

EAST GOSHEN TOWNSHIP
CHESTER COUNTY, PENNSYLVANIA

RESOLUTION 2022-15

A RESOLUTION AUTHORIZING THE PARTICIPATION OF EAST GOSHEN TOWNSHIP IN THE
DELAWARE VALLEY WORKERS' COMPENSATION TRUST IN ACCORDANCE WITH THE
PENNSYLVANIA WORKERS' COMPENSATION ACT AND THE PENNSYLVANIA
INTERGOVERNMENTAL COOPERATION LAW.

The Board of Supervisors of East Goshen Township located in Chester County, Pennsylvania does hereby resolve as follows:

Section 1. That the Chair of the Board of Supervisors for East Goshen Township (hereinafter the "Municipality") is hereby authorized to execute the Delaware Valley Workers' Compensation Trust Intergovernmental Agreement (the "Trust Agreement") for the participation of the Municipality in the Delaware Valley Workers' Compensation Trust (the "Trust"), which Agreement is attached hereto as **Exhibit "A"** and is on file for inspection and review at the offices of the Municipality. The Trust Agreement may be amended after the adoption of this Resolution in accordance with the terms and conditions contained therein and to conform to any requirements imposed by the Commonwealth of Pennsylvania and any of its agencies, including the Department of Labor and Industry (the "Department") and its Bureau of Workers' Compensation (the "Bureau"). The Trust Agreement set forth in **Exhibit "A"** was amended and restated effective June 1, 2022 in the form and format attached hereto as **Exhibit "B"** and has been submitted to the Bureau for approval. Upon the Bureau's approval, the Trust Agreement attached hereto as **Exhibit "B"**, subject to any changes required by the Bureau, shall supersede the Trust Agreement in **Exhibit "A"** and be binding on the Municipality and all other participants in the Trust.

Section 2. That the participation of the Municipality in the Delaware Valley Workers' Compensation Trust is authorized for the purposes of enabling the Municipality to reduce the cost or workers' compensation claims through its participation in a group self-insurance fund. Participation in the Delaware Valley Workers' Compensation Trust is desirable for the health, safety and welfare of the people served by this Municipality.

Section 3. That the Municipality delegates to the Delaware Valley Workers' Compensation Trust the authority to pay workers' compensation benefits on its behalf in accordance with the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act.

Section 4. That the Commonwealth of Pennsylvania's Department of Labor and Industry Bureau of Workers' Compensation has approved the issuance of a permit to the Delaware Valley Workers' Compensation Trust to operate as a group self-insurance fund subject to certain conditions.

Section 5. As an approved self-insurance fund, the Delaware Valley Workers' Compensation Trust will be responsible for the payment of workers' compensation claims on behalf of all Trust Participants.

Section 6. As set forth in the Trust Agreement and as otherwise stated herein, the following conditions, among others, apply to the participation of the Municipality in the Delaware Valley Workers' Compensation Trust:

- a) That the Trust shall consist of at least five homogeneous Trust Participants organized as local government agencies under Pennsylvania law;
- b) That each Trust Participant satisfies all eligibility and admission requirements for membership in the Trust.
- c) That each Trust Participant pledges and agrees to appropriate funds to pay all its annual contributions and assessments which are required for the creation of a Fund maintained at a level sufficient to pay all workers' compensation claims and related expense incurred by the Trust Participants;
- d) That each Trust Participant agrees to jointly and severally assume and discharge the workers' compensation liabilities of each and every other Trust Participant in accordance with the Trust Agreement when required to do so by the Department of Labor and Industry Bureau of Workers' Compensation;
- e) That each Trust Participant will institute any and all safety regulations, loss prevention measures or risk management procedures as may be required for the purpose of minimizing or eliminating work place risks to its employees;
- f) That each Trust Participant cooperate fully with the Trust's service and fiscal agents, attorneys, claims adjusters and any agents or employees of the Trust with respect to the investigation, defense and settlement of claims;
- g) That each Trust Participant designate a contact person to be responsible for all contacts with the Trust;
- h) That each Trust Participant provide any information to the Administrator/Executive Director or Board of Trustees as may be required to effect the purposes and objectives of the Trust; and
- i) That each Trust Participant comply with all applicable statutes and regulations governing the payment of workers' compensation claims, including, but not limited to, the Pennsylvania Workers' Compensation Act and any regulations promulgated thereunder.

Section 7. That the Municipality agrees to participate in the Delaware Valley Workers' Compensation Trust for a minimum period of two (2) years, subject to the terms and conditions of the Trust Agreement. After the expiration of that minimum two-year period, the Municipality may withdraw under the following conditions, among others, as provided in the Trust Agreement:

- a) An opinion is rendered by the Trust certified actuary that withdrawal will not result in the number of Participants falling below the minimum required to assure the fiscal and actuarial soundness of the Trust itself;
- b) That the withdrawing Participant is not then in default of its obligation to pay premiums, contributions or assessments;
- c) That the withdrawing Participant shall forfeit any and all of its rights to any dividends and Rate Stabilization Fund monies to which it may otherwise be entitled during the last year of the Participant's membership in the Trust and at all times thereafter.
- d) Upon effective date of withdrawal, or at any time thereafter, a Participant may be required to pay assessments as required by the Board of Trustees in accordance with the Trust Agreement and the By-Laws based on any deficits which were caused by any claims paid while that Participant was provided coverage by the Trust; and
- e) That the Board of Trustees shall have received a certification from the Trust actuary that the withdrawal of the Participant will not reduce the actuarial soundness of the Trust and, if any municipal debt has been incurred by the Participants to finance any portion of the Trust reserves, an opinion is obtained from bond counsel that such withdrawal will not adversely affect the tax-exempt status of any interest paid and any debt incurred by the Participants, or any legal entity created for the purpose of incurring such debt. As used herein, the term "debt" includes any municipal bonds, certificate, letters of credit or other instruments of municipal indebtedness.

Section 8. The organizational structure of the Trust shall consist of a Board of Trustees, an Administrator/Executive Director, a claims administrator/loss control consultant and various service agents appointed by the Board of Trustees in accordance with the Trust Agreement and any By-Laws adopted pursuant thereto.

Section 9. As set forth in the Trust Agreement, the funds required for the operation of the Trust shall be provided by the Trust Participants through annual appropriations.

Section 10. The Delaware Valley Workers' Compensation Trust is empowered to enter into contracts for policies of group insurance and employee benefits, including Social Security, for its employees.

Section 11. That the participation of the Municipality in the Delaware Valley Workers' Compensation Trust will be effective by **October 1, 2022**, as approved by the Board of Trustees.

Section 12. All contributions and assessments paid by the Municipality shall be made with funds appropriated by the Municipality for that purpose.

Section 13. As a condition of participating in the Delaware Valley Workers' Compensation Trust, the Municipality agrees to:

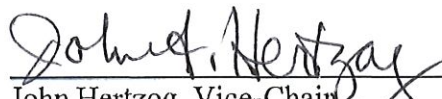
- a) Pay all annual contributions and assessments as may be required by the Board of Trustees;
- b) Appoint a representative to sit on the Board of Trustees and designate a contact person for the purpose of communicating with the Trust or its representatives;
- c) Not withdraw from the Trust for a period of two (2) years following its admission to the Trust, subject to the terms and conditions of the Trust Agreement;
- d) Withdraw from the Trust only upon satisfaction of the conditions set forth in the Trust Agreement;
- e) Perform all covenants contained in the Trust Agreement and delegate to the Board of Trustees the powers and authorities enumerated in that Agreement;
- f) Comply with all the conditions set forth in the Trust Agreement governing the handling and payment of claims, including the defense and settlement thereof;
- g) Appropriate the funds needed to pay all contributions and assessments as may be required by the Board of Trustees in accordance with the Trust Agreement; and
- h) Cooperate with the Trust, its agents or employees and provide the Trust with all information it needs for the operation of the Trust, including any underwriting or claims data which it may be requested by the Board of Trustees or their designee.


Section 14. This Resolution is being adopted pursuant to the Pennsylvania Intergovernmental Cooperation Law and the Pennsylvania Workers' Compensation Act.

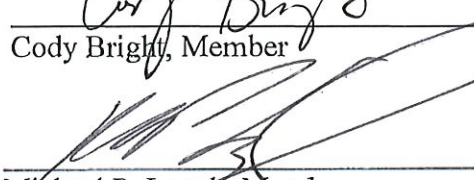
Section 15. All other resolutions or any part thereof, insofar as they are inconsistent with this Resolution, are hereby repealed.

Duly presented and adopted by the Board of Supervisors of East Goshen Township at a public meeting held on **August 16, 2022**.

By: 
Michele Trutt, Chair



John Hertzog, Vice-Chair


Cody Bright, Member


Michael P. Lynch, Member


David E. Shuey, Member

I certify that the above Resolution was duly adopted by the Board of Supervisors of East Goshen Township at a public meeting held on **August 16, 2022** at which a quorum of the Board of Supervisors of the Municipality was present and voting, and further that the Resolution remains in full force and effect.

Attest: 
Derek J. Davis, Secretary