

**MINUTES**  
**Special Meeting**  
**City of San Luis Employee Benefit Trust**  
**Council Chambers – City Hall**  
**1090 E Union Street San Luis, AZ 85349**  
**Thursday, May 4, 2023**  
**4:30 p.m.**

1. **CALL TO ORDER/ROLL CALL** meeting was called to order at approximately 4:35 p.m.

**THOSE PRESENT:**

Board Member Maria Gonzalez  
Board Member Gustavo MacGrew  
Secretary Maria Sabori  
Vice-Chairman Emma Torres – via Zoom at approximately 4:50 p.m.  
Chairman Tadeo De La Hoya

**OTHERS PRESENT:**

Kay Marion Macuil, City Attorney  
Janet Taylor, Legal Secretary, Clerk of the Board  
Mary Barajas Gutierrez, Human Resources Coordinator  
Jenny Torres, Assistant City Manager  
Susan Posada, Benefits Coordinator  
Monica Castro, Director of Finance  
Adela Cortez, Director of Human Resources  
Roula Encinas, Finance Operations Manager  
Domingo Sosa, Graphics & Media Specialist  
Ruben Lopez, IT Technician  
Antonio Maldonado, Video Production Specialist

2. **CONSENT AGENDA**

2.A, **MINUTES OF:**

Special meeting held April 5, 2023

**MOTION:** Chairman De La Hoya and Secretary Maria Sabori to approve minutes of the special meeting held April 5, 2023. **Motion passed unanimously.**

**The vote was as follows:**

Chairman Tadeo De La Hoya	Aye
Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye
Secretary Maria Sabori	Aye

### 3. DISCUSSION AND POSSIBLE ACTION ITEMS:

#### 3.A. Discussion and possible action on any and all matters regarding the service agreement with SIARMED. **(Susan Posada, Consultant, and Broker)**

Ms. Posada presented a PowerPoint (included in the agenda packet) and briefly discussed the renewal of SIARMED's contract. The contract is for three (3) years with no change in the fees. The fees are \$3.00 per employee per month, which is what we have had for the last ten (10) years. The dental would be \$1.50 per employee per month.

**MOTION:** Secretary Maria Sabori and Board Member Maria Gonzalez approve the amendment to extend SIARMED's contract through June 30, 2026. **Motion passed unanimously.**

#### **The vote was as follows:**

Chairman Tadeo De La Hoya	Aye
Secretary Maria Sabori	Aye
Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye

#### 3.B. Discussion and possible action on any and all matters regarding the final Stop-Loss Insurance carriers' quotes. **(Susan Posada, Broker, and Consultant)**

Ms. Posada explained that the final Stop-Loss came in pretty high at a 37% increase and that there was also a member lasered the original laser was \$605,000.00 and that a laser means that the particular employee is going to have a deductible of \$605,000.00 because of the illness. Ms. Posada stated that she took it out to bid and Matrix, which was the best one that came in. Two (2) members were pretty sick. The first one was \$605k, and we were able to get the company not to laser that person. But the company lasered another member at \$185,000.00, which is a \$420k savings. The \$185k comes directly from the Trust. So every other person we insure has a \$50k stop-loss. Ms; Posada referred to the PowerPoint presentation she provided, which is included with this agenda packet.

**MOTION:** Board Member Maria Gonzalez and Board Member Gustavo MacGrew approve the Stop-Loss insurance carrier to Matrix Group Benefits, LLC and start a new policy with Option #5 as presented, and direct the Executive Advisors to take all further actions necessary to obtain the policy. **Motion passed unanimously.**

#### **The vote was as follows:**

Chairman Tadeo De La Hoya	Aye
Secretary Maria Sabori	Aye
Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye

**3.C. Discussion and possible action on any and all matters regarding the approval of Run-Out Claims Processed by 90 Degrees. (Susan Posada, Consultant, and Broker)**

Ms. Posada discussed how the process works for changing the Third Party Administrator (TPA) and what that entails for claims coming in after July 1<sup>st</sup>. that still need processing. The process is better handled by the existing TPA whenever possible because they have all the information and claim and accumulator knowledge. Ms. Posada explained the breakdown cost for doing this.

**MOTION:** Secretary Maria Sabori and Board Member Maria Gonzalez approve the Run-Out claims process by 90 Degrees Benefits, along with associated fees as presented, and direct the Executive Advisors to take all steps to further such processing. **The motion passed unanimously.**

**The vote was as follows:**

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Vice-Chairman Emma Torres	Aye
Chairman Tadeo De La Hoya	Aye
Board Member Maria Gonzalez	Aye

**3.D. Discussion and possible action on any and all matters regarding the Service Agreement for HealthComp as the Third-Party Administrator. (Susan Posada, Consultant, and Broker)**

Ms. Posada began by asking the City Attorney if this item had already been approved, and Ms. Macuil responded that this is the contract we are approving. Ms. Posada discussed the new Third-Party Administrator and the rates and services provided per employee. She discussed the difference in pricing with other TPAs and recommended HealthComp as the best choice.

**Motion:** Board Member Gustavo MacGrew and Board Member Maria Gonzalez approve the Service Agreement with HealthComp effective July 1, 2023. **Motion passed unanimously.**

**The vote was as follows:**

Chairman Tadeo De La Hoya	Aye
Board Member Maria Gonzalez	Aye
Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Vice-Chairman Emma Torres	Aye

**3.E. Discussion and possible action on any and all matters regarding the Southern Scripts Pharmacy Products and Service Administration Agreement. (Susan Posada, Consultant, and Broker)**

Ms. Posada discussed that, currently, our RX vendor is Southern Scripts. Ms. Posada also discussed that we have direct contact with Southern Scripts instead of going through the TPA. The result of that is that we will save \$1.00 per prescription.

Kay Macuil, City Attorney, stated that a provision in the contract would need to be changed. They have Delaware as the governing law, and it should be Arizona.

**Motion:** Chairman De La Hoya and Board Member Maria Gonzalez approve the Southern Scripts Pharmacy Products and Services Agreement by removing Delaware and replacing it with Arizona as governing law for the agreement.

**Motion passed unanimously.**

**The vote was as follows:**

Vice-Chairman Emma Torres	Aye
Secretary Maria Sabori	Aye
Board Member Maria Gonzalez	Aye
Board Member Gustavo MacGrew	Aye
Chairman Tadeo De La Hoya	Aye

**3.F. Discussion and possible action on any and all matters regarding newly hired employees' benefits eligibility date. (Mary Barajas, Human Resources Coordinator)**

Mary Barajas, Human Resources Coordinator, discussed that the City of San Luis provides benefits to its employees and their dependents. Under the current plan enrollment, employees are eligible for benefits on the first of the month following their hire date, and their dependents qualify on the first of the month following the employees' effective date. She explained that having different eligibility dates is not usual practice and causes the dependents to be enrolled manually in the system by the TPA and therefore leaving room for error.

Ms. Barajas stated that after reaching out to other municipalities, the common practice is enrolling both employees and their dependents simultaneously. She also noted that this does not pertain to current employees but to new hires only. And then by approving the change, it will minimize any manual errors. Currently, 90 Degrees enrolls the dependents manually and would like this not to be the practice for the new TPA. Changing this in the new plan will allow for a smooth transition.

Chairman De La Hoya asked, how often do errors happen? Ms. Barajas responded that she had been here one year and five months and constantly had

to review the TPAs' insurance cards and end-of-year reporting. Sometimes the coverage is incorrect for the dependents causing her to be cautious in verifying all the information.

Board Member Maria Gonzalez asked if this only happened to the dependents and not the employees. Ms. Barajas replied yes, just the dependents.

Secretary Maria Sabori stated that one observation, like if I am hired the second of the month instead of an employee being hired at the end of the month, would have to wait about 45 days. Ms. Barajas replied yes.

Ms. Sabori then asked Susan if this was something the new company could work on.

Ms. Posada responded that this is not unusual and that she has seen this in other cities. Insurance companies have to collect the premium for the employee, and we cover that 100% nothing comes out of the budget. But, if they have dependents, they collect the full premium for that month, and that is why they wait for the dependent an additional month because they need to collect all that money, and it is not uncommon for cities to do exactly what they are doing. Susan stated that it does not impact the existing employees at all. This would only affect the new hires. Also, there is more room for error when employees have two enrollment periods with dependents. Ms. Posada stated that it also involves 1095s that have to be done, proving to the federal government that the person has insurance.

Chairman De La Hoya stated that even with the change, errors are still going to happen, and it is just giving more time for people to fix them.

Ms. Posada responded no, this would eliminate the errors. She stated there would be fewer errors by putting them in at the same time and that this does not affect the budget.

**MOTION:** Chairman De La Hoya and Board Member Gustavo MacGrew motioned to keep the eligibility date as we have it today. **Motion passed unanimously.**

**The vote was as follows:**

Chairman De La Hoya	Aye
Secretary Maria Sabori	Aye
Board Member Maria Gonzalez	Aye
Board Member Gustavo MacGrew	Aye
Vice-Chairman Emma Torres	Aye

After the vote, Ms. Sabori asked if the company was willing to work on how we currently work. Ms. Posada responded that they are pushing to have this

changed, and this is why we are here. I think it is going to be very difficult for them to do it the way it is.

**3.G. Discussion and possible action on any and all matters regarding benefit trust fund reserves. (Monica Castro, Director of Finance)**

Ms. Castro presented to the Trust a PowerPoint presentation (which is included with the agenda packet, and a copy is included with these minutes. Original is on file in the Human Resources Department) and explained that it was to provide clarification to the memo the Trust received from Susan Posada Broker, and Consultant. And to give an update on the financial position of the Trust. Topics included in the PowerPoint presentation: Advisors of the Trust, Reserve Dollar amount, and Financial Management of Reserves. Performance and history of the Trust. Safety Mechanisms for the Trust, Commitment to Safeguard the Trust. Fund beginning and ending balance. Backing up and not gambling with the Trust.

Chairman De La Hoya commented that the item states that the City of San Luis Administration has decided to use the reserve funds to cover any difference between the total contributions and the estimated expenses. So, what is the need for the Trust if the decision has already been made?

Ms. Castro responded she had an understanding that a memo had been sent to all of you, and we thought it was advisable to provide clarification. If you have any concerns, we can take them to the council. Communication is key, and transparency is key. There was a misunderstanding of the strategy. Ms. Posada understood it in a way, and I want to make sure the information you have is correct and consistent with a plan of what we are trying to do for next year.

Board Member Maria Gonzalez stated she was concerned because this is a Trust, and those monies are not supposed to be involved in the City's money. What do you intend to do with those funds?

Ms. Castro responded as I mentioned, the Trust is a separate entity. The money put in there is for the Trust. Right now, we have learned that the premiums are going up. So either we increase the premiums to the employees.

Ms. Gonzalez responded that they are going up, but it is not significant. Less than \$20.00 is what I saw unless I am mistaken.

Ms. Castro stated that we have three (3) million dollars and the premiums are about to go nine hundred thousand dollars. Divide that 450 thousand and divide it among 250 employees. I am not sure how much it is if we divide 450 thousand dollars.

Ms. Gonzalez said so we divide that by the number of employees 255. It comes to \$1, 764.75.

Ms. Castro stated that it is per employee. And if we have all that money accumulated there as it is right now, as a city, we struggle.

Ms. Gonzalez asked if that was going to be implemented for the employees.

Ms. Castro responded for us right now, in the presentation that I presented at the Budget Retreat. Ms. Gonzalez stated she wasn't there. Ms. Castro continued with the issue brought up to the council that we need to start strategizing because, at the end of the day, we don't want to put that burden on the employees. They need to be aware of the situation. Right now, thankfully, we have those reserves. But this year and next year, it depends on how it goes and what plans we see right now. We feel comfortable going with that approach, but we have to start thinking about how we are going to fit that hole.

Vice-Chair Emma Torres stated that she was confused. This is the Trust of the employees, and we are the Trustees, and we are the ones that should be making the decisions and not the City Council.

Ms. Castro replied, yes,

Ms. Torres continued with our employees, telling us what to do.

Mr. De La Hoya commented that that was his question as well.

Ms. Torres stated she felt that somebody else was making decisions and moving things. And we've been told what to do. Ms. Torres asked if she was listening.

Ms. Castro and Mr. De La Hoya responded, yes.

Ms. Torres continued, I am paying attention to everything that has been said, and there are a lot of missing pieces because I wasn't at the Retreat; I hadn't received anything. I have been in DC all this week, so I haven't checked any recent emails, but I just feel like we are asked to do something that we have not been considered or given time to think about. So, I would really recommend we, as Trustees, meet with ourselves and discuss because otherwise, I feel like I have been told how to do my job. And I am not used to doing that.

Ms. Torres stated that she felt that, as Trustees, we need to discuss this without anybody else's input at this point. She also stated that Ms. Castro did an excellent job in explaining her point, but it is our job to decide what is good and what is bad. I think my job is to help ensure that the fund of the employees' insurance trust is protected. I do have my own ideas, and I am really good with finances, and I think Maria is really good too. I think we can make our own

estimates as well. I am not saying it is right or wrong; I am just saying that I don't feel comfortable approving or disapproving something that I have not had the time to review or discuss, as it is my job to do.

Ms. Castro responded that she thinks what has happened is that it was a miscommunication on how the plan was proposed to you. When I talked to Ms. Posada, we agreed that we would not be increasing premiums, and that is how it was presented to you.

Chairman De La Hoya commented, no, it wasn't, and that is why. Ms. Castro asked what did they mention that they were not going to increase premiums. What did they say about employees?

Mr. De La Hoya commented that this is my follow-up question. I agree 300% with Emma. Obviously, I was at the Retreat, and you know I raised this concern about, I don't know if the right word is depleting or using funds. I understand your point, and you said we need to stabilize the fund, but how will this impact? It says right here on the agenda. "City of San Luis administration has decided to use reserve funds to cover any difference between the total contributions and the estimated expenses." So at the Retreat, this decision was made by the city administration. I don't know who was in the room. I don't care. It says here the decision was made. I see my Trustee to my right Gonzalez nodding yes, so are we rubber-stamping this? Because when I came to the Trust, I came with recommendations and not decisions. So what happened between then and now? If it is decided, then why are we even discussing it?

Ms. Castro responded, let me go back. I was not in the meeting when the plan was presented to you. I apologize; I should have, but I had pressing deadlines. At that meeting, Ms. Posada, it should have been clear to you, the board, what was the situation. And I believe the message was not delivered. Again, we as a team got together and made a recommendation to the Trust, so as I am hearing right now, it seems you were not communicated back then about the strategy, and I am not sure exactly if Ms. Posada didn't mention that the next years it was going to be 700 thousand more. She didn't mention that in the presentation.

Mr. De La Hoya responded that she didn't say that a decision had already been made by the city administration.

Ms. Castro asked whether she mentioned it was going to be 700 thousand more.

Secretary Maria Sabori commented that she thinks we didn't have the rates in yet.

Ms. Castro said if she didn't say that, the next question was, how are we going to pay, right?

Ms. Torres said, but that is up to us to decide. Isn't it?

Ms. Castro responded exactly, and that is where I am going right now. I am asking so how.

Ms. Torres replied to Monica sorry, but I feel like you are telling us what to do, and that is the thing I am seeing here. Give me a chance to digest what is going on because I don't have all the information with me, and I have not discussed it with my fellow trustees. And it appears that they are not aware of it either. I think the least we have is the right to digest this information and make a decision on our own, and we will present it. I understand that is my role. As Tadeo said, we are not a rubber stamp to put down what has been decided by somebody else already. Those decisions should be made by us. Yes, it may take us a little bit longer, maybe another two weeks, maybe a month, to look into this. Nothing is going to happen. The employees have their insurance right now. Nothing is going to change immediately. We are here because we care about the employees, and we want to make sure you guys have the best, and you do compared to anybody in the county. The City of San Luis has the best insurance of everybody else. Anyway, that's our job, and I feel we need time to digest this information and not come and be told we are doing well or doing bad, or if we do this, this is how it is going to turn like we don't care about the employees. Of course, we care; if not, we would not be here.

Jenny Torres, Assistant City Manager, commented that she wanted to clarify that neither administration, HR, nor City Council has made a decision on this. We are the advisors we met and looked internally. We looked at the numbers we met with Ms. Posada, and we are recommending it. At the Council Budget Retreat, we said; this is what we are going to recommend to the Trust. I want to make sure, and I want to clarify that none of us have made a decision. The Trustees are the ones that are deciding we are making a recommendation. I just want to make that clear. Maybe the presentation, maybe the wording was bad. You guys are the Trustees. Neither council made a decision nor the administration or anybody. We are recommending what we believe is best for the employees.

Ms. Torres and Ms. Gonzalez replied; gracias, Jenny, that makes sense.

Ms. Castro replied I apologize if I delivered the message in a way that seems like we are not taking into consideration your opinion. I apologize. I think at the end of the day, we have a common goal which is towards our employees and providing them with the best service we can without affecting their pockets. This is a recommendation we are providing. Of course, if you are not in agreement, we can go back to the drawing board. The other alternative would be increasing half to the employees. That is how contributions are made. Half the City pays, and

half the employee pays. But since the reserves are substantially high, we will consider the best strategy.

Ms. Torres commented Maria, you are there. What do you think?

Ms. Gonzalez said she is 300% with you. I really think we should meet just the Trustees and go over what this proposal would mean. I really think we should delay this.

Chairman De La Hoya asked, how will this impact the benefits in the future?

Ms. Castro responded we will go with your direction. Right now, we are talking about a 700 thousand dollar shortfall. How are we going to make for it? If you don't want to utilize the reserves, you want to have the 3.4 million dollars you have there. We are going to increase the premiums by 700 thousand dollars. The City will pay 50%, and the employees will pay 50%, so this will increase the premium of the employees, say \$1000 per month if this is what the Trust wishes to do.

Mr. De La Hoya responded, no, that is not what we wish to do. No one has said that in the room so far. For the record, no one is saying that. No one is saying that.

Ms. Castro said I know I am just talking about possibilities, right? At the end of the day. Like I said, the common goal is for the employees. That is the key, and I second what Jenny said. I think she said it very well. We are not trying to step into your shoes. We apologize, and we apologize in the prior meeting, that the information was not delivered to you as it should have been. I wasn't here, and I realized there was a misunderstanding about the strategy. I thought they had communicated to the Trust the situation.

Chairman De La Hoya said no, numbers were not in at that moment. And for the third time in a different meeting when it deals with the Trust and the Retirement Board, I have asked that HR and Finance be present and whatever consultants we have in case there are questions and they have questions. Because when we have questions, I don't want to put anyone on the spot. But when people making the decisions are not here, we just go based on what is presented. And again, I am going to re-read it. It says, "The City of San Luis Administration has decided" that. The Retreat happened over the weekend. It is hard for me to put one here and the other one there. As a council member, I echo Emma's and Maria's concerns. I don't know about Trustee Sabori or Trustee MacGrew. Tell us if you think differently.

Ms. Sabori replied that the only thing that I know, and if it is possible in the future years, is it possible to start the process with the benefits of getting the rates

earlier so that we are not too close to the budget. Right now, it feels like it's really close to where we need to make a decision.

Ms. Castro stated that I know from you (she is pointing to Susan Posada, Broker/Consultant) that it is the Stop-Loss right. That it is tough to get the Stop-Loss information. We cannot get the final numbers right.

Ms. Posada replied that when she reported last time that those were all preliminary figures, the figures were not in. We did not get those until about a week and a half ago. We go based on a projection we did not have the finals. The good news is the budget came down. It didn't go up from what the preliminary was. I create a budget based on what the Stop-Loss is because the Stop-Loss is the biggest expense. I do this every year, and I go over it with finance and everybody else. I don't make the decisions on the budget. All I say is here is what the cost is going to be and what you want to do. Do you want to charge the employee more, or do you want to do this or that? Those are options, and we go through them very detailed.

I didn't have this information, but I analyze this every year. She stated that the former Mayor, who was also the Chairman of the Trust, never wanted to make changes to the cost for the employee. We didn't make a lot of changes to the plan. The plan has remained basically the same for ten (10) years. Ms. Posada mentioned that other cities do not pay as much per employee as we do. We pay 100% of the employee. Ms. Posada also discussed the differences in deductibles. She also explained the reason the Trust has increased is, in part, costs have been contained as much as possible. And claims were low for three to four years.

Ms. Posada also discussed when Summit had money. They had it in a general account. They did that to keep the City from taking the money and using it elsewhere. That was the objective back then. So when the money was moved over, it was decided that the best thing was to establish a fund for it and keep it out of everybody's budget and everything else. Basically, what they are doing is defunding the Trust. You can't pull money legally out of the Trust. You cannot. Legally you can not. But what you can do is decrease the amount you put in. And that is one thing that is being recommended. When I was approached and asked to attend a meeting. In that meeting, they said we need about nine hundred thousand. They were looking at about a million. When you look at it going down, it turns out to be a million because you have to consider the 1.85 of the Stop-Loss.

Ms. Posada stated that if you asked her opinion looking at all of this. I think we can afford that money. I think that is okay as long as that continues to be funded. That is very, very critical. Ms. Posada stated that the City is being charged \$604.00 per employee for this particular plan. This is phenomenal. If we were to take that and say, Blue Cross Blue Shield, give us a bid on this, I guarantee you

it would be over 900 thousand. So we have done a really good job. Everybody has done a great job with this particular Trust. Moving forward, the Trust needs to be monitored very carefully because claims are out of control. There are things you can control and work on, like diabetes and hypertension. But some conditions you cannot control.

Last year we lost about 250 thousand. This year the insurance has already paid for 10 months they have paid 1.2 million dollars in claims that is why they want to increase basically 55%. So if you are looking at an increase of 55 plus the 185 you are going to get caught someday if you don't have that money. Going back to council and asking for it back is very difficult to do on the budgetary prospective.

Ms. Posada stated when she was pulled back in to attend a meeting she believed the date was around the 28<sup>th</sup>. Basically I was told this was going to happen and you read it in the minutes. I don't have a voice I don't have a vote. I am your consultant I recommend based on what I know. But I do not believe that letting go of 700 thousand is going to hurt us. Not for the first year. However, it needs to be funded properly. One of the questions I asked in the meeting was, did the City make a recommendation or did they budget for increases. Medical expenses especially medication is going up the roof and we are averaging a 10 percent increase in medical costs. From what I understand those thing had not been budgeted for and my recommendation is to do that. There has to be better collaboration. I was told this was going to happen. Again, I felt the same way that you did. There was no collaboration between the Trust and if we are doing that why do we have a Trust? But I would not recommend to do away with the Trust because it has been very effective and look at the things we've been able to do. If it goes somewhere else it going out the roof. We have been able to control everything very effectively. The other recommendation I have is I am happy to have a study group to make sure we are increasing the budget at a minimum of 10 percent a year.

When we do something like this we are taking away from the employees. Those 700 thousand is coming from the employees. Plain and simple. We have already told the employees that their cost was not going to go up. The meeting we had on March 29<sup>th</sup> I thought we had agreed to a 20 percent increase and Mr. Velez had even said he wanted to increase it. But that didn't happen. It changed all of the sudden. I feel there needs to be more communication with the Trust.

I am going to stress this very carefully. Each year the Trust the Council no one wants to increase the deductibles, copays, out-of-pockets nobody does. Even if I come in with recommendations and say you need to consider this you need to consider this. And for these reasons. I am not the decision maker on that. As to how much an employee is going to pay. I don't decide that. You guys are the ones that feel it the council are the ones that feel it. I'm just trying to tell you the cost and this is how it is we can make it work.

Given that I said all that I agree with Emma in the consulting that this should have been brought to you prior to this and we should have been working on it together. I was put in a position that this is what I was told was going to be and that is the way it's presented to the Trust. I don't feel very good to be put in that position quite frankly especially when I have no decision making at all. I can only make recommendations.

I am going to go with Monica and say I agree that we can afford that as long as we continue to fund it properly and that we monitor that carefully so if there are any deficiencies. We had a choice of going with the 100 thousand dollar loss and Mr. Velez had asked me should we move to 100 thousand to decrease in the cost. The difference between the premium for fifty thousand to 100 thousand is 110 thousand we've already had four or five people that have already met the 50 thousand deductible so there's no reason for us to increase it. Not right now, if everyone is healthy then let's increase it but right now it's not the right time.

Ms. Posada said that when it comes time for the budget she does not make those decisions, she collaborates with finance and with management.

Ms. Castro said as she mentioned that initially we all have the same goal. And after hearing Ms. Posada I think that pretty much in other words she is pretty much in agreement with our recommendation but we understand that you have the last word and if you are not okay with the recommendation we can schedule another meeting. Right now time is a little bit of the essence. We can schedule it for next week if you are available and we can find another way so we can give alternative proposals. But at this point we have that situation we just thought it was the best alternative. We believe that you trust us with providing you with the best path moving forward but if you are not in agreement with our recommendations.

Ms. Torres stated that it is not that we are not in agreement with your recommendations but we need to have something to kind of compare it with and we didn't have anything. So don't put it that way because I don't feel like it is fair for us to come and have proposals without us having time to review or even consider what you are proposing to us. That is not how we negotiate.

Ms. Castro responded that she apologized.

Ms. Torres responded please don't say we don't agree with your recommendations. I think this needs to be worded differently whatever. In the notes it just as Trustees we do not feel like we had enough information to make a decision, an important decision that will be best for the benefit of the employees that's how I feel.

Chairman De La Hoya asked Susan and Monica if they had anything else to add?

Ms. Castro responded that no just tell us how to proceed and we can go from there.

Board Member Maria Gonzalez move to table this item to the next meeting.

City Attorney Kay Macuil stated that the word table has very many meanings and asked if she would like to continue this item.

Ms. Gonzalez replied she would like to continue this item.

**MOTION:** Board Member Maria Gonzalez and Board Member Gustavo MacGrew motioned to continue this item to the next meeting. **Motion passed unanimously.**

**The vote was as follows:**

Chairman Tadeo De La Hoya	Aye
Vice-Chairman Emma Torres	Aye
Secretary Maria Sabori	Aye
Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye

**ADJOURNMENT**

*Chairman De La Hoya adjourned the meeting at approximately 5:55 p.m.*