

NOTICE OF REGULAR MEETING

NOTICE OF SAN LUIS HEALTH BENEFIT TRUST MEETING IN ACCORDANCE WITH SECTION 38-431.01 OF THE ARIZONA REVISED STATUTES OF THE STATE OF ARIZONA, NOTICE IS HEREBY GIVEN TO THE TRUSTEES OF SAN LUIS EMPLOYEE HEALTH BENEFIT TRUST AND TO THE GENERAL PUBLIC THAT THE TRUSTEES OF THE SAN LUIS EMPLOYEE HEALTH BENEFIT TRUST WILL HOLD A BOARD MEETING AT **5:30 P.M. WEDNESDAY, MARCH 13, 2019**. THE MEETING WILL TAKE PLACE AT THE CITY HALL, COUNCIL CHAMBERS, LOCATED AT 1090 E. UNION STREET, SAN LUIS, ARIZONA, 85349. EVERYONE FROM THE PUBLIC IS INVITED TO ATTEND THE OPEN MEETING.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 East Union Street, San Luis, Arizona 85349; (928) 341-8579.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 been waived.

THIS NOTICE IS APPROVED BY:

/s/ Maria Munoz, HR Benefits Coordinator

AVISO DE JUNTA REGULAR

AVISO DE JUNTA DEL FONDO DE BENEFICIOS MEDICOS DE ACUERDO A LA SECCION 38-431.01 DE LOS ESTATUTOS REVISADOS DEL ESTADO DE ARIZONA. SE LE INFORMA A LOS MIEMBROS DE LA MESA DE PERSONAL DE SEGURIDAD PUBLICA Y PUBLICO EN GENERAL QUE EL PRESIDENTE Y MESA DIRECTIVA DE FONDO DE BENEFICIOS MEDICOS, SAN LUIS, ARIZONA TENDRAN UNA JUNTA REGULAR **A LAS 5:30 P.M., MIERCOLES EL DIA 13 DE MARZO, DEL 2019**. LA JUNTA SE LLEVARA A CABO EN LAS OFICINAS DE LA CIUDAD, EN LA SALA DEL CABILDO, UBICADA EN EL 1090 E. UNION STREET, SAN LUIS, ARIZONA, 85349. EL PUBLICO ESTA CORDIALMENTE INVITADO.

De acuerdo con el Acta de Americanos con discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para mas información referente a derechos y provisiones del Acta de Americanos con discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la ciudad, contactar al: Coordinador del Acta de Americanos con discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, 1090 Este Calle Unión, San Luis, Arizona, 85349; (928) 341-8579.

Por medio de este aviso y de acuerdo con los Estatutos Revisados del Estado de Arizona, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar o no dar el consentimiento antes que el Estado o alguna subdivision política grabe a un menor de edad, ya sea en audio o video. Las juntas del Concilio se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden solicitar por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo/hija menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad esta presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con el Estatuto Revisado del Estado de Arizona §1-602.A.9.

ESTE AVISO ES APROBADO POR:

/f/ Maria Munoz, Coordinadora de Beneficios de Recursos Humanos

AGENDA
Regular Meeting
City of San Luis Employee Benefit Trust
Council Chambers – City Hall
1090 E Union Street
San Luis, AZ 85349
Wednesday, March 13, 2019
5:30 p.m.

NOTE: Some members of the Board of Trustees of the City of San Luis Employee Benefit Trust may attend the meeting telephonically. If authorized by majority vote of the Board of Trustees, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.

- 1. CALL TO ORDER/ROLL CALL**
- 2. CONSENT AGENDA**
- 2. A. MINUTES OF**
Regular board meeting held February 13, 2019
- 3. DISCUSSION AND POSSIBLE ACTION ITEMS:**
 - 3. A.** Discussion and possible action on any and all matters regarding excluding from the Trust the mandatory benefit under A.R.S. §38-673 for police and firefighters for counseling after exposure to traumatic events. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD ON FEBRUARY 13, 2019. **(Monica Castro, City Finance Director and Kay Marion Macuil, City Attorney)**
 - 3. B.** Discussion and possible action on any and all matters regarding a contract with Counseling & Family Resources, Ltd., for Employee Assistance Program Preferred (EAPP) for administration assistance of the mandatory traumatic event counseling for police and firefighters. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD FEBRUARY 13, 2019. **(Monica Castro, Director of Finance and Kay Marion Macuil, City Attorney)**
 - 3. C.** Discussion and possible action on any and all matters regarding amending the City of San Luis Employee Benefit Trust. **(Kay Marion Macuil, City Attorney)**
 - 3. D.** Discussion and possible action on any and all matters regarding the terms of all Trust Board Members and recommendations for appointments to expiring terms. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD ON FEBRUARY 13, 2019. **(Kay Marion Macuil, City Attorney)**
- 4. ADJOURNMENT**

Employee Benefit Trust Board Meeting

2.A.

Meeting Date: 03/13/2019

Summary

MINUTES OF

Regular board meeting held February 13, 2019

Attachments

2019-02-13- Minutes

MINUTES
Regular Meeting
City of San Luis Employee Benefit Trust
Council Chambers – City Hall
1090 E Union Street
San Luis, AZ 85349
Wednesday, February 13, 2019
5:30 P.M.

NOTE: Some members of the Board of Trustees of the City of San Luis Employee Benefit Trust may attend the meeting telephonically. If authorized by majority vote of the Board of Trustees, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.

- 1. CALL TO ORDER/ROLL CALL – Chairman Gerardo Sanchez called the meeting to order at approximately 5:36 P.M.**

PRESENT: Gerardo Sanchez, Chairman
Emma Torres, Vice Chairman – by phone
Maria Sabori, Secretary

NOT PRESENT: Maria Gonzalez, Board Member
Jose Andrade, Former Board Member

OTHERS PRESENT:

Kay Macuil, City Attorney
Janet Taylor, Legal Secretary, Acting Clerk
Tadeo A. De La Hoya, City Manager
Maria Munoz, Benefits Coordinator
Susan Posada, Benefits Consultant
Monica Castro, Director of Finance
Jorge Mungaray, IT
Fausto Gonzalez, Human Resources

2. PRESENTATION

2.A. Presentation-Introduction of new Executive Advisor, Maria Munoz, HR Benefits Coordinator.
City Attorney Kay Macuil introduced Maria Munoz as the HR contact for the trust. Chairman Sanchez congratulated Maria Munoz.

3. CONSENT AGENDA

All matters are considered to be routine by the Employee Benefit Trust Board and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

3.A. MINUTES OF

Employee Benefit Trust Meeting held August 1, 2018.

MOTION: All present voted in favor Gerardo Sanchez, Maria Sabori, Emma Torres

4. DISCUSSION AND POSSIBLE ACTION ITEM (S)

4.A. Discussion and possible action on any and all matters regarding including in the Trust the mandatory benefit under A.R.S. §38-673 for police and firefighters for counseling after exposure to traumatic events. **(Susan Posada, Benefits Consultant)**

Chairman Sanchez read item 4.A.

Susan Posada, Benefits Consultant, thanked the board for having her. She began by discussing HB 2502. She explained that the bill states the city must provide 12 visits for public safety for any traumatic events they witness.. Ms. Posada stated that it would be very difficult and a company will need to be hired to administer that. Ms. Posada stated that there is also reporting involved and it is a large requirement because we have to make sure they have their 12 visits with a trauma provider. If the trauma provider feels they need an additional 12 visits or more the city must pay for it.

Ms. Posada stated this is a very complex bill and that it was not very well thought out and what the impact is to the cities. She state that she and the City Attorney Kay Macuil went round and round on how we would implement this. We also talked to Monica Castro Director of Finance on how this should be implemented.

Ms. Posada stated that she believes any traumatic event experienced in the workplace is similar to a workman's compensation claim, so if someone is injured a trauma is the same way. She stated that we initially thought that this was going to be presented to the trust even though at this point we want you to know what is happening with that particular bill because it does impact employees, but as of today, we aren't asking this to be part and paid by the trust. It is a very complicated bill. The reason Ms. Posada did not feel it should be in the trust is because one, It does not benefit all employees although the trust doesn't say it has to. She asked for clarification from the City Attorney.

Kay Macuil City Attorney said it is not specific.

Ms. Posada continued: The second part and the most critical part is that we don't really have any data to determine what the risk factor is. So we don't know

how much the trust would have to pay for this if it went through the trust. But after speaking with Kay and Monica, the good news is they do not feel it should be a part of the trust. But Kay thought it should be brought to the trust for knowledge but not for any action items.

Kay Macuil stated the action to not allow it in the trust is the recommendation. Emma Torres stated that it was kind of hard to make a decision like that because she was thinking what is the definition, what constitutes a trauma that will require that this is provided? Because Police and Fire staff are always confronted with trauma on a daily basis. It would be hard to say it was traumatic because most of the emergencies come with a trauma. They just get used to it, it comes with the job. It would be hard for me to figure that out.

Susan Posada responded: Well there is a definition, and I will let Kay go through those she has a listing of what trauma is. And you are absolutely right there is a specific definition according to the bill. The issue is whether it is trauma or not trauma the issue was should we put this in the trust and we all recommended it not be paid out of the trust.

Chairman Sanchez commented: And the other question is there is no specialist here in Yuma County.

Susan Posada stated: They would have to have a trauma certified so the EAP would be responsible for finding that trauma specialist. Now given that I said that if a member calls them and says I am okay seeing Dr. so and so who is not trauma certified he or she is able to do that.

Chairman Sanchez - Okay

Susan Posada continued: Okay, he can elect to, and that has to be spelled out. The most important thing out of all of this is who is going to pay for it? And talking to the EAP Preferred people they said that some of the workman's comp companies are now beginning to pick this up because it is workman's comp related because the trauma is a result of a job. It is no different than an injury; it is just mental as opposed to physical. So, I think that is separate then what we are trying to accomplish. The second part that I had the biggest issue with is that I do not know how to assess the risk on this because even though I provided utilization reports, they weren't necessarily trauma-related visits. The long and the short of it is Kay does know HR does know what trauma is. We have to educate police and fire on what is available to them and encourage them to give a call we can't tell them whether they are forced to or not forced to, so that is going to be more educational. I have had EAP agree to come out there is a charge for that, but they will come out and educate public safety on it.

Kay Macuil stated: Trustee Torres just to answer your question this is Kay the City Attorney, so the trauma list, since you are on the phone, you don't see it is:

Visually witnessing the death or maiming of one or more human beings. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children. Requiring rescue in the line of duty where one's life was endangered. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer or firefighter was physically injured. Witnessing the death of another peace officer or firefighter while engaged in the line of duty. Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child.

Kay Macuil continued: We did ask our Fire Chief, and Chief of Police for their statistics and 51 police officers have been exposed to these just since August, and that is just about our entire force. 10 Firefighters have been exposed to 18 incidents and so the clincher for me is to why this shouldn't be in the trust is when I talked to Monica our Finance Director that these have the potential of raising the premium rates on all the employees because of the possible claims that could come in. And for that reason preferring one group of employees and dragging down the rest of the employees does not seem right. And should be better placed in the budget of the Fire Department and Police Department.

Emma Torres stated: Yes thank you I was wondering the same. Similar statistics you know the line of duty where they are always exposed to very tragic events or domestic violence or children abuse or whatever that is all part of creating trauma. The job in itself is traumatic. How are you going to be able to constantly have them in treatment? That is why I was asking. I know about this situation, and I think it is a good decision that you are making.

Kay Macuil continued: The city does not mandate them to, all we do is offer we can't force people to go, but still, we don't know how many will choose to go so that is why it might drag down the trust funds.

Maria Sabori stated: On the claims how would that work if it is handled through our general, there would be a concern on HIPAA

Susan Posada responded: No the EAP Preferred will be sending a utilization report, but it will not have anybody's name. And they will also send a report that has to be recorded it is a requirement now that the city report to the state how many incidents.

Maria Sabori: So the claims would go through EAP?

Susan Posada: Yes

Maria Sabori: And no personal information will be shared

Susan Posada: No personal information will be shared; it cannot. The fees are very specific, and the State of Arizona has listed what those fees are, and every

provider they contract has to comply with those fees. They can range from \$150 to \$300 per hour.

Maria Sabori: There is also another thing where maybe if they are not using the EAP they can go through our medical counseling services then right?

Susan Posada: Good question, we discussed that at great length. If they go through the medical, they have to pay their \$15 copay per visit number one, number two if they go through that, we don't have any way of reporting it. We talked to Blue Cross/Blue Shield about this. They cannot tell us which providers are trauma certified and they will not. This is really new. Kay and I looked at it, and both of us were like whoa it is complex. Right now I talked to Monica about this, and we don't know the risk or how to assess the risk on this. That is why I encourage you to look at some workman's comp companies that have that. I tried to get that for you they would not give that to me because it is confidential. EAP contracts with the City of Yuma so I suggest that you turn to that.

Maria Sabori: Okay.

Chairman Sanchez: So basically what they are saying is every police officer can say they have Post Traumatic Stress Disorder.

Susan Posada: Yes and we have counseling for them.

Chairman Sanchez: Every single police officer- thank you, politicians, for creating a situation because they get exposed every day to these situations and the thing is, what are they doing? This is not a solution. They are creating a problem. They are forcing a problem, and the thing is this is huge. People don't realize how huge this is. Mental health is a big issue they just created a bigger problem.

Susan Posada: I agree, that is why I did not want this in the trust, and it is not going in the trust.

Chairman Sanchez: No, and it should not be in the trust. This should be workman's comp, and the thing is, to let the state deal with this issue.

Susan Posada: Well here is the thing, previously they did require us to have 12 visits. First when they phased it in ,there were 6 visits now there are 12. The 12 visits are available already and we pay \$6.30 for 80 police officers and firefighters that equates a little over \$6,000.00 a year that we are paying into the trust which I will discuss in the next item. It is just too much and too huge of a risk no different than a workman's comp injury, we don't know what the injury is going to be how do you assess that risk.

And we don't have any data to go back. This is a very difficult bill for legal and for accounting and workman's comp.

Chairman Sanchez: They all qualify for disability, you realize that.

Susan Posada: That is another issue because anything that is considered mental is only covered for two years. Well, six months under the short-term disability. Under public safety, we have a long-term policy they also have a public safety retirement plan, and under that retirement plan they would go to public safety first and anything that public safety isn't paying maybe because they are too new then Standard comes into the gap that income.

Kay Macuil: If there is a determination of unfit for duty the city must continue to pay regular pay for 30 days in addition. So the risk just goes on and on.

Susan Posada: After the people have exhausted their FMLA and their short-term disability, you know they go on to long-term disability. You no longer have to keep their jobs.

Maria Sabor: For fire and police it is one year.

Susan Posada: For one year okay. So you don't have to keep their job if they are injured for a long period of time like two or three years. They continue their income under a long-term disability they are not on our payroll, and we just pay the bill. We are paying the premiums to cover those premiums for the pay. So they are no longer employees, and it will cover up to 65 or social security age which could be 67, 68 now.

Chairman Sanchez: It's food for thought. So you basically introduced us to this subject.

Susan Posada: Yes

Chairman Sanchez: Okay, thank you. So we do not need to take action on this one?

Kay Macuil: I did put a motion to not include it in the trust, but you don't have to take any action.

Chairman Sanchez: No I think we need clarification. I think we should hold off any action until we clearly know if we have to or will this be a workman's comp? Because, I can see our premiums going really, really high if this occurs.

Susan Posada: But in the meantime, I would like to keep it out of the trust until that determination is made.

Chairman Sanchez: That's fine so no action at this point.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE INCORPORATING THE TRAUMATIC EVENT MENTAL HEALTH BENEFIT FOR POLICE AND FIRE UNDER ARS §38-673 INTO THE TRUST.

NO ACTION TAKEN.

4.B Discussion and possible action on any and all matters regarding approval of the contract with Counseling & Family Resources, Ltd., for Employee Assistance Program Preferred (**EAPP**). (**Susan Posada, City of San Luis Benefits Consultant**)

Chairman Sanchez read item 4.B.

Susan Posada: What I talked to you about just a minute ago in 4.A. that is called EAP Trauma for short because that is the traumatic event portion. This one 4.B. is what it use to be

Kay Macuil: No this one is the traumatic one

Susan Posada: Oh this is the traumatic? Well I thought I just talked about the traumatic

Kay Macuil:The first item was just the law in general.

Susan Posada: Oh the law in general

Kay Macuil: And this one is the contract

Susan Posada: Okay I get you. So the contract won't go through the trust does it have to be discussed?

Kay Macuil: This one is the contract to administer the reporting, and so this one is related to the last one, and we would just like not to include the contract that goes with the statute into the trust.

Chairman Sanchez: So once we get clarification then we will proceed with this second matter.

Susan Posada: Okay, so what I discussed with 4.A. how the bill worked and the impact what she is talking about on 4.B.

Ms. Posada continued explaining that. EAP PPreferred scrambled to put together a program for all cities including the City of Yuma on how to meet the

requirements and the major issues for the counselors and the reporting requirements to the State.

Ms. Posada stated: Blue Cross/Blue Shield was not going to do it, so the only way that we are going to be able to accomplish that is to contract with EAP Preferred to help us find those traumatic counselors, first to do the intake when someone calls and decide how they are going to handle that. It may not be a traumatic event; it may be something related to family or divorce or something like that, so then they will triage it to find out where it is going to go to. If it is a traumatic event, then the employee has the right to go to any counselor they suggest even if it is not traumatic at that moment then they can refer them to a trauma provider. But if an employee has a provider that he or she wants to go to, they can do that. The cost of the referral service is \$500 a year it adds \$10 administrative fee per each claim so it would be, let's say the claim is \$300 an hour it would be \$300 plus \$10 so it would be per claim. What you get from that is the actual referral to a trauma certified provider in addition to the reporting. And they help guide the member. And so the fees would be \$500, \$10 administrative fee per claim in addition to that the fees that the provider charges which could be correct me Kay which is \$100 to \$300 per hour. Depending on the kind of service they need, and the providers that they contract with must agree to the fees that are on this [unintelligible possiblydate] schedule.

Chairman Sanchez: Would you happen to know what Yuma is doing?

Susan Posada: No, but I know that they do this. The EAP Preferred.

Chairman Sanchez: Okay, and Blue Cross/Blue Shield is not doing it.

Susan Posada: I contacted Blue Cross/Blue Shield, first of all, they cannot determine who is trauma certified again they are not in the business of doing that where EAP that is all they do is counseling plus Blue Cross/Blue Shield would not give us a recording. And the bill also states that the fees must be paid by the city and not the medical plan.

Maria Sabori: Is the enrollment fee per employee or is it like an administrative fee for the contract?

Susan Posada: The \$500 is per year, so it is a one time set up fee type the \$10 would be every claim.

Chairman Sanchez: Thank you, Susan. So that item is going to be considered with item 4.A. in the future.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE CONTRACT WITH COUNSELING & FAMILY RESOURCES AS PRESENTED IN THE AMOUNT OF A ONE-TIME FEE OF \$500 PLUS \$10 PER COUNSELLING SESSION ADMINISTRATIVE FEE.

OR

I MOVE TO DENY INCLUSION OF THE EAPP CONTRACT IN THE TRUST.

NO ACTION TAKEN

4.C. Discussion and possible action on any and all matters regarding the Amendment between Counseling and Family Resources Ltd., dba EAP Preferred, and the City of San Luis Employee Benefit Trust to extend the mental health plan for a maximum of 63 police and fire to June 30, 2021 **(Kay Marion Macuil, City Attorney)**

Chairman Sanchez read item 4.C.

Susan Posada: Right now under the trust we have listed EAP services for public safety. At that time, management decided not to extend the EAP to all employees but at that point, we needed to do something, and we were forced to immediately provide counseling to all public safety. So right now, we started with six visits now it is 12 visits, but under that particular contract, it is not trauma. They can call for anything, they can call for trauma then they would get referred out for trauma. I suggest that you keep that contract but more importantly let me start because it is kind of confusing. In speaking with Monica in accounting, I found out that the fee this is like a \$6,000 annual fee which should have been paid by the trust, wasn't paid by the trust. It was paid outside of the trust, which is good now in retrospect. So, we want to take that out of the trust because it benefits only public safety and it does not benefit all employees. The 12 visits is actually pretty good because if they go in, it is better to pay a monthly fee for the EAP which is a total of \$6000 then to go to the trauma which the next step would be the trauma to have to pay those larger fees. So we can keep them in the EAP if it works out that way that is the better way and the least expensive way and it reduces your risk. But it may not work that way. And the total that was budgeted under the trust that I budgeted was about \$6300, \$6400 per year which is not very much it really is insignificant. We had an initial meeting for our renewal that is coming up, and for almost the same rate we can put all 234 employees for \$2.28 for 6 visits. But, at this point is to acknowledge that it is not being paid out of the trust that it is being paid by the city which is good and to remove that requirement from the trust on to the city and they have agreed to that, and it should be there because it is only for public safety.

Maria Sabori: At what point are you considering adding all of the employees? I know it came up at one of the safety meetings that the communication officers are also exposed to trauma and they are not part of public safety.

Susan Posada: That's correct I agree that they should be. I presented that today because the City Manager had asked me to. I have mentioned I highly recommend that. We did look at the claims for the last seven months, and there have been very few people who have used Blue Cross/Blue Shield for mental health. I don't know that I can get the data for SiaraMed and Mexico to see how many people go to counseling. I would suggest that there is more in Mexico than there are here. We can go back and look at some data if I can get it from Mayo because Mayo has just really dropped us and given us very little information. So I think that the \$2.28 is a very reasonable rate to pay for six visits for all employees and it replaces that cost, and I will present that to the trust but not until July. Right now the issue is to remove the public safety twelve visits from the trust.

Chairman Sanchez: This motion is to approve, extend the contract at a rate of \$6000.30 per counseling session?

Kay Macuil: We could take the extension to the city rather than to the trust if trustees believe it would better to protect the trust than take this out of the trust.

Chairman Sanchez: So what are you recommending? I see two motions.

Susan Posada: I recommend that we remove the EAP for public safety out of the trust and to the city and I have spoken to Monica in accounting and she agrees. Again it's about \$6000.00 they are already paying for.

Chairman Sanchez: So it would be to deny inclusion of the EAP contract in the trust?

Kay Macuil: Yes.

Susan Posada: Yes.

Kay Macuil: Yes, that is the recommendation.

Chairman Sanchez: Emma are you ok with that?

Emma Torres: Yes, I am okay with that.

Chairman Sanchez – I will entertain a motion.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE CONTRACT WITH COUNSELING & FAMILY RESOURCES AS PRESENTED IN THE AMOUNT OF A ONE-TIME FEE OF \$500 PLUS \$10 PER COUNSELING SESSION ADMINISTRATIVE FEE.

OR

I MOVE TO DENY INCLUSION OF THE EAPP CONTRACT IN THE TRUST.

Maria Sabori: Motion.

Chairman Sanchez: You move to deny inclusion of the EAP contract to the trust?

Maria Sabori: Yes.

Chairman Sanchez: Is there a second, I will second that motion.

**MOTION TO DENY INCLUSION OF THE EAPP CONTRACT IN THE TRUST
All those present voted in Favor, Gerardo Sanchez, Maria Sabori, and
Emma Torres.**

4.D. Discussion and possible action on any and all matters regarding the terms of all Trust Board Members. **(Kay Marion Macuil, City Attorney)**

Kay Macuil: The terms of the trustees under the trust document are staggered for the first term we went beyond that into the five year the second term.

Chairman Sanchez: And I thank all the trustees, I really appreciate it so much.

Kay Macuil: But, we are not in trouble with the law because the law is an old thing, and it covers for these type of situations. When the city council does not act, the law steps in and says; well they did not act so we assumed they wanted continuing of the terms. But, since the terms were staggered, the beginning term was one year and the second one was five years. This trust started in March of 2012, so the first staggered term expired last year in March. Since we have a resignation of Mr. Andrade, I would assign that expired one to him. Then we have two that will expire next month and two that will expire next year in March. So this item is to decide which two have the terms expiring next month and which two would like to continue for another year. And then under the trust that is it. We have to have all new trustees after next year.

Chairman Sanchez: Including the chairman?

Kay Macuil: Including the chairman unless council wishes to amend the trust.

Chairman Sanchez: So that means I can get a break?

Kay Macuil: You can get a break.

Susan Posada: If I may while we are talking about an amendment to the trust. I would like to study that a little bit more because it is not very clear who covers what and what is included and who it benefits it is not all of that. What I have said that it is my intention that it is for the benefit of all that is just my intention, but I would like that clarified because when I first asked for this trust to be set-up it was to protect those 1.3 million dollars that were in the general fund with Summitt, and so we quickly did that trust or Glenn did and we quickly moved that money because it was at risk it was in the general fund of the TPA, and it was subject to the bankruptcy laws.

Kay Macuil: But that is not what is before you for consideration.

Susan Posada: No.

Chairman Sanchez: That is a big concern, no worries I don't plan on moving anywhere. Kay, I think you should talk to each member, and if they wish to continue, I think we can modify. No one is being forced to be removed. I think the continuation of what we are doing is very important no one is making money from this, let me be very clear. The decisions that have been made are for the benefit of this community for the employees. We have been able to maintain keeping costs down. We offer more benefits than any other organization here in Yuma County. No one can say or pinpoint that they have fewer benefits than anyone else. This committee, the trustees have done an excellent job. We all work very hard in other jobs also. So I thank you all so much. We don't meet that often trust me; I have a meeting almost every single evening. You have done a great job I know that sometimes it is tiring and you feel like I want to go home with my family. I know, and I want to commend you. You have done an excellent job. And we have to look at those by-laws. But ask each individual member if they want to continue and what they want and let's respect that. So, Kay, you have some homework. So let's think of what we are going to do. We are definitely going to replace that vacancy that we have.

Kay Macuil: Okay. This item is about the two remaining, so I take that as no action on this one.

Chairman Sanchez: Let's try to figure out a candidate. Maria and Emma if you consider a person for our next meeting.

Kay Macuil: Okay, that is what the next item is.

Emma Torres: One thing about another person is if I understand this right two of our terms will be expiring. Do we know who we have for another year or is that something we are going to be discussing later?

Chairman Sanchez: What is going to happen is that we are going to decide who are the two who are also going to be involved, and Kay will be talking individually

to each trustee member, and she is going to go over where each individual member falls and given the option to continue or if we need to replace each trustee member. Okay?

Emma Torres: Okay

Chairman Sanchez: I think that conversation needs to be done individually unless you want to have it in public? I don't.

Emma Torres: No, no its fine with me.

Kay Macuil: So I take that one as no action on 4.D.

RECOMMENDATION / SUGGESTED MOTION:

A. I MOVE THAT TRUSTEES _____ AND _____ HAVE THE TERM WHICH ENDS MARCH 14, 2019

B. I MOVE THAT TRUSTEES _____ AND _____ HAVE THE TERM WHICH ENDS MARCH 14, 2020

NO ACTION TAKEN

4.E. Discussion and possible action on any and all matters regarding the replacement of Trustees Jose Andrade and the two Trustees terms expiring on March 14, 2019. **(Kay Marion Macuil, City Attorney)**

Chairman Sanchez read the item 4.E

Kay Macuil – So this would be for the fifth member if anyone has any names in mind at this time or if you would like to relay it to me outside of the open meeting. This would be for Mr. Andrade who resigned.

Chairman Sanchez: Let's look for a person. Unless someone has someone right now?

Kay Macuil: Any direction? Right now we have on our board, we can have one employee and one council member, and the rest is open so any direction as to whether the trustees would like to see more accounting type or more medical type or community type what would you like?

Chairman Sanchez: I would like to see more of an accounting type, numbers person. Because I believe for the next five years, it is going to be about the numbers. Everything is going to go up, unfortunately. And the following two members we have to have medical.

Kay Macuil: Okay, so I take that one is no action just direction.

Chairman Sanchez: Do you agree Emma?

Pause.

Maria Sabor:– Yes.

Emma Torres: Yes, I agree.

Maria Sabori – I have a question. Under the contract on the employee does it state that it has to be HR or?

Kay Macuil: No it just says one may be an employee, and one may be a council member it doesn't say necessarily HR.

Chairman Sanchez: And your experience does count a lot. If you are thinking. . .

Maria Sabori: Oh no, I'm interested if allowed. I wasn't sure if HR had to be a part of the board.

Kay Macuil: HR, City Attorney, and Finance Director are Executive Advisors to the Board but not trustees.

Chairman Sanchez: Yeah, they can't be trustees. So they are already part of it. So we have our homework. Maria your first task. Monica tambien. So are we done?

Kay Macuil: No, there is one more.

**RECOMMENDATION / SUGGESTED MOTION:
I MOVE TO DIRECT HR EXECUTIVE ADVISOR MARIA MUÑOZ TO**

NO ACTION TAKEN

4.F. Discussion and possible action on any and all matters regarding establishing regular meetings four (4) times per year. **(Kay Marion Macuil, City Attorney)**

Chairman Sanchez read item 4.F.

Kay Macuil: Yes, the trust says that there are to be four (4) regular meetings per year and that the trustees are to look at the funding balances every quarter. So I recommend that we meet quarterly and so the motion says the first (pick your day of the week) we have been meeting on Wednesday. I'm sorry the first second or third whichever is most convenient for people and the day of the week we've been meeting on Wednesdays, then pick three months. Maybe I need help

from Monica on the recommendation for figuring out because we need to meet before the retreat for city council so that the trust recommends an amount to budget. So Monica would you mind helping me out.

Monica Castro, Finance Director: I would need to look at the timeline for the budget I don't have the dates on the top of my head, but I will definitely get back with a recommended date.

Kay Macuil: This year, for example, You have made everyone meet with you in February so after you meet with all the departments do you want to figure out what the budget should be for the trust?

Tadeo A. De La Hoya, City Manager: – You can still recommend the four (4) regular meetings a year, and you can update us that is usually when Susan comes. We can schedule that regularly, but Monica's numbers are separate from the trust. It's an unrelated note. For the sake of this item, I think we can establish the quarterly meetings.

Kay Macuil: – So we definitely need to meet in March: Definitely is that how it has been?

Monica Castro: Is this relating to the benefits and how much to budget next year is this what Kay is talking about?

Tadeo A. De La Hoya: Yes.

Monica: For that, I believe I already set a date. Yes, I already communicated a date to HR of when I needed to have those numbers and also when I was going to be able to give that feedback as I said I don't recall off the top of my head the dates but I can communicate a date later if it is for the budget but for the quarterly meetings I agree with Tadeo.

Tadeo A. De La Hoya: All I am saying is for the sake of this item I think scheduling four meetings a year I think the recommendation is fine. Susan comes quarterly; and if we don't have any items to present, I think we can take advantage of Susan coming down to meet with management and HR to present an informational update and that would take care of the declaration of the trust.

Emma Torres: I agree with having regularly scheduled meetings. I think this will help us be more consistent and giving the support that is needed.

Susan Posada: We start working on the renewal right now we don't have the renewal from the stop-loss carrier or any bids that have come back from that. I understand we are looking at the funding which is fine but the budget itself for the coming year we probably will not have all of that ready until towards the end of March.

Kay Macuil: – So given that, I would recommend the third Wednesday of March, June, September, December that would put us at Christmas wouldn't it?

Chairman Sanchez: Yes it would. And I am not having a meeting on Christmas I can tell you right now.

Tadeo A. De La Hoya: Can we just say quarterly.

Kay Macuil: We need to set a regular date, we can do this.

Chairman Sanchez: Can we do the second? Because the third you are going into Christmas you are going into Thanksgiving.

Kay Macuil: And then, if it is not ready the second March, we will do a special meeting.

Chairman Sanchez: We will do a special meeting then> I thought the second Wednesday.

Tadeo A. De La Hoya: Mayor if I may. So we are trying to comply with the declaration of the trust.

Kay Macuil – Yes, the trust.

Tadeo A. De La Hoya: So again if we say quarterly, we just need to meet quarterly.

Kay Macuil: We need to meet we need quarterly meetings. Just like council has regular meetings.

Tadeo A. De La Hoya: But that is by ordinance. So quarterly rather than having a set date.

Kay Macuil: We need a set date, sir. It doesn't mean regular if you don't set the date.

Tadeo A. De La Hoya: If you say quarterly, that is regular.

Chairman Sanchez: She wants it legally down on paper.

Kay Marion Macuil: Let's get something done today. We can do this the Mayor has chosen the second Wednesday of March, June, September, and December.

Chairman Sanchez: Yes. Any objections?

Maria Sabori: No.

Emma Torres: I agree just enter the dates as soon as possible so we can get them on the agenda before I put something else.

Chairman Sanchez: Sounds good.

**RECOMMENDATION / SUGGESTED MOTION:
I MOVE TO ESTABLISH REGULAR MEETINGS ON THE**

(1st, 2nd, 3rd, 4th) (Mon, Tue, Wed, Thur) (4 months of the year)

Chairman Sanchez – I move to establish regular meetings on the second Wednesday of the months mentioned by our city attorney.

Kay Macuil: Which are March, June, September, and December

Chairman Sanchez: Do I hear a second?

Maria Sabori: Second.

All present voted in favor, Gerardo Sanchez, Maria Sabori, Emma Torres.

Meeting adjourned at approximately 6:35 p.m.

Employee Benefit Trust Board Meeting

3.A.

Meeting Date: 03/13/2019

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding excluding from the Trust the mandatory benefit under A.R.S. §38-673 for police and firefighters for counseling after exposure to traumatic events. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD ON FEBRUARY 13, 2019. **(Monica Castro, City Finance Director and Kay Marion Macuil, City Attorney)**

SUMMARY:

This item was continued from the last meeting on February 13, 2019

Background of ARS §38-673 (The statute is attached)

According to the Governor's April 23, 2018 press release from the signing ceremony, the bill was drafted in response to the loss of Phoenix Officer Craig Tiger, who used deadly force on a subject in 2012 who was assaulting him and his partner. After this event, Officer Tiger attempted suicide one year after the shooting, and in 2014 he committed suicide. Officer Tiger's death was believed to be a result of undiagnosed and untreated Post Traumatic Stress Disorder (PTSD). It is intended to prevent and treat PTSD for police and firefighters.

Summary of ARS §38-673 Regarding the Health Care Benefit

It went into effect August 3, 2018, and ends December 31, 2022, subject to change by the Arizona Legislature.

- Applies only to police and firefighters
- Employer-paid traumatic event counseling with Arizona licensed psychologist or psychologist o
- The police or firefighter's choice 12 sessions, then if recommended by the counselor and an additional 24 employer-paid sessions within 1 year of the first session for a total of 36 sessions.
- The law caps the costs of sessions to the amount that would be paid under workers' compensation. This cap does **not** create a presumption that a claim is compensable under workers' compensation. (Attached is the fee schedule)j (As low as \$47.83 for Group Psychotherapy to as high as \$274.04 for Psychiatric diagnostic evaluation with medical services)
- Telemedicine is allowed.
- List of qualifying traumatic events::

1. Visually witnessing the death or maiming or visually witnessing the immediate aftermath of such a death or maiming of one or more human beings.
2. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children (as defined in section 13-705). **Note this one is investigation - not a single event.**
3. Requiring rescue in the line of duty where one's life was endangered.
4. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer or firefighter was physically injured.
5. Witnessing the death of another peace officer or firefighter while engaged in the line of duty.
6. Responding to or being directly involved in an investigation

regarding the drowning or near drowning of a child. **Note this one lists investigation.**

Other requirements of ARS §38-673

The employer must pay the police officer or firefighter for the time off needed to attend treatment and must not deduct vacation, sick, or other leave benefits.

If the counselor determines that the police or firefighter is not fit for duty, the employer must pay up to 30 calendar days per incident after the date of the determination. There are extensive reporting requirements. If a counselor charges more than the cap, there will be staff time explaining to the police or firefighter that the additional cost will be on them.

Unknown Dollar Amount Cost of Mandated Benefit

- No companies are selling insurance for this,
- The Stop Loss will not cover it.
- The benefit of the additional 13th through 36th visits expires 1 year after the first visit. However, there is no requirement as to when after the traumatic event the police or firefighter can use the benefit. The effects of PTSD may not be realized for years.
- There is no claims history for this type of benefit.

San Luis Experience with the General Employee Assistance Program (EAP)

Benefits Consultant Susan Posada pulled the use history for the EAP for 2017 and 2018 (Utilization Reports attached)

These reports of the number of past claims and the number of past sessions. But these claims are not necessarily for traumatic event counseling since there was no requirement to track this until August of 2018.

- For 2017 there were 12 EAP files opened with a total of 18 hours of services
- For 2018 there were 4 EAP files opened with a total of 5 hours of service

San Luis Experience with Traumatic Events

In 2018 the firefighters had **18** known traumatic events exposing about **10** firefighters. (Attached is the Fire Department's Report)

Since August of 2018, the San Luis Police Department had a total of **39** known traumatic events, exposing **51** PD members. (Attached is the Police Department's Report)

Another Arizona City with a Benefits Trust

The big City of Scottsdale outsources the administration and has the Trust pay that contract. It has the Police and Fire Departments pay the claims. (The HR and Finance Departments can allocate the cost of the claims to the Police and Fire Department budgets so that the Police and Fire will not be involved in handling the confidential claims.)

Recommendation

It is recommended that the costs be budgeted in the Police and Fire Departments and not the Employee Benefits Trust.

This mandatory law pertains only to police officers and firefighters. The police officers and firefighters are a portion of all employees. There is a potential for a large number of claims for counseling. The Chief of Police noted that just since August his entire force has been exposed to at least one traumatic event. If the entire force (about 51 Police Officers) took advantage of the 12 initial counseling sessions with the possibility of the counselors recommending the maximum 36 counseling sessions, the cost of these sessions would make less health benefit funds available for the rest of the employees who are not police officers or firefighters.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO DENY INCORPORATING THE THE TRAUMATIC EVENT MENTAL HEALTH BENEFIT FOR POLICE AND FIRE FIGHTERS UNDER ARS §38-673 INTO THE TRUST.

Fiscal Impact

Fiscal Impact:

In addition to the administrative costs of the associated contract, there is an unknown cost of the claims. There is no history to draw on to predict the claims. The Benefits Consultant Susan Posada mentioned a reserve of \$15,000 to be budgeted for the first year.

This is the associated administrative Contract.

A one-time setup and program enrollment fee of \$500 plus \$10 Administration Fee per unknown number of counseling sessions, dependent upon participation in the program.

All direct costs incurred by EAPP to be invoiced to the Employer on a monthly basis with payment due Net 30.

Budgeted Amount: Not Budgeted

General Ledger Number: 100-181-5016X, 100-182-5016X, 340-341-516X

Remaining Balance Before Purchase: N/A

Attachments

ARS 38-673

Cap on Counseling Fees

2017 EAP History

2018 EAP History

2018 Fire Traumatic Events

PD traumatic stats

EAPP Confidentiality

Arizona Revised Statutes Annotated
Title 38. Public Officers and Employees (Refs & Annos)
Chapter 4. Compensation and Insurance (Refs & Annos)
Article 5. Employee Benefits (Refs & Annos)

A.R.S. § 38-673

§ 38-673. Traumatic event counseling for peace officers and firefighters; report; exceptions; definitions

Effective: August 3, 2018

[Currentness](#)

A. Notwithstanding any other law, this state or a political subdivision of this state shall establish a program to provide peace officers and firefighters who are exposed to any one of the following events while in the course of duty up to twelve visits of licensed counseling, which may be provided via telemedicine, paid for by the employer:

1. Visually witnessing the death or maiming or visually witnessing the immediate aftermath of such a death or maiming of one or more human beings.
2. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children as defined in [§ 13-705](#).
3. Requiring rescue in the line of duty where one's life was endangered.
4. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer or fire fighter was physically injured.
5. Witnessing the death of another peace officer or firefighter while engaged in the line of duty.
6. Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child.

B. If the licensed mental health professional determines that the peace officer or firefighter needs additional visits of licensed counseling beyond that which the peace officer or firefighter is entitled to under subsection A of this section and that the additional visits are likely to improve the peace officer's or firefighter's condition, the employer shall pay for up to an additional twenty-four visits, if the visits occur within one year after the first visit pursuant to this section.

C. An employer may not require a peace officer or firefighter who is receiving treatment pursuant to this section to use the peace officer's or firefighter's accrued paid vacation, personal leave or sick leave if the peace officer or firefighter leaves work to attend a treatment visit pursuant to this section.

D. If the licensed mental health professional determines that the peace officer or firefighter is not fit for duty while the peace officer or firefighter is receiving treatment pursuant to this section, the employer shall ensure that the peace officer or firefighter has no loss of pay and benefits for up to thirty calendar days per incident after the date the licensed mental health professional determines that the employee is not fit for duty if all of the following apply:

1. The peace officer or firefighter is unable to work light duty or the employer does not offer a light duty option.
2. The peace officer or firefighter has exhausted the peace officer's or firefighter's sick leave, vacation leave or other leave that is provided as part of the peace officer's or firefighter's benefits package.
3. If the employer offers short-term disability benefits, the employer offered and the peace officer or firefighter elected short-term disability benefits, but the peace officer or firefighter is not eligible to receive short-term disability benefits.
4. The employer does not have a supplemental program that provides pay and benefits after the occurrence of an injury. For the purposes of this paragraph, supplemental program that provides pay and benefits after the occurrence of an injury does not include a supplemental benefits plan established pursuant to [§ 38-961](#).

E. An employer shall allow a peace officer or firefighter to select the peace officer's or firefighter's own licensed mental health professional, except that if a licensed mental health professional declines to provide counseling pursuant to this section, the employer is not required to secure the services of that licensed mental health professional. The employer shall pay the licensed mental health professional pursuant to the schedule of fees that is fixed by the industrial commission of Arizona pursuant to [§ 23-908](#).

F. Payment by the employer for licensed counseling pursuant to this section does not create a presumption that a claim is compensable under [§ 23-1043.01, subsection B](#).

G. For each program established pursuant to this section, this state and each political subdivision of this state shall compile the following data for peace officers and firefighters:

1. For each category of persons, the total number of persons who have participated in the program.

2. For each category of persons, the average number of visits per person.
3. For each category of persons, the average number of months that a person participated in the program.
4. For each category of persons, the average number of days that a person who participated in the program missed work.
5. For each category of persons, the total number of persons who participated in the program and who subsequently filed a workers' compensation claim and the number of those claims that were approved and the number of those claims that were denied.
6. For each category of persons, of the total number of persons who have participated in the program, the percentage of persons who received additional visits under subsection B of this section.
7. For each category of persons, the total number of persons who were deemed not fit for duty by a licensed mental health professional pursuant to subsection D of this section.
8. For each employer, the total amount of work missed by each category of persons who participated in the program and how missed work was provided for by the employer or through employee benefits.

H. On or before September 1, 2019 and September 1 of each year thereafter, this state and each political subdivision of this state shall submit the data collected pursuant to subsection G of this section to the department of administration. On or before October 1, 2019 and October 1 of each year thereafter, the department of administration shall compile the data into a report and submit the report to the governor, the president of the senate, the speaker of the house of representatives, the chairperson of the senate health and human services committee, or its successor committee, the chairperson of the house of representatives health committee, or its successor committee, the chairperson of the senate commerce and public safety committee, or its successor committee, and the chairperson of the house of representatives judiciary and public safety committee, or its successor committee, and shall provide a copy of this report to the secretary of state. Subsection G of this section and this subsection do not authorize this state or a political subdivision of this state to compile and report data that is protected under the health insurance portability and accountability act of 1996 (P.L. 104-191; 110 Stat. 1936).

I. This section does not apply to a state employer that provides a program to its peace officers and firefighters that is characterized by all of the following:

1. The program is paid for by the employer.

2. The program provides licensed counseling for any issue. For licensed counseling related to trauma experienced while in the line of duty, the licensed counseling is provided on the request of the peace officer or firefighter and is in person.

3. The program offers at least twelve visits per year and will offer additional visits if the licensed mental health professional determines that additional visits are necessary.

J. For the purposes of this section:

1. “Licensed counseling” means counseling provided by a licensed mental health professional.

2. “Licensed mental health professional” means a psychiatrist or psychologist who is licensed pursuant to title 32, chapter 13, 17 or 19.1.¹

Credits

Added by [Laws 2018, Ch. 259, § 2.](#)

Footnotes

¹

Section 32-1401 et seq., 32-1800 et seq., or 32-2061 et seq.

A. R. S. § 38-673, AZ ST § 38-673

Current through the First Special and Second Regular Session of the Fifty-Third Legislature (2018), and includes Election Results from the November 6, 2018 General Election

End of Document

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Editor's and Revisor's Notes (3)

HISTORICAL AND STATUTORY NOTES

[Laws 2018, Ch. 259, § 4](#) , provides:

“ Sec. 4. Short title

“This act may be cited as the “Officer Craig Tiger Act”. ”

Citing References

There are no Citing References for this citation.

Bill Drafts

There are no Bill Drafts for this citation.

Notes of Decisions

There are no Notes of Decisions for this citation.

From: Nick Ponder [mailto:nponder@azleague.org]

Sent: Wednesday, February 6, 2019 2:40 PM

To: Kay Macuil <kmacuil@cityofsanluis.org>

Subject: RE: Statutory Traumatic Event Counseling for Peace Officers and Firefighters - Question on Hourly Cost of Counselors

Kay,

I reached out to the Industrial Commission of Arizona and the information below was provided:

The fee schedule is based on Current Procedural Terminology (CPT) Codes published by the American Medical Association (AMA) each year. Psychiatric services may be billed under Evaluation and Management Codes (E & M) 99201-99285, 99304-99337, 99341-99350) may be reported for treatment of psychiatric conditions, rather than using Psychiatry codes, when appropriate.

Psychiatric Codes : 90785 (add-on code) for interactive complexity to be reported in conjunction with codes for psychiatric evaluation \$26.50

90791 Psychiatric Diagnostic Evaluation \$244.96

90792 Psychiatric diagnostic evaluation with medical services \$274.04

Psychotherapy Codes: 90832 Psychotherapy, 30 minutes \$118.92

90833 Psychotherapy, 30 minutes when listed with an Evaluation &

Management Codes 99201-99255, 99304-99337, 99341-99350 \$124.10

90834 Psychotherapy, 45 minutes \$159

90836 Psychotherapy, 45 minutes in conjunction with 99201-99255, 99304-99337, 99341-99350 \$156.41

90837 Psychotherapy, 60 minutes

90838 Psychotherapy, 60 minutes in conjunction with 99201-99255, 99304-99337, 99341-99350 \$206.83

90839 Psychotherapy for crisis, first 60 minutes \$248.84

90840 Psychotherapy \$118.92

90845 Psychoanalysis \$170.63

90846 Family psychotherapy, 50 minutes \$191.96

90847 Family Psychotherapy, 50 minutes \$199.72

90849 Multi-family group psychotherapy \$67.22

90853 Group Psychotherapy \$47.83

90863 Pharmacologic management \$47.83

There are some more psychiatric and psychotherapy codes but the codes above cover some of the more common services.

If you need any further rates I would encourage you to contact in Industrial Commission of Arizona at 602-542-4661.

Thanks

Nick Ponder

Legislative Director

League of Arizona Cities and Towns

O: 602-258-5786

UTILIZATION REPORT

FOR

City of San Luis

January 01, 2017 - December 31, 2017

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017 on New and Open Files

UTILIZATION RATE SUMMARY

Type	Count	%	Serviced	%	Activities	%	Hours
EAP Files	7	58.3%	8	07.9%	16	94.1%	16
Information Calls	0	00.0%	0	00.0%	0	00.0%	0
Organizational Service/CISD	5	41.7%	93	92.1%	0	00.0%	0
Program Management	N/A	N/A	N/A	N/A	1	05.9%	2
Supervisor Referral	0	00.0%	0	00.0%	0	00.0%	0
Organization Consultation	0	00.0%	0	00.0%	0	00.0%	0
Total	12	100%	101	100%	17	100%	18

Population / Utilization Rate	Weighted Population Of:	68
Total Current Period Rate		10.29%
Total Annualized Utilization Rate		10.29%
Clients Serviced Current Period Rate		11.76%
Total Clients Serviced Annualized Utilization Rate		11.76%

New/Ongoing Files Summary		Referral/Closed Files Count	
Total New Files	7	Total Files Closed	7
Total Open Files At 1/1/2017	0		
Total Open Files At 12/31/2017	0		

Activity / Session Summary	
Total File Activity / Session Hours	16.00

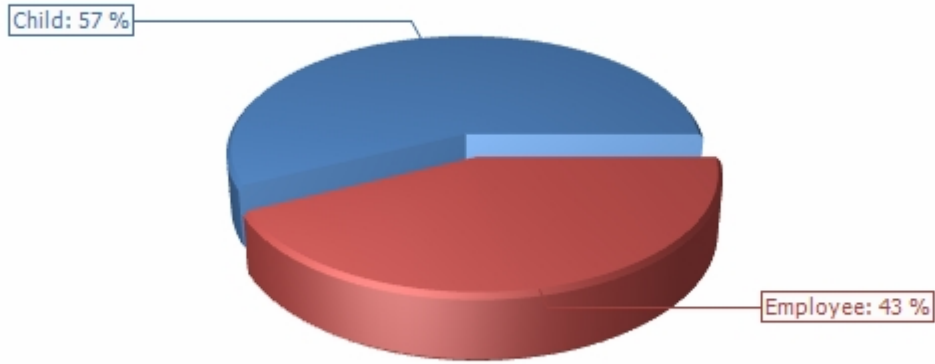
Historical Utilization				
1/1/2012-12/31/2012	1/1/2013-12/31/2013	1/1/2014-12/31/2014	1/1/2015-12/31/2015	1/1/2016-12/31/2016
No Data	No Data	No Data	No Data	No Data

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Client Type (Primary User)



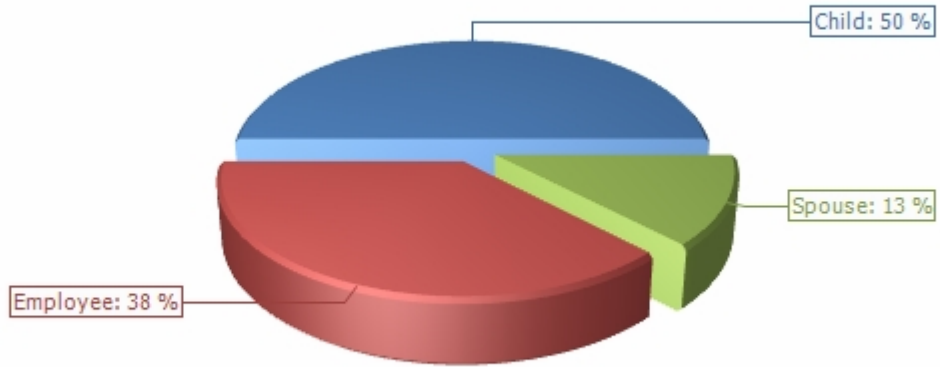
Client Type (Primary User)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Child	1	33.33%	3	50.00%	3	60.00%	3	75.00%	4	57.14%	0	0.00%
Employee	2	66.67%	3	50.00%	2	40.00%	1	25.00%	3	42.86%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Client Type (Serviced-Attending with Primary)



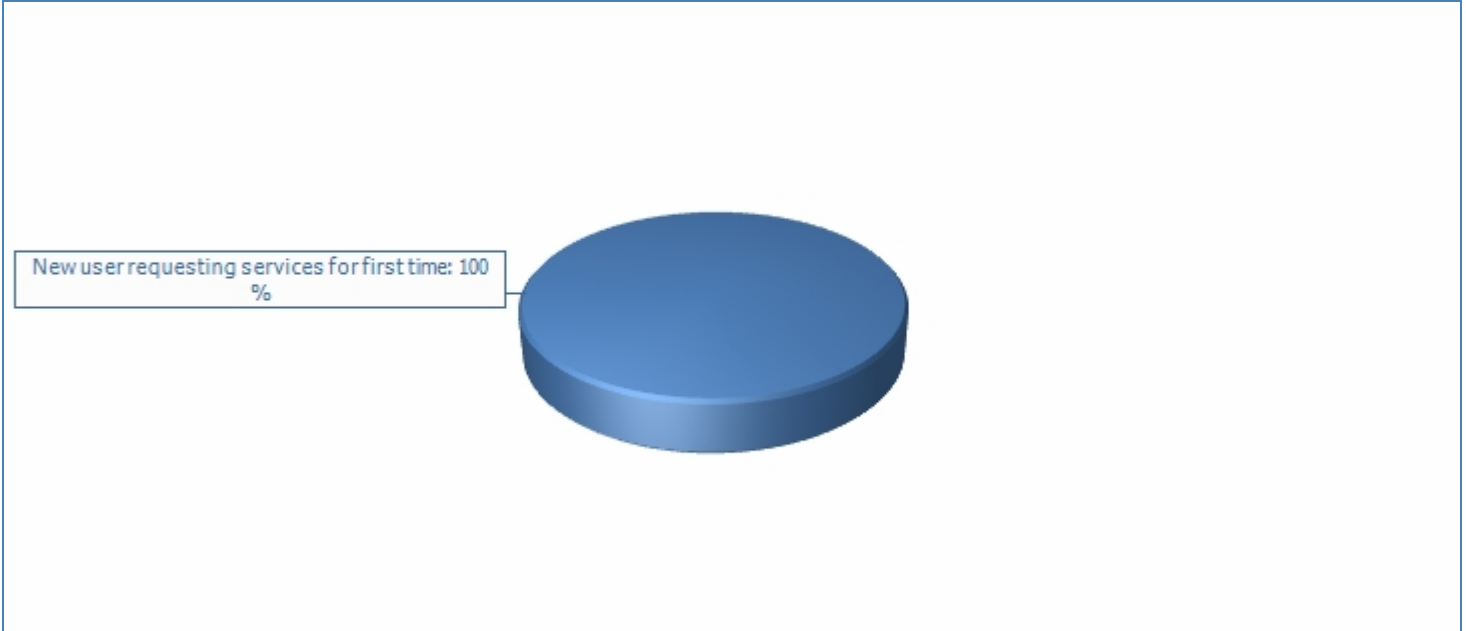
Client Type (Serviced-Attending with Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Child	1	33.33%	3	42.86%	3	50.00%	3	60.00%	4	50.00%	0	0.00%
Employee	2	66.67%	3	42.86%	2	33.33%	1	20.00%	3	37.50%	0	0.00%
Spouse	0	0.00%	1	14.29%	1	16.67%	1	20.00%	1	12.50%	0	0.00%
Total	3	100 %	7	100 %	6	100 %	5	100 %	8	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Case Status



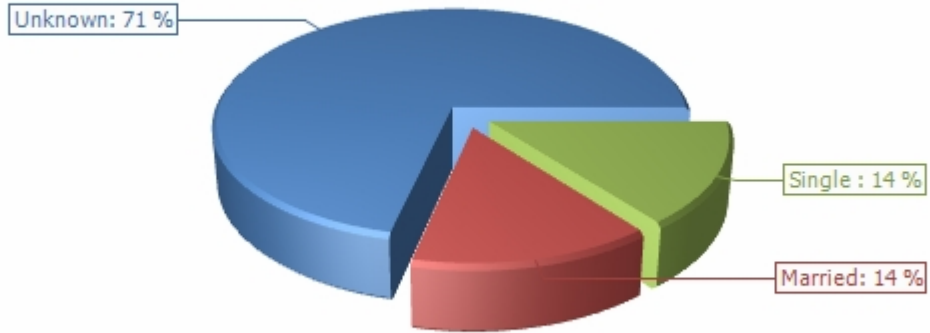
Case Status	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
New user requesting services for first time	3	100.00%	6	100.00%	5	100.00%	4	100.00%	7	100.00%	0	0.00%

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Marital Status (Primary)



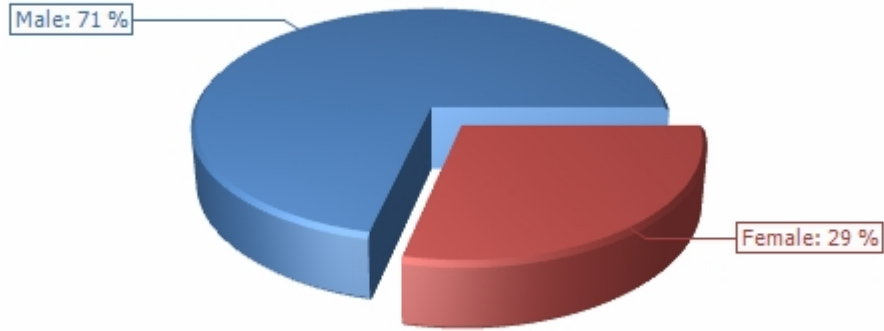
Marital Status (Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Married	1	33.33%	1	16.67%	1	20.00%	0	0.00%	1	14.29%	0	0.00%
Single	0	0.00%	1	16.67%	1	20.00%	1	25.00%	1	14.29%	0	0.00%
Unknown	2	66.67%	4	66.67%	3	60.00%	3	75.00%	5	71.43%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Gender (Primary)



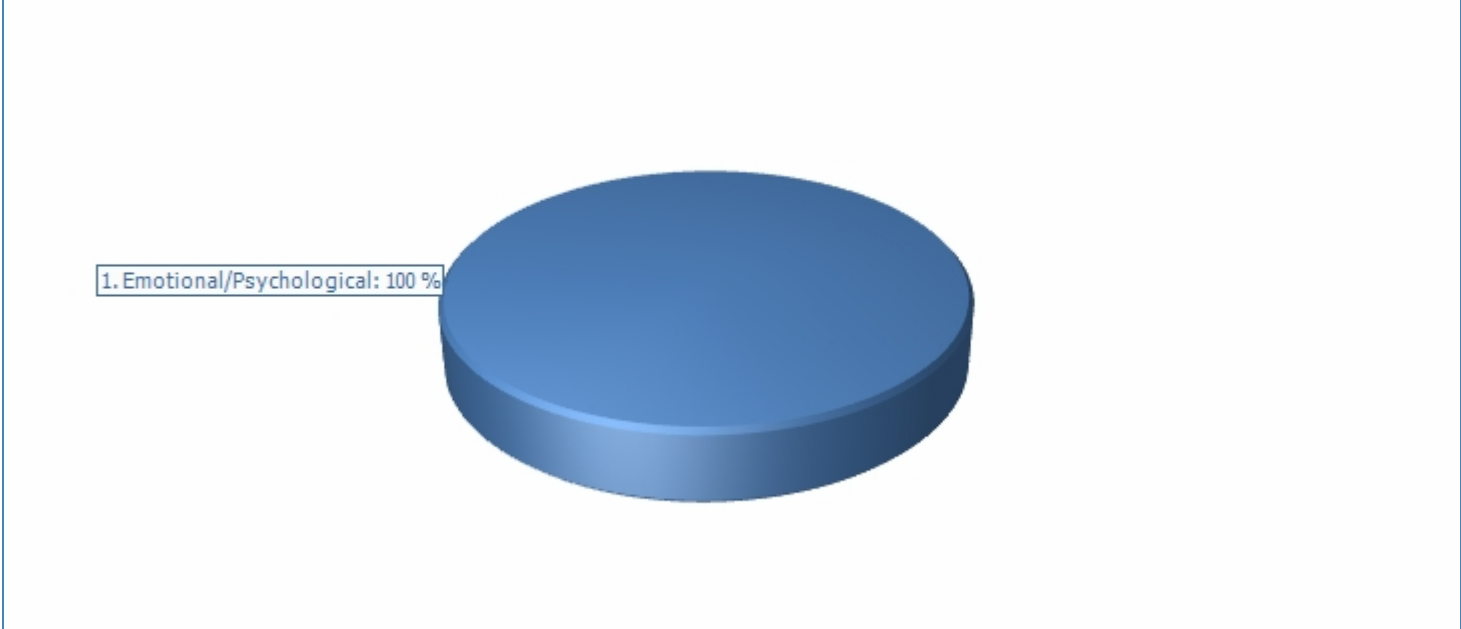
Gender (Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Female	1	33.33%	2	33.33%	0	0.00%	0	0.00%	2	28.57%	0	0.00%
Male	2	66.67%	4	66.67%	5	100.00%	4	100.00%	5	71.43%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Presenting Problem



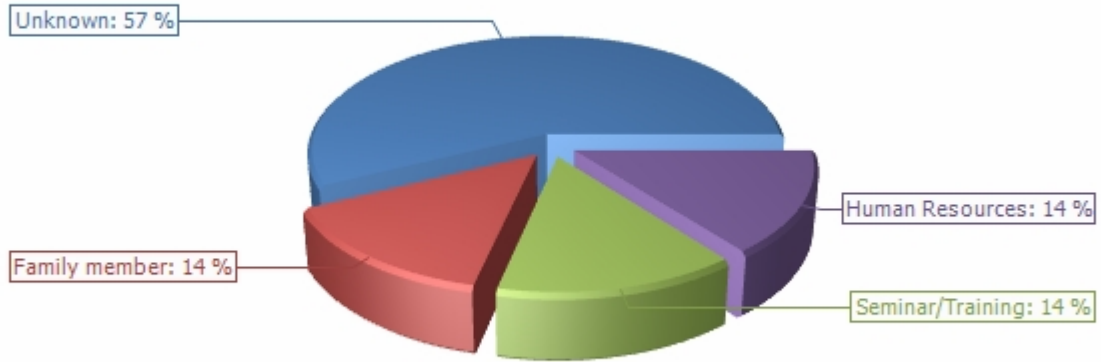
Presenting Problem	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
1. Emotional/Psychological	3	100.00%	6	100.00%	5	100.00%	4	100.00%	7	100.00%	0	0.00%
2. Family Related	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3. Marital/Relationship	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
4. Mandated-Supervisor Referral	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5. Substance Abuse	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
6. Work Related	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

How did you hear about EAP Preferred



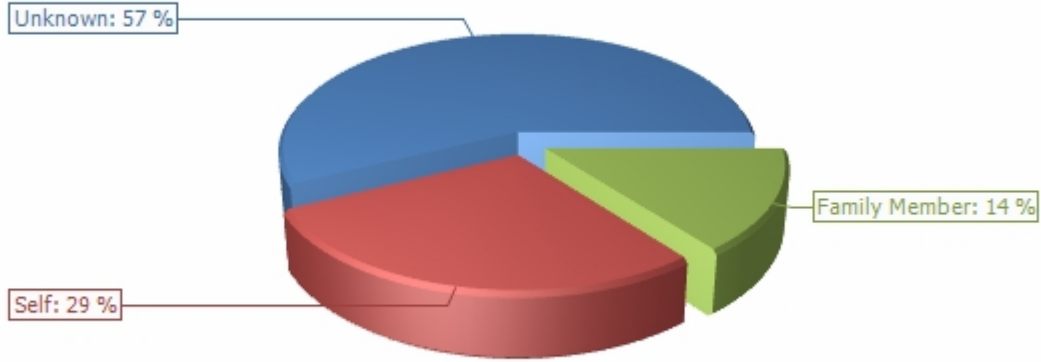
How did you hear about EAP Preferred	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Family member	0	0.00%	1	16.67%	1	20.00%	1	25.00%	1	14.29%	0	0.00%
Human Resources	1	33.33%	1	16.67%	1	20.00%	1	25.00%	1	14.29%	0	0.00%
Seminar/Training	1	33.33%	1	16.67%	1	20.00%	0	0.00%	1	14.29%	0	0.00%
Unknown	1	33.33%	3	50.00%	2	40.00%	2	50.00%	4	57.14%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Who suggested you to come to counseling



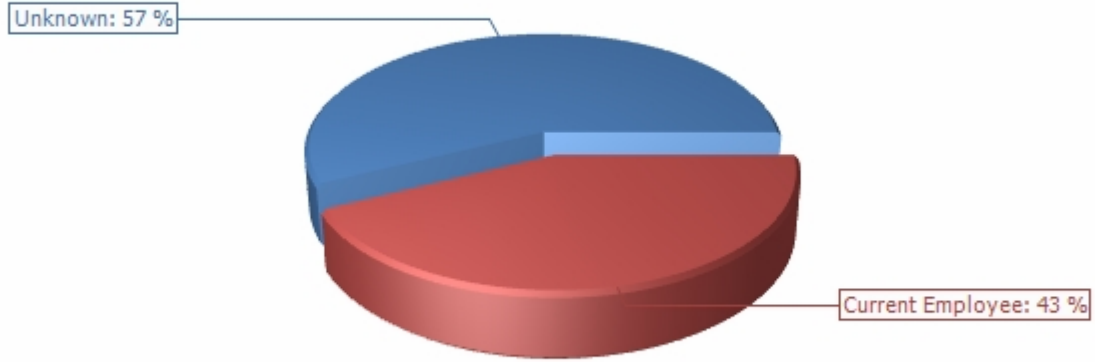
Who suggested you to come to counseling	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Family Member	0	0.00%	1	16.67%	1	20.00%	1	25.00%	1	14.29%	0	0.00%
Self	2	66.67%	2	33.33%	2	40.00%	1	25.00%	2	28.57%	0	0.00%
Unknown	1	33.33%	3	50.00%	2	40.00%	2	50.00%	4	57.14%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Employee's Present Job Status



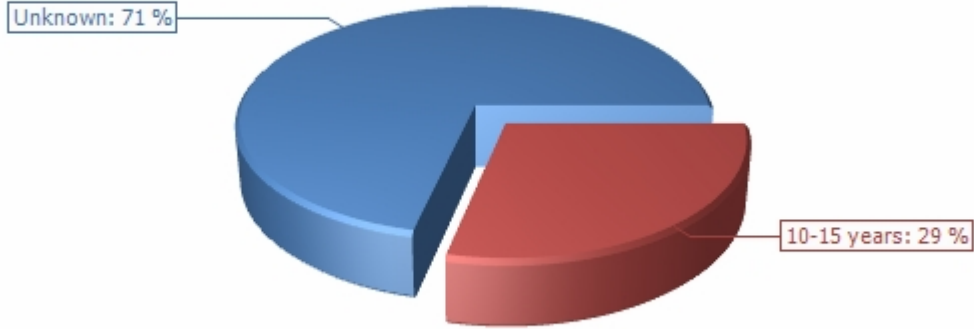
Employee's Present Job Status	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Current Employee	2	66.67%	3	50.00%	3	60.00%	2	50.00%	3	42.86%	0	0.00%
Unknown	1	33.33%	3	50.00%	2	40.00%	2	50.00%	4	57.14%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Employee's Length of Employment



Employee's Length of Employment	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
10-15 years	2	66.67%	2	33.33%	2	40.00%	1	25.00%	2	28.57%	0	0.00%
Unknown	1	33.33%	4	66.67%	3	60.00%	3	75.00%	5	71.43%	0	0.00%
Total	3	100 %	6	100 %	5	100 %	4	100 %	7	100 %	0	0 %

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Information Call Type

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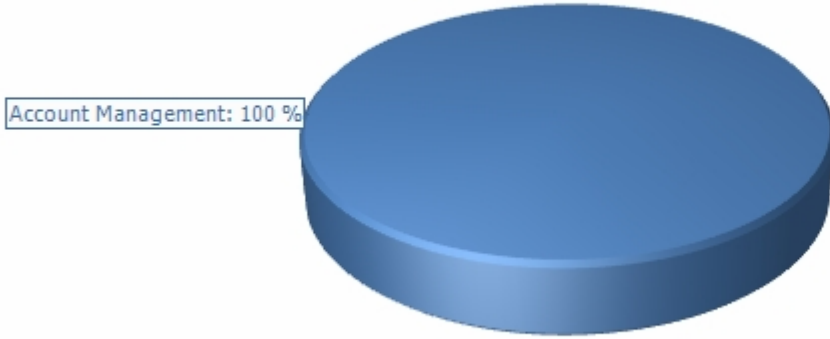
Information Call Type	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
No Data To Report	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Account Management



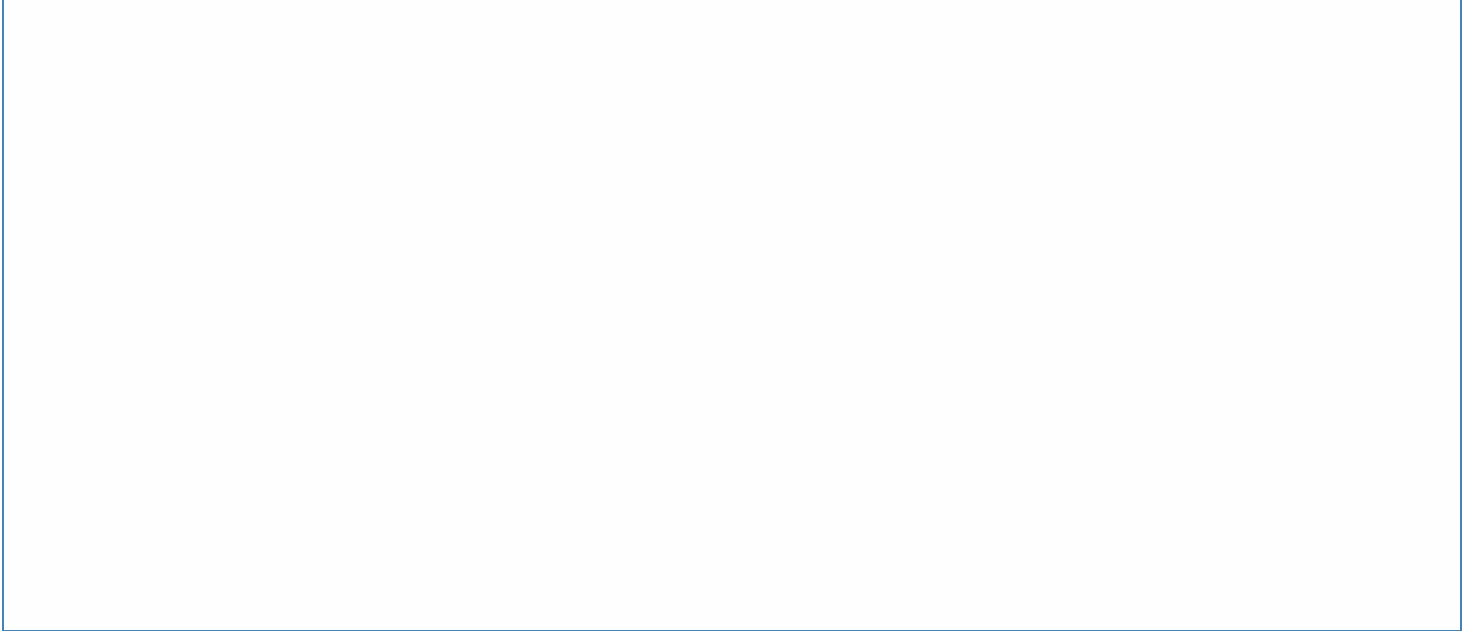
Account Management	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
Account Management	1	100.00%	0	0.00%	0	0.00%	0	0.00%	1	100.00%	2	100.00%

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Trauma Summary



Trauma Summary	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2017 - 12/2017		1/2016 - 12/2016	
	#	%	#	%	#	%	#	%	#	%	#	%
No Data To Report	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

UTILIZATION REPORT

City of San Luis

January 01, 2017 - December 31, 2017

Organizational Service/CISD Summary

Date	Type	Duration	Attendees
3/22/2017	Training	San Luis, Arizona	33
3/22/2017	Training	San Luis, Arizona	8
3/23/2017	Training	San Luis, Arizona	10
3/23/2017	Training	San Luis, Arizona	21
3/27/2017	Training	San Luis, Arizona	21
TOTAL		0.00	93

UTILIZATION REPORT

FOR

City of San Luis

January 01, 2018 - December 31, 2018

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018 on New and Open Files

UTILIZATION RATE SUMMARY

Type	Count	%	Serviced	%	Activities	%	Hours
EAP Files	4	100.0%	4	100.0%	5	100.0%	5
Information Calls	0	00.0%	0	00.0%	0	00.0%	0
Organizational Service/CISD	0	00.0%	0	00.0%	0	00.0%	0
Program Management	N/A	N/A	N/A	N/A	0	00.0%	0
Supervisor Referral	0	00.0%	0	00.0%	0	00.0%	0
Organization Consultation	0	00.0%	0	00.0%	0	00.0%	0
Total	4	100%	4	100%	5	100%	5

Population / Utilization Rate	Weighted Population Of:	71
Total Current Period Rate		5.63%
Total Annualized Utilization Rate		5.63%
Clients Serviced Current Period Rate		5.63%
Total Clients Serviced Annualized Utilization Rate		5.63%

New/Ongoing Files Summary		Referral/Closed Files Count	
Total New Files	4	Total Files Closed	3
Total Open Files At 1/1/2018	0		
Total Open Files At 12/31/2018	1		

Activity / Session Summary	
Total File Activity / Session Hours	5.00

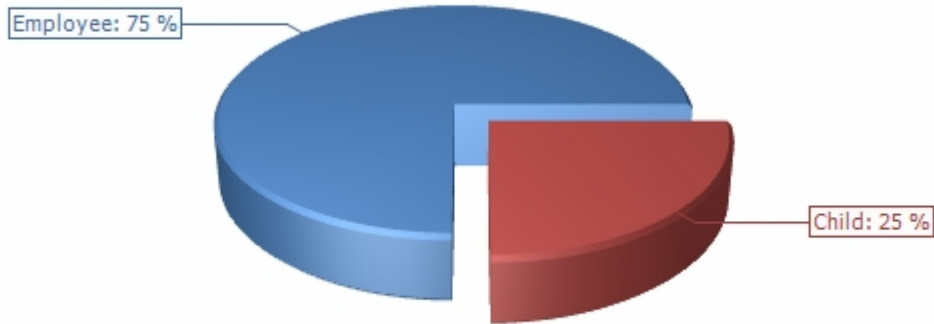
Historical Utilization				
1/1/2013-12/31/2013	1/1/2014-12/31/2014	1/1/2015-12/31/2015	1/1/2016-12/31/2016	1/1/2017-12/31/2017
No Data	No Data	No Data	No Data	10.29%

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Client Type (Primary User)



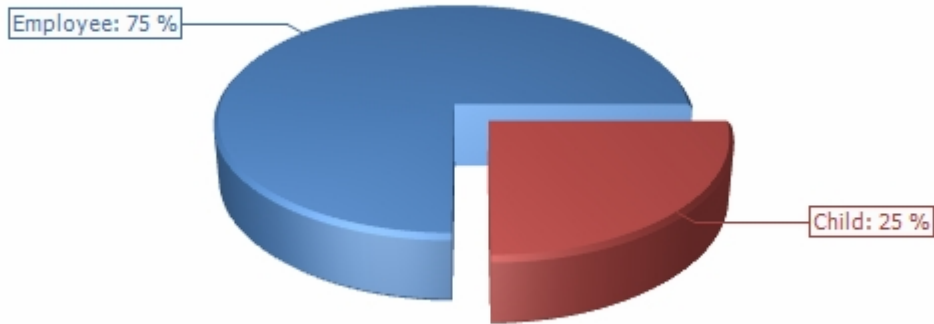
Client Type (Primary User)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Child	0	0.00%	0	0.00%	0	0.00%	1	33.33%	1	25.00%	4	57.14%
Employee	2	100.00%	2	100.00%	2	100.00%	2	66.67%	3	75.00%	3	42.86%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Client Type (Serviced-Attending with Primary)



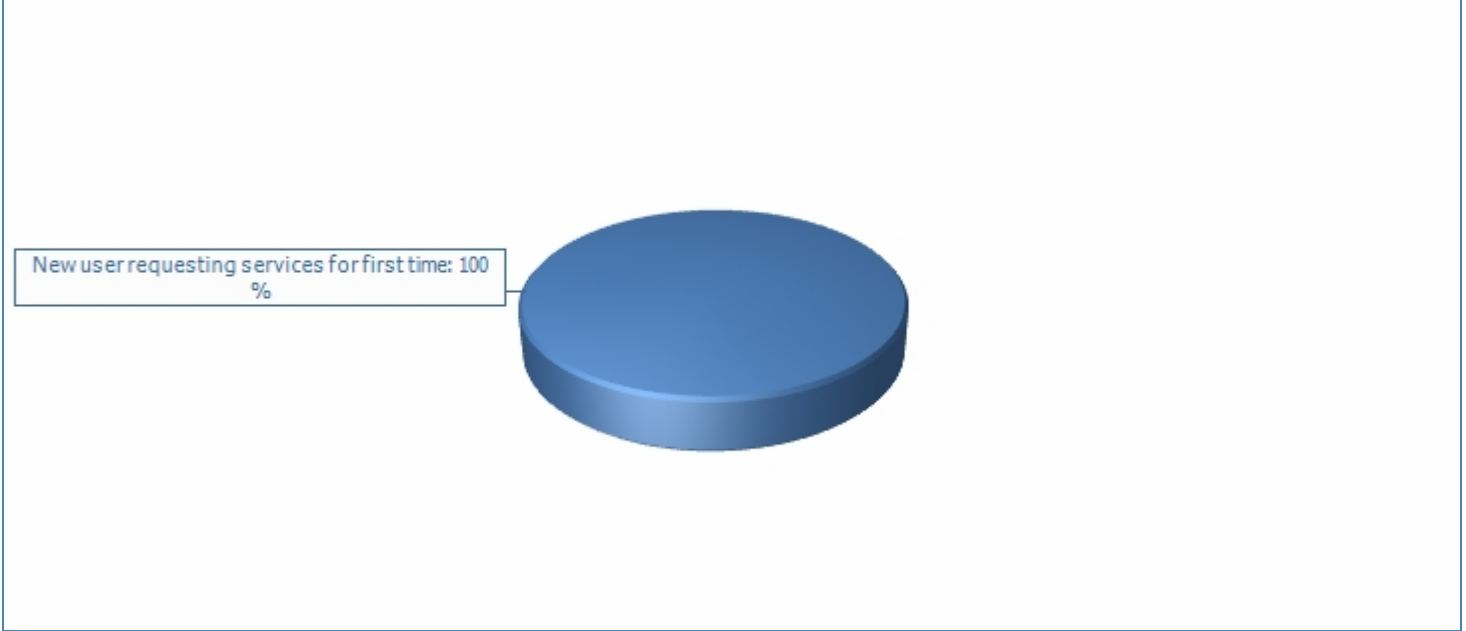
Client Type (Serviced-Attending with Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Child	0	0.00%	0	0.00%	0	0.00%	1	33.33%	1	25.00%	4	50.00%
Employee	2	100.00%	2	100.00%	2	100.00%	2	66.67%	3	75.00%	3	37.50%
Spouse	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	12.50%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	8	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Case Status



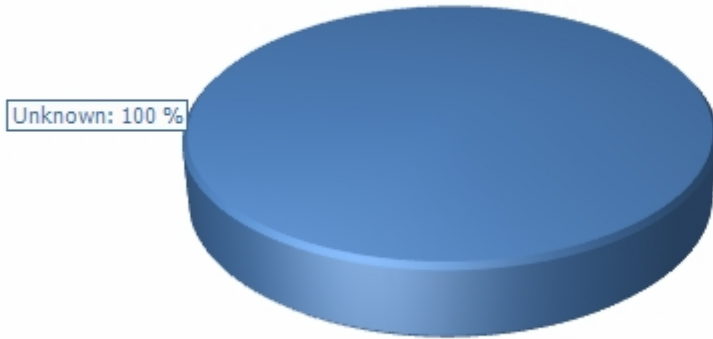
Case Status	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
New user requesting services for first time	2	100.00%	2	100.00%	2	100.00%	3	100.00%	4	100.00%	7	100.00%

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Marital Status (Primary)



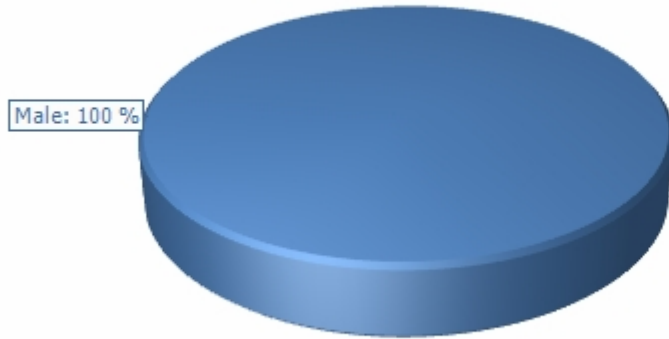
Marital Status (Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Married	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	14.29%
Single	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	14.29%
Unknown	2	100.00%	2	100.00%	2	100.00%	3	100.00%	4	100.00%	5	71.43%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Gender (Primary)



Gender (Primary)	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Female	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	28.57%
Male	2	100.00%	2	100.00%	2	100.00%	3	100.00%	4	100.00%	5	71.43%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Presenting Problem



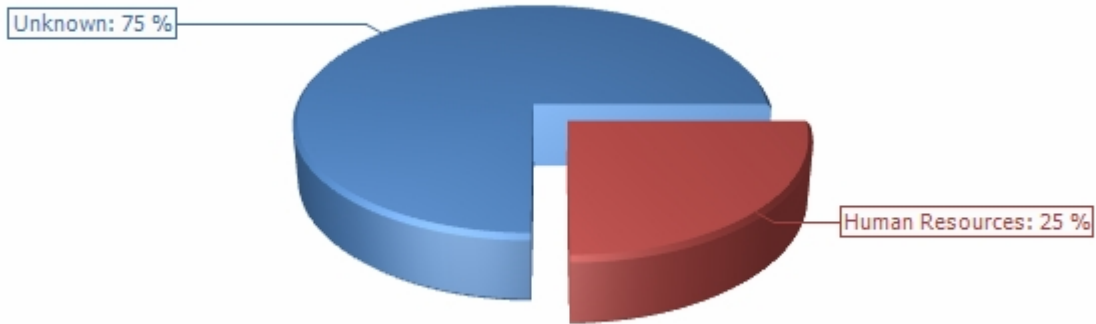
Presenting Problem	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
1. Emotional/Psychological	1	50.00%	1	50.00%	0	0.00%	0	0.00%	1	25.00%	7	100.00%
2. Family Related	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3. Marital/Relationship	0	0.00%	0	0.00%	1	50.00%	1	33.33%	1	25.00%	0	0.00%
4. Mandated-Supervisor Referral	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5. Substance Abuse	0	0.00%	0	0.00%	0	0.00%	1	33.33%	1	25.00%	0	0.00%
6. Work Related	1	50.00%	1	50.00%	1	50.00%	1	33.33%	1	25.00%	0	0.00%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

How did you hear about EAP Preferred



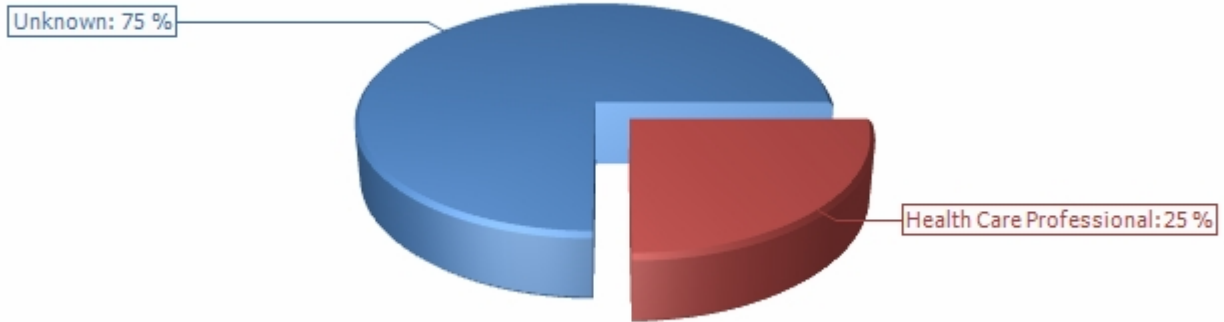
How did you hear about EAP Preferred	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Family member	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	14.29%
Human Resources	1	50.00%	1	50.00%	1	50.00%	1	33.33%	1	25.00%	1	14.29%
Seminar/Training	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	14.29%
Unknown	1	50.00%	1	50.00%	1	50.00%	2	66.67%	3	75.00%	4	57.14%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Who suggested you to come to counseling



Who suggested you to come to counseling	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Family Member	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	14.29%
Health Care Professional	1	50.00%	1	50.00%	1	50.00%	1	33.33%	1	25.00%	0	0.00%
Self	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	28.57%
Unknown	1	50.00%	1	50.00%	1	50.00%	2	66.67%	3	75.00%	4	57.14%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Employee's Present Job Status



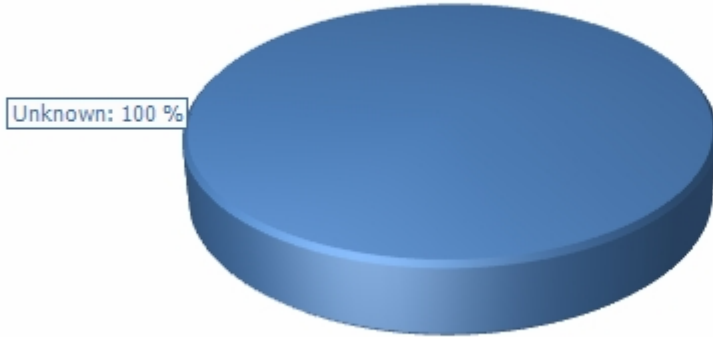
Employee's Present Job Status	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Retired	1	50.00%	1	50.00%	1	50.00%	1	33.33%	1	25.00%	0	0.00%
Current Employee	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	3	42.86%
Unknown	1	50.00%	1	50.00%	1	50.00%	2	66.67%	3	75.00%	4	57.14%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Employee's Length of Employment



Employee's Length of Employment	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
10-15 years	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	28.57%
Unknown	2	100.00%	2	100.00%	2	100.00%	3	100.00%	4	100.00%	5	71.43%
Total	2	100 %	2	100 %	2	100 %	3	100 %	4	100 %	7	100 %

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Information Call Type

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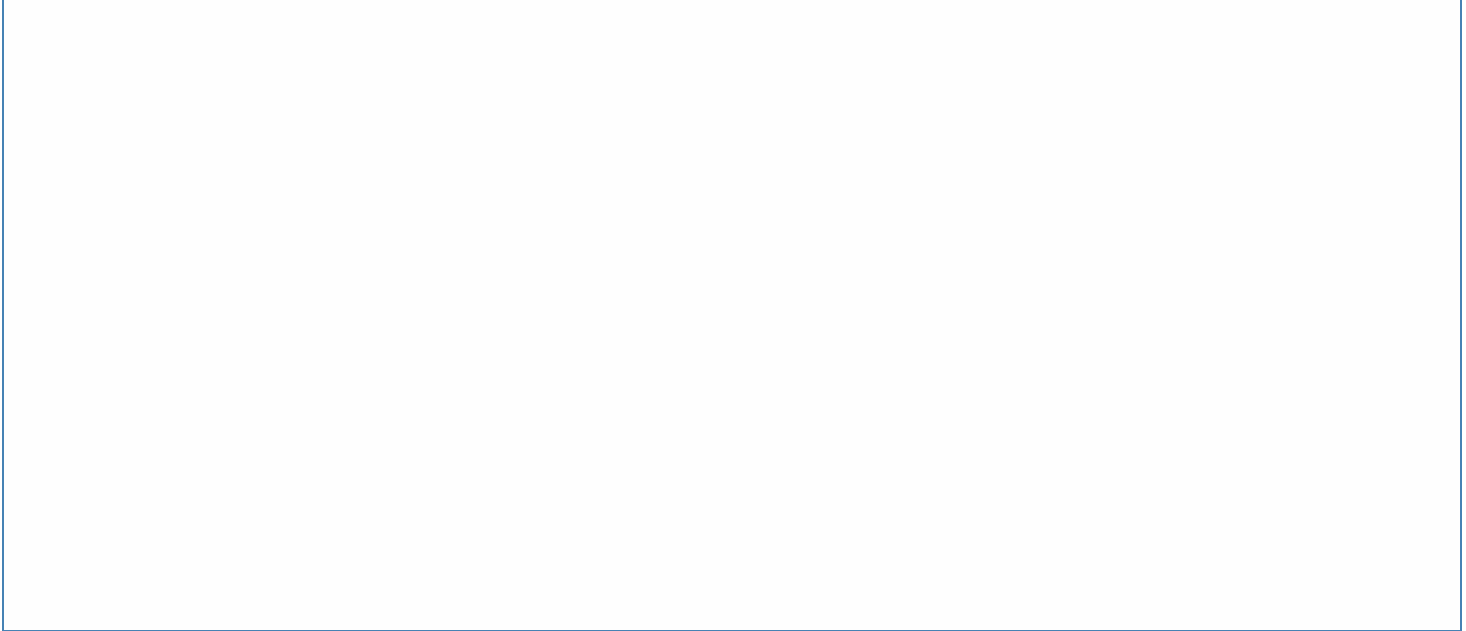
Information Call Type	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
No Data To Report	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Account Management



Account Management	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
Account Management	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	100.00%

UTILIZATION REPORT

City of San Luis

January 01, 2018 - December 31, 2018

Trauma Summary

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Trauma Summary	1/1 - 3/31		4/1 - 6/30		7/1 - 9/30		10/1 - 12/31		1/2018 - 12/2018		1/2017 - 12/2017	
	#	%	#	%	#	%	#	%	#	%	#	%
No Data To Report	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

Here are the Fire Department's statistics from January 2018 – December 2018.

A total of Approximately 10 Fire Fighters were exposed at least one of the 18 traumatic events.

1. Visually witnessing the death or maiming or visually witnessing the immediate aftermath of such a death or maiming of one or more human beings. **18**

2. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children as defined in [§ 13-705](#). **Unknown**

3. Requiring rescue in the line of duty where one's life was endangered. **0**

4. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer or firefighter was physically injured. **0**

5. Witnessing the death of another peace officer or firefighter while engaged in the line of duty. **0**

6. Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child. **0**

San Luis Police Department
 Traumatic Event Information
 August 1, 2018 - February 8, 2019

TYPE	AMOUNT OF CALLS	NUMBER OF OFFICERS RESPONDING
1. Visually witnessing death/aftermath	5	45**
2. Responding to investigation against children	22	49**
3. Requiring rescue in the line of duty	0	0
4. Using deadly force/regardless of injury	1	1
5. Witnessing death officer/firefighter in line of duty	0	0
6. Responding to investigation drowning/near of a child	0	0
7. Other - Near Death/OD	11	46**

** Will contain duplicate officers (same officers) responding to the different cases.

From: Susan Posada [mailto:sposada@sposadaagency.com]

Sent: Thursday, February 21, 2019 4:36 PM

To: Maria Munoz <MMunoz@cityofsanluis.org>; Maria Sabori <MSabori@cityofsanluis.org>; Kay Macuil <kmacuil@cityofsanluis.org>; Monica Castro <mcastro@cityofsanluis.org>

Subject: EAP HB2502

At the last Trust meeting you asked about disclosures to the EAP Trauma, so I asked EAP. Here is the response I received.

Let me know if you have any questions. Susan

EAPP is not going to disclose information about an employee using the services. As soon as we receive the addendum, we are going to request billing information and contact information. Below is how EAPP will submit reports:

EAPP will track and report the following items:

- i. The total number of participants in the program
- ii. The average number of visits per employee
- iii. The average number of months that an employee participated in the program
- iv. The total number of employees deemed not fit for duty by a licensed mental health professional
 1. EAPP will not authorize any providers to perform fitness for duty evaluations, nor will EAPP approve or pay any claims submitted for expenses related to fitness for duty evaluations.
 2. Should a provider determine that a fitness for duty evaluation needs to be performed, the employer will be informed that a recommendation should be submitted that clearly states the recommendation for such an evaluation and the reasoning behind said recommendation. This recommendation will be provided to the Employer. The Employer is responsible for following up on any recommendations received.
- v. Percentage of employees who received more than 12 visits within one year after the first visit



Susan Posada

Phoenix 602-212-9400

Fax: 602-212-9424

Email: sposada@sposadaagency.com

Web site: [Http://www.sposada@sposadagency.com](http://www.sposada@sposadagency.com)



Leading Producers Round Table - Eagle

From: Carmen De Los Reyes <cdelosreyes@eappreferred.com>
Sent: Thursday, February 21, 2019 1:12 PM
To: Sposada@sposadaagency.com
Subject: RE: EAP HB2502

Hello Susan,

EAPP is not going to disclose information about an employee using the services. As soon as we receive the addendum, we are going to request billing information and contact information. Below is how EAPP will submit reports:

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- v. Percentage of employees who received more than 12 visits within one year after the first visit

Thank you,

Carmen De Los Reyes | Sales & Account Manager

p: 602.264.4600 ext. 6114 **m:** 602.373.6797

e: cdelosreyes@eappreferred.com **w:** www.eappreferred.com



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From: Sposada@sposadaagency.com <Sposada@sposadaagency.com>
Sent: Thursday, February 21, 2019 8:01 AM
To: Carmen De Los Reyes <cdelosreyes@eappreferred.com>
Subject: EAP HB2502

Carmen the city has concern about the billing and disclosure about what employee is using the service. Explain who the billing is send and I assume the reports have numbers and no names. Please explain. Thank you.

Susan Posada

Phoenix [602-212-9400](tel:602-212-9400)

Fax: [602-212-9424](tel:602-212-9424)

Email: sposada@sposadaagency.com

Web site: [Http://www.sposada@sposadagaency.com](http://www.sposada@sposadagaency.com)

Leading Producers Round Table - Eagle

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EAPP will track and report the following items:

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- vii. The average number of visits per employee
- viii. The average number of months that an employee participated in the program
- ix. The total number of employees deemed not fit for duty by a licensed mental health professional
 - 1. EAPP will not authorize any providers to perform fitness for duty evaluations, nor will EAPP approve or pay any claims submitted for expenses related to fitness for duty evaluations.

2. Should a provider determine that a fitness for duty evaluation needs to be performed, the employer will be informed that a recommendation should be submitted that clearly states the recommendation for such an evaluation and the reasoning behind said recommendation. This recommendation will be provided to the Employer. The Employer is responsible for following up on any recommendations received.
- x. Percentage of employees who received more than 12 visits within one year after the first visit



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- x. Percentage of employees who received more than 12 visits within one year after the first visit

Thank you,

Carmen De Los Reyes | Sales & Account Manager

p: 602.264.4600 ext. 6114 m: 602.373.6797

e: cdelosreyes@eappreferred.com w: www.eappreferred.com



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From: Sposada@sposadaagency.com <Sposada@sposadaagency.com>

Sent: Thursday, February 21, 2019 8:01 AM

To: Carmen De Los Reyes <cdelosreyes@eappreferred.com>

Subject: EAP HB2502

Carmen the city has concern about the billing and disclosure about what employee is using the service. Explain who the billing is send and I assume the reports have numbers and no names. Please explain. Thank you.

Susan Posada

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Web site: [Http:www.sposada@sposadagency.com](http://www.sposada@sposadagency.com)

Leading Producers Round Table - Eagle

Employee Benefit Trust Board Meeting

3.B.

Meeting Date: 03/13/2019

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding a contract with Counseling & Family Resources, Ltd., for Employee Assistance Program Preferred (EAPP) for administration assistance of the mandatory traumatic event counseling for police and firefighters. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD FEBRUARY 13, 2019. **(Monica Castro, Director of Finance and Kay Marion Macuil, City Attorney)**

SUMMARY:

A.R.S. §38-673 (attached) mandates that cities offer up to 36 counseling sessions to police and firefighters who have been exposed to a statutory list of traumatic events. The statute also requires an extensive amount of record keeping and reporting to the Governor and State Legislature. Police and firefighters exposed to traumatic events are not required to attend counseling.

Summary of EAPP Services for Traumatic Event Counseling

(Contract attached)

1. Eligibility and Referral Process:

- a. provides the counseling sessions (up to 36 visits with psychiatrist or psychologist of the police or firefighter's choice) at the employer's cost (by statute first 12 without restriction, 13th through 36th visit as recommended by the counselor);
- b. provides a phone number and email for police and firefighters to use and determines the eligibility of the police or firefighter (for ease of reference will call police or firefighter "employee"),
- c. allows the employee to choose to use the general Employee Assistant Program sessions first before tapping into the Traumatic Event Counseling Program (however, if the employee is using the Traumatic Event Counseling benefit, the employee must use a counselor who is an Arizona licensed psychologist or psychiatrist);
- d. provides referral service of licensed psychiatrists or psychologists and will schedule appointments if the caller needs assistance with that;
- e. allows telemedicine if conducive to the counselor and participant's needs;

2. Tracking and Reporting Service:

- a. employee name, employer name, and dates of sessions from counselors in compliance with HIPPA may assign ID numbers when communicating to Employer;
- b. receive from counselors coded billings – capped by amounts allowed under Arizona Workers' Compensation as required by the new statute;
- c. receive billing from counselors in or out of the EAPP network and process for appropriate

- billing and pay claims;
- d. invoice the employer monthly for claims under the program plus administrative fee per counseling session.
- e. report to the employer annually for the statutorily required report to the State :
- i. number of participants,
 - ii. average number of visits per employee,
 - iii. average number of months that an employee participated in the program,
 - iv. number of employees deemed fit for duty,
 1. fit-for-duty evaluations are not covered but must be tracked,
 2. counselors will inform the employer of if a fit-for-duty evaluation is recommended and up to the employer to follow-up,
 - v. Percentage of employees who received more than 12 visits within a year of the first visit.

WILL NOT track the required annual reporting on

- Work missed by category of leave benefit,
- Average days that participant missed work,
- Participants that filed workers' compensation claims and number approved and number denied

Recommendation

This contract is to administer the counseling that is only available for police and firefighters for exposure to traumatic events. In fairness to the rest of the employees, it is recommended that this cost be part of the Police and Fire Departments and not a cost to the Trust..

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO DENY INCLUSION THE EAPP CONTRACT IN THE TRUST.

Fiscal Impact

Fiscal Impact:

A one-time set up and program enrollment fee of \$500 plus \$10 Administration Fee per unknown number of counseling sessions, dependent upon participation in program .

All direct costs incurred by EAPP to be invoiced to the Employer on a monthly basis with payment due Net 30.

Budgeted Amount: Not Budgeted

General Ledger Number: 100-181-5016X, 100-182-5016X, 340-341-516X

Remaining Balance Before Purchase: N/A

Attachments

EAPP Agreement

Explanation of Services

ARS 38-673

ADDENDUM B

EAPP TRAUMATIC EVENT COUNSELING PROGRAM SERVICES

THIS ADDENDUM is entered into and effective on February 1, 2019, by and between City of San Luis Employee Benefit Trust (Employer) and EAP Preferred (EAPP).

Whereas, Employer and EAPP have an existing EAP services agreement effective on January 1, 2017 and;

This Addendum is in effect only so long as the Employer maintains the EAP services agreement with EAPP. This Addendum will terminate effective the same date as the EAP services agreement terminates unless this Addendum is terminated prior to the EAP services agreement termination, and;

Now, therefore, the Employer and EAPP hereby amend the Agreement and agree as follows:

EAPP will provide and track services as outlined below in response to the requirements provisioned by House Bill (HB) 2502.

1. EAPP Traumatic Counseling Program Eligibility and Referral Process:

- A. EAPP will provide up to 36 counseling visits per incident for eligible firefighters and police officers as defined by the HB 2502 with a licensed mental health professional of their choice, paid for by the employer when the employee experiences traumatic events in the course of duty.
- B. EAPP will respond to calls received at 602-264-4600 or emails sent to EAPP's dedicated email address for this service at firstresponders@eappreferred.com. Those using the Traumatic Event Counseling Program must identify themselves as an employee covered under HB 2502 and request assistance.
- C. Employees covered under the EAPP EAP who want to utilize their EAP sessions first and schedule with one of EAPP's EAP counselors, they have the option to do so.
- D. Employees utilizing the Traumatic Event Counseling Program that need assistance identifying a counselor that meets the requirements of HB 2502, EAPP will provide a list of counselors to the employee. If the employee needs support in scheduling an appointment, EAPP will provide appointment coordination.

- a. If utilizing the Traumatic Event Counseling Program, the participant must utilize a psychologist or a psychiatrist for their sessions.
 - b. The counselor being used must agree to the fee schedule (Arizona Industrial Commission fee schedule rates for Evaluation and Management CPT codes located at <https://www.azica.gov/arizona-physicians-fee-schedule-year-selector>) outlined in HB 2502. Should the employee independently schedule an appointment with a counselor without confirming the counselor's acceptance of the fee schedule, anything above the approved fee schedule could be subject to balance billing to the participant. Should this occur, it is the Employee's responsibility to negotiate payment terms with the counselor to resolve the matter.
 - c. If an employee wants to see a counselor who has not yet been credentialed by EAPP, EAPP will do a limited scope credentialing to ensure that the counselor is in good standing with their licensing board. In the event that there are any findings, the employee may be asked to utilize a different counselor for any unused sessions.
- E. In circumstances where accessibility to a desired counselor may be problematic, such as appointment availability being several weeks or months out, the use of telemedicine may be considered and offered as an option if it is conducive to the counselor and the participant's needs.
- F. EAPP will work with the counselors to track sessions that are utilized as part of this program.
2. Tracking, Reporting, and Provider Payment:
- A. Counselors seeing participants in this program will be required to provide to EAPP information about the sessions used by program participants, including employee name and date(s) of sessions, and employer name.
 - B. Counselors will submit billings to EAPP that meet the requirements of HB 2502, including using the appropriate fee schedule and CPT codes (Arizona Industrial Commission fee schedule rates for Evaluation and Management CPT codes located at <https://www.azica.gov/arizona-physicians-fee-schedule-year-selector>).
 - C. EAPP will review the billings, whether the counselor is in the EAPP network or not, will pull any necessary data for tracking purposes, and will pay complete and clean claims up to the amount allowed under the fee schedule provided within HB 2502 within 30 days directly to the submitting provider. A complete and clean claim will include submission of necessary paperwork such as an initial W9 and any other documents needed to set the provider up in the payment system.

- D. EAPP will submit an invoice to the Employer client initially for enrollment in the program and then monthly for the costs of this program based on the visits utilized, as well as an administrative fee for each visit or service.

- E. EAPP will report to the Employer annually so that Employer can submit their annual report to the State of Arizona by September of each year:
 - a. EAPP will track and report the following items:
 - i. The total number of participants in the program
 - ii. The average number of visits per employee
 - iii. The average number of months that an employee participated in the program
 - iv. The total number of employees deemed not fit for duty by a licensed mental health professional
 - 1. EAPP will not authorize any providers to perform fitness for duty evaluations, nor will EAPP approve or pay any claims submitted for expenses related to fitness for duty evaluations.
 - 2. Should a provider determine that a fitness for duty evaluation needs to be performed, the employer will be informed that a recommendation should be submitted that clearly states the recommendation for such an evaluation and the reasoning behind said recommendation. This recommendation will be provided to the Employer. The Employer is responsible for following up on any recommendations received.
 - v. Percentage of employees who received more than 12 visits within one year after the first visit
 - b. Employer will track the following items; EAPP will not be responsible for tracking these items as part of this program:
 - i. Amount of work missed by each category of persons who participated and how missed work was provided for (by the employer or through employee benefits, such as short-term disability, etc)
 - ii. The average number of days that an employee who participated in the program missed work
 - iii. Participants that subsequently filed a workers' compensation claim and number of claims approved or denied

- F. In order to maintain confidentiality and abide by Federal HIPAA rules, EAPP may assign unique number identifiers to each participant that could be utilized for communicating participation information with the participant's Employer.

3. Program Fees:

Employer agrees to pay EAPP:

- A. A one-time set up and program enrollment fee of \$500 due immediately upon effective date of program.
- B. All direct costs incurred by EAPP to be invoiced to the Employer on a monthly basis with payment due Net 30. Anticipated direct costs include payment to counselors for sessions. EAPP and Employer are responsible only for the reimbursement of counseling sessions as outlined by the Arizona Industrial Commission fee schedule rates for Evaluation and Management CPT codes. Should an employee select to see a counselor that has not previously agreed to these rates, EAPP is not responsible for payment of the fees above and beyond these rates and the employee is at risk to be billed by the counselor for any unpaid balances.
- C. An administrative handling fee of \$10 per counseling session used/claim submitted to be invoiced to the Employer on a monthly basis with payment due Net 30.
- D. Services provided through the Employers EAP Services Agreement are not to be billed through the Traumatic Event Counseling Program, including but not limited to EAP sessions with an EAPP EAP counselor or CISDs.

Except as modified in Addendum B, all other terms, conditions, and provisions of the EAP Services Agreement remain in full force and effect.

In WITNESS WHEREOF, the parties hereto have signed this Addendum as of the day and year noted.

EAP Preferred

By _____
 Traci Coleman
 Title: Chief Operations Officer
 Date: _____

City of San Luis Employee Benefit Trust

By _____
 Title: Trustee
 Date _____

EAPP Process for Traumatic Event Counseling Related to HB 2502 Documentation of Internal Process

The EAPP Traumatic Event Counseling Program is a service offered to support Employers and Employees in response to HB 2502. **This program is separate from any employee assistance program (EAP) services that EAPP offers** and will be handled and processed separate from any existing EAP services and contracts. This program is offered only to employer groups that have an EAP service agreement with EAPP. If an Employer is interested in the EAPP Traumatic Event Counseling Program, they will need to contact EAPP to get pricing information and sign up for such services.

Eligibility as defined by HB 2502:

Firefighters and police officers may receive up to 36 counseling visits per incident with a licensed mental health professional of their choice, paid for by the employer when the employee experiences traumatic events in the course of duty:

- Visually witnessing death or maiming or visually witnessing the immediate aftermath of such a death or maiming of one or more human beings.
- Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children as defined in HB 2502 Section 13-705.
- Requiring rescue in the line of duty where one's life was endangered.
- Using deadly force or being subjected to deadly force in the line of duty, regardless of whether there was physical injury.
- Witnessing the death of a co-worker while engaged in the line of duty.
- Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child.

Note: EAPP should always remind Employers that have the EAPP EAP services that we may provide an on-site CISD to assist their employees collectively in coping with any of these types of events.

Referrals:

1. Employee may call EAPP at 602-264-4600 or send an email to EAPP at firstresponders@eapppreferred.com and identify themselves as an employee covered under HB2502 and request assistance.
2. If the employee is covered under the EAPP EAP and wants to utilize their EAP sessions first and visit one of EAPP's EAP counselors, they have the option to do so. This option may allow the employee quicker access to see a counselor due to the greater number of available licensures in the EAP counseling pool.
3. If the employee wants to utilize the Traumatic Event Counseling Program and needs assistance identifying a counselor that meets the requirements of HB 2502, EAPP will provide a list of counselors to the employee. If the employee needs support in scheduling an appointment, EAPP will provide appointment coordination.
 - a. Note: If utilizing the Traumatic Event Counseling Program, the participant MUST utilize a psychologist or a psychiatrist for their sessions.

- b. Note: The counselor being used must agree to the fee schedule (Arizona Industrial Commission fee schedule rates for Evaluation and Management CPT codes located at <https://www.azica.gov/arizona-physicians-fee-schedule-year-selector>) outlined in HB 2502, as that is what the Employer is held to pay for their services. Anything above the approved fee schedule could be subject to balance billing to the participant.
 - c. Note: If a participant wants to see a counselor who has not yet been credentialed by EAPP, EAPP will do a limited scope credentialing to ensure that the counselor is in good standing with their licensing board. In the event that there are any findings, the participant may be asked to utilize a different counselor for any unused sessions.
- 4. In circumstances where accessibility to a desired counselor may be problematic, such as appointment availability being several weeks or months out, the use of telemedicine may be considered and offered as an option if it is conducive to the counselor and the participant's needs.
 - 5. EAPP will work with the counselors to track sessions that are utilized as part of this program.

Tracking and Payment:

- 1. Counselors seeing participants in this program will be required to provide to EAPP information about the sessions used by program participants, including employee name and date(s) of sessions, and employer name.
- 2. Counselors will submit billings to EAPP that meet the requirements of HB 2502, including using the appropriate fee schedule and CPT codes (Arizona Industrial Commission fee schedule rates for Evaluation and Management CPT codes located at <https://www.azica.gov/arizona-physicians-fee-schedule-year-selector>).
- 3. EAPP will review the billings, whether in the EAPP network or not, will pull any necessary data for tracking purposes, and will pay complete and clean claims up to the amount allowed under the fee schedule provided within HB 2502 within 30 days directly to the submitting provider. A complete and clean claim will include submission of necessary paperwork such as an initial W9 and any other documents needed to set the provider up in the payment system.
- 4. EAPP will submit an invoice to the Employer client initially for enrollment in the program and then monthly for the costs of this program based on the visits utilized, as well as an administrative fee for each visit or service.

5. EAPP will report to the Employer annually so that Employer can submit their annual report to the State of Arizona by September of each year:
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 - i. Amount of work missed by each category of persons who participated and how missed work was provided for (by the employer or through employee benefits, such as short-term disability, etc)
 - ii. The average number of days that an employee who participated in the program missed work
 - iii. Participants that subsequently filed a workers' compensation claim and number of claims approved or denied
6. In order to maintain confidentiality and abide by Federal HIPAA rules, EAPP may assign unique number identifiers to each participant that could be utilized for communicating participation information with the participant's Employer.

Arizona Revised Statutes Annotated
Title 38. Public Officers and Employees (Refs & Annos)
Chapter 4. Compensation and Insurance (Refs & Annos)
Article 5. Employee Benefits (Refs & Annos)

A.R.S. § 38-673

§ 38-673. Traumatic event counseling for peace officers and firefighters; report; exceptions; definitions

Effective: August 3, 2018

[Currentness](#)

A. Notwithstanding any other law, this state or a political subdivision of this state shall establish a program to provide peace officers and firefighters who are exposed to any one of the following events while in the course of duty up to twelve visits of licensed counseling, which may be provided via telemedicine, paid for by the employer:

1. Visually witnessing the death or maiming or visually witnessing the immediate aftermath of such a death or maiming of one or more human beings.
2. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children as defined in [§ 13-705](#).
3. Requiring rescue in the line of duty where one's life was endangered.
4. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer or fire fighter was physically injured.
5. Witnessing the death of another peace officer or firefighter while engaged in the line of duty.
6. Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child.

B. If the licensed mental health professional determines that the peace officer or firefighter needs additional visits of licensed counseling beyond that which the peace officer or firefighter is entitled to under subsection A of this section and that the additional visits are likely to improve the peace officer's or firefighter's condition, the employer shall pay for up to an additional twenty-four visits, if the visits occur within one year after the first visit pursuant to this section.

C. An employer may not require a peace officer or firefighter who is receiving treatment pursuant to this section to use the peace officer's or firefighter's accrued paid vacation, personal leave or sick leave if the peace officer or firefighter leaves work to attend a treatment visit pursuant to this section.

D. If the licensed mental health professional determines that the peace officer or firefighter is not fit for duty while the peace officer or firefighter is receiving treatment pursuant to this section, the employer shall ensure that the peace officer or firefighter has no loss of pay and benefits for up to thirty calendar days per incident after the date the licensed mental health professional determines that the employee is not fit for duty if all of the following apply:

1. The peace officer or firefighter is unable to work light duty or the employer does not offer a light duty option.
2. The peace officer or firefighter has exhausted the peace officer's or firefighter's sick leave, vacation leave or other leave that is provided as part of the peace officer's or firefighter's benefits package.
3. If the employer offers short-term disability benefits, the employer offered and the peace officer or firefighter elected short-term disability benefits, but the peace officer or firefighter is not eligible to receive short-term disability benefits.
4. The employer does not have a supplemental program that provides pay and benefits after the occurrence of an injury. For the purposes of this paragraph, supplemental program that provides pay and benefits after the occurrence of an injury does not include a supplemental benefits plan established pursuant to [§ 38-961](#).

E. An employer shall allow a peace officer or firefighter to select the peace officer's or firefighter's own licensed mental health professional, except that if a licensed mental health professional declines to provide counseling pursuant to this section, the employer is not required to secure the services of that licensed mental health professional. The employer shall pay the licensed mental health professional pursuant to the schedule of fees that is fixed by the industrial commission of Arizona pursuant to [§ 23-908](#).

F. Payment by the employer for licensed counseling pursuant to this section does not create a presumption that a claim is compensable under [§ 23-1043.01, subsection B](#).

G. For each program established pursuant to this section, this state and each political subdivision of this state shall compile the following data for peace officers and firefighters:

1. For each category of persons, the total number of persons who have participated in the program.

2. For each category of persons, the average number of visits per person.
3. For each category of persons, the average number of months that a person participated in the program.
4. For each category of persons, the average number of days that a person who participated in the program missed work.
5. For each category of persons, the total number of persons who participated in the program and who subsequently filed a workers' compensation claim and the number of those claims that were approved and the number of those claims that were denied.
6. For each category of persons, of the total number of persons who have participated in the program, the percentage of persons who received additional visits under subsection B of this section.
7. For each category of persons, the total number of persons who were deemed not fit for duty by a licensed mental health professional pursuant to subsection D of this section.
8. For each employer, the total amount of work missed by each category of persons who participated in the program and how missed work was provided for by the employer or through employee benefits.

H. On or before September 1, 2019 and September 1 of each year thereafter, this state and each political subdivision of this state shall submit the data collected pursuant to subsection G of this section to the department of administration. On or before October 1, 2019 and October 1 of each year thereafter, the department of administration shall compile the data into a report and submit the report to the governor, the president of the senate, the speaker of the house of representatives, the chairperson of the senate health and human services committee, or its successor committee, the chairperson of the house of representatives health committee, or its successor committee, the chairperson of the senate commerce and public safety committee, or its successor committee, and the chairperson of the house of representatives judiciary and public safety committee, or its successor committee, and shall provide a copy of this report to the secretary of state. Subsection G of this section and this subsection do not authorize this state or a political subdivision of this state to compile and report data that is protected under the health insurance portability and accountability act of 1996 (P.L. 104-191; 110 Stat. 1936).

I. This section does not apply to a state employer that provides a program to its peace officers and firefighters that is characterized by all of the following:

1. The program is paid for by the employer.

2. The program provides licensed counseling for any issue. For licensed counseling related to trauma experienced while in the line of duty, the licensed counseling is provided on the request of the peace officer or firefighter and is in person.

3. The program offers at least twelve visits per year and will offer additional visits if the licensed mental health professional determines that additional visits are necessary.

J. For the purposes of this section:

1. “Licensed counseling” means counseling provided by a licensed mental health professional.

2. “Licensed mental health professional” means a psychiatrist or psychologist who is licensed pursuant to title 32, chapter 13, 17 or 19.1.¹

Credits

Added by [Laws 2018, Ch. 259, § 2.](#)

Footnotes

¹

Section 32-1401 et seq., 32-1800 et seq., or 32-2061 et seq.

A. R. S. § 38-673, AZ ST § 38-673

Current through the First Special and Second Regular Session of the Fifty-Third Legislature (2018), and includes Election Results from the November 6, 2018 General Election

End of Document

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Editor's and Revisor's Notes (3)

HISTORICAL AND STATUTORY NOTES

[Laws 2018, Ch. 259, § 4](#) , provides:

“ Sec. 4. Short title

“This act may be cited as the “Officer Craig Tiger Act”. ”

Citing References

There are no Citing References for this citation.

Bill Drafts

There are no Bill Drafts for this citation.

Notes of Decisions

There are no Notes of Decisions for this citation.

Employee Benefit Trust Board Meeting

3.C.

Meeting Date: 03/13/2019

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding amending the City of San Luis Employee Benefit Trust. **(Kay Marion Macuil, City Attorney)**

SUMMARY:

As directed last meeting, the Executive Advisers communicated with the Trustees and all of them wish to continue serving on the Trust. This item amends the Trust to allow for three (3) consecutive terms. Both the Trustees and the City Council must accept this amendment. The Amendment is attached.

An amendment regarding clarifying that all employees should be covered by the benefits is not presented because the Trustees must have flexibility as far as contracted employees, part-time, seasonal, temporary, and volunteer employees. There may be other categories of employees that are not contemplated at the moment, but which the Trust may in the future wish to have flexibility in determining eligibility. Laws are ever-changing in health care coverage.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE AMENDMENT TO THE TRUST ALLOWING FOR THREE (3) CONSECUTIVE APPOINTMENTS AS TRUSTEE, AS PRESENTED.

Fiscal Impact

Fiscal Impact:

There is no fiscal impact to this item. Trustees volunteer with no pay.

Attachments

Amendment to the Trust
Trust

**AMENDMENT
OF
AGREEMENT AND DECLARATION OF TRUST
FOR
CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

Article III, Section 3.04 shall be amended and read as follows:

Section 3.04 TRUSTEES' TERM

(A) Initial Terms. The initial terms for the first five (5) Trustees shall be as follows:

one (1) Trustee to serve an initial term of one (1) year,

two (2) Trustees to serve an initial term of two (2) years, and

two (2) Trustees to serve an initial term of three (3) years.

The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year and three years terms. This shall result in the Trustees rotating appointment every two (2) to three (3) years.

(B) Duration of Terms after Initial Term. After the initial term, each Trustee shall serve for five (5) years.

(C) Appointment. A Trustee may be appointed for no more than three (3) consecutive terms.

ACCEPTANCE

The undersigned Trustees hereby accept and agree to be bound by the foregoing the Amendment to the Agreement and Declaration of Trust:

Gerardo Sanchez, Trustee and Trust Chair

Date

Emma Torres, Trustee and Trust Vice Chair

Date

Maria Sabori, Trustee and Trust Secretary

Date

Maria Gonzalez, Trustee

Date

ACCEPTANCE

The undersigned City hereby accept and agree to be bound by the foregoing Amendment to the Agreement and Declaration of Trust:

Gerardo Sanchez, Mayor Date

Maria Cecilia Ramos, Vice Mayor Date

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

**AGREEMENT AND DECLARATION OF TRUST
FOR CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

THIS AGREEMENT AND DECLARATION OF TRUST was made and entered into this first day of September 2011, between CITY OF SAN LUIS, a municipal corporation hereinafter referred to as the "City" and certain persons hereinafter referred to as the "Trustees" to administer the Trust in accordance with the terms and provisions of this instrument.

WITNESSETH:

WHEREAS, A.R.S. § 11-981 authorizes the City of San Luis to establish a self-funded insurance program for health benefits for its Employees.

WHEREAS, A.R.S. § 11-981 requires the establishment of a health benefits trust for the purposes of management and administration of this program; and

WHEREAS, A.R.S. § 11-981 also requires the establishment of the health benefits trust board to administer the health benefits trust.

WHEREAS, CITY OF SAN LUIS, hereinafter designated and referred to as "City", and certain employees of said City hereinafter designated and referred to as "Employees", desire to enter into a program of providing and maintaining health and welfare benefits for Employees of the City and certain members of their families, hereinafter designated and referred to as "Dependents", which program is to be administered by the Trustees; and

WHEREAS, to effect the aforesaid purpose it is mutually desirable by and between the parties hereto to declare and create a Trust which establishes a Trust Fund for and in the manner more particularly set forth herein; and

WHEREAS, the Trustees and City which accept this Agreement and Declaration of Trust and agree to be bound by the provisions hereof shall, upon acceptance by the parties hereto, be deemed a party to this Agreement and Declaration of Trust.

Now THEREFORE, in consideration of the promises, covenants, agreements, terms, obligation and duties herein set forth, it is understood and agreed as follows:

**ARTICLE 1
DEFINITIONS**

It is mutually understood and agreed by and between the parties hereto that the following are and shall be the definitions:

Section 1.01 The term "Employee Benefit Trust" shall mean the program of benefits to be established by the Trustees pursuant to this Agreement and Declaration of Trust.

Section 1.02 The term "Employee" shall mean all persons who have met the eligibility requirements as defined in the written instrument for the Employee Benefit Trust and who have properly enrolled for and made appropriate contributions for coverage under said Trust, and who are not eligible for benefits under any other health program to which the City makes contributions.

Section 1.03 The term "Dependent" shall mean all persons who have met the eligibility requirements for being a dependent of the Employee as defined in the written instrument for the Employee Benefit Trust and who have been properly enrolled for and made appropriate contributions for coverage under the Employee Benefit Trust, and who are not eligible for benefit under any other health program which the City makes contributions.

Section 1.04 The phrase "Trust Agreement" shall mean and refer to this Agreement and Declaration of Trust and any modification or amendments thereto.

Section 1.05 The term "Fund" as used shall mean the Trust Fund created by this instrument, and shall mean generally the monies, property, contracts, or things of value, tangible or intangible, received and held by the Trustees for the uses, purposes, and Trust set forth therein, and those things of value which compromise the corpus and additions to the Fund.

Section 1.06 The term "Trustees" as used herein shall mean the Trustees and their successors provided for in the Trust Agreement.

Section 1.07 The name of the Trust is and shall be City of San Luis Employee Benefit Trust.

Section 1.08 The phrase "City Contributions" does and shall mean the contributions made by the City of San Luis to the Fund for the Employee Benefit Trust.

Section 1.09 The phrase "Employee Contribution" does and shall mean the contributions made by the Employees of the City of San Luis to said Fund.

Section 1.10 The term "City" does and shall mean the City of San Luis, a municipal corporation organized and existing under the laws of the State of Arizona.

Section 1.11 The phrase "Plan Document" does and shall mean the written instrument containing the provisions for self-funded health and welfare benefits of the Employee Benefit Trust.

Section 1.12 The phrase "Contract Administrator" does and shall mean the person or firm employed by the Trustees who is responsible for the processing of claims and

payment of benefits, administration, accounting, reporting and other services contracted for by the Trustees.

**ARTICLE II
PURPOSE OF TRUST AND APPLICATION OF THE FUND**

Section 2.01 FUND There is hereby declared and created the City of San Luis Employee Benefit Trust: To establish a Trust Fund to provide benefits for, but not limited or restricted to Life, Accidental Death and Dismemberment, Basic or Major Medical coverage's for accidents or sickness, Dental; and any other benefits as determined by the Trustees for the Employees and their Dependents; whether through self-funded or insured programs or both.

Section 2.02 PRINCIPAL OFFICE The Trust shall have its principal office in the City of San Luis, County of Yuma, state of Arizona and hereinafter designated and referred to as Principal Office.

**ARTICLE III
POWERS AND DUTUES OF TRUSTEES**

Section 3.01 APPOINTMENTS OF TRUSTEES The Employee Benefit Trust shall be administered by the Trustees. The Mayor shall nominate individuals to serve as Trustees overseeing the management and administration of the Trust. The City Council shall consider and may appoint any individual so recommended, provided that the appointed Trustees conform to the requirements of Section 3.02.

Section 3.02 NUMBER AND IDENTITY The Trustees shall consist of five (5) persons, consisting of no more than one (1) member of the City Council and no more than (1) Employee of the City.

Section 3.03 ACCEPTANCE Each Trustee so appointed shall accept the appointment in writing and shall confirm in writing that the Trustee hereby accept the Trust and Trusteeship and declares they will receive and hold the Fund by virtue of this Trust Agreement for the uses and purposes and with the powers and duties herein set forth and none other. The Trustees shall faithfully keep and hold any and all monies they receive as Trustees for the purpose of the Trust and keep adequate and proper records thereof.

Section 3.04 TRUSTEES' TERM Each Trustee shall serve a five-year term. A Trustee may be reappointed of no more than one additional consecutive term. Notwithstanding the foregoing, the initial terms for the first five (5) Trustees shall be as follows: one (1) Trustee to serve an initial term of one (1) year; two (2) Trustees to serve an initial term of two (2) years; and two (2) Trustees to serve an initial term of three (3) years. The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year, and three year terms. This shall result in Trustees rotating appointments every two (2) to three (3) years.

Section 3.05 EXECUTIVE ADVISORS The Board of Trustees shall include as Executive Advisors, the City's Finance Director, or their designee, and the City's Human Resource Director, or their designee, and the City Manager, or their designee. Such Executive Advisors shall attend all meetings of the Board of Trustees.

Section 3.06 DUTIES The Trustees shall hold, manage, care for and keep the Fund and collect the income and increments thereof, and shall keep and maintain adequate and proper records to render an external annual audit, accounting and reports as hereinafter mentioned. The Trustees shall employ or hire such agents, attorneys, accountants, actuaries, employees or other persons and to lease premises and equipment as may be necessary or desirable in administering the Fund and carrying out its purposes and the fees, salaries, wages emoluments or compensation of any and all such persons shall be paid from the Fund. When acting upon the advice of counsel for the Trust, the Trustees shall be relieved of all responsibility for acts done or not done. The Trustees may incur any expenses for supplies, rental of space or other items or anything else believed to be necessary or desirable in administering the Fund and carrying out the objects and purposes of this Trust and Trust Agreement. The Trustees shall have all right, power and authority to do all those things which, in the opinion of the Trustees may be necessary or desirable for the administration and operation of accomplishments of the objects and purposes of the Fund and this Trust and Trust Agreement.

In addition, the Trustees shall establish terms and conditions for the Employee Benefit Trust including, but not limited to:

- A. Establish terms and conditions of coverage including exclusions of coverage;
- B. Establish provisions for eligibility requirements to enroll for coverage;
- C. Ensure that all claims are processed promptly;
- D. Administer the Trust Fund pursuant to this Agreement;
- E. Designate a risk management consultant or insurance administrator licensed pursuant to Title 20, Chapter 2, Articles 3 Or 9 of the Arizona Revised Statutes, and such license shall be verified by the Board of Trustees at time of the designation;
- F. Provide financial oversight of the Trust Fund by evaluating claim expenses and reserve amounts;
- G. Review the Trust Fund quarterly to insure sufficient funds exist to pay outstanding and future benefits, to pay for losses or claims or any combination of insurance and direct payment, and to pay for risk management consultation;
- H. Make recommendations to the City Manager on financial issues relating to the self-insured programs;
- I. Comply with all requirements of State and Federal laws relating to self-insurance programs;
- J. Take all necessary precautions to safeguard the assets of the Trust;
- K. Maintain minutes of its meetings.

Section 3.07 TRUSTEES' AUTHORITY The Trustees shall have the power to enter in contracts, procure insurance policies, or provide such benefits through self-funding, and to place into effect and maintain the desirable schedule of benefits. The Trustees, in carrying out the purposes of this Trust Agreement, shall have the power and the right to provide the intended benefits under this Trust by means of direct or self-funding by the Trust and/or by the procurement of group insurance contracts (permissible under the laws of Arizona) including group insurance contracts issued to and in the name of the Trust, together with such other forms of contracts issued by qualified insurance companies authorized to do business in the State of Arizona as may be selected by the Trustees for the purpose of providing for all or part of the benefits provided under this Trust. The Trustees are hereby expressly authorized to pay to any insurance company as may be selected by the Trustees, the required insurance premiums in connection with such group insurance contracts issued to the Trust. Whether or not benefits are provided by means of direct or self-funding or by the procurement of group insurance, such decision shall be at the sole and exclusive discretion of the Trustees.

Should the Trustees select or provide for any policy or any program of self-funding, no claims for benefits or no claims for liabilities shall be brought against the Trustees. The sole and exclusive liability of said Trustees in the management and operation of any program of self-funding shall be limited to due care in the selection of administrators, claim representatives, actuaries, or other officials charged with the administration of such a program of self-funding. In the event that submitted claims of Employees and/or Dependents exceed the funds available, the claims shall be paid in the order received.

Section 3.08 DEPOSITS AND INVESTMENTS All corpus or portions of the Fund not expended under Article III may be deposited by the Trustees in the name of the Trust in such depository or depositories as the Trustees shall from time to time select, and any such deposit or deposits should carry or bear interest. The Trustees are empowered to receive for the benefit of the Fund such interest as might accrue on the above deposits. If not so deposited, any accumulated funds not currently required for the purposes of this Trust, shall be invested by the Trustees in reasonable secure, reasonable liquid investments.

The Fund may accumulate dividends or experience rating refunds or other monies, if any accruing from any insurance policy or policies deposits or investments. Such dividends, refunds or other monies or all of them, shall be held in the Fund, applied to the payment of self-funded claims, the payment of insurance premiums, or held, used or applied as herein set forth.

Section 3.09 COMPENSATION The Trustees shall receive no compensation for their services except for reimbursement of actual reasonable expenses incurred.

Section 3.10 WITHDRAWALS All checks, drafts, vouchers or other withdrawals from the Fund or depositories and the transfer or liquidating of insurance policies or

investments shall first be authorized by the Trustees and then signed by appropriate signatories as determined by the Trust, except that checks for claims payment under the self-funded benefit provision of this Trust may be signed by an authorized representative of the Contract Administrator responsible for administering the self-funded benefit.

Section 3.11 CHAIRMAN, VICE-CHAIR, AND SECRETARY The Trustee shall elect from among themselves at their first meeting a Chairman, Vice-Chair and Secretary of the Trustees. The Chairman shall preside at all meetings of the Trustees and who shall be empowered to perform ministerial duties of the Trustees as the Trustees may from time to time delegate to him. The Vice-Chair will preside in the Chairman's absence. The Secretary shall keep minutes of all meetings, proceedings, and acts of the Trustees, which records shall be available at the said Principal Office for inspection by all the Trustees and interested persons during usual business hours. Such records and minutes need not be verbatim.

Section 3.12 MEETINGS The Trustees shall hold a regular meeting as soon as practical after being appointed and regular meetings shall be held periodically at least four (4) times each year after the first regular meeting. The Trustees shall determine the time and place of the regular meeting of the Board. Special meetings of the Trustees may be called by the Chairman. At least seven (7) days written notice designating the time and place of the annual, regular or any special meeting shall be given to the Trustees. Any meeting at which all Trustees are present shall be subject to the open meeting law established by Arizona Statute.

Section 3.13 PROXY Any Trustee, or any other person duly authorized in writing by an absent Trustee, may cast a vote on behalf of such absent Trustee. Any such authorization must be given for each meeting.

Section 3.14 QUORUM To constitute a quorum or special meeting of the Trustees, there must be present in person or by proxy at least three (3) Trustees.

Section 3.15 VOTING Each Trustee shall have one (1) vote. All actions by and decisions of the Trustees shall be the affirmative vote of a majority of the Trustees attending a duly called meeting of the Trustees at which there is a quorum present.

Section 3.16 FISCAL YEAR AND AUDIT The accounting year of the Fund shall be on a fiscal year basis, commencing on the first day of July and ending on the last day of June of the following year and similarly each and every year thereafter. Any report required by law, city, county, state or federal, or the respective subdivisions thereof, shall be made by the Trustees. The Trustees shall have an external annual audit and accounting of the Trust Fund by a Certified Public Accountant in accordance with good accounting practices, at the end of each fiscal year. The CPA shall certify to the accuracy of his audit and accounting. A statement of the results of each audit shall be available for inspection by authorized persons at the Principal Office of the Trust. Copies of the audit

and generalized statements of the accounting and reports shall be delivered to each Trustee after each audit or at other times when necessary and a copy maintained in the City Recorder's office for a period of five (5) years.

Section 3.17 REGULATIONS The Trustees shall have the power to adopt rules and regulations for the administration of the Fund and/or Trust, which shall be consistent with the covenants, terms, conditions, obligation and duties as set forth in this Trust Agreement, and such rules and regulations shall be binding upon all persons dealing with the Fund and upon any and all persons claiming any benefit hereunder.

Section 3.18 BONDS The Trustees shall procure fidelity bonds for the Trustees and persons authorized to receive, handle, deal with or draw upon the monies in the Fund for any purpose whatsoever, said bonds to be in such reasonable amount to reasonably aid in reimbursing bondable loss of money, and shall meet the requirements as may be required, from time to time by applicable United States or State law. Such are to be obtained from reputable fidelity or surety company or companies as the Trustees shall determine. If convenient, and in conformity with the law, such bonds may be position bonds. The cost of the premiums on such bonds shall be paid out of the corpus or income of the fund. If any fidelity or surety company refuses to bond or write a bond for any Trustee, or other persons as described in this section, said Trustee or person shall not serve and shall resign or be terminated.

Section 3.19 DEFENSE The Trustees shall institute, prosecute, maintain or defend any proceeding at law or inequity concerning the Trust Fund or the assets thereof, at the sole cost and expense of the Trust Fund, and to compromise, settle, and adjust any claims and liabilities asserted against or in favor of the Trust Fund or of the Trustees; but the Trustees shall be under no duty or obligation to institute, maintain, or defend any action, suit, or other legal proceeding unless it shall have been indemnified to its satisfaction against any and all loss, cost, expense, and liability it may sustain or anticipate by reason thereof.

ARTICLE IV TRUSTEE AND SUCCESSOR TRUSTEES

Section 4.01 TRUSTEE TERMINATION The term of any Trustee shall automatically terminate upon the earliest of the following: death; resignation; removal of a Trustee by a majority vote of the City Council; or for a Trustee who is an employee of the City of San Luis, the termination of such employment.

In the event of the death, resignation, or removal of an appointed Trustee, the City Council shall designate a successor to such Trustee from recommendations from the Mayor, who, upon acceptance of his/her appointments in writing, shall succeed to the legal interest of his/her predecessor. Upon the effective date of the death, resignation or removal, the Trustee shall be discharged from any further duty or responsibility under the

Trust and any and all property in his or her possession or control which belongs to the Plan or Trust shall be delivered to the Chairman (or to the Secretary, if the Chairman is resigning, removed, or deceased.)

Section 4.02 TRUSTEE RESIGNATION A Trustee may resign by giving sixty (60) days prior written notice to the Chairman. The Chairman may exercise discretion to waive or reduce the sixty (60) day requirement, but shall not waive the written-notice requirement. The notice shall state the effective date of the resignation. The resignation shall take effect on its stated effective date unless a new Trustee is appointed and accepts the appointment prior to the stated effective date of the resignation.

Section 4.03 SUCCESSORS The Trustees, and their successors from time to time acting hereunder, shall have all the rights, powers and duties of the original Trustees named herein and the insurance company or companies and Contract Administrator shall be immediately notified of any successor.

Section 4.04 SUCCESSORS' LIABILITY No successor Trustee shall be liable or responsible for any act or defaults of his/her predecessor, or for any losses or expenses resulting from or occasioned by anything done or neglected to be done in the administration of the Fund or Trust prior to his/her appointment as Trustee, nor shall he/she be required to inquire into or take any notice of the prior administration of the Fund or Trust. A successor Trustee is solely responsible for his/her actions as set forth in Article III.

Section 4.05 SUCCESSORS' TERM The appointed successor Trustee shall complete the initial term of his predecessor.

ARTICLE V CONTRIBUTIONS TO THE FUND

Section 5.01 CONTRIBUTIONS In order to effectuate the purpose hereof, the City and/or Employees shall contribute to the Fund an amount determined by the Trustees, to be necessary to pay for the benefits provided hereunder. The City and/or Employee contribution shall be due and payable as of the first day of the month as determined by the Trustees.

Section 5.02 CITY CONTRIBUTIONS ARE NOT WAGES The City contributions to paid into the Fund shall not constitute or be deemed wages due to Employees, nor shall the City contributions in any manner be liable for or subject to the debts, contracts, or liabilities of the City; neither the City, any Employee, nor any Dependent under the Plan shall have any rights, title, or interest in the Fund, except as otherwise specifically provided herein.

Section 5.03 PAYMENTS IN LIEU OF BENEFITS No Employee shall have any right to receive any part of his own or the City contributions paid to him in lieu of benefits.

Section 5.04 PAYROLL DEDUCTIONS All Employees' contributions shall be paid by payroll deductions. The City shall remit all monies obtained through payroll deductions in a lump sum to the Fund, at least once per month, or as otherwise determined by the Trustees.

Section 5.05 PAYMENT All contributions shall be payable to name of the Trust, and shall be paid in the manner and form determined by the Trustees.

Section 5.06 REPORTS The City shall make all reports required by the Trustees. The Trustees may at any time have an audit made by an independent Certified Public Accountant of the wage records of the City in connection with their contribution and/or reports.

Section 5.07 IRREVOCABILITY OF CONTRIBUTIONS Subject to the provisions providing for termination of this Trust Agreement in Article XII, all contributions to the Fund shall be irrevocable, and under no circumstances shall any monies properly paid into the Fund, or any part of the Fund, be revocable by or payable to the City or any Employee, nor shall any of the same be used for or diverted for purposes other than for the exclusive program of benefits for Employees and beneficiaries provided hereunder.

ARTICLE VI PAYMENT OF BENEFITS

Section 6.01 METHOD OF PAYMENT The Trustees shall arrange for the disbursement of benefits under the Employee Benefit Trust through a Contract Administrator appointed by the Trustees for any self-funded benefits or through insurance company for fully-insured benefits.

Section 6.02 PROTECTION OF EMPLOYEES Prior to payment to an Employee or his Dependents, all assets of the Trust shall be owned by the Trust and shall not be liable in any way for any debt or obligation of any Employee or the City. To the extent permitted by law, all Trust benefits shall be exempt from attachment, garnishment, and levy of execution, bankruptcy proceedings, or other legal process at any time subject to the Trustee's possession and control; but in any event such assets shall be subject to such process only to the extent of such Employee's benefits hereunder as they fall due.

Section 6.03 CLAIM TO BENEFITS No Employee, Dependent, or other beneficiary shall have any right or claim to benefits under the Employee Benefit Trust except as specified in the policy or policies or contract or contracts or self-funded benefits procured or entered into pursuant to Article II and III. Any disputes as to eligibility time, amount,

or duration of benefits shall be resolved by the appropriate insurance carrier or Contract Administrator, under and pursuant to the policy or contract; and the Employees, Dependents, or other beneficiary shall not have a right or claim in respect thereto, against the Funds, or Trustees. Any dispute as to eligibility, type, amount, time or duration of benefits provided by the Fund as self-funded, shall be decided by the Trustees, and all disputes shall be finally settled pursuant to Article VII.

Section 6.04 FAILURE TO PAY BENEFITS Neither the City, nor the Trustees shall be liable for the failure or omission, for any reason, to pay any benefits under the Employee Benefit Trust. If for any reason including, but not limited to, epidemics, catastrophes, or normal depletion, the Trustees determine that self-insured funds are insufficient to pay the current claims, the amount of benefits payable to an Employee or Dependent shall, in all events, be limited to the extent that sufficient self-insured funds are available to the Trustees for the payment of all such claims; and in such event, benefit payments to Employees or Dependents shall be limited to the extent that sufficient funds are available from the Trust Fund, and shall be further prorated in such amounts that all such claims shall be treated proportionately equal to the ratio that such total claims bear to the funds that are available for such payment. If any controversy or dispute exists concerning such matters, all disputes or controversies shall be settled by the dispute provision contained in Article VII.

ARTICLE VII CONTROVERSIES AND DISPUTES

Section 7.01 DISPUTES The Trustees shall have the power to construe, interpret and apply the provisions of this Agreement and Declaration of the Trust or any amendments, rules or regulations adopted thereto, and the terms used herein and any construction, interpretation or application adopted in good faith shall be final and binding upon the City, beneficiaries, administrators, and/or legal representatives.

Section 7.02 BENEFITS CLAIM SETTLEMENT The Trustees may in their sole discretion compromise or settle any disputed benefits claim or benefits claim controversy in such manner as they deem best, and any decision made by a majority of the Trustees in compromise or settlement or a disputed benefits claim or benefits claim controversy, or any compromise or settlement agreement entered into by the Trustees shall be conclusive and binding upon all parties interested in this Fund.

Section 7.03 DISPUTE OF POWERS In the event there shall be any disagreement between the Trustees and the Contract Administrator over exercise of powers granted herein, the Trustees shall prevail, and the service organization shall have no liability to any person with respect to such act or omission in the event it shall give notice in writing of its dissent from such act to each Trustee and to the City.

**ARTICLE VIII
RESPONSIBILITY**

Section 8.01 RESPONSIBILITY The Trustee shall only be responsible for monies when and only after such are received in accordance herewith. The Trustees, or Successor Trustees, shall only be responsible for any liability arising from their respective gross negligence, bad faith or willful misconduct in handling of the monies actually received in hand by them for execution and administration of the terms of the Fund. The Trustees and Successors shall not be responsible for the action or omission of their Co-Trustees, Successors, nor for the actions or omissions of other agents, or for any of the actions or omissions of any insurance company or its agents, servants, or representatives, including, but not limited to non-payment of claims by an insurance company or insurance companies for any reason. The City shall hold harmless the Trustees or Successor Trustees from all such claims except those arising from his/her own willful misconduct, bad faith or gross negligence. (No Trustee or Successor Trustee shall be entitled to any indemnification or court costs or attorney's fees for any liability arising from his/her own willful misconduct, bad faith or gross negligence.)

Section 8.02 OTHER PERSONS AND INTERPRETATIONS No person who is dealing with the Trustees shall be obligated to see the application of any monies or property of the Fund, or to see that the terms of this Trust Agreement have been complied with or to inquire as to the necessity of expediency of any act of the Trustees. Every instrument executed by the Trustees or by their direction shall be conclusive in favor of every person who in good faith relies upon it, that (a) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (b) the instrument was executed in accordance with the terms and conditions of this Agreement and (c) the Trustees were duly authorized to execute the instrument or direct its execution

**ARTICLE IX
AMENDMENTS**

Section 9.01 AMENDMENTS It is anticipated that in the administration of this Trust, conditions may arise that are not foreseen at the time of execution of this Agreement, and it is the intention of the Trustees, and each and every party or person to this Agreement that the power of amendment which is herein granted be exercised in order to carry out the spirit, object and purposes of this Trust. Therefore, the general power is granted to the Trustees, by all parties to this Agreement, to amend this Agreement upon the consent and unanimous agreement of the Board of Trustees, and all parties to the Trust and all persons claiming any interest hereunder are and shall be bound thereby. Any such amendment shall be signed by the Trustees or Successor Trustee

**ARTICLE X
NONVESTING OF RIGHTS**

Section 10.01 RIGHTS No Employee, Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representatives shall have any right, title or interest, vested or otherwise, in or to the Fund, Trust, corpus, (income or increments thereto) insurance dividends, cash value, if any, or insurance or benefits or monies payable there from, payments from the Fund, or in or to the eligibility requirements for benefits as changed or altered. Any participating Employee who withdraws or ceases to participate in the Employee Benefit Trust does hereby and shall expressly waive and forfeit any right, title or interest in and to the Fund, its corpus and assets. No Employee, nor his Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representative shall have any right in or to the Trust, Fund, corpus, insurance, interest, dividends, cash value, if any, of insurance, interest, income, benefits, or any benefits or money payable there from, or anything arising out of or in this Trust during the term of this agreement and any benefits he or they may have is forever terminated and discharged upon the Employee's loss of employment with the City (quitting, discharge, or otherwise), or when this Trust Agreement is terminated, wound up, and dissolved. No benefit, right or interest is transferrable or assignable by the Employee to another Employee or person, corporate or otherwise except to physicians, hospitals and any other person or institution furnishing medical services within the terms of this Trust Agreement. No monies, property, or equity, of whatsoever nature, in the Fund, nor insurance policies or benefits or monies payable there from, nor investments, nor deposits nor any part of portion of the Fund, shall be subject in any manner by any Employee, or person claiming through such Employee, to ownership, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, attachment, execution, mortgage, lien or charge of whatsoever nature or kind, and any attempt to cause the same is and shall be null and void.

**ARTICLE XI
PROVISIONS RELATING TO INSURANCE COMPANY**

Section 11.01 No insurance company which may issue any policies or contracts for the purpose of fulfilling the terms of this Agreement shall be deemed to be a party to this Trust Agreement, nor shall it be responsible for the validity of this Trust Agreement, nor is this Trust Agreement in any manner for the benefit of any insurance company or companies.

Section 11.02 An integral part of the trust will be an aggregate stop loss and specific stop loss insurance. Stop loss coverage will be provided by an authorized carrier licensed to execute contracts in the State of Arizona.

**ARTICLE XII
TERMINATION OF TRUST**

Section 12.01 TERMINATION BY THE TRUSTEES This Trust may be terminated after ninety (90) days advance written notice duly executed by all the Trustees.

Section 12.02 TERMINATION BY THE CITY This Trust may be terminated after ninety (90) days advance written notice duly executed by the City. If the Trust is in a deficit position, including the claims lag determined by the Trustees, the City and Employees will share in the liability of the Trust.

Section 12.03 NOTIFICATION OF TERMINATION Upon termination of the Trust in accordance herewith, the Trustees shall forthwith notify all Employees in writing and also all other necessary parties.

Section 12.04 CONCLUDING THE TRUST Notwithstanding any provisions herein concerning the duration and termination of this Trust, the Trust shall continue in existence for so long a period as may be necessary to wind up its affairs; and the Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust.

Section 12.05 FUNDS REMAINING Upon termination of this Trust, any and all monies remaining in the Fund after the payment of all unpaid claims and/or insurance premiums and other expenses and obligation of the Trust, shall be paid or used for the continuance of one or more of the benefits of the character hereinabove contemplated, until such monies have been exhausted.

Section 12.06 FINAL ACCOUNTING As such time as the Trust is terminated, the Trustees shall render a final accounting of the affairs of the Trust and the Trust Fund to the City and all Employees, and thereafter there shall be no claim or action against the Trustees and they shall have no further responsibility or duties and they shall be discharged.

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01 LAWSUITS In the event any suit, action or proceeding is brought against the Trust, Trustees, one or more of the Trustees or the Fund, in connection with any matter arising out of the administration of the Trust of Fund in connection with this Trust Agreement or in connection with any action or omission of the Trustees or any one or more of the Trustees, or in the event of any suit, action or proceeding commenced by the Trustees, including but not limited to a request for a judicial settlement of accounts, a suit for construction, a bill of interpleader, or any other matter relating to the Trust, the Trustees shall have the power and authority to employ counsel to represent them or one or more of them in any such suit, action or proceeding, including counsel fees and all

other costs, shall be paid from the Fund as long as the Trustees have acted in good faith and until final judgment has been rendered that the Trustees have acted in bad faith, gross negligence or willful misconduct, and in the event of such judgment, the Trust shall be entitled to recover all sums paid to or for Trustees for counsel fees and other costs. It is the intent to indemnify the Trustees against all honest mistakes in judgment and all acts of omissions that are not deliberate or willful violations of the duties of the Trustees. In addition, the trustees shall have the right to commence and prosecute such suits, actions or proceedings as seem to them, necessary and proper in order to protect the interest of the trust and Fund, and, in this connection, the Trustees shall have the same rights and reimbursements for costs concerning the prosecution of such suites as heretofore described in defending lawsuits.

Section 13.02 WORKER'S COMPENSATION The insurance coverage contemplated by this Trust Agreement shall not apply in any case which is compensable under Worker's Compensation Laws.

Section 13.03 SITUS The City of San Luis, County of Yuma, State of Arizona shall be deemed the situs of the Fund created hereunder. All questions pertaining to validity, construction and administration shall be determined in accordance with the laws of such State and County. This Trust Agreement is deemed, made, executed and delivered in such State.

Section 13.04 CONSTRUCTION Wherever any words are used in the Trust Agreement in the masculine gender, they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and wherever any words are used in this Trust Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the plural form they shall be construed as though they were also in the singular form in all situations where they would also apply.

Section 13.05 SEVERABILITY Should any provision or term in this Trust Agreement be deemed or held unlawful or invalid for any reason, such fact shall not adversely affect the provisions herein contained unless such illegality shall make impossible or impractical the functioning of the Trust, and in such case the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

Section 13.06 INTERNAL REVENUE This Trust Agreement is being entered into and the City contributions are being made upon the condition and understanding of the City that all payments made by the City to this Fund are legally deductible as a business expense of the City for tax purposes under State and Federal laws, and that the same are not taxable to the Employee for compensation. The parties hereto individually and collectively agree to take or cause to be taken any and all steps that may be necessary or advisable in order to obtain and maintain a tax-exempt status for this Trust. If any

provisions of this Trust Agreement are held to render contributions by the City into the Trust non-deductible for tax purposes, or taxable to the Employee, or to render income received by such Trust non-exempt from taxation, the necessary steps to remedy such non-deductibility or taxability shall be taken immediately.

Section 13.07 CAPTIONS It is understood and agreed that the captions headings are for convenience only and are not and shall not be a part of this Trust Agreement and in no manner whatsoever define, limit or expand any of the items, obligations or conditions hereof.

ACCEPTANCE

The undersigned Trustees hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provision thereof.

BOARD OF TRUSTEES

<u><i>Urania H. Lopez</i></u>	<u>3/14/2012</u>
Trustee	Date
<u><i>Garcia Duwace</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date

ACCEPTANCE

The undersigned City hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provisions thereof.

CITY OF SAN LUIS

<u><i>Juan Escamilla</i></u>	<u>3/15/12</u>
Mayor	Date

Employee Benefit Trust Board Meeting

3.D.

Meeting Date: 03/13/2019

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding the terms of all Trust Board Members and recommendations for appointments to expiring terms. ITEM CONTINUED FROM REGULAR BOARD MEETING HELD ON FEBRUARY 13, 2019. **(Kay Marion Macuil, City Attorney)**

SUMMARY:

At the last meeting, the Chair directed the Executive Advisers to speak with the Trustees individually as to each Trustee's preference.

Under Section 3.04 of the Declaration of Trust, Trustees are allowed to serve two consecutive terms and no more. All Trustees have served since their first action on March 14, 2012, seven (7) years. The Board of Trustees is not in violation, because if a legislative body does not take action, then there is tacit approval for the current Trustees to continue to a second term.

Also Under Section 3.04, initial terms are staggered and the second and subsequent terms are for five (5) years.

One (1) Trustee to serve one (1) year, plus five (5) years equals six (6) years - expired March of 2018: (The new appointment will take the place of this position, so the term will end five (5) years after March 14, 2018, on March 14 of 2023. At the last meeting, the Trustees directed that a 'numbers person' be sought out. The Executive Advisers have contacted Mr. Gustavo MacGrew, a San Luis insurance Agent with Farmers insurance. He expressed interest but as of the writing of this Agenda Item, we did not yet confirm commitment to serving.)

Two (2) Trustees to serve two (2) years, plus (5) years equals seven (7) years - expires March of 2019:

Two (2) Trustees to serve three (3) years, plus (5) years equals eight (8) years - expires March of 2020.

This item is for the Trustees to vote on which two (2) Trustees have the terms ending in next month (this March 2019) and which two (2) Trustees have the terms ending next year (March 2020).

At the last meeting, the Trustees directed the Executive Advisers to talk to the Trustees separately out of open session, which was done. All the Trustees wish to continue serving. If City Council passes the Amendment to Trust to allow for three (3) consecutive terms, those who are chosen to have the terms expiring tomorrow, may be reappointed for another five (5) years.

In the previous item, the Trustees may vote to allow for 3 consecutive appointments. This item must also be accepted by City Council. We still need to know which two (2) Trustees wish to continue to 2024 for a recommendation for reappointment to City Council.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE THAT TRUSTEES _____ AND _____ HAVE THE TERM WHICH ENDS MARCH 14, 2019 AND RECOMMEND REAPPOINTMENT FOR A THIRD TERM ENDING 2024.

Fiscal Impact

Fiscal Impact:

There is no fiscal impact for this item. Trustees are unpaid volunteers.

Attachments

Trust

**AGREEMENT AND DECLARATION OF TRUST
FOR CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

THIS AGREEMENT AND DECLARATION OF TRUST was made and entered into this first day of September 2011, between CITY OF SAN LUIS, a municipal corporation hereinafter referred to as the "City" and certain persons hereinafter referred to as the "Trustees" to administer the Trust in accordance with the terms and provisions of this instrument.

WITNESSETH:

WHEREAS, A.R.S. § 11-981 authorizes the City of San Luis to establish a self-funded insurance program for health benefits for its Employees.

WHEREAS, A.R.S. § 11-981 requires the establishment of a health benefits trust for the purposes of management and administration of this program; and

WHEREAS, A.R.S. § 11-981 also requires the establishment of the health benefits trust board to administer the health benefits trust.

WHEREAS, CITY OF SAN LUIS, hereinafter designated and referred to as "City", and certain employees of said City hereinafter designated and referred to as "Employees", desire to enter into a program of providing and maintaining health and welfare benefits for Employees of the City and certain members of their families, hereinafter designated and referred to as "Dependents", which program is to be administered by the Trustees; and

WHEREAS, to effect the aforesaid purpose it is mutually desirable by and between the parties hereto to declare and create a Trust which establishes a Trust Fund for and in the manner more particularly set forth herein; and

WHEREAS, the Trustees and City which accept this Agreement and Declaration of Trust and agree to be bound by the provisions hereof shall, upon acceptance by the parties hereto, be deemed a party to this Agreement and Declaration of Trust.

Now THEREFORE, in consideration of the promises, covenants, agreements, terms, obligation and duties herein set forth, it is understood and agreed as follows:

**ARTICLE 1
DEFINITIONS**

It is mutually understood and agreed by and between the parties hereto that the following are and shall be the definitions:

Section 1.01 The term "Employee Benefit Trust" shall mean the program of benefits to be established by the Trustees pursuant to this Agreement and Declaration of Trust.

Section 1.02 The term "Employee" shall mean all persons who have met the eligibility requirements as defined in the written instrument for the Employee Benefit Trust and who have properly enrolled for and made appropriate contributions for coverage under said Trust, and who are not eligible for benefits under any other health program to which the City makes contributions.

Section 1.03 The term "Dependent" shall mean all persons who have met the eligibility requirements for being a dependent of the Employee as defined in the written instrument for the Employee Benefit Trust and who have been properly enrolled for and made appropriate contributions for coverage under the Employee Benefit Trust, and who are not eligible for benefit under any other health program which the City makes contributions.

Section 1.04 The phrase "Trust Agreement" shall mean and refer to this Agreement and Declaration of Trust and any modification or amendments thereto.

Section 1.05 The term "Fund" as used shall mean the Trust Fund created by this instrument, and shall mean generally the monies, property, contracts, or things of value, tangible or intangible, received and held by the Trustees for the uses, purposes, and Trust set forth therein, and those things of value which compromise the corpus and additions to the Fund.

Section 1.06 The term "Trustees" as used herein shall mean the Trustees and their successors provided for in the Trust Agreement.

Section 1.07 The name of the Trust is and shall be City of San Luis Employee Benefit Trust.

Section 1.08 The phrase "City Contributions" does and shall mean the contributions made by the City of San Luis to the Fund for the Employee Benefit Trust.

Section 1.09 The phrase "Employee Contribution" does and shall mean the contributions made by the Employees of the City of San Luis to said Fund.

Section 1.10 The term "City" does and shall mean the City of San Luis, a municipal corporation organized and existing under the laws of the State of Arizona.

Section 1.11 The phrase "Plan Document" does and shall mean the written instrument containing the provisions for self-funded health and welfare benefits of the Employee Benefit Trust.

Section 1.12 The phrase "Contract Administrator" does and shall mean the person or firm employed by the Trustees who is responsible for the processing of claims and

payment of benefits, administration, accounting, reporting and other services contracted for by the Trustees.

**ARTICLE II
PURPOSE OF TRUST AND APPLICATION OF THE FUND**

Section 2.01 FUND There is hereby declared and created the City of San Luis Employee Benefit Trust: To establish a Trust Fund to provide benefits for, but not limited or restricted to Life, Accidental Death and Dismemberment, Basic or Major Medical coverage's for accidents or sickness, Dental; and any other benefits as determined by the Trustees for the Employees and their Dependents; whether through self-funded or insured programs or both.

Section 2.02 PRINCIPAL OFFICE The Trust shall have its principal office in the City of San Luis, County of Yuma, state of Arizona and hereinafter designated and referred to as Principal Office.

**ARTICLE III
POWERS AND DUTUES OF TRUSTEES**

Section 3.01 APPOINTMENTS OF TRUSTEES The Employee Benefit Trust shall be administered by the Trustees. The Mayor shall nominate individuals to serve as Trustees overseeing the management and administration of the Trust. The City Council shall consider and may appoint any individual so recommended, provided that the appointed Trustees conform to the requirements of Section 3.02.

Section 3.02 NUMBER AND IDENTITY The Trustees shall consist of five (5) persons, consisting of no more than one (1) member of the City Council and no more than (1) Employee of the City.

Section 3.03 ACCEPTANCE Each Trustee so appointed shall accept the appointment in writing and shall confirm in writing that the Trustee hereby accept the Trust and Trusteeship and declares they will receive and hold the Fund by virtue of this Trust Agreement for the uses and purposes and with the powers and duties herein set forth and none other. The Trustees shall faithfully keep and hold any and all monies they receive as Trustees for the purpose of the Trust and keep adequate and proper records thereof.

Section 3.04 TRUSTEES' TERM Each Trustee shall serve a five-year term. A Trustee may be reappointed of no more than one additional consecutive term. Notwithstanding the foregoing, the initial terms for the first five (5) Trustees shall be as follows: one (1) Trustee to serve an initial term of one (1) year; two (2) Trustees to serve an initial term of two (2) years; and two (2) Trustees to serve an initial term of three (3) years. The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year, and three year terms. This shall result in Trustees rotating appointments every two (2) to three (3) years.

Section 3.05 EXECUTIVE ADVISORS The Board of Trustees shall include as Executive Advisors, the City's Finance Director, or their designee, and the City's Human Resource Director, or their designee, and the City Manager, or their designee. Such Executive Advisors shall attend all meetings of the Board of Trustees.

Section 3.06 DUTIES The Trustees shall hold, manage, care for and keep the Fund and collect the income and increments thereof, and shall keep and maintain adequate and proper records to render an external annual audit, accounting and reports as hereinafter mentioned. The Trustees shall employ or hire such agents, attorneys, accountants, actuaries, employees or other persons and to lease premises and equipment as may be necessary or desirable in administering the Fund and carrying out its purposes and the fees, salaries, wages emoluments or compensation of any and all such persons shall be paid from the Fund. When acting upon the advice of counsel for the Trust, the Trustees shall be relieved of all responsibility for acts done or not done. The Trustees may incur any expenses for supplies, rental of space or other items or anything else believed to be necessary or desirable in administering the Fund and carrying out the objects and purposes of this Trust and Trust Agreement. The Trustees shall have all right, power and authority to do all those things which, in the opinion of the Trustees may be necessary or desirable for the administration and operation of accomplishments of the objects and purposes of the Fund and this Trust and Trust Agreement.

In addition, the Trustees shall establish terms and conditions for the Employee Benefit Trust including, but not limited to:

- A. Establish terms and conditions of coverage including exclusions of coverage;
- B. Establish provisions for eligibility requirements to enroll for coverage;
- C. Ensure that all claims are processed promptly;
- D. Administer the Trust Fund pursuant to this Agreement;
- E. Designate a risk management consultant or insurance administrator licensed pursuant to Title 20, Chapter 2, Articles 3 Or 9 of the Arizona Revised Statutes, and such license shall be verified by the Board of Trustees at time of the designation;
- F. Provide financial oversight of the Trust Fund by evaluating claim expenses and reserve amounts;
- G. Review the Trust Fund quarterly to insure sufficient funds exist to pay outstanding and future benefits, to pay for losses or claims or any combination of insurance and direct payment, and to pay for risk management consultation;
- H. Make recommendations to the City Manager on financial issues relating to the self-insured programs;
- I. Comply with all requirements of State and Federal laws relating to self-insurance programs;
- J. Take all necessary precautions to safeguard the assets of the Trust;
- K. Maintain minutes of its meetings.

Section 3.07 TRUSTEES' AUTHORITY The Trustees shall have the power to enter in contracts, procure insurance policies, or provide such benefits through self-funding, and to place into effect and maintain the desirable schedule of benefits. The Trustees, in carrying out the purposes of this Trust Agreement, shall have the power and the right to provide the intended benefits under this Trust by means of direct or self-funding by the Trust and/or by the procurement of group insurance contracts (permissible under the laws of Arizona) including group insurance contracts issued to and in the name of the Trust, together with such other forms of contracts issued by qualified insurance companies authorized to do business in the State of Arizona as may be selected by the Trustees for the purpose of providing for all or part of the benefits provided under this Trust. The Trustees are hereby expressly authorized to pay to any insurance company as may be selected by the Trustees, the required insurance premiums in connection with such group insurance contracts issued to the Trust. Whether or not benefits are provided by means of direct or self-funding or by the procurement of group insurance, such decision shall be at the sole and exclusive discretion of the Trustees.

Should the Trustees select or provide for any policy or any program of self-funding, no claims for benefits or no claims for liabilities shall be brought against the Trustees. The sole and exclusive liability of said Trustees in the management and operation of any program of self-funding shall be limited to due care in the selection of administrators, claim representatives, actuaries, or other officials charged with the administration of such a program of self-funding. In the event that submitted claims of Employees and/or Dependents exceed the funds available, the claims shall be paid in the order received.

Section 3.08 DEPOSITS AND INVESTMENTS All corpus or portions of the Fund not expended under Article III may be deposited by the Trustees in the name of the Trust in such depository or depositories as the Trustees shall from time to time select, and any such deposit or deposits should carry or bear interest. The Trustees are empowered to receive for the benefit of the Fund such interest as might accrue on the above deposits. If not so deposited, any accumulated funds not currently required for the purposes of this Trust, shall be invested by the Trustees in reasonable secure, reasonable liquid investments.

The Fund may accumulate dividends or experience rating refunds or other monies, if any accruing from any insurance policy or policies deposits or investments. Such dividends, refunds or other monies or all of them, shall be held in the Fund, applied to the payment of self-funded claims, the payment of insurance premiums, or held, used or applied as herein set forth.

Section 3.09 COMPENSATION The Trustees shall receive no compensation for their services except for reimbursement of actual reasonable expenses incurred.

Section 3.10 WITHDRAWALS All checks, drafts, vouchers or other withdrawals from the Fund or depositories and the transfer or liquidating of insurance policies or

investments shall first be authorized by the Trustees and then signed by appropriate signatories as determined by the Trust, except that checks for claims payment under the self-funded benefit provision of this Trust may be signed by an authorized representative of the Contract Administrator responsible for administering the self-funded benefit.

Section 3.11 CHAIRMAN, VICE-CHAIR, AND SECRETARY The Trustee shall elect from among themselves at their first meeting a Chairman, Vice-Chair and Secretary of the Trustees. The Chairman shall preside at all meetings of the Trustees and who shall be empowered to perform ministerial duties of the Trustees as the Trustees may from time to time delegate to him. The Vice-Chair will preside in the Chairman's absence. The Secretary shall keep minutes of all meetings, proceedings, and acts of the Trustees, which records shall be available at the said Principal Office for inspection by all the Trustees and interested persons during usual business hours. Such records and minutes need not be verbatim.

Section 3.12 MEETINGS The Trustees shall hold a regular meeting as soon as practical after being appointed and regular meetings shall be held periodically at least four (4) times each year after the first regular meeting. The Trustees shall determine the time and place of the regular meeting of the Board. Special meetings of the Trustees may be called by the Chairman. At least seven (7) days written notice designating the time and place of the annual, regular or any special meeting shall be given to the Trustees. Any meeting at which all Trustees are present shall be subject to the open meeting law established by Arizona Statute.

Section 3.13 PROXY Any Trustee, or any other person duly authorized in writing by an absent Trustee, may cast a vote on behalf of such absent Trustee. Any such authorization must be given for each meeting.

Section 3.14 QUORUM To constitute a quorum or special meeting of the Trustees, there must be present in person or by proxy at least three (3) Trustees.

Section 3.15 VOTING Each Trustee shall have one (1) vote. All actions by and decisions of the Trustees shall be the affirmative vote of a majority of the Trustees attending a duly called meeting of the Trustees at which there is a quorum present.

Section 3.16 FISCAL YEAR AND AUDIT The accounting year of the Fund shall be on a fiscal year basis, commencing on the first day of July and ending on the last day of June of the following year and similarly each and every year thereafter. Any report required by law, city, county, state or federal, or the respective subdivisions thereof, shall be made by the Trustees. The Trustees shall have an external annual audit and accounting of the Trust Fund by a Certified Public Accountant in accordance with good accounting practices, at the end of each fiscal year. The CPA shall certify to the accuracy of his audit and accounting. A statement of the results of each audit shall be available for inspection by authorized persons at the Principal Office of the Trust. Copies of the audit

and generalized statements of the accounting and reports shall be delivered to each Trustee after each audit or at other times when necessary and a copy maintained in the City Recorder's office for a period of five (5) years.

Section 3.17 REGULATIONS The Trustees shall have the power to adopt rules and regulations for the administration of the Fund and/or Trust, which shall be consistent with the covenants, terms, conditions, obligation and duties as set forth in this Trust Agreement, and such rules and regulations shall be binding upon all persons dealing with the Fund and upon any and all persons claiming any benefit hereunder.

Section 3.18 BONDS The Trustees shall procure fidelity bonds for the Trustees and persons authorized to receive, handle, deal with or draw upon the monies in the Fund for any purpose whatsoever, said bonds to be in such reasonable amount to reasonably aid in reimbursing bondable loss of money, and shall meet the requirements as may be required, from time to time by applicable United States or State law. Such are to be obtained from reputable fidelity or surety company or companies as the Trustees shall determine. If convenient, and in conformity with the law, such bonds may be position bonds. The cost of the premiums on such bonds shall be paid out of the corpus or income of the fund. If any fidelity or surety company refuses to bond or write a bond for any Trustee, or other persons as described in this section, said Trustee or person shall not serve and shall resign or be terminated.

Section 3.19 DEFENSE The Trustees shall institute, prosecute, maintain or defend any proceeding at law or inequity concerning the Trust Fund or the assets thereof, at the sole cost and expense of the Trust Fund, and to compromise, settle, and adjust any claims and liabilities asserted against or in favor of the Trust Fund or of the Trustees; but the Trustees shall be under no duty or obligation to institute, maintain, or defend any action, suit, or other legal proceeding unless it shall have been indemnified to its satisfaction against any and all loss, cost, expense, and liability it may sustain or anticipate by reason thereof.

ARTICLE IV TRUSTEE AND SUCCESSOR TRUSTEES

Section 4.01 TRUSTEE TERMINATION The term of any Trustee shall automatically terminate upon the earliest of the following: death; resignation; removal of a Trustee by a majority vote of the City Council; or for a Trustee who is an employee of the City of San Luis, the termination of such employment.

In the event of the death, resignation, or removal of an appointed Trustee, the City Council shall designate a successor to such Trustee from recommendations from the Mayor, who, upon acceptance of his/her appointments in writing, shall succeed to the legal interest of his/her predecessor. Upon the effective date of the death, resignation or removal, the Trustee shall be discharged from any further duty or responsibility under the

Trust and any and all property in his or her possession or control which belongs to the Plan or Trust shall be delivered to the Chairman (or to the Secretary, if the Chairman is resigning, removed, or deceased.)

Section 4.02 TRUSTEE RESIGNATION A Trustee may resign by giving sixty (60) days prior written notice to the Chairman. The Chairman may exercise discretion to waive or reduce the sixty (60) day requirement, but shall not waive the written-notice requirement. The notice shall state the effective date of the resignation. The resignation shall take effect on its stated effective date unless a new Trustee is appointed and accepts the appointment prior to the stated effective date of the resignation.

Section 4.03 SUCCESSORS The Trustees, and their successors from time to time acting hereunder, shall have all the rights, powers and duties of the original Trustees named herein and the insurance company or companies and Contract Administrator shall be immediately notified of any successor.

Section 4.04 SUCCESSORS' LIABILITY No successor Trustee shall be liable or responsible for any act or defaults of his/her predecessor, or for any losses or expenses resulting from or occasioned by anything done or neglected to be done in the administration of the Fund or Trust prior to his/her appointment as Trustee, nor shall he/she be required to inquire into or take any notice of the prior administration of the Fund or Trust. A successor Trustee is solely responsible for his/her actions as set forth in Article III.

Section 4.05 SUCCESSORS' TERM The appointed successor Trustee shall complete the initial term of his predecessor.

ARTICLE V CONTRIBUTIONS TO THE FUND

Section 5.01 CONTRIBUTIONS In order to effectuate the purpose hereof, the City and/or Employees shall contribute to the Fund an amount determined by the Trustees, to be necessary to pay for the benefits provided hereunder. The City and/or Employee contribution shall be due and payable as of the first day of the month as determined by the Trustees.

Section 5.02 CITY CONTRIBUTIONS ARE NOT WAGES The City contributions to paid into the Fund shall not constitute or be deemed wages due to Employees, nor shall the City contributions in any manner be liable for or subject to the debts, contracts, or liabilities of the City; neither the City, any Employee, nor any Dependent under the Plan shall have any rights, title, or interest in the Fund, except as otherwise specifically provided herein.

Section 5.03 PAYMENTS IN LIEU OF BENEFITS No Employee shall have any right to receive any part of his own or the City contributions paid to him in lieu of benefits.

Section 5.04 PAYROLL DEDUCTIONS All Employees' contributions shall be paid by payroll deductions. The City shall remit all monies obtained through payroll deductions in a lump sum to the Fund, at least once per month, or as otherwise determined by the Trustees.

Section 5.05 PAYMENT All contributions shall be payable to name of the Trust, and shall be paid in the manner and form determined by the Trustees.

Section 5.06 REPORTS The City shall make all reports required by the Trustees. The Trustees may at any time have an audit made by an independent Certified Public Accountant of the wage records of the City in connection with their contribution and/or reports.

Section 5.07 IRREVOCABILITY OF CONTRIBUTIONS Subject to the provisions providing for termination of this Trust Agreement in Article XII, all contributions to the Fund shall be irrevocable, and under no circumstances shall any monies properly paid into the Fund, or any part of the Fund, be revocable by or payable to the City or any Employee, nor shall any of the same be used for or diverted for purposes other than for the exclusive program of benefits for Employees and beneficiaries provided hereunder.

ARTICLE VI PAYMENT OF BENEFITS

Section 6.01 METHOD OF PAYMENT The Trustees shall arrange for the disbursement of benefits under the Employee Benefit Trust through a Contract Administrator appointed by the Trustees for any self-funded benefits or through insurance company for fully-insured benefits.

Section 6.02 PROTECTION OF EMPLOYEES Prior to payment to an Employee or his Dependents, all assets of the Trust shall be owned by the Trust and shall not be liable in any way for any debt or obligation of any Employee or the City. To the extent permitted by law, all Trust benefits shall be exempt from attachment, garnishment, and levy of execution, bankruptcy proceedings, or other legal process at any time subject to the Trustee's possession and control; but in any event such assets shall be subject to such process only to the extent of such Employee's benefits hereunder as they fall due.

Section 6.03 CLAIM TO BENEFITS No Employee, Dependent, or other beneficiary shall have any right or claim to benefits under the Employee Benefit Trust except as specified in the policy or policies or contract or contracts or self-funded benefits procured or entered into pursuant to Article II and III. Any disputes as to eligibility time, amount,

or duration of benefits shall be resolved by the appropriate insurance carrier or Contract Administrator, under and pursuant to the policy or contract; and the Employees, Dependents, or other beneficiary shall not have a right or claim in respect thereto, against the Funds, or Trustees. Any dispute as to eligibility, type, amount, time or duration of benefits provided by the Fund as self-funded, shall be decided by the Trustees, and all disputes shall be finally settled pursuant to Article VII.

Section 6.04 FAILURE TO PAY BENEFITS Neither the City, nor the Trustees shall be liable for the failure or omission, for any reason, to pay any benefits under the Employee Benefit Trust. If for any reason including, but not limited to, epidemics, catastrophes, or normal depletion, the Trustees determine that self-insured funds are insufficient to pay the current claims, the amount of benefits payable to an Employee or Dependent shall, in all events, be limited to the extent that sufficient self-insured funds are available to the Trustees for the payment of all such claims; and in such event, benefit payments to Employees or Dependents shall be limited to the extent that sufficient funds are available from the Trust Fund, and shall be further prorated in such amounts that all such claims shall be treated proportionately equal to the ratio that such total claims bear to the funds that are available for such payment. If any controversy or dispute exists concerning such matters, all disputes or controversies shall be settled by the dispute provision contained in Article VII.

ARTICLE VII CONTROVERSIES AND DISPUTES

Section 7.01 DISPUTES The Trustees shall have the power to construe, interpret and apply the provisions of this Agreement and Declaration of the Trust or any amendments, rules or regulations adopted thereto, and the terms used herein and any construction, interpretation or application adopted in good faith shall be final and binding upon the City, beneficiaries, administrators, and/or legal representatives.

Section 7.02 BENEFITS CLAIM SETTLEMENT The Trustees may in their sole discretion compromise or settle any disputed benefits claim or benefits claim controversy in such manner as they deem best, and any decision made by a majority of the Trustees in compromise or settlement or a disputed benefits claim or benefits claim controversy, or any compromise or settlement agreement entered into by the Trustees shall be conclusive and binding upon all parties interested in this Fund.

Section 7.03 DISPUTE OF POWERS In the event there shall be any disagreement between the Trustees and the Contract Administrator over exercise of powers granted herein, the Trustees shall prevail, and the service organization shall have no liability to any person with respect to such act or omission in the event it shall give notice in writing of its dissent from such act to each Trustee and to the City.

**ARTICLE VIII
RESPONSIBILITY**

Section 8.01 RESPONSIBILITY The Trustee shall only be responsible for monies when and only after such are received in accordance herewith. The Trustees, or Successor Trustees, shall only be responsible for any liability arising from their respective gross negligence, bad faith or willful misconduct in handling of the monies actually received in hand by them for execution and administration of the terms of the Fund. The Trustees and Successors shall not be responsible for the action or omission of their Co-Trustees, Successors, nor for the actions or omissions of other agents, or for any of the actions or omissions of any insurance company or its agents, servants, or representatives, including, but not limited to non-payment of claims by an insurance company or insurance companies for any reason. The City shall hold harmless the Trustees or Successor Trustees from all such claims except those arising from his/her own willful misconduct, bad faith or gross negligence. (No Trustee or Successor Trustee shall be entitled to any indemnification or court costs or attorney's fees for any liability arising from his/her own willful misconduct, bad faith or gross negligence.)

Section 8.02 OTHER PERSONS AND INTERPRETATIONS No person who is dealing with the Trustees shall be obligated to see the application of any monies or property of the Fund, or to see that the terms of this Trust Agreement have been complied with or to inquire as to the necessity of expediency of any act of the Trustees. Every instrument executed by the Trustees or by their direction shall be conclusive in favor of every person who in good faith relies upon it, that (a) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (b) the instrument was executed in accordance with the terms and conditions of this Agreement and (c) the Trustees were duly authorized to execute the instrument or direct its execution

**ARTICLE IX
AMENDMENTS**

Section 9.01 AMENDMENTS It is anticipated that in the administration of this Trust, conditions may arise that are not foreseen at the time of execution of this Agreement, and it is the intention of the Trustees, and each and every party or person to this Agreement that the power of amendment which is herein granted be exercised in order to carry out the spirit, object and purposes of this Trust. Therefore, the general power is granted to the Trustees, by all parties to this Agreement, to amend this Agreement upon the consent and unanimous agreement of the Board of Trustees, and all parties to the Trust and all persons claiming any interest hereunder are and shall be bound thereby. Any such amendment shall be signed by the Trustees or Successor Trustee

**ARTICLE X
NONVESTING OF RIGHTS**

Section 10.01 RIGHTS No Employee, Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representatives shall have any right, title or interest, vested or otherwise, in or to the Fund, Trust, corpus, (income or increments thereto) insurance dividends, cash value, if any, or insurance or benefits or monies payable there from, payments from the Fund, or in or to the eligibility requirements for benefits as changed or altered. Any participating Employee who withdraws or ceases to participate in the Employee Benefit Trust does hereby and shall expressly waive and forfeit any right, title or interest in and to the Fund, its corpus and assets. No Employee, nor his Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representative shall have any right in or to the Trust, Fund, corpus, insurance, interest, dividends, cash value, if any, of insurance, interest, income, benefits, or any benefits or money payable there from, or anything arising out of or in this Trust during the term of this agreement and any benefits he or they may have is forever terminated and discharged upon the Employee's loss of employment with the City (quitting, discharge, or otherwise), or when this Trust Agreement is terminated, wound up, and dissolved. No benefit, right or interest is transferrable or assignable by the Employee to another Employee or person, corporate or otherwise except to physicians, hospitals and any other person or institution furnishing medical services within the terms of this Trust Agreement. No monies, property, or equity, of whatsoever nature, in the Fund, nor insurance policies or benefits or monies payable there from, nor investments, nor deposits nor any part of portion of the Fund, shall be subject in any manner by any Employee, or person claiming through such Employee, to ownership, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, attachment, execution, mortgage, lien or charge of whatsoever nature or kind, and any attempt to cause the same is and shall be null and void.

**ARTICLE XI
PROVISIONS RELATING TO INSURANCE COMPANY**

Section 11.01 No insurance company which may issue any policies or contracts for the purpose of fulfilling the terms of this Agreement shall be deemed to be a party to this Trust Agreement, nor shall it be responsible for the validity of this Trust Agreement, nor is this Trust Agreement in any manner for the benefit of any insurance company or companies.

Section 11.02 An integral part of the trust will be an aggregate stop loss and specific stop loss insurance. Stop loss coverage will be provided by an authorized carrier licensed to execute contracts in the State of Arizona.

**ARTICLE XII
TERMINATION OF TRUST**

Section 12.01 TERMINATION BY THE TRUSTEES This Trust may be terminated after ninety (90) days advance written notice duly executed by all the Trustees.

Section 12.02 TERMINATION BY THE CITY This Trust may be terminated after ninety (90) days advance written notice duly executed by the City. If the Trust is in a deficit position, including the claims lag determined by the Trustees, the City and Employees will share in the liability of the Trust.

Section 12.03 NOTIFICATION OF TERMINATION Upon termination of the Trust in accordance herewith, the Trustees shall forthwith notify all Employees in writing and also all other necessary parties.

Section 12.04 CONCLUDING THE TRUST Notwithstanding any provisions herein concerning the duration and termination of this Trust, the Trust shall continue in existence for so long a period as may be necessary to wind up its affairs; and the Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust.

Section 12.05 FUNDS REMAINING Upon termination of this Trust, any and all monies remaining in the Fund after the payment of all unpaid claims and/or insurance premiums and other expenses and obligation of the Trust, shall be paid or used for the continuance of one or more of the benefits of the character hereinabove contemplated, until such monies have been exhausted.

Section 12.06 FINAL ACCOUNTING As such time as the Trust is terminated, the Trustees shall render a final accounting of the affairs of the Trust and the Trust Fund to the City and all Employees, and thereafter there shall be no claim or action against the Trustees and they shall have no further responsibility or duties and they shall be discharged.

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01 LAWSUITS In the event any suit, action or proceeding is brought against the Trust, Trustees, one or more of the Trustees or the Fund, in connection with any matter arising out of the administration of the Trust of Fund in connection with this Trust Agreement or in connection with any action or omission of the Trustees or any one or more of the Trustees, or in the event of any suit, action or proceeding commenced by the Trustees, including but not limited to a request for a judicial settlement of accounts, a suit for construction, a bill of interpleader, or any other matter relating to the Trust, the Trustees shall have the power and authority to employ counsel to represent them or one or more of them in any such suit, action or proceeding, including counsel fees and all

other costs, shall be paid from the Fund as long as the Trustees have acted in good faith and until final judgment has been rendered that the Trustees have acted in bad faith, gross negligence or willful misconduct, and in the event of such judgment, the Trust shall be entitled to recover all sums paid to or for Trustees for counsel fees and other costs. It is the intent to indemnify the Trustees against all honest mistakes in judgment and all acts of omissions that are not deliberate or willful violations of the duties of the Trustees. In addition, the trustees shall have the right to commence and prosecute such suits, actions or proceedings as seem to them, necessary and proper in order to protect the interest of the trust and Fund, and, in this connection, the Trustees shall have the same rights and reimbursements for costs concerning the prosecution of such suites as heretofore described in defending lawsuits.

Section 13.02 WORKER'S COMPENSATION The insurance coverage contemplated by this Trust Agreement shall not apply in any case which is compensable under Worker's Compensation Laws.

Section 13.03 SITUS The City of San Luis, County of Yuma, State of Arizona shall be deemed the situs of the Fund created hereunder. All questions pertaining to validity, construction and administration shall be determined in accordance with the laws of such State and County. This Trust Agreement is deemed, made, executed and delivered in such State.

Section 13.04 CONSTRUCTION Wherever any words are used in the Trust Agreement in the masculine gender, they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and wherever any words are used in this Trust Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the plural form they shall be construed as though they were also in the singular form in all situations where they would also apply.

Section 13.05 SEVERABILITY Should any provision or term in this Trust Agreement be deemed or held unlawful or invalid for any reason, such fact shall not adversely affect the provisions herein contained unless such illegality shall make impossible or impractical the functioning of the Trust, and in such case the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

Section 13.06 INTERNAL REVENUE This Trust Agreement is being entered into and the City contributions are being made upon the condition and understanding of the City that all payments made by the City to this Fund are legally deductible as a business expense of the City for tax purposes under State and Federal laws, and that the same are not taxable to the Employee for compensation. The parties hereto individually and collectively agree to take or cause to be taken any and all steps that may be necessary or advisable in order to obtain and maintain a tax-exempt status for this Trust. If any

provisions of this Trust Agreement are held to render contributions by the City into the Trust non-deductible for tax purposes, or taxable to the Employee, or to render income received by such Trust non-exempt from taxation, the necessary steps to remedy such non-deductibility or taxability shall be taken immediately.

Section 13.07 CAPTIONS It is understood and agreed that the captions headings are for convenience only and are not and shall not be a part of this Trust Agreement and in no manner whatsoever define, limit or expand any of the items, obligations or conditions hereof.

ACCEPTANCE

The undersigned Trustees hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provision thereof.

BOARD OF TRUSTEES

<u><i>Victoria H. Lynch</i></u>	<u>3/14/2012</u>
Trustee	Date
<u><i>Garcia Duhaime</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>Hubert</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>LM Salas</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date

ACCEPTANCE

The undersigned City hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provisions thereof.

CITY OF SAN LUIS

<u><i>Juan Escamilla</i></u>	<u>3/15/12</u>
Mayor	Date