS**  
Tuesday, November 10, 2015  
7:00 PM

1. Call to Order
2. Pledge of Allegiance
3. Moment of Silence – Supervisor Carmen Battavio
4. Ask if anyone is recording the meeting
5. Chairman’s Report
  - a. [Announce that Kroll Bond Rating Agency has affirmed the Township’s AAA Rating.](#)
6. Public Hearing
  - a. [The Board will hold a public hearing to consider adoption of an Ordinance authorizing the Township to participate in the Delaware Valley Health Trust.](#)
7. Emergency Services Reports
  - WEGO - none
  - Goshen Fire Co. - none
  - Malvern Fire Co – none
  - Fire Marshal – none
8. Financial Report – none
9. Old Business
  - a. [Consider Board of Supervisor’s Goals for 2016](#)
  - b. [Consider Milltown Reservoir](#)
10. New Business
  - a. [Consider Stormwater Agreement for 1625 Highland Ave.](#)
  - b. [Consider Escrow Release for Ashleybrooke Estates](#)
11. Any Other Matter - none
12. Approval of Minutes –none
13. [Treasurer’s Report – November 5, 2015](#)
14. Correspondence, Reports of Interest
  - [Sunoco Remediation Report for the 3<sup>rd</sup> Quarter](#)
  - [Notice of a 2-lot subdivision at 930 N. Chester Road](#)
15. Public Comment – Hearing of Residents
16. Adjournment

The Chairperson, in his or her sole discretion, shall have the authority to rearrange the agenda in order to accommodate the needs of other board members, the public or an applicant.

Dates of Importance

Nov 4, 2015	Planning Commission	7:00pm
Nov 5, 2015	Park and Rec Commission	7:00pm
Nov 9, 2015	Municipal Authority	7:00pm
Nov 11, 2015	Veterans Day – Office Closed	

Nov 11, 2015	Conservancy Board	7:00pm
Nov 12, 2015	Historical Commission	7:00pm
Nov 14, 2015	Neighbor to Neighbor Day	8:00am
Nov 17, 2015	Board of Supervisors	7:00pm
Nov 17, 2015	Deer Management Committee	7:00pm
Nov 18, 2015	Futurist Committee	7:00pm
Nov 19, 2015	Commerce Commission	7:00pm
Nov 26, 2015	Thanksgiving – Office Closed	
Nov 27, 2015	Thanksgiving – Office Closed	

Newsletter Deadlines for Spring of 2016: January 31, 2016

## **East Goshen Municipal Authority Township of East Goshen, PA**

### **Executive Summary**

Kroll Bond Rating Agency (KBRA) has affirmed the long-term rating of AAA with a stable outlook on East Goshen Municipal Authority (the Authority), Pennsylvania's General Obligation (GO) and GO guaranteed debt. The Authority's GO guaranteed debt consists of Guaranteed Sewer Revenue Notes which are first payable from the Authority's Sewer System revenues and are ultimately guaranteed by the full faith and credit tax pledge of East Goshen Township, PA (the Township). The KBRA rating is based on East Goshen Township's full faith and credit general obligation guarantee, backed by its unlimited taxing power, on scheduled principal and interest due on GO and GO guaranteed debt.

East Goshen Township's direct debt, which includes all GO and GO guaranteed debt, was approximately \$15.9 million, as of December 31, 2014. This rating is based on KBRA's **U.S. Local General Obligation Rating Methodology**, published on May 31, 2012. KBRA's evaluation of the long-term credit quality of local general obligation bonds focuses on four key rating determinants:

- Governance and Management Structure and Policies,
- Municipal Resource or Economic Base,
- Debt and Additional Continuing Obligations, and
- Financial Performance and Liquidity.

In the process of affirming the rating on the Township's outstanding debt, as described above, KBRA reviewed current information on East Goshen Township's operations in the context of the four key rating determinants outlined above and spoke with Township management. For a full discussion of the Key Rating Determinants please see KBRA's initial report on the Township, **Township of East Goshen, PA Guaranteed Sewer Revenue Notes, 2013 Series A-D**, published on October 17, 2013.

### **Security Provisions**

The General Obligation and GO Guaranteed Notes were issued in connection with borrowings from the Delaware Valley Regional Financing Authority (DelVal), a loan program which provides financing for Pennsylvania municipalities and school districts. The Notes are guaranteed by the Township's full faith and credit general obligation guarantee, backed by its unlimited taxing power on parity with Notes issued in 1998 and 2008. The Authority's Guaranteed Sewer Revenue Notes are first payable from the Township's annual lease rental payments to be paid to the Authority under the Lease Agreement. The Township makes lease payments out of its Sewer Revenue Fund from sewer rates and charges, and these lease payments are also secured by a full faith and credit obligation of the Township. Under state statutes, the Township has the power to levy ad valorem property taxes on all taxable property in the Township, without limitation as to rate or amount, to pay debt service on the Notes.

The Authority is a component unit of the Township and was formed by the Township to finance its sewage collection and treatment system. Under the Lease Agreement between the Township and the Authority the Authority owns the sewer system. The system is leased back to the Township and the Township is responsible for operating and maintaining the system and setting sewer charges to support operating costs and pay annual lease rental payments to the Authority for debt service on the Notes.

**Key Rating Strengths**

- Strong financial management policies and procedures, which include frequent reporting of budget-to-actual performance and reporting financial results on a modified accrual basis.
- High level of income per capita at approximately 180% of the Commonwealth and U.S. average in 2013.
- Access to the employment markets of Philadelphia, Wilmington, and surrounding Chester County
- Formalized five-year capital improvement plan that requires the Township to maintain sufficient capital reserves to replace all property, plant, and equipment assets
- Available fund balance in FY 2014 was \$4.8 million, or 54.2% of General Fund expenditures.
- Strong liquidity position in FY 2014 with 324 days cash on hand

**Key Rating Concerns**

- Funded ratio in the regional police pension plan was below 63.4% as of January 1, 2013.
- General Fund Revenue base is somewhat dependent on earned income taxes.

## Rating Summary

KBRA views the Township's governance and management structure as extremely strong. In addition to a comprehensive budget process, East Goshen Township provides timely disclosure, maintains documented policies on reserves, and has a comprehensive five year capital improvement plan. The Township also releases a monthly report that monitors budget to actual performance within its governmental and enterprise funds. Beginning in FY 2014, the Township also maintains an additional operating reserve accounted for within its General Fund that is equal to a minimum of 5.0% of General Fund revenues.

East Goshen Township, with a population of 18,111, is a 10.1 square mile suburban community located 30 miles west of Philadelphia along the Delaware River. The Township, while primarily residential, has access to a diverse economic and employment base given its proximity to major metropolitan areas including Philadelphia, Wilmington, and the surrounding Chester County, PA. A number of large employers including Vanguard Group Inc. and Siemens Healthcare are headquartered in Chester County, PA. The Township is nearly built out and consists of real estate primarily constructed during the 1970's to 1990's. KBRA views East Goshen Township's municipal resource base as very strong due to income per capita and educational attainment at levels higher than the Commonwealth and U.S., and low poverty levels. In addition, the Township's effective management practices, relatively low levels of debt, and strong financial performance further support the KBRA rating of the Township.

Despite a flat assessed value, KBRA continues to view the Township's municipal resource base as very strong. East Goshen Township's top ten taxpayers compose only 7.8% of assessed value, while full value per capita, as of 2013 was \$134,942, which KBRA views as very strong. The Township has experienced consistent and steady population growth, which has increased by more than 7.7% since 2000. The Township's income per capita of \$50,423 is more than 175% of both the Commonwealth and the U.S levels.

Additionally, East Goshen Township continues to maintain a low to moderate debt burden. The majority of the Township's debt is in the form of fixed rate loans from the Delaware Valley Regional Finance Authority. KBRA considers the Township's overall debt per capita at \$5,055 and overall debt as a percentage of 2013 full market property valuation at 3.7% to be moderate.

East Goshen Township also administers two defined benefit pension plans, for fire and non-uniform employees. The Township has contributed 100% of its annual minimum municipal obligation (MMO), most of which is funded from state aid. The Township has a shared interest in an additional defined benefit pension plan for uniformed police officers, for which it makes 100% of the required MMO. The fire, non-uniform, and police pension plans have funded ratios of 91.2%, 133.7%, and 63.4% respectively. East Goshen Township's total fixed costs in FY 2014, defined as debt service, pension payments, and pay-as-you-go OPEB payments, were \$1.8 million and represented 17.7% of total governmental expenditures.

KBRA continues to view East Goshen Township's financial performance and liquidity as very strong. In FY 2014, the Township ended the year with an operating surplus of \$1.0 million. Due to the creation of an operating reserve within the Township's General Fund, unassigned fund balance declined by 29.0% from \$6.3 million in FY 2013 to \$4.8 million in FY 2014. This level of unassigned fund balance is equal to 54.2% of FY 2014 General Fund expenditures. KBRA still considers the Township's available fund balance, relative to its General Fund expenditures, to be very strong. As of August 31, 2015, FY 2015 is projected to end with an operating surplus of \$243,171. FY 2015 revenues are projected to be higher than budgeted primarily because of the unexpected sale of a large commercial property within the Township, which generated higher than budgeted Real Estate Transfer Tax revenues. FY 2015 expenditures are largely in line with budgeted expectations. The Earned Income Tax (EIT), a 1.0% tax on gross income, provides 47.0% of General Fund revenues with real estate taxes providing an additional 20.2%.

Based on a review of the four rating determinants included in the methodology, KBRA has assigned a rating to each determinant, summarized as follows.

- Governance, Management Structure and Policies: AAA
- Municipal Resource Base: AAA
- Debt and Additional Continuing Obligations: AAA
- Financial Performance and Liquidity Position: AAA

### **Outlook:**

The stable outlook reflects KBRA's expectation that the Township will continue to manage its financial operations to maintain a structurally balanced budget, while maintaining strong reserve levels and liquidity.

In KBRA's view, the following factors may contribute to a downgrade of the rating:

- Trend of operating deficits in the General Fund.
- Significant deterioration in General Fund reserve levels.

## Key Rating Determinants

### **Rating Determinant 1: Governance and Management Structure and Policies**

KBRA views East Goshen Township's governance and management structure as very strong and consistent with a AAA rating determinant rating. The Township has a formal budget process and has a history of accurately forecasting revenues and expenditures historically. Township administration has not changed since the time of KBRA's last report. In FY 2015, the Township continued to make a number of capital improvements to administration offices and buildings, parks, and other Township infrastructure.

In FY 2013, the Township implemented a written reserve policy, requiring fund balance to be equal to a minimum of 20% of operating expenditures. Additionally, the Township also created an operating reserve fund. The operating reserve, currently \$2.5 million, must represent at least 5% of annual General Fund revenues. In the event that the Township must draw on this reserve, the Township Board of Supervisors is required to approve any appropriation to the General Fund. Additionally, East Goshen Township formalized a five year capital improvement plan. Updated annually, the capital improvement plan budgets for and specifies the source of funding for all capital upgrades. KBRA views both of these changes as credit positives. Furthermore, East Goshen Township formalized its policies on maintaining capital reserves. In FY 2013, the Township transferred net revenues of its General Fund to the capital reserve fund such that the capital reserve fund has sufficient financial resources to cover the full replacement costs of all Township-owned capital assets. This transfer is consistent with actions taken by the Township in previous years. In addition, the Township uses an accumulated depreciation formula to ensure that the capital reserve fund has sufficient assets to replace in full any capital purchased after FY 2013.

### **Rating Determinant 2: Municipal Resource Base**

KBRA views the Township's municipal resource base as very strong and consistent with a AAA rating determinant rating. This rating level is primarily driven by a stable population, high per capita income, diverse tax base, and very high full market value. Proximity to major employment hubs in Philadelphia, Wilmington, and surrounding Chester County offers the Township relatively stable employment and low poverty rates. In addition, East Goshen Township's level of educational attainment is more than double the Commonwealth of Pennsylvania and the United States. Per data from the Pennsylvania State Tax Equalization Board (STEB), East Goshen Township's full market value in 2013 was \$2.44 billion while full value per capita declined slightly from \$136,340 in 2012 to \$134,932 in 2013. KBRA views the Township's full value per capita as very high.

The Township's population has grown 7.7% from 2000 to 2013, which is lower than the growth rate of Chester County, but is higher than Pennsylvania's 2.7% growth rate statewide in the same period of time. KBRA views East Goshen Township's income per capita as very high, at 121% of the county and 177% and 179% of the Commonwealth and United States respectively. The Township's unemployment rate continues to decline from 6.2% in 2010 to 4.1% in July 2015, which is in line with the Commonwealth and stronger than the United States.

	East Goshen Township		Chester County		Pennsylvania			United States			
	2013	Chg from 2010	2013	Chg from 2010	East Goshen Township as % of Chester County	2013	Chg from 2010	East Goshen Township as % of Pennsylvania	2013	Chg from 2010	East Goshen Township as % of United States
Population	18,111	0.7%	509,468	1.9%		12,731,381	0.9%		316,128,839	2.2%	
Age Dependency Ratio <sup>1,2</sup>	73.4%	-3.2	60.9%	0.2	120.6%	59.8%	-0.6	122.8%	59.8%	0.9	122.8%
Population with B.A. Degree or higher <sup>2</sup>	57.1%	2.6	49.1%	-0.6	116.3%	27.5%	1.1	207.6%	29.6%	1.4	192.9%
Poverty Level <sup>2</sup>	3.5%	-1.5	7.0%	0.8	50.0%	13.3%	0.9	26.3%	15.8%	0.5	22.2%
Income per capita	\$50,423	6.5%	\$41,741	4.0%	120.8%	\$28,502	5.4%	176.9%	\$28,184	8.2%	178.9%

Source: U.S. Census Bureau is used as the source in order to provide a consistent comparison among different units of government.

<sup>1</sup> Age dependency ratio is the sum of the population under 18 yrs and over 65 yrs divided by persons age 18 to 64 yrs.

<sup>2</sup> Year over year change shown as nominal change in percentage points

East Goshen Township’s full market value of the property tax base has shown an average annual increase of 2.5% since 2009, with a slight decline in 2013. During this same time period, the Township’s assessed valuation has been largely flat, averaging a 0.3% annual decline. KBRA considers East Goshen Township’s tax base as diverse with the top ten taxpayers accounting for 7.8% of assessed value in 2014. Major local employers include CTDI (telecommunications company) and Syntheses (division of Johnson & Johnson that manufactures medical equipment). Major companies including Vanguard Group Inc. and Siemens Healthcare are also headquartered in Chester County, PA. Township tax collections averaged over 99% during the past five years.

### **Rating Determinant 3: Debt and Additional Continuing Obligations**

KBRA continues to view the Township’s overall debt burden as low to moderate and as being consistent with a AAA rating determinant rating, based on KBRA’s view of low to moderate debt per capita. In FY 2014, East Goshen Township’s direct and indirect debt per capita was approximately \$5,055 which KBRA considers moderate. Overall debt to full value remains low at 3.7% while debt service as a percent of total governmental expenditures is also low at 7.6%. Amortization of direct debt is lower than prior years beginning in FY 2014. This is due to the issuance of the Series 2013 Guaranteed Sewer Notes in FY 2013 which increased the Township’s direct debt outstanding and extended the debt service schedule. Inclusive of this additional debt, KBRA considers direct debt amortization to be average, with 53.8% of principal to be retired within 10 years and 94.1% retired within 20 years.

### **Overall Direct and Overlapping Debt**

As of December 31, 2014 the Township’s total outstanding direct debt was \$15.9 million. KBRA’s total direct debt calculation of East Goshen Township includes the Township’s debt of \$5.2 million and the Municipal Authority’s lease rental debt of \$10.6 million. With the exception of the Township’s share of the cost of construction of a shared regional police building with Westtown Township, approximately \$1.0 million outstanding, all of the Township’s debt is in the form of fixed rate loans from the Delaware Valley Regional Finance Authority. The Township’s total overlapping debt of \$75.6 million represents its allocable portion of Chester County, PA and West Chester School District’s total debt outstanding. Management states that there are no current plans to issue further debt.

East Goshen Township Debt Ratios	
Fiscal Year 2014	
KBRA Metric	Ratio
Overall direct and indirect debt per capita	\$5,055
Overall debt as % of 2014 full market value of property	3.7%
Debt amortization within 10 years	53.8%
Debt amortization within 20 years	94.1%
Direct debt service as a % of total governmental expenditures	7.6%

Source: East Goshen Township Audited Financial Statements FY 2014

### Township Pension Plans and OPEB Liability

East Goshen Township has two pension plans for its fire, and non-uniformed employees along with a shared interest of a defined benefit pension plan for police. As of January 1, 2013 the Township's share of the police pension plan, consisting of 36 members, had a funded ratio of 63.4% and the fire pension plan, consisting of 10 members, had a funded ratio of 91.2%. The Township's non-uniform pension plan, consisting of 35 members, has been closed off to new entrants since December 31, 2010. The Township no longer contributes to the plan and it remains well funded at 133.7%. In FY 2013, the Township's annual pension cost for its two active defined benefit plans was \$938,675 which represents 9.2% of total FY 2014 governmental expenditures. It is important to note, however, that state aid covers the entire minimum municipal obligation (MMO) for East Goshen Township's defined benefit pension plans.

The Regional Police Commission, which administers the joint police pension plan between East Goshen Township and Westtown Township, also administers medical and prescription drug benefits for eligible retired employees and spouses (OPEB) through a defined benefit plan. The Township's annual actuarial required contribution (ARC) payment in FY 2014 was \$80,619, or approximately 0.8% of total governmental expenditures. The Township's OPEB contribution was reduced by more than 75.0% from FY 2013 to FY 2014. The primary drivers of this decline were a renegotiated labor contract with police officers that included a higher deductible health plan which reduced Township health benefit payments, as well as a correction to the calculation that amortizes the Township's unfunded OPEB actuarial accrued liability. The calculation was corrected to appropriately account for restricted funds set aside by East Goshen Township, Westtown Township, and the Regional Police Commission for OPEB benefits. Township management plans to request a new study of its OPEB benefits based on changes resulting from GASB 45. Beginning in FY 2016, the Township expects its annual required OPEB contribution to increase by approximately 60.0%, or approximately \$130,000. East Goshen Township does not offer or provide any additional OPEB benefits.

Without consideration of state aid for pension payments, East Goshen Township's total fixed costs in FY 2014, defined as debt service, pension payments, and pay-as-you-go OPEB payments, were \$1.8 million and represented 17.7% of total governmental expenditures.

### Delaware Valley Finance Authority

There are certain swap-related risks allocable to the Township in that DelVal can assess any swap termination costs of the program on a proportionate basis to East Goshen Township. The swap agreements with the various swap counterparties include rating downgrade triggers for automatic termination for the counterparties and DelVal. As of September 30, 2015, the aggregate mark-to-market

termination value allocable to the Township, in the event that all DelVal swaps were terminated, would be a positive \$696,238.

### **Rating Determinant 4: Financial Performance and Liquidity**

KBRA views the financial position of East Goshen Township as very strong and consistent with a AAA rating determinant rating. This rating determinant reflects the Township’s history of operating surpluses, consistent growth of available fund balance, and historically balanced budgets. The Township’s operations fared well during the most recent recession, with operating surpluses ranging from 6.1% to 24.3% of total General Fund expenditures. East Goshen Township’s operating results reflect conservative budgeting and a history of accurate revenue and expenditure projections.

### **FY 2014 Operations**

The General Fund ended FY 2014 with an operating surplus of \$1.0 million, or approximately 11.2% of total General Fund expenditures. After declining 9.7% between FY 2012 and FY 2013 due to statutory changes in tax collection procedures, Earned Income Tax (EIT) revenues, a percentage tax on gross income based on an individual’s place of residence, remained level in FY 2014 and totaled \$4.7 million. EIT continues to serve as the largest source of General Fund revenues, at 47.0% in FY 2014. Going forward, management expects that EIT revenues will come in as budgeted.

Total General Fund revenues increased year over year in FY 2014 by 4.9% while expenditures increased by 8.8%. The increase in revenues was largely driven by increased property and real estate transfer tax collections. Expenditure growth was driven by wage increases, primarily related to public safety. After transfers, the total fund balance increased by 9.4% to \$7.4 million. Due to the creation of an operating reserve within the Township’s General Fund, unassigned fund balance declined by 29.0% from \$6.3 million in FY 2013 to \$4.8 million in FY 2014. This level of unassigned fund balance is equal to 54.2% of FY 2014 General Fund expenditures.

<b>General Fund FY 2012-FY 2014</b>			
<b>Revenues, Expenditures and Changes in Fund Balance (Modified Accrual Basis)</b>			
	<b>2014</b>	<b>2013</b>	<b>2012</b>
General Fund Revenue	\$9,928,637	\$9,465,554	\$10,040,568
<i>percent change</i>		4.9%	-5.7%
General Fund Expenditures	\$8,925,769	\$8,205,183	\$8,075,532
<i>percent change</i>		8.8%	1.6%
Surplus (Deficit) from Operations	1,002,868	1,260,371	1,965,036
Total Other Financing Sources (Uses)	(\$362,990)	(\$931,525)	(\$337,553)
Net Change in Fund Balance	639,878	328,846	1,627,483
Total Fund Balance	\$7,436,793	\$6,796,915	\$6,468,069
Nonspendable	\$90,253	\$18,845	\$54,000
Unassigned	\$4,840,923	\$6,263,062	\$6,414,069
<b>Unassigned Fund Balance as a % of General Fund Expenditures</b>	<b>54.2%</b>	<b>76.3%</b>	<b>79.4%</b>

Source: East Goshen Township Audited Financial Statements FY 2012 - FY 2014

### **FY 2015 Projections**

East Goshen Township’s management team provides its Board of Supervisors and the general public a monthly report that monitors its budget to actual performance. As of August 31, 2015, both General Fund revenues and expenditures are higher than anticipated. Total General Fund expenditures are \$57,177 over budget, which is primarily driven by a \$202,686 positive variance in public works expenditures due to the

costs of resurfacing and plowing Township roads. Revenues are over budget by \$446,188 due to the unexpected sale of a large commercial property within the Township, which generated higher than budgeted Real Estate Transfer Tax revenues. East Goshen Township is projected to end FY 2015 with a \$243,171 surplus in its General Fund.

### **Liquidity Position**

As of December 31, 2014, the Township's cash position in its governmental funds totaled just over \$10 million. This equates to over 408 days cash, based on General Fund expenditures which KBRA views as a very strong liquidity position.

### **Bankruptcy Assessment**

It is KBRA's understanding that to be a debtor under the municipal bankruptcy provisions of the U.S. Bankruptcy Code (Chapter 9), an entity must, among other things, qualify under the definition of "municipality" in the Bankruptcy Code and must be specifically authorized to file a municipal bankruptcy petition by the State in which it is located. It is KBRA's understanding that the Authority is a municipal authority and a body corporate and politic under the laws of Pennsylvania. Pennsylvania law does not include provisions permitting the Authority to file a Chapter 9 petition. While KBRA understands that Pennsylvania law includes provisions permitting "municipalities" and "political subdivisions," both as defined under State law, to file a Chapter 9 petition after seeking and receiving the permission of the Commonwealth, the applicable definitions of "municipality" and "political subdivision" do not include a municipal authority, such as the Authority. KBRA understands that such authorization would require new action by the Pennsylvania State legislature.

KBRA further understands that with respect to the Township, the Township qualifies as a "municipality" under the Bankruptcy Code. With respect to specific state authorization, Act 47 of the Commonwealth of Pennsylvania, known as the "Distressed Municipalities Act," governs the process, and thus the ability of the Township to declare bankruptcy under the Federal Bankruptcy Code. Act 47 includes specific conditions under which a municipality may file a municipal debt adjustment action pursuant to the Bankruptcy Code. Act 47 also contains provisions and circumstances under which a municipality may be declared to be in "financial distress," making it eligible for interest-free loans, grants, and/or administrative assistance from the State Department of Community and Economic Development (DCED). The DCED would have the authority to recommend a plan to increase taxes or other sources of revenues, reduce services, or reschedule obligations and the Township would only be permitted under Pennsylvania law to file a Chapter 9 petition if it has sought and received the permission of the DCED to file such a petition. Thus, assuming the Township meets the conditions provided under Pennsylvania law to file a Chapter 9 petition, and meets the other eligibility requirements of Bankruptcy Code Section 109, KBRA understands that it would be permitted to file a Chapter 9 petition.

### **Conclusion:**

Overall, KBRA has affirmed the long-term rating of AAA with a stable outlook on East Goshen Municipal Authority (the Authority), Pennsylvania's general obligation (GO) and GO guaranteed debt. The KBRA rating is based on East Goshen Township's full faith and credit general obligation guarantee, backed by its unlimited taxing power, on scheduled principal and interest due on GO and GO guaranteed debt.

**Analytical Contacts:**

Gopal Narsimhamurthy, Senior Analyst  
[gnarsimhamurthy@kbra.com](mailto:gnarsimhamurthy@kbra.com), (646) 731-2446

Andrew Clarke, Senior Director  
[aclarke@kbra.com](mailto:aclarke@kbra.com), (646) 731-2380

**Related Publications:**

- **General Obligation Bonds Series 2013-A and 2013-B**
- **U.S. Local Government General Obligation Rating Methodology**

© Copyright 2015, Kroll Bond Rating Agency, Inc., and/or its licensors and affiliates (together, "KBRA"). All rights reserved. All information contained herein is proprietary to KBRA and is protected by copyright and other intellectual property law, and none of such information may be copied or otherwise reproduced, further transmitted, redistributed, repackaged or resold, in whole or in part, by any person, without KBRA's prior express written consent. Ratings are licensed by KBRA under these conditions. Misappropriation or misuse of KBRA ratings may cause serious damage to KBRA for which money damages may not constitute a sufficient remedy; KBRA shall have the right to obtain an injunction or other equitable relief in addition to any other remedies. The statements contained in this report are based solely upon the opinions of KBRA and the data and information available to the authors at the time of publication of this report. All information contained herein is obtained by KBRA from sources believed by it to be accurate and reliable; however, KBRA ratings are provided "AS IS". No warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, or fitness for any particular purpose of any rating or other opinion or information is given or made by KBRA. Under no circumstances shall KBRA have any liability resulting from the use of any such information, including without limitation, for any indirect, special, consequential, incidental or compensatory damages whatsoever (including without limitation, loss of profits, revenue or goodwill), even if KBRA is advised of the possibility of such damages. The credit ratings, if any, and analysis constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. KBRA receives compensation for its rating activities from issuers, insurers, guarantors and/or underwriters of debt securities for assigning ratings and from subscribers to its website.

**EAST GOSHEN TOWNSHIP**  
**CHESTER COUNTY, PENNSYLVANIA**

**ORDINANCE NO. \_\_\_-2015**

**AN ORDINANCE OF EAST GOSHEN TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA, ENACTED PURSUANT TO THE TERMS OF THE INTERGOVERNMENTAL COOPERATION LAW, 53 Pa. C.S.A. §2301, et seq., AUTHORIZING THE TOWNSHIP TO ENTER AN INTERGOVERNMENTAL AGREEMENT, SPECIFICALLY A TRUST AGREEMENT TO AUTHORIZE THE TOWNSHIP'S PARTICIPATION IN THE DELAWARE VALLEY HEALTH TRUST.**

**WHEREAS**, the Pa. Intergovernmental Cooperation Law, as amended, 53 Pa. C.S.A. §§2301, et seq., authorizes local government units and agencies to jointly cooperate and enter into intergovernmental agreements with other local government units and agencies in the performance of their governmental functions, powers or responsibilities; and

**WHEREAS**, the Board of Supervisors of East Goshen Township has determined that it is in the best interests of its full-time employees and their dependents to become a participant in the Delaware Valley Health Trust, a self-insured governmental multiple employer welfare arrangement and public employer health benefits Trust organized under the laws of Pennsylvania.

**NOW THEREFORE**, the Board of Supervisors of East Goshen Township, does hereby ENACT and ORDAIN:

**SECTION 1.** That the Township Manager is hereby authorized to execute the Trust Agreement and any other agreements necessary for East Goshen Township's participation in the Delaware Valley Health Trust. The Delaware Valley Health Trust Agreement is attached hereto as Exhibit "A" and incorporated herein by reference. The Trust Agreement attached hereto is on

file for inspection and review at the Offices of East Goshen Township at 1580Paoli Pike; West Chester, PA 19380. This Trust Agreement may be subsequently modified or amended but in no event shall such amendments or modifications materially adversely affect the right of East Goshen Township to participate in the Delaware Valley Health Trust.

**SECTION 2.** That the participation of East Goshen Township in the Delaware Valley Health Trust is authorized for the purpose of obtaining high quality health benefits at the most reasonable cost to East Goshen Township and its employees, retirees and their dependents.

**SECTION 3.** As set forth in the Trust Agreement and as otherwise stated herein, the following conditions apply to the participation of East Goshen Township in the Delaware Valley Health Trust:

1. That each Trust Participant must meet the admission and eligibility requirements set forth therein;
2. That each Trust Participant agrees to pay all contributions when due as provided in the Trust Agreement and any By-Laws adopted by the Trust;
3. That each Trust Participant uses its best efforts to provide appropriations for the payment of any contributions required to achieve the purposes and objectives of the Trust;
4. That each Trust Participant cooperate fully in achieving the purposes and objectives of the Trust; and
5. That each Trust Participant comply with all other terms and conditions of the Trust Agreement.

**SECTION 4.** That East Goshen Township agrees to participate in the Delaware Valley Health Trust for a minimum of two years and thereafter may withdraw for any reason whatsoever provided that it has fulfilled all the applicable conditions in the Trust Agreement and satisfies all its financial obligations to the Trust upon withdrawal.

**SECTION 5.** The effective date of the participation of East Goshen Township in the Delaware Valley Health Trust will be February 1, 2016.

**SECTION 6.** The organizational structure of the Trust consists of a Board of Trustees and Executive Committee selected by the Board of Trustees in accordance with the Trust Agreement.

**SECTION 7.** The Board of Supervisors of East Goshen Township delegates to the Board of Trustees of the Delaware Valley Health Trust the powers enumerated in the Trust Agreement.

**SECTION 8.** All contributions paid by East Goshen Township shall be made with funds appropriated by the Board of Supervisors of East Goshen Township for that purpose.

**SECTION 9.** The funds required for the operation of the Trust shall be provided by the Trust Participants through annual appropriations.

**SECTION 10.** The Delaware Valley Health Trust is empowered to enter into contracts for policies of group insurance and employee benefits, including social security, for any of its employees.

**SECTION 11.** As a condition of participating in the Delaware Valley Health Trust, East Goshen Township agrees to comply with all the terms and conditions in the attached Trust Agreement.

**SECTION 12.** This Ordinance is being enacted pursuant to the provisions of the Pa. Intergovernmental Cooperation Law, as amended, 53 Pa. C.S.A §§2301, et seq.

ENACTED and ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

ATTEST:

**EAST GOSHEN TOWNSHIP  
BOARD OF SUPERVISORS**

\_\_\_\_\_  
Louis F. Smith, Secretary

\_\_\_\_\_  
E. Martin Shane, Chairman

\_\_\_\_\_  
Senya D. Isayeff, Vice-Chairman

\_\_\_\_\_  
Carmen Battavio, Member

\_\_\_\_\_  
Charles W. Proctor, III, Esquire, Member

\_\_\_\_\_  
Janet L. Emanuel, Member

DELAWARE VALLEY  
HEALTH  
TRUST AGREEMENT

4/1/99  
(As amended as  
of 7/1/14)

DELAWARE VALLEY HEALTH  
TRUST AGREEMENT

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Parties .....	1
Preamble .....	1
ARTICLE I DEFINITIONS	
1.01 Definitions .....	3
1.02 Interpretation .....	6
ARTICLE II TRUSTEES	
2.01 Qualifications of a Trustee .....	6
2.02 Composition of Board of Trustees .....	7
2.03 Election of Trustees .....	7
2.04 Resignation of a Trustee .....	7
2.05 Removal of Trustee .....	7
2.06 New Trustees .....	7
2.07 Board Chairman and Executive Committee .....	7
ARTICLE III PARTICIPANTS	
3.01 Eligibility Requirements .....	8
3.02 Approval of Participants .....	9
3.03 Contributions .....	9
3.04 Obligations, Duties and Liabilities of Participants .....	10
3.05 Expulsion and Withdrawal of Participants .....	11

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
ARTICLE IV ACCEPTANCE OF TRUST	
4.01 Acceptance .....	14
4.02 Future Trustees .....	15
4.03 Trustees' Duties and Obligations .....	15
4.04 Liability of Trustees .....	15
ARTICLE V OPERATION OF THE TRUSTEES	
5.01 Office .....	16
5.02 Meetings .....	16
5.03 Extraordinary Votes .....	16
5.04 Indemnification .....	16
ARTICLE VI PURPOSE OF THE TRUST; POWERS OF TRUSTEES	
6.01 Purposes of Trust .....	18
6.02 Powers of Trustees .....	19
6.03 Payment of Claims and Claims Disputes .....	23
ARTICLE VII OPERATION OF THE TRUST FUNDS; REVENUES	
7.01 Payment of Contributions and Assessments .....	23
7.02 Establishment of Bank Accounts .....	24

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
7.03 Dividends and Rate Stabilization Fund .....	25
7.04 Deficits .....	25
7.05 Bonds .....	25
ARTICLE VIII AMENDMENTS	
8.01 Consent of Trustees .....	25
8.02 Limitation on Amendments .....	26
ARTICLE IX TERMINATION	
9.01 Term of Trust .....	26
9.02 Termination of Trust .....	26
ARTICLE X MISCELLANEOUS	
10.01 Title to the Trust .....	27
10.02 Execution of Documents .....	27
10.03 Notice .....	27
10.04 Construction .....	27
10.05 Counterparts .....	27
10.06 Subrogation .....	28

TABLE OF CONTENTS

<u>Section</u>		<u>Page</u>
10.07	Limitation of Liability .....	28
10.08	Arbitration .....	28
10.09	General Representations of Participant .....	28
10.10	Severability of Invalid Provisions .....	29

## DELAWARE VALLEY HEALTH

### TRUST AGREEMENT

This is the Intergovernmental Agreement, hereafter known as the Delaware Valley Health Trust Agreement, dated as of April 1, 1999, by and among the participating local government agencies and entities which are now and hereafter parties signatory to this Agreement and listed in Appendix "A" hereof, as may be amended from time to time, and those Trustees (as hereinafter defined) listed in Appendix "B" hereof, as may be amended from time to time.

#### WITNESSETH:

**WHEREAS**, certain municipalities, school districts, counties, authorities and various intergovernmental entities (including commissions and school district intermediate units), volunteer fire companies and other local government units and agencies desire to enter into and create a self-insured governmental multiple employer welfare arrangement and/or public employer health benefits trust pursuant to all applicable federal and state laws, including, but not limited to, the Pennsylvania Constitution, the Pennsylvania Intergovernmental Cooperation Law, 53 Pa. C.S.A. §§2301 et seq.; the Municipality Authorities Act of 1945, 53 Pa. C.S.A. §5601, et seq.; and the Pa. Political Subdivision Tort Claims Act, 42 Pa. C.S.A. §8541, et seq., and any comparable laws of the State of Delaware.

**WHEREAS**, the purpose of the self-insured governmental multiple employer welfare arrangement and/or public employer health benefits trust created by this Agreement is to provide comprehensive, high quality health benefits on a pooled basis for the employees and their dependents, and retirees of the municipalities, school districts, counties, authorities and intergovernmental entities (including commissions and school district intermediate units), volunteer fire companies and other local government units and agencies who are parties to this Agreement, while allowing them to better control the cost and availability of those health benefits;

**WHEREAS**, the Delaware Valley Health Trust is created for the express purpose of performing an essential governmental function with the meaning of IRS Rev. Ruling 90-74 (1990-2 CB 34) and any other applicable laws and regulations.

**WHEREAS**, the municipalities, school districts, counties, authorities and intergovernmental entities (including commissions) who are parties to this Agreement (hereinafter referred to as the "Participants") have hereby created the Delaware Valley Health

Trust for the purpose of implementing the multiple employer welfare arrangement and/or public employer health benefits trust set forth in this Agreement;

**WHEREAS**, the Delaware Valley Health Trust shall administer and/or oversee the administration of the Health Benefit Plans that will provide benefits to all Participants' employees, or any class or classes thereof, their dependents and eligible classes of the Participants' retirees, for health, hospitalization, medical, surgical, dental and other health care services;

**WHEREAS**, the Delaware Valley Health Trust (hereinafter the "Trust") is a "governmental instrumentality" under the Internal Revenue Code, as amended by the Affordable Care Act.

**WHEREAS**, the Health Benefits Plans provided under this Agreement are "governmental plans" within the meaning of the Employee Retirement Income Security Act of 1974 (Public Law 93-406), 29 U.S.C. § 1002 (32);

**WHEREAS**, monies will be paid initially by all Participants and continue to be paid from time to time by Participants to a Board of Trustees (the "Trustees"), which funds will constitute trust funds to be held for the exclusive benefit of the Participants;

**WHEREAS**, all initial Participants entered into this Trust Agreement with a promise to make an initial capitalization contribution and monthly contribution payment by no later than January 1, 1999, or at some other date to be determined by the Board of Trustees;

**WHEREAS**, the Participants desire the Trustees to collect, receive, hold, invest, reinvest, manage, dispose of, distribute, and otherwise to administer the Trust funds, and the Trustees have indicated their willingness to do so, all pursuant to terms of this Agreement; and

**WHEREAS**, the Trustees and the Participants desire to establish the terms and conditions under which the Trust will be operated.

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged by each party, one to the other, the Participants do hereby give and assign in trust the annual contributions and all income therefrom, and such other sums as may be made part of the Trust, to the Trustees, and the Trustees hereby accept the trusts herein contained and declare that they will administer, manage, collect,

receive, dispose of, and distribute such trust property for the benefit of the Participants as hereinafter provided, all parties agreeing to abide by the terms and covenants contained in this Agreement, as follows:

## ARTICLE I

### DEFINITIONS

**1.01**        Definitions.    The terms defined in this Section 1.01 and in the preambles hereto (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement and of any amendment or supplement hereto shall have the respective meanings specified in this Section 1.01 and said Preamble.

Actuary - The actuarial firm selected by the Trustees, whose duties shall include, but not be limited to, the evaluation of underwriting or loss data submitted by eligible Participants and the rendering of opinions and certifications as required by the Board of Trustees in accordance with the Trust Agreement and By-Laws.

Adjustments - A decrease or increase of a Participant's annual contribution as determined by the Board of Trustees in accordance with the Trust Agreement and By-Laws.

Administrator or Trust Administrator - The individual or entity responsible for the day to day operations of the Trust.

Agreement or Trust Agreement - The Delaware Valley Health Trust Agreement, as set forth herein and as amended from time to time.

Application - The documents which must be submitted by all eligible applicants for admission to the Trust, including, but not limited to, any claims and census data, or any other information which an eligible applicant may be required to provide for admission to the Trust.

Assessments - Any additional payment(s) to the Trust which a Participant may be required to make as determined by the Board of Trustees in accordance with the Trust Agreement and By-Laws.

Board of Trustees - The governing body of the Delaware Valley Health Trust whose members are selected in accordance with the Trust Agreement and By-Laws.

By-Laws - The By-Laws governing the operation of the Trust as adopted and amended by the Board of Trustees in accordance with this Agreement.

Capitalization Contribution - Payments made by the initial Participants to create the Trust.

Contact Person - An individual designated by each Participant as a liaison between that Participant and the Board of Trustees, and the Trust's officers, employees or agents.

Contribution - The amount of money determined by the Board of Trustees and charged to each Participant during the Trust Year in exchange for the benefits as adjusted on a monthly basis under the Health Benefits Plans.

Coverage Period - The one year period in which each Participant will be provided coverage under the Health Benefits Plans in exchange for monthly contribution payments for that coverage period.

Dividends - Monies paid to Participants as determined by the Board of Trustees which are in excess of those funds required for the payment of claims and administrative expenses.

Effective Date - A date determined by the Trustees on which a Participant will be provided health benefits as set forth in the Health Benefits Plans.

Executive Committee - The committee appointed by the Board of Trustees in accordance with this Agreement and the By-Laws.

Expulsion - The involuntary removal or termination of a Participant from the Trust by action of the Trustees as provided in this Agreement and any applicable By-Laws.

Fiscal Agent(s) - Financial institutions selected by the Board of Trustees to handle and invest the monies held in the various funds administered by the Trust in accordance with this Agreement and any applicable By-Laws.

Fund - A fund established by the Board of Trustees in accordance with the Trust Agreement and By-Laws for the purpose of paying all claims and administrative expenses of the Trust.

Group Master Health Benefits Contracts - The contracts or agreements between the Trust and the company selected by the Board of Trustees to administer the Health Benefit Plans.

Health Benefits - Various forms of health benefits provided by and/or through the Trust, including hospitalization, medical, surgical, dental and other health care services.

Health Benefits Plans - Any documents containing a description of the health benefits provided by and/or through the Trust, and the terms and conditions applicable thereto.

Initial Participants - Those Participants who are initial signatories to this Agreement and became Participants in the Trust on or before January 1, 1999.

Local Government - Any political subdivision or local agency of the Commonwealth of Pennsylvania and the State of Delaware. This definition includes any cities, towns, townships, boroughs, school districts, counties, authorities and intergovernmental entities (including commissions and school district intermediate units), volunteer fire companies and other local government units and agencies eligible for participation in the Delaware Valley Health Trust.

Participant - Any city, township, borough, school district, county, authority or any intergovernmental entity (including commissions and school district intermediate units), volunteer fire companies and other local government units and agencies eligible to participate in the Trust which becomes a party to this Agreement and whose participation in the Trust has not been terminated in accordance with this Agreement and any applicable By-Laws.

Rate Stabilization Fund - A fund established by the Trust which can be used by Participants to reduce the cost of their annual contributions.

Service Agents - One or more service companies or consultants employed by the Trustees to be responsible for underwriting matters, claims administration, loss control, accounting and such other duties as determined by the Board of Trustees and specified by contract.

Service Contract - Any contract for service between the Trust and a Service Agent.

Surplus - Net worth of the Trust since its inception.

Termination or Terminated - The voluntary withdrawal or involuntary expulsion of a Participant from the Trust in accordance with this Agreement and any applicable By-Laws.

Third Party Administrator - The company retained by the Trust to administer the payment of benefits under the Health Benefits Plans and in accordance with the Group Master Health Benefits Contracts.

Trust - The Delaware Valley Health Trust,

Trust Year - The first fiscal year of the Trust shall commence on April 1, 1999 and ended on December 31, 1999. Thereafter, the Trust fiscal year shall run from January 1 to December 31 of all subsequent years.

Trustee - Each person serving as a member of the Board of Trustees referred to from time to time, collectively as the "Trustees" or "Board of Trustees" or "Board".

Underwriting Consultant - Advisor or firm selected to assist the Trust with underwriting and rating requirements for current Participants and new applicants.

**1.02 Interpretation.** The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. Headings or titles to Articles, Sections, and other subdivisions of this Agreement are for convenience only and shall be given no effect, meaning, or construction whatsoever and shall not define or limit any provision of this Agreement.

## ARTICLE II

### TRUSTEES

#### 2.01 Qualifications of a Trustee.

(a) A Trustee shall be either (1) an elected or appointed official of a Participant, including any Township or Borough Managers, or (2) an employee of a Participant with expertise in finance or health benefits.

(b) A Trustee shall not be employed by or have any direct or indirect financial interest in any Service Agent or other organization providing service to the Trust.

(c) Nor shall a Trustee have any other conflict of interest within the meaning of the Pa. Ethics Act, 65 Pa. C.S. §1101 *et seq.*, as amended, or, where applicable, any comparable law or regulation of the State of Delaware.

**2.02      Composition of Board of Trustees.**

The Trust shall be governed by a Board of Trustees. No Participant shall be represented by more than one Trustee on the Board of Trustees. However, a Participant may authorize its Trustee to appoint an Alternate for a scheduled meeting or event of the Board. An Alternate shall have the full voting rights and powers granted to the Trustee. All members of the initial Board of Trustees were appointed to serve a term commencing upon April 1, 1999 and expiring on December 31, 1999.

**2.03      Election of Trustees.**

The initial Board of Trustees shall provide in the By-Laws for the form and method of election of subsequent Trustees.

**2.04      Resignation of a Trustee.**

A Trustee may resign by giving at least thirty (30) days prior notice in writing sent by registered mail to the Chairman of the Trustees. Such notice shall state the date said resignation shall take effect, and such resignation shall take effect on such date.

**2.05      Removal of Trustees.**

A Trustee may be removed from office in accordance with the By-Laws if he or she fails, or subsequently ceases, to meet the qualifications of Section 2.01 hereof; and may be removed if he fails to attend three (3) consecutive meetings of the Board or is terminated for cause by a 2/3 vote of the Trustees. Upon removal of a Trustee, the position shall be filled pursuant to Section 2.06 hereof.

**2.06      New Trustees.**

(a) In the event a Trustee resigns, is removed or is otherwise unable to serve, the Participant represented by that Trustee shall appoint a replacement to complete the original Trustee's term of office.

(b) Any Trustee, upon leaving office, shall forthwith turn over and deliver to the principal office of the Trust, any and all records, books, documents or other property in his or her possession or under his control which belong to the Trust.

**2.07      Board Chairman and Executive Committee.**

The Trustees shall elect a Chairman of the Board by simple majority vote whose duties shall be set forth in the By-Laws. The Trustees shall also appoint an Executive Committee by

majority vote consisting of not less than five (5) Trustees, two of whom will be the Chairman and Vice Chairman of the Board of Trustees. The Trustees may delegate in writing to the Executive Committee such powers and duties as the Trustees deem appropriate and desirable except the exercise of those powers for which a two-thirds majority vote of the Trustees is required. The Executive Committee shall meet as determined by the Chairman of the Board of Trustees.

### ARTICLE III

#### PARTICIPANTS

##### 3.01 Eligibility Requirements.

(a) Participation in the Trust shall be limited to municipalities, school districts, counties, authorities and any intergovernmental entities (including commissions and school district intermediate units), volunteer fire companies and other local government units and agencies of the Commonwealth of Pennsylvania and the State of Delaware that otherwise satisfy the underwriting standards and other eligibility requirements set forth in this Agreement. Only paid employees of volunteer fire companies shall be eligible to enroll in the Health Benefit Plans. The Executive Committee reserves the right to require any applicant to pay an application fee.

(b) Each Participant shall meet the underwriting standards and other requirements established by the Board of Trustees.

(c) Each Participant shall have a loss or claims history which does not present an undue risk to the actuarial soundness of the Trust.

(d) Each Participant must receive a positive recommendation from the Underwriting Consultant prior to acceptance. This recommendation will be based upon an analysis conducted by the Underwriting Consultant which may include an evaluation of the applicant's loss or claims history, if such data is available.

(e) Each Participant must be professionally managed, utilizing International City Management Association ("ICMA") Recognition Criteria, or satisfy equivalent management criteria adopted by the Executive Committee.

(f) Each Participant must agree to make a commitment to participate in the Trust for a minimum period of at least two (2) years or more, depending upon which period is necessary, in the judgment of the Executive Committee, acting upon the recommendation of the Underwriting Consultant, to assure the

fiscal and actuarial soundness of the Trust.

(g) The Executive Committee, acting upon the recommendation of the Underwriting Consultant, may establish any other conditions upon an applicant for participation in the Trust as reasonably required under the circumstances.

### **3.02        Approval of Participants.**

(a) All applicants must pay an application fee as determined by the Executive Committee.

(b) All applicants must provide all underwriting information requested by the Executive Committee, including any census and claims data as may be available.

(c) All Participants must be approved by two-thirds (2/3) majority vote of the Board of Trustees. The Administrator must certify in writing that the successful applicant has met all the requirements for admission to the Trust.

(d) Upon approval of a Participant by the Board of Trustees, the Executive Committee shall establish the effective date for the benefits provided to that Participant under the Health Benefits Plans.

(e) Upon execution of this Agreement the applicant shall become a Participant in the Trust and shall be bound by all terms and conditions hereof, including the payment of all contributions when due. Each such Participant shall submit evidence satisfactory to the Trust Administrator of approval for participation by its governing body, including any ordinances or resolutions which may be required under any applicable state law.

### **3.03        Contributions.**

(a) Contributions shall be established by the Executive Committee in consultation with the Underwriting Consultant, the Trust Actuary and the Third Party Administrator. The rates upon which the monthly Contribution is based shall be established at least thirty (30) days before commencement of the Trust Year.

(b) Contributions shall be due and payable as determined by the Executive Committee, in accordance with this Agreement and the Trust By-Laws.

(c) If a Participant fails or refuses to pay its Contributions in full when due and owing, the Executive Committee

may, by 2/3 majority vote, order the Participant to pay the amount due, which order is not appealable to the Board of Trustees and may be enforced as a judgment against the Participant by the Trust in any court of competent jurisdiction. The Executive Committee may also apply any RSF funds held for that Participant toward the amount owed.

**3.04 Obligations, Duties and Liabilities of Participants.**

(a) Each Participant agrees to fulfill all obligations and duties set forth in this Agreement. The withdrawal or expulsion of any Participant pursuant to this Article III shall not affect this Agreement nor the Trust created herein, except where otherwise expressly provided.

(b) Each Participant is liable under this Agreement for the payment of contributions.

(c) Each Participant will use its best efforts to provide appropriations for the payment of any contributions and assessments required by the Trust.

(d) Each Participant agrees to institute any and all reasonable procedures that may be required by the Trustees for the purpose of minimizing or eliminating health hazards or risks that could contribute to losses, subject to any collective bargaining agreements.

(e) Each Participant agrees that it will cooperate fully with the Trust's Service Agent(s), attorneys, Third Party Administrator and any other agent or employee of the Trust in relation to the purposes and powers of the Trust, including, but not limited to, the evaluation and payment of claims.

(f) Each Participant agrees to designate its Trustee as the Contact Person to be responsible for all contacts with the Trust. The Trustees, the Administrator and the service agent(s) shall not be required to contact any other individual except the Trustee in dealing with the Participant. Any notice to or any agreements with the Trustee shall be binding upon the Participant.

(g) The Participants will furnish to the Trustees such underwriting information as may be required by the Executive Committee prior to the end of the Trust Year, and any other information which may be requested by the Board or the Executive Committee.

(h) Participants hereby acknowledge and agree that this Agreement may be amended, altered or modified pursuant to Article VIII hereof. Any amendment adopted pursuant to the

provisions of Article VIII hereof shall be considered by each Participant to be a reasonable and proper amendment to the Agreement.

(i) As further provided in Section 6.03, all coverage-related grievances and complaints by enrollees must be submitted and resolved in accordance with the applicable Health Benefit Plans and Group Master Health Benefit Contract(s), subject to the requirements of the Patient Protection and Affordable Care Act and regulations promulgated thereunder, as well as any state laws and regulations which may also apply.

(j) The Participants further agree that once a decision is rendered by the Board of Trustees or, if applicable, the Executive Committee, in a dispute regarding the expulsion or withdrawal of a Participant, the decision by the Board or the Executive Committee shall be final and legally binding on the Participant and the Trust. Neither the Trust nor the Participant shall have any right to challenge that decision in any arbitration proceeding or in any action before any court of competent jurisdiction. That notwithstanding, the Participants and the Trust only reserve the right to file an action in such a court solely to enforce the decision by the Board or the Executive Committee.

### 3.05 Expulsion and Withdrawal of Participants.

(a) Expulsion. The Trustees shall have the authority by an affirmative vote of two-thirds (2/3) of all Trustees to expel any Participant from the Trust for cause, including but not limited to, the following:

- (1) Failure to pay any contributions or assessments when due;
- (2) Failure to implement any reasonable measures or guidelines established by the Executive Committee;
- (3) Failure to cooperate with any claims personnel or agents of the Trust;
- (4) Failure to provide any information requested by the Administrator, Board of Trustees or any agent or representative of the Trust as required for the evaluation and payment of any claims covered under the Health Benefits Plans;

- (5) Knowing and willful failure to observe and perform any covenants, conditions or agreements on its part to be observed or performed in the Trust Agreement and any related documents or agreements, including the Health Benefits Plans;
- (6) The filing of a petition in bankruptcy, or the subjection of any right or interest of a Participant under the Health Benefits Plans to any execution, garnishment, attachment, adjudication of such Participant as a bankrupt, assignment by such Participant for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to that Participant in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar state or federal statute which may thereafter be enacted;
- (7) The assignment by a Participant of any right, interest or obligation in this Trust Agreement without first obtaining the approval of a two-thirds majority of the Board of Trustees.
- (8) Knowingly taking any action detrimental to the fiscal and/or actuarial soundness of the Trust.

Expulsion shall become effective after sixty (60) days written notice to the Participant, or ten (10) days written notice for non-payment of Contribution, and no liability shall accrue to the Trust after the effective date of expulsion except as provided in Section 3.05(c) hereof.

All decisions by the Board expelling a Participant shall be final with no right for a further appeal or arbitration of that decision. The Participant whose expulsion is sought shall have a full and fair opportunity to appear before the Board and present any evidence on its behalf before the Board renders its decision.

The Participant, upon notification of expulsion, understands coverage will terminate and the Participant will be responsible to secure adequate health benefits coverages so that such coverages are in effect on the effective date of the Participant's expulsion.

Upon expulsion, a Participant shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled, which forfeiture shall occur upon the effective date of the Participant's expulsion from the Trust. The Participant may also be required to pay in full any unpaid contributions and assessments as determined by the Executive Committee.

Upon expulsion, a Participant may be required to pay additional assessments as determined by the Executive Committee, acting on behalf of the Board of Trustees. A Participant may be required to pay such assessments after the effective date of its expulsion caused by deficits which occurred because of claims which were paid while that Participant was afforded coverage under the Health Benefits Plans.

(b) Withdrawal by a Participant. As provided herein, each Participant hereby agrees that it shall not withdraw from the Trust for a period of two (2) years from the date upon which it was first admitted as a Participant, or any longer period as set by the Underwriting Consultant and agreed to by the Participant upon admission to the Trust. In addition, it is also agreed that each Participant may withdraw from the Trust only after giving one hundred twenty (120) days prior written notice to the Board of Trustees which withdrawal will be effective on the first day of the Participant's next fiscal year - unless:

(1) An opinion is rendered by the Trust's Actuary or Underwriting Consultant that such withdrawal will result in the number of Participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;

(2) The withdrawing Participant is then in default of its obligation to pay contributions or assessments.

The above conditions notwithstanding, the Executive Committee may allow a Participant to withdraw from the Trust even if any of the conditions above for withdrawal have not been met, without waiving the Trust's right to recover any outstanding contributions or assessments from that Participant.

Should a Participant decide to reduce its total employee enrollment in the Trust's Health Benefits Plans by twenty-five percent (25%) or more, such a reduction in enrollment will constitute a deemed "withdrawal" of the Participant from the Trust under this subsection 3.05(b). In the event of such a withdrawal all of the notice requirements and other provisions in this subsection shall fully apply. Acting in the best interests of the Trust, the Executive Committee may waive this provision and take other measures as the Committee finds appropriate under the circumstances.

Upon the effective date of withdrawal, or at any time thereafter, a Participant may be required to pay additional assessments as required by the Executive Committee, acting on behalf of the Board of Trustees, in accordance with this Agreement and the By-Laws, based upon any deficits which were caused by any claims paid while that Participant was provided coverage under the Health Benefits Plans. Upon withdrawal, a Participant shall forfeit any of its rights to dividends and any Rate Stabilization Fund monies to which the Participant may otherwise be entitled, which forfeiture shall occur upon the effective date of the Participant's withdrawal. The Executive Committee, acting on behalf of the Board of Trustees, also has the right to impose any other conditions upon the withdrawal of a Participant that may reasonably be required under the circumstances, including the payment of any unpaid Contributions due upon the effective date of withdrawal.

If there is a dispute over the withdrawal of a Participant, that Participant will have a full and fair opportunity to present any relevant evidence or information to the Executive Committee, which shall decide the dispute by majority vote. All decisions by the Executive Committee regarding the withdrawal of a Participant shall be final, with no right for a further appeal or arbitration of that decision.

(c) Liability of Trust after Withdrawal or Expulsion of a Participant.

(1) For those claims for benefits covered and payable under the Health Benefits Plans, the Trust shall continue to service and otherwise be responsible for any covered claims incurred prior to expulsion or withdrawal of a Participant.

(2) In addition to forfeiture as provided in subsections 3.05 (a) and (b) above, no dividends or Rate Stabilization Fund monies shall be paid to a Participant who has been expelled or has voluntarily withdrawn after the effective date of withdrawal or expulsion.

#### ARTICLE IV

##### ACCEPTANCE OF TRUST

**4.01** Acceptance. Trustees hereby accept the trusts imposed upon them by this Agreement and agree to perform said trust in accordance with the terms and conditions of this Agreement. Trustees shall hold legal title to all property of the Trust and shall have absolute and exclusive power and control over the management and conduct of the business of the Trust.

**4.02 Future Trustees.** Whenever any change shall occur in the Board of Trustees, the legal title to the property hereby created by this Trust shall pass to those duly appointed Trustees. Each future Trustee appointed in accordance with this Agreement shall accept the Office of Trustee and the terms and conditions of this Agreement in writing.

**4.03 Trustees' Duties and Obligations.** The Trustees shall discharge their duties and obligations under this Agreement solely in the interests of the Participants with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The Trustees shall adopt By-Laws for the management and control of the Trust, so long as such By-Laws are not inconsistent or in conflict with the terms and provisions of this Agreement. Said By-Laws may be amended by the Trustees as they shall provide.

**4.04 Liability of Trustees.**

(a) The Trustees shall not be liable for errors of judgment either in holding property originally conveyed to them, in acquiring and afterwards holding additional property, in the performance of their duties hereunder, nor for any act or omission to act, performed or omitted by them, in the execution of the trusts created hereunder.

(b) Every act done, power exercised or obligation assumed by the Trustees, pursuant to the provisions of this Agreement, or in carrying out the trusts herein contained, shall be held to be done, exercised or assumed by them as Trustees and not as individuals, and any person or corporation contracting with the Trustees, shall look only to the Trust and property of the Trust available for payment under such contract, or for the payment of any debt, mortgage, judgment or decree or the payment of any money that may otherwise become due or payable on account of the trusts herein provided for, and any other obligation arising out of this Agreement in whole or in part, and neither the Trustees nor the Participants, present or future, shall be personally liable therefore.

(c) Notwithstanding the provisions of (a) and (b) above, a Trustee shall be personally liable in connection with the performance of his duties hereunder for his own willful misconduct or gross negligence.

(d) The Board of Trustees shall use their best efforts to purchase so-called directors and officers liability insurance.

## ARTICLE V

### OPERATION OF THE TRUSTEES

**5.01**        Office.        The Trustees shall designate a principal office of the Trust.        Such principal office shall be in the County of Montgomery in the Commonwealth of Pennsylvania. At such principal office there shall be maintained the books, reports and records pertaining to the Trust and its administration.

**5.02**        Meetings.        There shall be an annual meeting of the Trustees on a day and at a place designated by the Trustees. At the annual meeting the Trustees shall elect a Chairman and such other officers as provided in the By-Laws and transact such other business as may come before them. The Trustees shall hold such other meetings and shall establish such procedures for the conduct of those meetings as they shall provide in the By-Laws.

**5.03**        Extraordinary Votes.        Unless otherwise specifically stated in this Agreement, an affirmative vote of two-thirds (2/3) of all Trustees shall be required to expel or admit a Participant, and amend this Agreement.

**5.04**        Indemnification.

(a) The Trust shall indemnify and defend: (i) each member of the Board of Trustees and the estate, executor, administrator, personal representatives, heirs, legatees and devisees of any such person; and (ii) every officer and employee of the Trust and the estate, executor, administrator, personal representatives, heirs, legatees or devisees of such person; against all claims, suits or judgments including interest, fines, amounts paid or agreed upon in settlement, reasonable costs and expenses including attorneys, fees and any other liability that may be incurred as a result of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other, prosecuted or threatened to be prosecuted, for or on account of any act performed or omitted or obligation entered into, if done or omitted in good faith without intent to defraud and within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interest of and in connection with the administration, management, conduct or affairs of the Trust, and with respect to any criminal actions or proceedings, in addition, had no reasonable cause to believe that his or its conduct was unlawful. Provided, however, that if any such claim, action, suit, or proceeding is compromised or settled, it must be done with the prior and express approval of the Board of Trustees or such other persons as may be authorized to make determinations with respect to indemnification pursuant to subparagraph (d) of this Section.

(b) Such indemnification and defense shall not depend upon whether or not such person is a member of the Board of Trustees at the time such claim, action, suit or proceeding is begun, prosecuted or threatened.

(c) The right of indemnification and defense hereunder shall not be exclusive of other rights such person or Board may have as a matter of law or otherwise.

(d) In each instance in which a question of defense and/or indemnification hereunder arises, determination to indemnification hereunder, and the time, manner and amount of payment thereof, shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification hereunder as a result of the same occurrence or the number of Board of Trustees members eligible to vote does not constitute a quorum, such determination in the first instance shall be made by independent legal counsel retained by the Trust for the purpose of making the determination. Nothing in this paragraph is intended to make an adverse determination finally binding upon the person seeking indemnity under this Section, or to preclude any such person from appealing an adverse determination against him or it, or from instituting legal proceedings to enforce a right of indemnification under this Section.

(e) The indemnification and defense provided for in this Section shall be deemed to be an expense of the Trust which may be paid from the operating funds.

(f) The indemnification and defense provided by this Section shall be secondary to any benefits which the person may be entitled to receive from any applicable insurance policy providing Directors and officers, Errors and Omissions or other applicable insurance coverages which have been procured by the Trust or for which the Trust paid the required premium. The indemnification provided by this Section shall be primary over any indemnification provided by a trustee at his or her own expense.

(g) (1) Notwithstanding any other provision of this Section to the contrary, a person may seek, and the Trust may pay, advance indemnification prior to the rendering of a final determination of entitlement to indemnification pursuant to the provisions of subparagraph (d) of this Section. Any award of such advance indemnification by the Trust shall be discretionary and subject to the provisions of this Section.

(2) In each instance where a question of advance indemnification hereunder arises, determination of the right to indemnification and of any conditions or restrictions attached thereto shall be made by a majority vote of a quorum of the Board of Trustees provided, however, that no member of the Board of Trustees seeking indemnification hereunder as a result of the same occurrence shall participate in the determination. In the event that a majority of the members of the Board of Trustees are seeking indemnification as a result of the same occurrence or the number of members of the Board of Trustees eligible to vote does not constitute a quorum, such determination shall be made by independent legal counsel retained by the Trust for the purpose of making the determination.

(3) Any determination of advance indemnification shall be discretionary and may provide for the time, manner and amounts advanced hereunder and shall include such limitations as may be deemed appropriate in the particular circumstances on rate of payment, the total amount to be advanced and the security, if required, for repayment of such advances.

(4) Any advance authorized hereunder shall be repaid to the Trust if the person on whose behalf the advance was made is not entitled to indemnification of his costs and expenses under the provisions and in accordance with the standards for indemnification provided in this Section.

## ARTICLE VI

### PURPOSE OF THE TRUST; POWERS OF TRUSTEES

6.01 Purposes of Trust. The purposes and objectives of the Trust are as follows:

(a) To provide high quality health benefits for each Participant at the lowest possible cost;

(b) To minimize and better control claims handling and administrative expenses;

(c) To protect each Participant from the volatility and high premiums of the commercial health insurance markets; and

(d) To take whatever other action which may be necessary to preserve and protect the fiscal and actuarial integrity of the Trust, as provided in the Trust Agreement and By-Laws.

The association being formed hereunder is intended to be a trust under the laws of the Commonwealth of Pennsylvania.

It is the express intent of the Participants entering into this Trust Agreement that they do not intend to waive, and are not waiving, any of the immunities which they or their elected or appointed officials, employees and agents have now, and may have in the future.

**6.02 Powers of Trustees.** The Trustees shall have the power to control and manage the Trust and to perform such acts, enter into such contracts, engage in such proceedings, and generally to exercise any and all rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or advisable to administer the Trust or to carry out the purposes of this Agreement. Any determination made by the Trustees in the exercise of these powers shall be binding upon all Participants. In addition to the powers set forth elsewhere in this Agreement, the powers and duties of the Trustees in connection with their managing and controlling the Trust shall include, but shall not be limited to, the following:

(a) To see that the Trust is safely and prudently administered to insure its financial stability and to be responsible for the investment of Trust monies at the best return possible in accordance with all applicable state and federal law.

(b) To receive, hold, manage, invest, reinvest, and control all monies at any time forming part of the Trust.

(c) To purchase contracts of insurance or reinsurance through such broker or brokers as the Trustees may choose and to pay premiums on such policies.

(d) To borrow or raise money for the purpose of financing any self-insurance reserves of the Trust to the extent authorized under state and federal law. However, no such debt shall be incurred by the Trust, its Participants or any entity created for that purpose without the consent of all Participants and compliance with all state and federal laws.

(e) To hold cash, uninvested, for such length of time as the Trustees may determine without liability for interest thereon.

(f) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance, including, but not limited to, deeds, leases, mortgages, conveyances, contracts, waivers and releases, and any and all other instruments that may be necessary or appropriate to carry out the powers herein

granted.

(g) To employ suitable agents, advisors and other persons as the Trustees may deem necessary and advisable for the efficient operation and administration of the Trust, to delegate duties and powers hereunder to such agents, advisors and employees and to charge the expense thereof to the Trust. Trustees are entitled to rely upon and may act upon the opinion or advice of any attorney or Service Agent approved by the Trustees in the exercise of reasonable care. Trustees shall not be responsible for any loss or damage resulting from any action or non-action made in good faith reliance upon such opinion or advice. All delegated authority shall be specifically defined in the By-Laws or the written minutes of the Trustees' meetings.

(h) To continue to have and to exercise, after the termination of the Trust and until final distribution, all of the title, powers, discretion, rights and duties conferred or imposed upon the Trustees hereunder, or by law.

(i) To construe and interpret this Trust Agreement and any related documents, including the By-Laws, and Health Benefits Plans.

(j) To receive from Participants and other relevant sources, such information as shall be necessary for the proper administration of the Trust.

(k) To maintain bank accounts for the administration of the Trust and to authorize certain Trustees, the Trust Administrator, Service Agent or other appropriate persons to make payments from any such account for purposes of the Trust.

(l) To receive and review reports of the financial condition and of the receipts and disbursements of the Trust.

(m) To adopt By-Laws, rules, regulations, formulas, actuarial tables, forms, and procedures by resolution from time to time as they deem advisable and appropriate for the proper administration of the Trust, including membership criteria, provided the same are consistent with the terms of this Agreement.

(n) To have a judicial settlement of their accounts and judicial determination of any questions in connection with their duties and obligations hereunder, or in connection with the administration or distribution thereof. The costs and expenses, including accounting and legal fees, for such judicial settlement of accounts or other judicial determination shall be paid by the Trust as a general administrative expense to the extent permitted by applicable law.

(o) To purchase as a general administrative expense of the Trust so-called directors and officers liability insurance and any other types insurance for the benefit of the Trust, the Trustees, Trust employees, or agents, including group insurance, employee benefits and social security.

(p) To enter into any and all contracts and agreements for carrying out the terms of this Agreement and for the administration and operation of the Trust and to do all acts as they, in their discretion, may deem necessary or advisable, and such contracts and agreements and acts shall be binding and conclusive on Participants and Participants' employees. All such contracts and agreements, or other legal documents herein authorized, shall be approved by the Trustees and shall be executed by individuals authorized by the Trustees. This paragraph does not apply to the issuance of municipal debt for the funding of any self-insurance reserves.

(q) To write off as uncollectible any Participant's Premium or any other indebtedness or other obligation as the Trustee may deem appropriate. A decision to write off as uncollectible shall be deemed appropriate if the Trustees determine that the unlikelihood of collection or the anticipated expense of collecting justifies such action. This paragraph does not apply to the issuance of debt for the funding of any self-insurance reserves.

(r) To receive premiums, contributions or assessments from any source whatsoever but such monies may not be utilized for any purpose unrelated to the purposes herein provided.

(s) To pay or contest any claim or to settle a claim by or against the Trust or any of its Participants by negotiation, compromise, arbitration, or otherwise.

(t) To pay taxes, assessments, and other expenses incurred in the collection, care, administration, and protection of the Trust.

(u) To review Applications for memberships in the Trust submitted to them and to approve or disapprove such Applications.

(v) To expel or cancel the coverage of any Participant in accordance with the terms of this Agreement.

(w) To amend the Health Benefits Plans and Group Master Health Benefits Contracts.

(x) To make provision for proper accounting and reporting procedures for each of the Participants so that the

Participants shall be informed at all times of the nature of the claims arising within their jurisdiction, the manner in which these claims are being handled, and the impact of those claims upon the Trust.

(y) To purchase an employee fidelity bond covering the Trustees, the Administrator and such others as the Trustees may determine.

(z) To require assessments from each Participant in an amount equal to the ratio of that Participant's annual contribution to the total annual contributions paid by all Participants in the year in which a deficit occurred. Such payment shall not exceed two (2) times the Participant's total contribution for the year in which the assessment must be paid. Such amounts shall be certified by the Board as necessary for that purpose to the Participants.

(aa) To hold all property received by the Trustees, which together with the income and gains therefrom and additions thereto, shall constitute the corpus of the Trust.

(bb) To appoint for a fee or otherwise, a Trust Administrator who shall act at the direction of the Trustees to implement the decisions of the Trustees and to have direct responsibility for the operation and supervision of the Trust. The Trust Administrator shall not be an owner, officer or employee of the Service Agent or broker of the Trust.

(cc) To employ and oversee one or more independent service companies and/or consultants to act as Service Agent(s). The services of a Service Agent shall be performed pursuant to a written agreement between the Service Agent and the Trust, and the Service Agent(s) shall be compensated from the Trust for such services. The Trustees may delegate to a Service Agent responsibility for underwriting matters, claims administration and disbursement, collection of Premiums, and other duties as are specified in the Service contract. The Trustees shall require any Service Agent who handles monies of the Trust to furnish an employee fidelity bond indemnifying the Trust. The proper limit of liability to be set for such bond shall be as determined by the Trustees, but not less than a fifty thousand (\$50,000) dollar limit per loss should be established.

(dd) To employ counsel to advise and represent the Trustees on legal matters relating to the operation and administration of the Trust, and represent Participants in the defense of claims or suits.

(ee) To employ an independent certified public accountant to conduct an annual audit of the financial statements

of the Trust at the close of the Trust Year, such audit report to be submitted to the Participants no more than six (6) months after the close of the Trust Year.

(ff) To employ a Fiscal Agent and delegate to it the duties to hold the monies of the Trust and to invest and reinvest all or part of the principal and interest of the Trust's reserves, Surplus and other funds in accordance with the requirements of an investment policy adopted by a majority of the Board of Trustees.

(gg) To appoint any subcommittees of the Board as may be necessary for the operation of the Trust.

(hh) To employ an actuarial firm to review, at least annually, the expected losses and recommend reserve requirements for the Trust.

(ii) To provide for the resolution of all disputes between Participants and the Trust; and

(jj) To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary in the best interests of the Trust.

**6.03 Payment of Claims and Claims Disputes.** The payment of claims and the resolution of claims disputes will be done as set forth below.

(a) Acceptance and Denial of Claims - The acceptance and denial of claims shall be made in accordance with the terms and conditions of the applicable Health Benefits Plans and the Group Master Health Benefits Contract(s), subject to the requirements of the Patient Protection and Affordable Care Act and regulations promulgated thereunder, as well as any state laws and regulations which may also apply.

(b) Claims Disputes - All claims disputes shall be resolved in accordance with the internal appeals and external review procedures adopted by the Trust in accordance with the Patient Protection and Affordable Care Act and regulations promulgated thereunder, as well as any state laws and regulations which may also apply.

## ARTICLE VII

### OPERATION OF THE TRUST FUNDS; REVENUES

**7.01 Payment of Contributions and Assessments.** Each Participant hereby agrees to be jointly and severally obligated

with all other Participants for the payments to the various funds established under the Trust as set forth below:

(a) Contributions - Contributions must be paid by each Participant as a condition for obtaining coverage for a single coverage period. Rates upon which those contributions are based shall be established, and may be adjusted upward or downward, on an annual basis, by the Executive Committee. Contributions shall include:

- (1) An amount for the payment of all Trust administrative expenses;
- (2) An amount for the payment of health benefits and related expenses; and
- (3) An amount paid as a risk margin payable to the Trust, from which all dividends will be paid.

(b) Assessments - Any additional payments to the Trust which Participants may be required to make upon a finding by the Board of Trustees and the Underwriting Consultant that such assessments are required to preserve the fiscal and actuarial soundness of the Trust and its ability to pay claims and otherwise satisfy any outstanding indebtedness, where the assessments are needed to eliminate any deficits which occurred while those Participants were afforded coverage under the Health Benefits Plans.

All assessments shall be made in an amount equal to the ratio of the Participant's annual contribution to the total annual contributions paid by all Participants in the Trust year in which a deficit occurred. No Participant shall be required to make any assessments in any single Trust year greater than two (2) times the annual contribution paid by that Participant for the Trust year in which the assessment is to be made.

After the withdrawal or expulsion of a Participant, that Participant shall remain liable for any additional payments it is required to make, including any assessments for any periods during which that Participant was provided coverage.

**7.02 Establishment of Bank Accounts.** The Trust Administrator shall establish one or more checking accounts, which may be interest or non-interest bearing accounts, with the Fiscal Agent in the name of the Trust.

**7.03            Dividends and Rate Stabilization Funds**

(a) Dividends. Any funds in Surplus as the Trustees may deem necessary or prudent may be returned to the Participants as dividends by the Board of Trustees. Dividends to each Participant will be based upon the loss experience of the Trust as a whole, the size of each Participant's Contributions, and the loss experience of the individual Participant. No dividends shall be paid to any Participant unless the Trust Underwriting Consultant certifies in writing to the Executive Committee that said dividends shall not adversely affect the fiscal or actuarial soundness of the Trust and its ability to satisfy any indebtedness incurred by the Trust, any Participant or any other entity on behalf of the Trust in furtherance of its purposes and objectives.

(b) Rate Stabilization Fund ("RSF"). A fund established by the Board of Trustees as a way of returning surplus funds to Participants to be used as credits toward the payment of their annual contributions or premiums upon renewal. The total amount appropriated for the RSF is determined by the Executive Committee. As determined by the Executive Committee, each Participant may receive a share of that appropriation based on their proportion of the total annual premiums or contributions paid to the Trust and the losses incurred by the Trust.

**7.04            Deficits**. In the event of a deficit for any Trust Year, the deficit shall be made up from any of the following:

- (1) Any contributions paid by Participants in the Trust;
- (2) Unencumbered funds, including monies from the Surplus; and
- (3) Any assessments paid by Participants as required by the Board of Trustees.

**7.05            Bonds**. The Trustees may require that a fidelity bond be furnished as to all persons handling money for or on behalf of the Trustees, including but not limited to, individual Trustees, the Administrator and the Service Agent.

**ARTICLE VIII**

**AMENDMENTS**

**8.01            Consent of Trustees**. The terms and provisions of

this Agreement may be amended at any time by a two-thirds (2/3) vote of the Trustees for one (1) or more of the following purposes:

(a) To cure any ambiguity, defect or omission in this Agreement;

(b) To change or modify any provision of this Agreement so as to comply with any applicable law, regulation or administrative ruling which may be in effect; or

(c) For any other purpose consistent with the purposes of the Trust.

**8.02**        Limitation on Amendments.    No amendment shall be adopted which alters the basic purpose of the Trust or alters the rights of Participants to receive dividends as provided in Section 7.03 hereof or alters the obligation of Participants to pay any assessments which may be established under Section 7.01 hereof, which amendments would jeopardize the actuarial and fiscal soundness of the Trust.

## ARTICLE IX

### TERMINATION

**9.01**        Term of Trust.    The Trust shall continue unless and until terminated pursuant to law or by an instrument in writing signed by two-thirds (2/3) of the entire Board of Trustees.

**9.02**        Termination of the Trust.    In the event of termination of the Trust, the Participants covenant and agree to make any provision for the payment of any outstanding municipal indebtedness and for the payment of claims against the Trust or its Participants as may be required by the Board of Trustees, including the deposit with the Trustees of funds, surety bonds, or such other guarantees of payment as deemed required and sufficient by the Trustees. Upon termination, the Trustees shall continue to serve as Trustees to wind up the affairs of the Trust, including providing for all outstanding obligations, and each Participant shall be entitled to receive distribution of its pro rata share of any remaining funds, the calculation of such distribution to be determined by the Trustees.

## ARTICLE X

### MISCELLANEOUS

**10.01 Title to the Trust.** Title to the Trust shall be vested in and remain exclusively in the Trustees to carry out the purposes hereunder and no Participant or any official, employee or agent of any Participant nor any individual shall have any right, title or interest in the Trust nor any right to contributions made or to be made thereto, nor any claim against any Participant on account thereof, except to the extent of the right of Participants to receive their pro rata share of any excess funds as provided hereunder.

No Participant may assign any right, claim or interest it may have under this Agreement.

**10.02 Execution of Documents.** The Trustees may authorize any Trustee or the Administrator to execute any notice, certificate or other written instrument relating to the Trust (except an instrument of amendment or termination) and all persons, partnerships, corporations, or associations may rely upon such notice or instrument so executed as having been duly authorized and as binding on the Trust and the Trustees.

**10.03 Notice.** All notices, requests, demands and other communications related to this Agreement, unless otherwise so provided herein, shall be in writing and shall be deemed to be duly given when sent by first-class, registered or certified mail postage paid, return receipt requested, when personally delivered by hand, or when transmitted by electronic means, at such addresses as have been last provided to the Trust. The initial address for such notices, requests, demands or other communications to the Trustees and each Participant shall be provided to the Administrator.

The parties shall notify the Administrator as to any change in address.

**10.04 Construction.** This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

**10.05 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, by the Trustees and the duly authorized representative of the Participant, of a counterpart signature page in the forms attached hereto, which together with this Agreement and all other duly executed signature pages shall constitute the complete Agreement among all the parties hereto.

**10.06**      **Subrogation.**    Each Participant agrees that in the event of the payment of any loss by the Trust under this Agreement, the Trust shall be subrogated to the extent of such payment to all the rights of the Participant against any person or other entity legally responsible for damages for said loss, and in such event the Participant hereby agrees to render all reasonable assistance, other than pecuniary, to effect recovery.

**10.07**      **Limitation of Liability.**    Liability of the Trust to any Participant is specifically limited to the payment of benefits payable in accordance with the Health Benefits Plans, the terms of this Agreement and any contracts or agreements entered into by the Trust. Nothing contained in this Agreement or in the By-laws thereto or the Health Benefits Plans shall be deemed to create any relationship of surety, indemnification or responsibility between Participants for the debts of or claims against any other Participant. The Trust, Participants and Trustees all hereby disclaim and deny any liability to any individuals for the failure to provide, or the quality of, any health care services covered under the Health Benefits Plans in accordance with all applicable federal and state laws and regulations.

**10.08**      **Arbitration.**

- (a)            Where provided in this Agreement, decisions by the Board of Trustees and Executive Committee shall be final and not subject to arbitration or other alternative dispute resolution procedure.
- (b)            All other disputes arising under this Agreement must be resolved by an arbitration panel or some other alternative dispute resolution entity selected by the Executive Committee in accordance with guidelines and procedures adopted by the Board of Trustees.
- (c)            As to all disputes arising under this Agreement, neither the Trust nor any Participant may file suit in any court of law except to enforce a decision by the Board of Trustees, Executive Committee, arbitration panel or other alternative dispute resolution entity, whichever may apply in a particular matter.

**10.09**      **General Representations of Participants.**

(a)            The Participant is a body corporate and politic, a local political subdivision or a local agency, school district, county, authority or intergovernmental entity under Pennsylvania or Delaware law. The Participant has the power to enter into this Agreement and any other documents in connection herewith and the

transactions contemplated hereunder and thereunder. The party executing this Agreement on behalf of the Participant has full power and authority to execute same and any documents executed in connection herewith.

(b) This Agreement has been duly and validly executed and is a valid and binding agreement on the Participant, enforceable in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting creditors' rights generally and such principles of equity as any court of competent jurisdiction, in its discretion, may impose with respect to remedies which may require enforcement by a court of equity.

**10.10 Severability of Invalid Provisions.** If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and the remaining parts of this Agreement shall be construed so as to give practical realization to the purposes intended to be achieved by the parties as if such invalid or illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Trustees, have executed this Trust Agreement, all as of the date above first mentioned.

WITNESS:

\_\_\_\_\_  
(SEAL) Secretary

\_\_\_\_\_  
Chairperson

IN WITNESS WHEREOF, the undersigned, a local agency of the Commonwealth of Pennsylvania, has caused this Trust Agreement to be executed as of \_\_\_\_\_.

(Date)

(Name of Local Agency)

Attest:

\_\_\_\_\_  
(SEAL) Secretary

By: \_\_\_\_\_  
(Name of Authorized Representative)

(Title of Authorized Representative)

CERTIFICATE OF AUTHORITY

I, \_\_\_\_\_ of \_\_\_\_\_  
certify that the above signature has been fully authorized by a  
duly adopted ordinance or resolution.

Date: \_\_\_\_\_ Signed: \_\_\_\_\_

Secretary

# Memo

## East Goshen Township

E-mail [rsmith@eastgoshen.org](mailto:rsmith@eastgoshen.org)

Date: October 28, 2015

To: Commerce Commission, Conservancy Board, Futurist Committee, Historical Commission  
Municipal Authority, Park and Rec Commission and Planning Commission

From: Rick Smith, Township Manager

Re: ABC Goals

### ***November 5, 2015 - Board of Supervisors – See comments below***

At their meeting on Tuesday, October 27, 2015 the Board approved the following tentative ABC Goals (aka action items) for 2016. The Board intends to finalize the list of goals at the Annual Planning Session which will be held on Saturday January 9, 2016.

In addition the new Comprehensive Plan and the Parks, Recreation and Open Space Plan (Plans), each have a number of action items with an "On-Going" priority. The Board's expectation is that each ABC will continue to implement these action items going forward.

If you have any comments, questions or concerns about your respective ABC's Goal(s) please provide them to me by December 30, 2015. This will allow for an informed discussion at the Planning Session in January. Additional information about all of the goals and their method of implementation can be found in the Plans.

### **Comprehensive Plan**

#### Board of Supervisors

Goal 7.3 Allowing for new uses and smaller incubator businesses in the corporate parks and industrial park

***This would require some changes to the Zoning Ordinance. Suggest you direct staff, with input from the Commerce Commission who has a supporting role in this objective, to develop a list of possible changes to the Zoning Ordinance.***

Goal 6.2 Transforming the Paoli Pike Corridor into a walkable, connected artery. ***The***

***Suggest you direct staff, to work with the Planning Commission who has a supporting role in this objective, to develop an action plan to implement this objective.***

#### Commerce Commission

Goal 7.3 Allowing for new uses and smaller incubator businesses in the corporate parks and industrial park.

Goal 6.1 Transforming the Town Center into a viable, walkable, visitable Place. Senya agreed to act as the liaison from the BOS.

### Conservancy Board

- Goal 11.5 Continuing riparian buffer plantings throughout the Township.
- Goal 11.8 Reviewing and updating tree replacement standards as needed.

### Futurist Commission

- Goal 6.1 Transforming the Town Center into a viable, walkable, visitable Place. Senya agreed to act as the liaison from the BOS.

### Historic Commission

- Goal 13.6 Considering simplified Historic Preservation standards
- Goal 13.5 Considering simplified Historic Preservation requirements

### Park and Recreation Commission

- Goal 9.2 Developing the Paoli Pike Trail to create the linkage between West Chester and Malvern, through East Goshen from West Goshen to Willistown. In addition the Board suggested the Commission also consider the potential for “feeder” trails from the various developments to the Paoli Pike trail.
  
- Goal 8.6 Increasing pedestrian circulation along Paoli Pike, especially in the form of a “Paoli Pike Promenade” with Sidewalks and Crosswalks, as well as increasing pedestrian circulation and pedestrian safety along Greenway, with Trails, Walkways and Crosswalks.

### Planning Commission

- Goal 6.2 Transforming the Paoli Pike Corridor into a walkable, connected artery.

### **Parks, Recreation and Open Space Plan**

#### Board of Supervisors

- Goal 1.1A Adopt the parkland standard of 28.20 acres per 1,000 residents
- Goal 1.1B Adopt a Mandatory Dedication of Parkland Ordinance

#### Conservancy Board

- Goal 1.5 Develop a public education program to increase public awareness, appreciation and engagement in managing natural resources and park features.

# Memo

## East Goshen Township

Date: November 5, 2015  
To: Board of Supervisors  
From: Rick Smith, Township Manager  
Re: Milltown Reservoir Question

Following up the question of whether or not the Township could sell the property containing the Milltown Reservoir, there are two different statutes that govern the sale of Township real property. They are the Donated or Dedicated Property Act and the Second Class Township Code.

**Executive Summary** – Pursuant to the provisions in set forth in Article XXII of the Second Class Township Code and actions by previous Boards, the current or future Board of Supervisors **cannot** sell the property containing the Milltown Reservoir.

### Background

**Donated or Dedicated Property Act** - On April 28, 1981 the West Chester Area Municipal Authority advised the Township that they were considering selling their property on Reservoir Road. On July 26, 1984 the Township entered into an agreement of sale to purchase the Milltown Dam and Reservoir. The Township acquired the Milltown Reservoir property on January 16, 1985. The agreement of sale and deed do not contain any restrictions on or designation of the use of the property. A review of the minutes from April 1981 thru February 5, 1985 indicates that the acquisition of the Milltown Reservoir and the required improvements was discussed at a number of Township meetings. However, the use of the property after acquisition was not discussed.

**Conclusion** – Since the Milltown Reservoir was not specifically acquired as a “Park” the provisions in the Donated or Dedicated Property Act would not apply and the Board could sell the Milltown Reservoir.

**Township Code** - Pursuant to Section 1503 of the Second Class Township Code, the Board of Supervisors can sell real estate owned by the Township. This must be done via sealed bids or at a public auction, unless the purchaser is the federal government, the Commonwealth or one of the non-profit corporations listed in Section 1503.

**Conclusion** – The Board could sell the Milltown Reservoir.

**Township Code** - On November 16, 1999, pursuant to the provisions in set forth in Article XXII of the Second Class Township Code the Board of Supervisors adopted Ordinance 129-H-99 setting forth the rules and regulations governing Parks and Recreation Areas. This Ordinance is codified in Chapter 163 of the Township Code and §163-1 sets forth the “Statement of Intent”. The applicable sub-sections are §163-1A and B which read as follows: (**emphasis added**):

- A. **Township parks are acquired and maintained for the benefit of township residents, and are classified as either "active parks" or "passive parks" according to their design, nature and purpose.** All township parks are subject to the general regulations specified in this chapter.

Additional regulations as specified in this chapter apply depending upon whether a park is designated as "active" or "passive."

- B. All real estate owned by the township now established or hereafter designated as parks and recreation areas shall be controlled by the rules and regulations herein established.** All real estate hereafter acquired by the township and designated as parks and recreation areas by the Board of Supervisors (the "Supervisors") shall, upon dedication and/or conveyance of title to the township, shall be governed by the provisions of this chapter without the necessity of further action by the Supervisors.

A "Passive Park" is defined as "A park that is intended to remain as permanent open space which is primarily maintained in a relatively natural and/or landscaped setting and which is designated by the Park Board for pastoral enjoyment and low-intensity recreational activities such as walking trails, nonmotorized biking, running, rollerblading, picnic areas, bird watching and similar activities. A passive park is not intended to be used for organized athletic activities or events by individuals or athletic teams or clubs or for group picnics, theatrical events, national holiday events and similar formal group activities. If approved by the Board of Supervisors by resolution, a passive park may be used for deer management as part of the Township's deer management program strictly in accordance with the regulations in §163-4 of this chapter and all rules and regulations governing the deer management program."

The Milltown Reservoir is designated as a "Passive Park" in the 1992 and 2005 Comprehensive Plan and the 2015 Park, Open Space and Recreation Plan. All of these Plans were officially adopted by the Board of Supervisors.

**Conclusion** - Based on the above the Milltown Reservoir is a "passive park" that shall remain as "permanent open space" and the Board **cannot** sell the property.

The Township Solicitor has reviewed this memorandum and confirmed that my conclusion is valid.

# Memorandum

---

East Goshen Township  
1580 Paoli Pike  
West Chester, PA 19380

Voice: 610-692-7171

Fax: 610-692-8950

E-mail: [mgordon@eastgoshen.org](mailto:mgordon@eastgoshen.org)

---

Date: 11/04/2015

To: Board of Supervisors

From: Mark Gordon, Township Zoning Officer 

Re: SWM Operation and Maintenance Agreements

Dear Board Members:

I have a SWM Operation and Maintenance agreement for the Chairman to sign.

**Draft Motion:**

I move that we authorize the Chairman to execute the following storm water management operation and maintenance agreements:

1625 Highland Ave.

**BOARD OF SUPERVISORS**  
EAST GOSHEN TOWNSHIP  
CHESTER COUNTY  
1580 PAOLI PIKE, WEST CHESTER, PA 19380-6199

October 23, 2015

To: Board of Supervisors  
From: Mark Miller  
RE: Ashleybrooke Estates Escrow release #11 (final)

The Township Engineer and I have reviewed the developer's escrow release request number 11 for the remaining contingency of \$15,000.00

The total request is \$15,000.00, the Township Engineer and I recommend releasing \$15,000.00. The total amount released will be \$325,766.05 no monies will remain in escrow.



PENNONI ASSOCIATES INC.  
CONSULTING ENGINEERS

October 23, 2015

EGOS 0101

Mark Miller, Director of Public Works  
East Goshen Township  
1580 Paoli Pike  
West Chester, PA 19380

**RE: Ashleybrooke Estates Subdivision – Green Hill Road  
Escrow Release Request #11 (Final)**

Dear Mark:

Renehan Building Group, Inc. has submitted the above escrow release request in the amount of \$15,000.00.

Approval to release \$15,000.00 of the requested \$15,000.00 is recommended.

The requested release is for the remaining *contingency*.

Following approval of the recommended release, the total amount released will be \$325,766.05; no monies will remain in escrow.

Should you have any further questions or comments, please contact the undersigned.

Sincerely,  
PENNONI ASSOCIATES INC.

Nathan M. Cline, PE  
Township Engineer

cc: Renehan Building Group, Inc. (via email)  
Rick Smith, Township Manager (via email)

November 5, 2015

**TREASURER'S REPORT  
2015 RECEIPTS AND BILLS**

**GENERAL FUND**

Real Estate Tax	\$532.11
Earned Income Tax	\$93,600.00
Local Service Tax	\$4,400.00
Transfer Tax	\$0.00
General Fund Interest Earned	\$494.97
Total Other Revenue	\$76,030.38
<b>Total Receipts:</b>	<b>\$175,057.46</b>

Accounts Payable	\$327,813.65
<u>Electronic Pmts:</u>	
Health Insurance	\$0.00
Credit Card	\$2,256.23
Postage	\$0.00
Debt Service	\$0.00
Payroll	\$142,921.54
<b>Total Expenditures:</b>	<b>\$472,991.42</b>

**STATE LIQUID FUELS FUND**

Receipts	\$0.00
Interest Earned	\$53.17
<b>Total State Liquid Fuels:</b>	<b>\$53.17</b>

Expenditures:	<b>\$0.00</b>
---------------	---------------

**SINKING FUND**

Receipts	\$0.00
Interest Earned	\$408.11
<b>Total Sinking Fund:</b>	<b>\$408.11</b>

Total Expenditures:	<b>\$23,462.00</b>
---------------------	--------------------

**TRANSPORTATION FUND**

Receipts	\$0.00
Interest Earned	\$203.19
<b>Total Sinking Fund:</b>	<b>\$203.19</b>

Expenditures:	<b>\$0.00</b>
---------------	---------------

**SEWER OPERATING FUND**

Receipts	\$262,025.20
Interest Earned	\$53.05
<b>Total Sewer:</b>	<b>\$262,078.25</b>

Accounts Payable	\$188,286.45
Debt Service	\$0.00
Credit Card	\$0.00
<b>Total Expenditures:</b>	<b>\$188,286.45</b>

**REFUSE FUND**

Receipts	\$83,724.65
Interest Earned	\$80.86
<b>Total Refuse:</b>	<b>\$83,805.51</b>

Expenditures:	<b>\$20,196.12</b>
---------------	--------------------

**SEWER SINKING FUND**

Receipts	\$0.00
Interest Earned	\$230.64
<b>Total Sewer Sinking Fund:</b>	<b>\$230.64</b>

Expenditures:	<b>\$0.00</b>
---------------	---------------

**OPERATING RESERVE FUND**

Receipts	\$0.00
Interest Earned	\$267.20
<b>Total Operating Reserve Fund:</b>	<b>\$267.20</b>

Expenditures:	<b>\$0.00</b>
---------------	---------------

**Events Fund**

Receipts	\$0.00
Interest Earned	\$0.69
<b>Total Events Fund:</b>	<b>\$0.69</b>

Expenditures:	<b>\$0.00</b>
---------------	---------------

---

---

**EAST GOSHEN TOWNSHIP  
MEMORANDUM**

---

---

**TO:** BOARD OF SUPERVISORS  
**FROM:** BRIAN MCCOOL  
**SUBJECT:** PROPOSED PAYMENTS OF BILLS  
**DATE:** 11-05-15

---

Please accept the attached Treasurer's Report and Expenditure Register Report for consideration by the Board of Supervisors. I recommend the Treasurer's Report and each register item be approved for payment.

Please note that this week's Treasurers Report contains three weeks of data.

General Fund expenses includes the monthly contribution to WEGO in the amount of \$225,508, \$9,310 for zoning consultants for the Paoli Pike Trail, \$18,000 for the annual contribution to the Malvern Library and \$6,000 for the annual contribution for visiting nurses. General Fund revenue includes a contribution from the Friends of East Goshen in the amount of \$26,785 for Community Day.

Sinking Fund expenses includes \$23,462 for the park crossing signs.

Sewer Fund expenses includes a payment of \$180,006 to West Goshen Township for East Goshen's share of 3<sup>rd</sup> quarter Chester Creek operations and maintenance costs. Sewer Fund revenue is above average (262,078) due to receipt of payments from a number of commercial properties and apartment complexes.

Please advise if the Board decides to make any changes or if the reports are acceptable as drafted.

Report Date 10/20/15

Expenditures Register  
GL-1510-49889

PAGE 1

MARP05 run by BARBARA 1 : 42 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
05				SEWER OPERATING						
1393	45254	1	05429 3250	US POSTMASTER ADMIN.- POSTAGE UTILITY BILL MAILING 4TH QTR 2015	102015-S	10/20/15		10/20/15		970.00
06				REFUSE						
1393	45255	1	06427 3250	US POSTMASTER POSTAGE UTILITY BILL MAILING 4TH QTR 2015	102015-R	10/20/15		10/20/15		970.00
										1,940.00
										1,940.00
0 Printed, totalling										1,940.00

FUND SUMMARY

Fund	Bank Account	Amount	Description
05	05	970.00	SEWER OPERATING
06	06	970.00	REFUSE
		1,940.00	

PERIOD SUMMARY

Period	Amount
1510	1,940.00
	1,940.00



Report Date 10/26/15

Expenditures Register  
GL-1510-49992

PAGE 2

MARP05 run by BARBARA 4 : 06 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
197				BUCKLEY BRION MCGUIRE & MORRIS						
	45277	1	01404 3140	LEGAL - ADMIN	7799	10/26/15		10/26/15		905.04
				LEGAL SERVICE 9/10/15 - 10/6/15						
	45277	2	01413 3140	LEGAL - TWP CODE	7799	10/26/15		10/26/15		92.90
				LEGAL SERVICE 9/10/15 - 10/6/15						
	45277	3	01414 3110	LEGAL - CODES	7799	10/26/15		10/26/15		146.30
				LEGAL SERVICE 9/10/15 - 10/6/15						
	45277	4	01414 3140	LEGAL - PLANNING COMMISSION	7799	10/26/15		10/26/15		1,324.30
				LEGAL SERVICE 9/10/15 - 10/6/15						
	45277	5	01414 3142	LEGAL - CONDITIONAL USE	7799	10/26/15		10/26/15		383.00
				LEGAL SERVICE 9/10/15 - 10/6/15						
										2,851.54
233				CCATO						
	45279	1	01401 3080	CCATO EXPENSES	102615	10/26/15		10/26/15		325.00
				FALL CONFERENCE - 5 ATTENDEES @ \$65						
										325.00
3488				CINTAS CORPORATION #287						
	45281	1	01409 3740	TWP. BLDG. - MAINT & REPAIRS	287454857	10/26/15		10/26/15		52.50
				WEEK END 10/14/15 CLEAN MATS						
	45281	2	01487 1910	UNIFORMS	287454857	10/26/15		10/26/15		243.41
				WEEK END 10/14/15 CLEAN UNIFORMS						
	45282	1	01409 3740	TWP. BLDG. - MAINT & REPAIRS	287458035	10/26/15		10/26/15		52.50
				WEEK END 10/21/15 CLEAN MATS						
	45282	2	01487 1910	UNIFORMS	287458035	10/26/15		10/26/15		226.55
				WEEK END 10/21/15 CLEAN UNIFORMS						
										574.96
293				COLONIAL ELECTRIC SUPPLY						
	45283	1	01409 3740	TWP. BLDG. - MAINT & REPAIRS	10061446	10/26/15		10/26/15		195.36
				LIGHT BULBS						
										195.36
3250				COMCAST 8499-10-109-0107704						
	45284	1	01401 3210	COMMUNICATION EXPENSE	101315	10/26/15		10/26/15		103.63
				0107704 10/23-11/22/15 P&BOOT LED						
										103.63
317				CONTRACTOR'S CHOICE						
	45285	1	01437 2460	GENERAL EXPENSE - SHOP	00194928	10/26/15		10/26/15		30.77
				ROOFING NAILS - WEGO SHED						
										30.77

Report Date 10/26/15

Expenditures Register  
GL-1510-49992

PAGE 3

MARPO5 run by BARBARA

4 : 06 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
01		GENERAL FUND								
3586	45286	1	01367 3711	COSBY, BARBARA PILATES REFUND - PILATES - UNABLE TO ATTEND	101915	10/26/15		10/26/15		85.00
										85.00
2631	45287	1	01401 2110	GRAPHIC IMPRESSIONS OF AMERICA INC. STATIONERY BOS ENVELOPES	15-5168	10/26/15		10/26/15		118.60
										118.60
638	45288	1	01430 2330	HOME DEPOT CREDIT SERVICES VEHICLE MAINT AND REPAIR	101315	10/26/15		10/26/15		27.90
	45288	2	01437 2460	SCRAPERS & WONDER BAR - TRCK.#10 GENERAL EXPENSE - SHOP	101315	10/26/15		10/26/15		61.32
	45288	3	01437 2460	DRYWALL SCREWS, ROLLERS, BRUSHES, PANS, ROLLER COVERS & SANDING DISKS GENERAL EXPENSE - SHOP	101315	10/26/15		10/26/15		625.85
	45288	4	01438 2450	WEGO - SLIDING DOOR SUPPLIES, ROOF & ALUM.DRIP EDGE FOR SHED MATERIALS & SUPPLIES-HIGHWAYS	101315	10/26/15		10/26/15		436.00
	45288	5	01454 2000	ROUNDUP MAINTENANCE SUPPLIES	101315	10/26/15		10/26/15		11.98
	45288	6	01454 3740	BATTERIES - PARK BATHROOMS EQUIPMENT MAINT. & REPAIR	101315	10/26/15		10/26/15		176.10
	45288	7	01454 3740	SPRINGHOUSE SUPPLIES: AIN, HINGES SAFETY HASPS, ROLLER BRUSHES, PANS, ROLLER COVERS EQUIPMENT MAINT. & REPAIR	101315	10/26/15		10/26/15		95.20
				BUTTERFLY GARDEN BENCH SUPPLIES						1,434.35
2442	45289	1	01430 2330	KENT AUTOMOTIVE VEHICLE MAINT AND REPAIR	9303603663	10/26/15		10/26/15		275.98
				HEX NUTS & CAP SCREWS, NYLON LOCKS, LOCK NUTS & HAIR PINS						275.98
765	45290	1	01409 3840	LENNI ELECTRIC CORPORATION DISTRICT COURT EXPENSES	150991	10/26/15		10/26/15		300.15
	45291	1	01409 3745	REPLACE LAMPS & BALLASTS - DIST.CT. PW BUILDING - MAINT REPAIRS	150992	10/26/15		10/26/15		989.85
				REPLACE LAMPS & BALLASTS - PW						1,290.00









Report Date 10/26/15

Expenditures Register  
GL-1510-49992

PAGE 8

MARP05 run by BARBARA 4 : 06 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
06		REFUSE								
197	45276 2	06427 3140		BUCKLEY BRION MCGUIRE & MORRIS LEGAL SERVICES LEGAL SERVICE 9/11-10/5/15	7800	10/26/15		10/26/15		1,360.23
										1,360.23
241	45278 1	06427 4502		C.C. SOLID WASTE AUTHORITY LANDFILL FEES WEEK 10/8/15 -10/15/15	41760	10/26/15		10/26/15		6,856.06
										6,856.06
										45,286.47
0 Printed, totalling										45,286.47

FUND SUMMARY

Fund	Bank Account	Amount	Description
01	01	34,280.35	GENERAL FUND
05	05	2,789.83	SEWER OPERATING
06	06	8,216.29	REFUSE
		45,286.47	

PERIOD SUMMARY

Period	Amount
1510	45,286.47
	45,286.47



Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 2

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
296	45333	1	01401 3210	COMCAST 8499-10-109-0028306 COMMUNICATION EXPENSE 0028306 NOVEMBER 2015	102015	10/30/15		10/30/15		68.00
										68.00
430	45336	1	01409 3600	EAST GOSHEN TWP - SEWER TWP. BLDG. - FUEL, LIGHT, WATER 4TH QTR.2015 SEWER - TWP.	100115-T 5735	10/30/15		10/30/15		116.97
	45337	1	01409 3605	PW BLDG - FUEL,LIGHT,SEWER & WATER 4TH QTR.2015 SEWER - PW	100115-PW 2575	10/30/15		10/30/15		140.67
										257.64
437	45334	1	01438 2460	EDENS TREE SERVICE INC TREE REMOVAL REMOVE DEAD ASH TREE BARKER RD.	6604	10/30/15		10/30/15		1,650.00
										1,650.00
2415	45335	1	01414 3100	FINLAN, ALEXIS B. COURT REPORTERS TRANSCRIPT - REGULATING DOGS 10/6	101915	10/30/15		10/30/15		107.50
										107.50
3361	45338	1	01362 4510	FOX & ROACH LP REOCCUPANCY PERMIT FEES-RESALES REFUND RESALE U&O FEE	102715	10/30/15		10/30/15		60.00
										60.00
2631	45339	1	01401 2110	GRAPHIC IMPRESSIONS OF AMERICA INC. STATIONERY BUSINESS CARDS - S.BIONDI	15-5187	10/30/15		10/30/15		60.00
										60.00
1849	45340	1	01438 2450	HICKS BROTHERS LLC MATERIALS & SUPPLIES-HIGHWAYS 63 BALES STRAW	37139	10/30/15		10/30/15		346.50
										346.50
2717	45341	1	01433 2500	HIGGINS & SONS INC., CHARLES A. MAINT. REPAIRS.TRAFF.SIG. TRAF.LIGHT REPAIR-RT.352 & GREENHL	40557	10/30/15		10/30/15		65.09
	45342	1	01433 2500	MAINT. REPAIRS.TRAFF.SIG. TRAF.LIGHT MAINTENANCE - CHECK ALL FLASHING SIGNALS	40547	10/30/15		10/30/15		522.50

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 3

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
										587.59
679				INTERCON TRUCK EQUIPMENT						
	45344	1	01430 2330	VEHICLE MAINT AND REPAIR	1048556-IN	10/30/15		10/30/15		313.11
				ALUM.PILLOW BLOCK, MISC.SUPPLIES & WELD NEW BLOCK ON COAL CHUTE HANDLE						
	45345	1	01432 2500	SNOW - MAINTENANCE & REPAIRS	1048558-IN	10/30/15		10/30/15		212.00
				SHOE SET FOR PLOWS						
										525.11
2442				KENT AUTOMOTIVE						
	45346	1	01430 2330	VEHICLE MAINT AND REPAIR	9303625729	10/30/15		10/30/15		124.94
				DOT MALE ELBOW & CONN. FITTINGS						
	45347	1	01437 2460	GENERAL EXPENSE - SHOP	9303610179	10/30/15		10/30/15		65.51
				CUSHIONED CABLE CLAMPS						
										190.45
739				KNOX EQUIPMENT RENTALS INC.						
	45348	1	01438 3840	EQUIPMENT RENTAL	01-347728-03	10/30/15		10/30/15		357.50
				GRINDER RENTAL 10/12/15						
										357.50
2861				LITTLE INC., ROBERT E.						
	45349	1	01430 2330	VEHICLE MAINT AND REPAIR	03-361068	10/30/15		10/30/15		119.81
				PARTS FOR MOWER - SUPPORT & LOCKING COLLAR						
										119.81
1817				LOWES BUSINESS ACCOUNT/GECF						
	45350	1	01433 2450	MATERIALS & SUPPLIES - SIGNS	101715	10/30/15		10/30/15		43.20
				SUPPLIES FOR SIGN DEPT.						
	45350	2	01437 2460	GENERAL EXPENSE - SHOP	101715	10/30/15		10/30/15		749.40
				CONCRETE MIX, TREATED LUMBER & CHAR QUICK						
	45350	3	01437 2460	GENERAL EXPENSE - SHOP	101715	10/30/15		10/30/15		126.27
				PAINT FOR WEGO SHED						
										918.87
3551				MCMARON ASSOCIATES INC.						
	45351	1	01414 3050	ZONING CONSULTANTS	146096	10/30/15		10/30/15		9,310.01
				PROF.SERV.-SEPT.2015 PAOLI PIKE TRL						
										9,310.01

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 4

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
01	GENERAL FUND									
1540	45352	1	01452 3710	NELSON, PAMELA ZUMBA ZUMBA INSTRUCT. SEPT.1-OCT.21, 2015 REGISTRATIONS	102715	10/30/15		10/30/15		1,335.35
										1,335.35
1554	45353	1	01401 2100	OFFICE DEPOT MATERIALS & SUPPLIES INK CARTRIDGE	800630887001	10/30/15		10/30/15		13.19
	45354	1	01401 2100	MATERIALS & SUPPLIES TONER - 3PK	800300908001	10/30/15		10/30/15		180.57
										193.76
1022	45355	1	01454 3740	PATTERSON, MICHAEL J. EQUIPMENT MAINT. & REPAIR REPLACE SIDING - SPRING HOUSE	015C023	10/30/15		10/30/15		800.00
	45356	1	01454 3740	EQUIPMENT MAINT. & REPAIR DELIVER SPLT RAILS TO PW	102315-2	10/30/15		10/30/15		63.00
										863.00
2592	45357	1	01454 3600	PECO - 45951-30004 UTILITIES 45951-30004 9/18-10/19/15 RESTROOMS	102115	10/30/15		10/30/15		84.01
										84.01
2445	45358	1	01409 3840	PROTECTION BUREAU, THE DISTRICT COURT EXPENSES REPAIR PANEL - DIST.COURT	175385	10/30/15		10/30/15		165.00
										165.00
1324	45359	1	01409 3740	T&G WINDOW CLEANING TWP. BLDG. - MAINT & REPAIRS OCTOBER 2015 WINDOW CLEANING TWP.	946902	10/30/15		10/30/15		850.00
	45360	1	01409 3840	DISTRICT COURT EXPENSES OCT. 2015 WINDOW CLEANING - DIST.CT	946904	10/30/15		10/30/15		150.00
										1,000.00

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 5

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
2273	45361	1	01409 3605	VERIZON - 0527 PW BLDG - FUEL, LIGHT, SEWER & WATER OCTOBER 15 - NOVEMBER 14, 2015	101515-0527	10/30/15		10/30/15		185.20
										185.20
2868	45362	1	01409 3840	VERIZON-1420 DISTRICT COURT EXPENSES OCTOBER 16 - NOVEMBER 15, 2015	101615-1420	10/30/15		10/30/15		78.61
										78.61
3387	45363	1	01452 3720	WINTERLAND INC. HOLIDAY TREE CELEBRATION 6 STRNGS OF 70 CT. CHRISTMAS LIGHTS	TF-102315-JL	10/30/15		10/30/15		81.12
										81.12
3583	45364	1	01437 2460	WINZER FRANCHISE COMPANY GENERAL EXPENSE - SHOP STAR ALLOYS FOR WELDING	5442721	10/30/15		10/30/15		185.40
										185.40

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 6

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
03		SINKING FUND								
2717	45343	1	03459 7401	HIGGINS & SONS INC., CHARLES A. CAPITAL - PARK CROSSING INSTALL MAST, SIGNALS, BUTTONS, FLASHERS & TIMERS - PARK ENTRANCE	40546	10/30/15		10/30/15		23,462.00
										23,462.00

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 7

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
05				SEWER OPERATING						
2918				ALS ENVIRONMENTAL						
	45318	1	05422 4500	R.C. STP-CONTRACTED SERV. RCSTP LAB TESTING 10/8 - 10/13/15	40-199018	10/29/15		10/29/15		171.00
										171.00
1658				AQUA PA						
	45324	1	05420 3602	C.C. COLLECTION -UTILITIES 000363541 0357724 9/16-10/16/15 BK	102015 BK	10/29/15		10/29/15		16.00
	45325	1	05420 3602	C.C. COLLECTION -UTILITIES 000305003 0305003 9/23-10/22/15 WW	102615 WW	10/29/15		10/29/15		27.50
	45326	1	05420 3602	C.C. COLLECTION -UTILITIES 000309826 0309826 9/22-10/21/15 TH	102315 TH	10/29/15		10/29/15		19.00
	45327	1	05420 3602	C.C. COLLECTION -UTILITIES 000300141 0300141 9/16-10/16/15 GH	102015 GH	10/29/15		10/29/15		16.00
	45328	1	05422 3601	R.C. COLLEC.-UTILITIES 001533998 1087842 9/22-10/21/15 TWN	102315 TWN	10/29/15		10/29/15		62.70
										141.20
241				C.C. SOLID WASTE AUTHORITY						
	45330	2	05422 4502	R.C. SLUDGE-LAND CHESTER WEEK 10/16/15 - 10/22/15	41835	10/29/15		10/29/15		556.77

Report Date 10/30/15

Expenditures Register  
GL-1510-50057

PAGE 8

MARP05 run by BARBARA 11 : 01 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
06				REFUSE						
241	45330 1	06427	4502	C.C. SOLID WASTE AUTHORITY LANDFILL FEES WEEK 10/16/15 - 10/22/15	41835	10/29/15		10/29/15		6,097.72
										6,654.49
										51,534.19
0 Printed, totalling										51,534.19

FUND SUMMARY

Fund	Bank Account	Amount	Description
01	01	21,105.50	GENERAL FUND
03	03	23,462.00	SINKING FUND
05	05	868.97	SEWER OPERATING
06	06	6,097.72	REFUSE
		51,534.19	

PERIOD SUMMARY

Period	Amount
1510	51,534.19
	51,534.19

Report Date 11/05/15

Expenditures Register  
GL-1511-50149

PAGE 1

MARP05 run by BARBARA 9 : 37 AM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
01		GENERAL FUND								
1471	45365	1	01410 5300	WESTTOWN-EAST GOSHEN POLICE POLICE GEN.EXPENSE NOVEMBER 2015 CONTRIBUTION	110115	11/05/15	11/01/15	11/05/15	10067 p	225,508.48
										225,508.48

225,508.48  
1 Prepays, totalling 225,508.48  
0 Printed, totalling 0.00

FUND SUMMARY

Fund	Bank Account	Amount	Description
01	01	225,508.48	GENERAL FUND
		225,508.48	

PERIOD SUMMARY

Period	Amount
1511	225,508.48
	225,508.48

Report Date 11/05/15

Expenditures Register  
GL-1511-50152

PAGE 1

MARP05 run by BARBARA 12 : 00 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
01	GENERAL FUND									
2226				21ST CENT.MEDIA-PHILLY #884433						
	45369	1	01401 3400	ADVERTISING - PRINTING	790068	11/05/15		11/05/15		76.26
				NOTICE - TRAF.ADVISORY COMMITTEE						
	45369	2	01401 3400	ADVERTISING - PRINTING	791932	11/05/15		11/05/15		76.26
				NOTICE - EGT BUDGET						
	45369	3	01401 3400	ADVERTISING - PRINTING	794920	11/05/15		11/05/15		65.90
				NOTICE - SEEKING RESIDENTS -ABC						
										218.42
3286				3M COGENT INC.						
	45370	1	01452 3000	GENERAL EXPENSE	284707	11/05/15		11/05/15		25.75
				BACKGROUND CHK. JASON LANG						
										25.75
1893				ACCOMMODATION MOLLEN INC						
	45371	1	01409 3745	PW BUILDING - MAINT REPAIRS	141743	11/05/15		11/05/15		749.67
				FLOOR FINISH, AIR FRESHENERS, MOPS & MOP HANDLES						
										749.67
2051				ALLIED HYDRAULIC SERVICE CO						
	45373	1	01430 2330	VEHICLE MAINT AND REPAIR	21003	11/05/15		11/05/15		1,472.27
				PARKER MOTOR						
										1,472.27
68				AMS APPLIED MICRO SYSTEMS LTD.						
	45374	1	01401 3120	CONSULTING SERVICES	61465	11/05/15		11/05/15		1,097.00
				OCTOBER 2015						
	45374	2	01414 5001	ZONING IT CONSULTING	61465	11/05/15		11/05/15		28.00
				OCTOBER 2015 - GEO PLAN						
										1,125.00
2898				AQUASCAPES UNLIMITED						
	45375	1	01454 3711	POND TREATMENT	1325	11/05/15		11/05/15		300.00
				PERMITTING FEE - BOW TREE						
										300.00





Report Date 11/05/15

Expenditures Register  
GL-1511-50152

PAGE 4

MARP05 run by BARBARA 12 : 00 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
01	GENERAL FUND									
1641	NAPA AUTO PARTS									
45396	1	01430	2330	VEHICLE MAINT AND REPAIR BRAKE KIT & ROTOR ASSEMBLIES	1095075	11/05/15		11/05/15		218.44
45397	1	01430	2330	VEHICLE MAINT AND REPAIR END SPINDLES & JOINT ASSEMBLIES	1095058	11/05/15		11/05/15		518.90
										737.34
941	NEIGHBORHOOD HEALTH AGENCIES									
45417	1	01421	5200	CONTRIB. TO HEALTH SERV. 2015 CONTRIBUTION - VISITING NURSES	110515	11/05/15		11/05/15		6,000.00
										6,000.00
1554	OFFICE DEPOT									
45398	1	01401	2100	MATERIALS & SUPPLIES INK CARTRIDGE	801869403001	11/05/15		11/05/15		143.99
45399	1	01401	2100	MATERIALS & SUPPLIES INK CARTRIDGES, LEGAL PADS, PENS & TONER	801869113001	11/05/15		11/05/15		323.12
45400	1	01401	2100	MATERIALS & SUPPLIES CORRECTION FLUID, TONER & POST-ITS	802512176001	11/05/15		11/05/15		185.58
										652.69
1022	PATTERSON, MICHAEL J.									
45401	1	01437	2460	GENERAL EXPENSE - SHOP CONSTRUCT CONTAINMENT LOCKERS- WEGO	015C030	11/05/15		11/05/15		2,400.00
										2,400.00
2352	PECO - 99193-01400									
45405	1	01434	3610	STREET LIGHTING 99193-01400 9/24 - 10/23/15	102915	11/05/15		11/05/15		781.53
45405	2	01433	2470	UTILITIES - TRAFFIC LIGHTS 99193-01400 9/24 - 10/23/15	102915	11/05/15		11/05/15		686.30
										1,467.83
3153	PECO - 01360-05046									
45402	1	01409	7505	BOOT & PAOLI LED SIGN 01360-05046 9/28-10/27/15 BOOT LED	102715	11/05/15		11/05/15		49.31
										49.31

Report Date 11/05/15

Expenditures Register  
GL-1511-50152

PAGE 5

MARP05 run by BARBARA 12 : 00 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
1555				PECO - 45168-01609						
	45404	1	01409 3605	PW BLDG - FUEL,LIGHT,SEWER & WATER	102615	11/05/15		11/05/15		515.39
				45168-01609 9/21-10/21/15 ELEC.						
	45404	2	01409 3840	DISTRICT COURT EXPENSES	102615	11/05/15		11/05/15		61.40
				45168-01609 9/21-10/21/15 GAS						
	45404	3	01409 3840	DISTRICT COURT EXPENSES	102615	11/05/15		11/05/15		-61.40
				CREDIT FOR PREV.ESTIMATED GAS CHGS.						
										515.39
2591				PECO - 59500-35010						
	45403	1	01454 3600	UTILITIES	102615	11/05/15		11/05/15		33.20
				59500-35010 9/23-10/22/15 POND PUMP						
										33.20
1785				PENNSYLVANIA STATE POLICE						
	45406	1	01452 3000	GENERAL EXPENSE	110315	11/05/15		11/05/15		8.00
				R15057813 LANG						
										8.00
1080				PIMER, COLLEEN M.						
	45407	1	01414 3100	COURT REPORTERS	100715	11/05/15		11/05/15		224.00
				TRANSCRIPT - GOSHEN EQUITIES 9/29						
	45408	1	01414 3100	COURT REPORTERS	101315	11/05/15		11/05/15		260.00
				TRANSCRIPT - ABJIBAPA ENTERPS.9/15						
	45409	1	01414 3100	COURT REPORTERS	102615	11/05/15		11/05/15		68.00
				TRANSCRIPT - COMPREHENSIVE PLAN						
	45409	2	01414 3100	COURT REPORTERS	102615	11/05/15		11/05/15		60.00
				TRANSCRIPT - PARK & REC.-OPEN SPACE						
										612.00
1876				RANSOME RENTAL COMPANY LP						
	45410	1	01438 3840	EQUIPMENT RENTAL	K17718-01	11/05/15		11/05/15		260.00
				LIGHT TOWER RENTAL 10/21-10/23/15						
										260.00
2257				THOMAS COMITTA ASSOCIATES INC.						
	45411	1	01414 3050	ZONING CONSULTANTS	102815	11/05/15		11/05/15		2,874.00
				COMP.PLAN CONSULTING 9/28-10/28/15						
										2,874.00

Report Date 11/05/15

Expenditures Register  
GL-1511-50152

PAGE 6

MARP05 run by BARBARA 12 : 00 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
2942				VERIZON WIRELESS						
	45412	1	01401 3210	COMMUNICATION EXPENSE SEPTEMBER 21 - OCTOBER 20, 2015	9754242093	11/05/15		11/05/15		1,033.46
										1,033.46
550				XYLEM DEWATERING SOLUTIONS INC.						
	45414	1	01437 2460	GENERAL EXPENSE - SHOP CAM & GROOVE ADAPTERS AND BLACK WATER SUCTION HOSES	400551632	11/05/15		11/05/15		187.22
	45415	1	01430 2600	MINOR EQUIP. PURCHASE WET PRIME DEWATERING PUMPS WITH ADAPTERS & BLACK WATER HOSES	400550694	11/05/15		11/05/15		2,657.44
										2,844.66



Report Date 11/05/15

Expenditures Register  
GL-1511-50152

PAGE 8

MARP05 run by BARBARA 12 : 00 PM

Vendor	Req #	Budget#	Sub#	Description	Invoice Number	Req Date	Check Dte	Recpt Dte	Check#	Amount
06				REFUSE						
241	45380	1 06427	4502	C.C. SOLID WASTE AUTHORITY LANDFILL FEES WEEK 10/24/15 - 10/30/15	41910	11/05/15		11/05/15		4,912.11
										4,912.11
										235,489.08
0 Printed, totalling										235,489.08

FUND SUMMARY

Fund	Bank Account	Amount	Description
01	01	46,919.32	GENERAL FUND
05	05	183,657.65	SEWER OPERATING
06	06	4,912.11	REFUSE
		235,489.08	

PERIOD SUMMARY

Period	Amount
1511	235,489.08
	235,489.08

PLGIT 1107.1010

DATE	DESCRIPTION	TOTAL	1116.1000	1401.3000	1407.2130	1409.3745	1452.3204	1487.4600
<b>RICK SMITH</b>								
8/27/2015	WP ENGINE	29.00			29.00			
9/3/2015	CTO - GOTOMYPC - Rewal - Tia, RCSTP & Basemt Server	203.40			203.40			
9/3/2015	GIANT - Cookies for meeting - Rick & BOS	7.98		7.98				
9/5/2015	AT&T DATA - Ipad (Janet)	14.99			14.99			
9/13/2015	AT&T DATA - Ipad (Chuck)	14.99			14.99			
9/18/2015	National Seminars - Payroll - Tia	199.00						199.00
		<b>\$469.36</b>						
<b>MARK MILLER</b>								
9/2/2015	FOOD SERVICE WAREHOUSE - Ice Machine PW	1,747.34				1,747.34		
9/8/2015	AT&T DATA - Ipad (Steve Walker)	30.00			30.00			
9/16/2015	Sears - to be reimbursed by Mark Miller	13.01	13.01					
		<b>\$1,790.35</b>						
<b>JASON LANG</b>								
8/30/2015	PARTY CITY - Sales Tax Refund from August	-3.48					-3.48	
		<b>-\$3.48</b>						
		2,256.23						
	<b>GRAND TOTAL</b>		13.01	7.98	292.38	1,747.34	-3.48	199.00

J/E's made

X
---

Add to Master Cred.Card List

X
---

**Memo**  
**East Goshen Township**  
**1580 Paoli Pike**  
**West Chester, PA 19380**

**Voice (610) 692-7171**

**Fax (610) 425-8950**

**E-mail [rsmith@eastgoshen.org](mailto:rsmith@eastgoshen.org)**

Date: November 5, 2015

To: Board of Supervisors

From: Rick Smith, Township Manager

Re: Sunoco Remediation Report

We received the Remedial Action Progress Report for the Third Quarter of 2015 from Sunoco and 2 of the monitoring wells have a MTBE reading above the State Limit (20 ug/l).

The executive summary is attached and a complete copy of the report is available for review at the Township Building.

F:\Data\Shared Data\Property Management\53-4\53-4-2 (1431 Paoli Pike)\Sunoco\Memo to BOS 110515.doc

REC'D 11-4-15

## Remedial Action Progress Report Third Quarter 2015

Sunoco Station # 0004-7969  
1425 Paoli Pike  
West Chester, PA

### GENERAL INFORMATION

Sunoco Remediation Associate:	Bill Brochu
Consultant:	Environmental Alliance, Inc. (Alliance) 5341 Limestone Road Wilmington, DE 19808
Alliance Program Manager:	Joe Rossi
Alliance Project Manager:	Chris Thoeny
PADEP Case Manager:	Lauren Mapleton – PADEP Southeast Regional Office
PADEP Facility ID#:	15-20353
County:	Chester
Municipality:	East Goshen Township

### SITE OVERVIEW

- ◆ The site is an active retail gasoline station and A-Plus convenience store.

### SITE HISTORY

- ◆ In July of 1989, Sunoco retained Groundwater and Environmental Services, Inc. (GES) to conduct a hydrogeologic investigation upon the acquisition of the Site. GES installed 4 monitoring wells, collected soil samples, and completed an initial groundwater sampling event. Analytical results indicated the presence of total BTEX and total petroleum hydrocarbons (TPH) in the two samples that were located nearest the underground storage tank (UST) field.
- ◆ In the fall of 1989, Sunoco upgraded the UST system onsite. Upgrade activities included: the removal of four 4,000 gallon steel USTs which were replaced with three 10,000 gallon fiberglass USTs and the removal of two 550 gallon heating and waste oil tanks that were replaced with two 275 gallon aboveground storage tanks (ASTs).
- ◆ In December 1992 and January 1993, Sunoco completed service station upgrades, which included the abandonment of the on-site water supply well.
- ◆ In January 1995, the Pennsylvania Department of Environmental Resources (PADEP) issued a letter in which no further investigative activities were deemed necessary. Subsequently, all monitoring wells were abandoned by B. L. Myers on January 27, 1995.
- ◆ In October 2006, Sunoco upgraded the dispensers and product piping at the Site. During upgrade activities contamination was detected beneath one of the dispensers and was confirmed through a grab soil sample. Benzene was detected above Pennsylvania

- Department of Environmental Protection (PADEP) statewide health standard (SHS) and a notice of release (NOR) was submitted to the PADEP by Alliance on October 16, 2006.
- ◆ On January 17<sup>th</sup> and 18<sup>th</sup>, 2007, Alliance conducted soil borings and the installation of four monitoring wells. The monitoring wells were sampled on February 6<sup>th</sup> and April 25<sup>th</sup>, 2007.
  - ◆ In August 2007, Alliance submitted a Site Characterization Report (SCR) to the PADEP. The SCR was disapproved based on further site characterization being needed.
  - ◆ On September 19<sup>th</sup> and 20<sup>th</sup>, 2007, Alliance installed an additional four monitoring wells to help further delineate any potential migration of contaminants of concern.
  - ◆ In accordance with a letter from the PADEP dated March 3, 2008, Alliance conducted an extensive well search, in which no drinking wells were identified between the Site and the closest down-gradient sensitive receptor, Ridley Creek.
  - ◆ On September 3, 2008, Alliance installed two offsite monitoring wells and one onsite monitoring well. The offsite wells (MW-9 and MW-10) were installed for further horizontal delineation of potential contaminants of concern. The onsite well (MW-7B) was installed for vertical delineation of potential contaminants of concern.
  - ◆ In December 2008, a slug test was performed on monitoring well MW-7B to calculate the hydraulic conductivity of the bedrock aquifer beneath the site.
  - ◆ On May 27<sup>th</sup> and 28<sup>th</sup>, 2009 Alliance installed additional overburden and shallow bedrock wells at off site (MW-9 and 9B, MW-10 and 10B, and MW-11 and MW-11B) and onsite locations (MW-2B and MW-8B).
  - ◆ On November 3<sup>rd</sup> through 5<sup>th</sup>, 2009 Alliance installed additional monitoring wells onsite (MW-12, MW-12B and MW-5B) and off site (MW-13 and 13B and MW-14 and 14B).
  - ◆ On November 9, 2009, Alliance submitted a Status Report for Site Characterization to the PADEP.
  - ◆ On February 1, 2010, Alliance submitted a Site Characterization Report (SCR) to the PADEP selecting the Site Specific Standard (SSS) as the clean up standard for the site. The SCR was approved by the PADEP in a letter dated April 21, 2010.
  - ◆ On June 10, 2010, Alliance submitted a Remedial Action Plan (RAP) to the PADEP in which a groundwater pump and treat remediation system was selected as the remedial strategy for the site. The RAP was approved by the PADEP in a letter dated July 21, 2010.
  - ◆ Start up/shake down procedures for the groundwater remediation system were initiated on June 15, 2010. The permanent operation date for the groundwater remediation system is June 28, 2010.
  - ◆ Operation and Maintenance (O&M) of the remediation system has been ongoing since June 28, 2010.
  - ◆ On August 28, 2012, Alliance submitted a request to PADEP by e-mail on behalf of Sunoco, to modify the groundwater sampling plan during active remediation to a reduced list of wells. PADEP agreed to a reduced groundwater sampling plan per an August 28, 2012 e-mail. The following wells were removed from the quarterly groundwater sampling scope MW-2 & 2B; MW-5 & 5B; MW-9 & 9B; MW-10 & 10B; MW-13 & 13B. All the wells will remain in place, secured with a water tight manhole and locking well plug (wells will not be abandoned). Once active pumping is ceased, the wells will be returned to the sampling plan, or a modified sampling plan to meet post remediation monitoring needs will be developed in participation with PADEP.

- ◆ A Notice of Intent (NOI) was submitted to PADEP on September 6, 2012, for renewal of the NPDES Permit, to continue operation of the remediation system. Coverage under the statewide permit was extended in a letter from PADEP dated October 24, 2012.
- ◆ On September 27 2012, Alliance installed a regenerative air blower at the Site to aid in sub-surface remediation. The blower was installed in the remediation shed, and tied into piping runs connected to MW-7B. The purpose of the blower is to provide additional hydraulic influence at well MW-7B and possibly extract hydrocarbon vapors from the de-watered bedrock surrounding MW-7B. All extracted vapors are passed through activated vapor-phase granular carbon prior to discharge to the atmosphere.
- ◆ Per the November 26, 2013 letter submitted to PADEP (Notification of Suspension of Remedial Actions), the remediation system was temporarily shutdown on December 31, 2013. Per the notification, the system would remain off for at least one quarter while the aquifer response is evaluated.
- ◆ The remediation system was restarted on April 18, 2014.
- ◆ On December 31, 2014, the remediation system was shut down indefinitely to further evaluate baseline MTBE concentrations and trends at the Site.

### SITE INFORMATION

Well Specifications:	Fourteen 2-inch diameter overburden monitoring wells (MW-1 through MW-14); Eight 2-inch diameter shallow bedrock wells (MW-2B, MW-5B, MW-9B, MW-10B, MW-11B, MW-12B, MW-13B, & MW-14B); Two 6-inch diameter deep wells (MW-7B, & MW-8B).
Geology:	Soils consist of greenish gray and orange clay and micaceous silt underlain by Precambrian age, medium grained felsic gneiss. Depth to bedrock reported during drilling ranged from 20-feet (MW-14B) to 48-feet (MW-8B). Bedrock is gradationally overlain by a thick mantle of saprolite identified in most borings.
Groundwater Elevation:	Overburden: 82.72 feet (MW-12) to 74.81 feet (MW-14) Shallow Bedrock: 82.65 feet (MW-12B) to 74.80 feet (MW-14B).
Hydraulic Gradient:	Shallow: 0.012 feet per foot to the northeast. Deep: 0.012 feet per foot to the northeast.
Hydraulic Conductivity:	4.75 feet per day (shallow); 1.75 feet per day (deep).
Groundwater Sampling Frequency:	Quarterly.
Analytical Method:	Benzene, Toluene, Ethylbenzene, Total Xylenes (BTEX), Methyl tertiary-butyl ether (MTBE), Isopropylbenzene, Naphthalene via Environmental Protection Agency (EPA) Method 8260B.
Soil Quality:	Soil quality data from October 2006 dispenser sampling indicated Benzene above SHS at sample <i>Disp/Line 2</i> . Soil quality data from well installation in January 2007, indicated MTBE above SHS at MW-3 (11-12 feet).

Separate-Phase Hydrocarbons: Separate-phase hydrocarbons (SPH) have never been detected in the site monitoring wells.

### RISK ASSESSMENT

Potentially Sensitive Receptors: There are 34 known wells identified by the Environmental Data Resources, Inc. radius report (utilizing the Federal and Pennsylvania well databases) within a 0.5-mile radius. The East Branch of Ridley Creek lies approximately 900 feet northeast of the site.

Closest Known Well: One Federal Public Supply well was identified within a one-half mile radius to the east of the site.

Municipal Water Supply: Aqua Pennsylvania, Inc.

### SITE ACTIVITIES THIS REPORTING PERIOD

- ◆ A groundwater sampling event was completed on July 1, 2015 and included collection of liquid-level data from all onsite and off-site wells and collection of groundwater quality samples from MW-1, MW-3, MW-4, MW-6, MW-7, MW-7B, MW-11, MW-11B, MW-12, MW-12B, MW-14, and MW-14B (per reduced scope).
- ◆ Maps depicting groundwater elevation and analytical data for the shallow (overburden) and deep (shallow bedrock) monitoring wells are included as Figures 1 and 2, respectively. Historical groundwater elevation and analytical data are summarized in Table 1. A copy of the laboratory results is included in Appendix A. Graphs showing the concentration history of MTBE at select monitoring wells are presented in Appendix B.
- ◆ The remediation system remained off for the third quarter 2015; therefore, no discharge monitoring reports were submitted in April, May, or June 2015 in accordance with the National Pollutant Discharge Elimination System (NPDES) Permit for the Site.

### REMEDIATION SYSTEM INFORMATION

- ◆ Type of System: Vacuum Enhanced Groundwater Extraction (VEGE).
- ◆ Permanent Operation Dates:
  - Groundwater: June 28, 2010 to December 31, 2013; April 18, 2014 to December 31, 2014.
  - SVE: September 27, 2012 to December 23, 2012; March 19, 2013 to December 31, 2013; May 22, 2014 to December 31, 2014.
- ◆ Extraction Points: MW-1, MW-2, and MW-7B.
- ◆ Extraction Points Utilized: MW-7B.
- ◆ Recovery Equipment: Grundfos ES-7 Electric Submersible Pump & Gast R4 SVE blower.
- ◆ Liquid-Phase Treatment Equipment: GeoTech Lo-Profile Air Stripper, (2) 200 lb. liquid granular activated carbon (LGAC) vessels.
- ◆ Vapor-Phase Treatment Equipment: vapor-phase granular activated carbon.
- ◆ Groundwater Discharge Location: Storm Sewer.
- ◆ Approximate gallons pumped and treated this Reporting Period: 0

- ◆ Average Groundwater Recovery Rate this Reporting Period: 0 GPM.
- ◆ Total Groundwater Recovered through December 31, 2014: 3,665,497 gallons.
  - Totalizer replaced 4/18/14 at 1,363,333 gallons.
- ◆ Total Dissolved-Phase MTBE Recovered through December 31, 2014: 128.19 pounds.

**FUTURE SITE ACTIVITIES**

- ◆ Quarterly groundwater monitoring and sampling will continue using the August 28, 2012 revised sampling plan. The next sampling event is scheduled for October 2015.
- ◆ Operation of the remediation system has been suspended as of December 31, 2014 to evaluate non-pumping aquifer conditions.
- ◆ Based on the suspension of operation of the remediation system monthly no Discharge Monitoring Reports (DMR) will be submitted this period.

**ATTACHMENTS**

- Figure 1 Groundwater Analytical and Gradient Map - Overburden (Shallow) Wells  
July 1, 2015
- Figure 2 Groundwater Analytical and Gradient Map - Shallow Bedrock (Deep) Wells  
July 1, 2015
- Table 1 Groundwater Elevation Data and Analytical Summary
- Appendix A Groundwater Sampling Laboratory Analytical Reports
- Appendix B Groundwater Concentration Graphs

BOARD OF SUPERVISORS  
EAST GOSHEN TOWNSHIP  
CHESTER COUNTY  
1580 PAOLI PIKE, WEST CHESTER, PA 19380-6199

**FYI**

October 27, 2015

Dear Property Owner:

The purpose of this letter is to inform you that the Township has received a Subdivision application for 930 N. Chester Rd., West Chester, PA 19380. The applicants, Gary and Paula Moore, are proposing to subdivide the existing 4 acre parcel into two lots.

Pursuant to Township policy, property owners within 1000 feet of the subject property are notified when subdivision applications are received.

**The meeting dates and times scheduled for the review, discussion and possible approval of this application are outlined below. These meeting dates and times are subject to change without further written notice.**

**November 4, 2015:** Planning Commission meeting (7:00 PM)

**December 2, 2015:** Planning Commission meeting (7:00 PM)

**December 15, 2015:** Board of Supervisors meeting (7:00 PM)

All meetings are held at the Township Building and are open to the public. The subdivision application and plan are available for review during normal business hours. Please give me a call at or email me at [mgordon@eastgoshen.org](mailto:mgordon@eastgoshen.org) if you have any questions or need additional information.

Sincerely,

Mark A. Gordon  
Township Zoning Officer

Cc: All Township Authorities, Boards and Commissions