

NOTICE OF REGULAR MEETING

In accordance with §38-431.02 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Employee Benefit Trust Board and to the general public that the Mayor and Trustees of the Employee Benefit Trust Board will hold an Employee Benefits Trust Board Meeting at 4:30 PM., on Wednesday, June 14, 2023. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349.

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 Barajas, Human Resources Benefits Coordinator

AVISO DE JUNTA REGULAR

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.02, se le informa a los miembros de la Junta Fiduciaria de Beneficios para Empleados y al público en general que el Presidente y la Mesa Directiva de Fondo de Beneficios Medicos de San Luis, Arizona, tendrán una Junta Regular a las 4:30 PM, el día Miércoles, 14 de Junio, 2023. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349.

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 Barajas, 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, June 14, 2023
4:30PM

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.

AVISO: Algunos miembros de la Junta de Fiduciaria de Beneficios para Empleados de la Ciudad de San Luis pueden asistir a la reunión por teléfono. Si se autoriza por mayoría de votos de la Junta de Síndicos, se llevará a cabo una sesión ejecutiva inmediatamente después de la votación de acuerdo con A.R.S. §38-431.03(A) y la reunión tendrá un receso temporal mientras la Junta se retira a la sesión ejecutiva que no estará abierta al público.

- 1. CALL TO ORDER/ROLL CALL**

- 2. CONSENT AGENDA**

- 2. A. MINUTES OF:**
-Special meeting held on May 11, 2023

- 3. DISCUSSION AND POSSIBLE ACTION ITEMS:**

- 3. A.** Discussion and possible action on any and all matters regarding Document Plan amendment.
(Susan Posada, Broker, and Consultant)

- 4. EXECUTIVE SESSION**

- 4. A.** Discussion and possible action on any and all matters regarding action to hold an executive session pursuant to A.R.S. §§ 38-431.03(A) subsections (3) and (4) for discussion or consultation for legal advice with the City Attorney in order to consider the Trustees' position and instruct the City Attorney regarding the Trustee's position regarding opening the broker/consultant contract to request for qualifications and contract negotiations. **(Kay Marion Macuil, City Attorney).**

- 5. MOTION TO GO BACK INTO REGULAR SESSION**

- 6. ADJOURNMENT**

Employee Benefit Trust Board Meeting

2. A.

Meeting Date: 06/14/2023

Summary

MINUTES OF:

-Special meeting held on May 11, 2023

Attachments

05-11-2023 EBT Minutes

**MINUTES
SPECIAL MEETING
EMPLOYEE BENEFITS TRUST
COUNCIL CHAMBERS
1090 E. Union Street San Luis, Arizona 85349
May 11, 2023
4:30 p.m.**

1. **CALL TO ORDER/ROLL CALL** *Chairman Tadeo A. De La Hoya called the meeting to order at approximately 4:34 p.m.*

THOSE PRESENT:

Chairman Tadeo A. De La Hoya
Board Member Maria Gonzalez
Board Member Gustavo MacGrew
Secretary Maria Sabori
Vice Chairman Emma Torres via Zoom at approximately 4:40 p.m.

OTHERS PRESENT:

Nieves Riedel, Mayor
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, via Zoom at approximately 4:36 p.m.
Monica Castro, Director of Finance
Maria Munoz, Human Resources Analyst
Olivia Jenkins, Government, and Foreign Affairs Coordinator
Domingo Sosa, Media & Graphics Specialist
Ruben Lopez, IT Technician
Antonio Maldonado, Video Production Specialist
Glenn Glmbut, Assistant City Attorney – at approximately 5:00 p.m.

2. **CONSENT AGENDA**

All matters are considered 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.

2. A. MINUTES OF:

- Special meeting held on May 4, 2023

Motion: Board Member Maria Gonzalez and Board Member Gustavo MacGrew approve the consent agenda. **Motion passed unanimously.**

The vote was as follows:

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

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3.A. Discussion and possible action on any and all matters regarding Benefit Trust fund reserves. (Jenny Torres, Assistant City Manager)

Ms. Torres asked the clerk if she had Monica's presentation from last week's meeting. The clerk responded she did not. Ms. Torres stated that she hoped the board members had an opportunity to review the information that was provided in last week's agenda package. Ms. Torres apologized that they were a little rushed and apologized for that.

Ms. Torres stated that she wanted to give the board an understanding of where the City stands. And the situation they are currently facing and that, in the last two to three years, the City has been trying to care for its biggest asset, the employees. She stated that they are trying to raise salaries to the point where it becomes competitive. Last year there were 59 vacancies, and this year there are 46. She stated that this is happening nationwide. The City is starting to come up with a strategy on how to retain and recruit its employees. Many employees have to do two or three different positions because we are unable to recruit employees to fill those vacancies. So one of the strategies is to allocate \$800,000.00 to get the salaries to a higher level where it becomes more competitive. We are doing that this year, and it is a significant bump to get them to that level. We are also doing an incentive to our public safety personnel. We are doing stipend pay and stand-by pay. We are actually allocating about \$200,000.00 to that fund to retain our public safety personnel. Within the other municipalities, every time Yuma County or the City of Yuma raises a salary here, we are behind again, trying to fill those vacancies. So the City is trying to do its part in retaining our employees.

We came up with another strategy where the Trust would be able to help us move toward that same goal. We are going to continue to contribute the 3.2 million dollars to the Trust. We expect to spend about 3.9. Those are just expenses that are just projected. It could be more, and it could be less. Based on Monica's presentation last week, she feels very comfortable knowing it is going to be around that.

So the gap is \$700,000.00. If we have more claims than expected, we would still not know because we are projecting. So what we are requesting from the board is to help us. We are putting a million dollars here to try and retain our employees. But we can't raise their salary and then ask them to pay for insurance because that levels out. Our contribution is about 82%, and we believe if you can help us by allowing the employees to tap into that \$700k, we will be at a level where we can retain our employees. More than likely next year, the employees are going to have to start paying. This year help us get them to a competitive

level. Help us retain the health insurance at a good level by not having them pay so that next year we can prepare in that direction.

Ms. Torres continued with that the \$700k is not going into the city budget; it is not going to balance the budget. It is actually an incentive to the employees so they don't have to pay. By the end of the year, it might be only \$200k; it might be \$300k, we don't know. But we do know that there is a projection and are hoping you will help us with that gap. That is our understanding and our strategy, and we are hoping you will support us. Our employees are our asset; all of our council members believe that. We are contributing our part. We just need you to help us contribute so that we can retain them.

Ms. Torres asked if there were any specific questions for her.

Board Member Maria Gonzalez stated she had no questions but thanked Ms. Torres for explaining it and that it made more sense.

Mr. MacGrew thanked Ms. Torres for her explanation.

Vice Chairman Emma Torres thanked Jenny and stated that it made it a lot more administrative understanding. What is going on it makes a lot of sense.

Ms. Susan Posada, Broker, and Consultant, provided a video for the Trustees to view in her absence. (The video is attached at the end of the minutes.) It displayed the number of current employees and how each is enrolled in the benefits program. It also included March 2023 monthly invoice. The report listed 2023-2024 requirements and monthly and annual contributions.

Chairman De La Hoya asked if there were any questions, comments, or concerns from the Trustees.

Secretary Maria Sabori commented that she has been a part of and worked for the City for close to 25 years. I know that it has taken some time to get employees where they need to be with their salaries, and I agree if we increase their premiums, it is going to affect them even more, and now that everything is increasing, the gas prices are still going up. So, my understanding is that they are not reducing money from the Trust but evaluating what they are recommending on how to fund it. If we are still okay with the claims and are able to do it this year, I think that we should consider the recommendation and bring it back next year and evaluate it.

Chairman De La Hoya asked if there were any more questions or comments.

Vice-Chairman Emma Torres commented that she could not hear the presentation video. She stated that Jenny presented approximately \$750k that were needed from the Trust, and from what I could see in the presentation was a number over a million two hundred thousand. Is that correct, or am I missing something?

Monica Castro responded; we are talking about estimates. Nobody has a crystal ball to know what exactly is going to happen at the end of the year. Susan is providing the best estimates. The information we have is based on the balances we have in the fund right now. I look at the accounting records I have right now, and that is how I come up to the amount that we are going to arrive at that Jenny presented. I think Ms. Posada is saying 1.2 million. She is expecting a 3.9 million expenditure on claims. So we are on the same page with Ms. Posada's projections. For contributions, Ms. Posada is considering 2.9 city contributions, I believe. And I am talking from memory. For us, in our projections, we are considering 3.2 million in contributions. So at the end of the day, I would say our data is more reliable because we are putting it in our city budget, and that is what the City is prepared to pay if need to. We are allocating 3.2 million dollars of the City's budget to the Trust. If claims come at 3 million 3.1, we are going to be putting that money in the Trust. I think that is where the difference is coming from. The contributions that she is projecting and the contributions that we are projecting. As Ms. Torres mentioned at the end of the day, these are estimates. Claims might be less; we might end up with only \$500k down, but it is also possible that it could be 1.5 million more. Fortunately, the Trust is in a good position and in good financial health that we can face the following year without concerns.

Chairman De La Hoya asked Emma if that answered her question.

Vice Chairman Emma Torres responded, kind of. I am just getting confused with the different numbers being presented. That is what I am not very comfortable with. So what is our current balance on the Trust? Ms. Castro responded with 3.7 million dollars. That is verifiable information. We expect this year we are going to put in about 3 million dollars in contributions. We have never intended to stop them. We are expecting Trust expenses to be about 3.3 million dollars. We are going to have a shortfall this year of about \$300,000.00, that is going to reduce our fund balance a little bit. We are going to finalize the year with 3.5 million dollars in the bank. So, 3.5 million, and we are expecting a shortfall of one million, \$700k, we are still going to end the year with a balance of 2.5 million dollars.

Ms. Torres responded that she was very fiduciary conservative, so I think perhaps we should put a cap on what we will allow. I don't know what the other Trustees feel, but I think what Jenny explained makes a lot of sense. There is a need for checks and balances, and every year it is never the same. We cannot predict exactly what is going to happen. However, we, as Trustees, perhaps can set an amount and put a cap on it for our support for this year. That way, there will be an opportunity for the employees to move forward with projected expenses. Not to put it all on the employee's Trust. We just have to be careful with what we spend.

Chairman De La Hoya commented that it was his understanding that they were asking for \$700k.

Vice-Chairman Emma Torres replied that she would support that. Susan predicted a million, two hundred something, and that is where I get a little nervous with the numbers. I

will support \$700k, as Jenny mentioned, to be used from the Trust. And put a cap on that because we need to be careful.

Chairman De La Hoya asked Ms. Torres if she was good with \$700k, and she replied that she was. Chairman De La Hoya also asked if there were any more questions or comments from the Trustees. There were none. Chairman entertained a motion.

Motion: Board Member Maria Gonzalez and Secretary Maria Sabori to approve utilization of the Employees Benefits Trust Fund Reserves in the amount of \$700k.

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.B. Discussion and possible action on any and all matters regarding COVID-19 testing and vaccination coverage after termination of the National Public Health Emergency. (Mary Barajas, Human Resources Coordinator)

Ms. Barajas greeted the board and discussed the fact that the Families First Coronavirus Response Act (FFCRA) required health plans to provide coverage for COVID-19 diagnostic testing without cost-sharing, prior authorization, or other medical management. The federal government has announced its plan to end the COVID-19 National Emergency and Public Health Emergency on May 11, 2023. As of May 12, 2023, group health plans will no longer be required to cover COVID-19 diagnostic testing (including over-the-counter tests) at no cost to the member.

Ms. Barajas discussed with the board if they wanted to continue covering testing and vaccine administration at 100% for the employees. Or offer cost-sharing, meaning copayment, deductible, or coinsurance.

Ms. Barajas stated that if option #2 is chosen, HR would like to provide a 30-day notice to the employees.

Vice Chairman Emma Torres asked what the cost was to continue to cover the employees. Ms. Torres added that she is pro-prevention and would support the continuation to cover employees. And help prevent another pandemic. Ms. Barajas explained that if an employee received it through their primary physician, the cost would be \$15.00. If they have it done through a specialist or a stand-alone facility, the cost would be \$25.00.

Ms. Torres stated that she thought it was important to continue with preventative measures and asked for an estimated cost before approving this. Our job is to be fiduciary responsible for the plan.

Ms. Barajas replied that for COVID testing from January through April, the plan had paid \$3,272.00, and for vaccinations, the plan had paid \$891.00

Ms. Sabori asked if that was for three months, and Ms. Barajas replied yes.

Ms. Sabori commented that for the Work Comp exposure, for the last year we haven't had any claims to have an idea of how many people have been getting sick. I don't know if we have the numbers for employees.

Ms. Barajas stated that for reported positive tests for this year, there have only been 16. Ms. Torres stated that that is plenty to know that we need to continue preventing and is in support to continue providing this to the employees.

Chairman De La Hoya stated, so option 1. And all agreed.

Motion: Board Member Gustavo MacGrew and Maria Gonzalez to approve option #1 as presented by Human Resources. **Motion passed unanimously.**

The vote was as follows:

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

4. ADJOURNMENT

Meeting was adjourned at approximately 5:06 p.m.

PENDING APPROVAL



AGENDA ITEM REVIEW FORM

Employee Benefit Trust Board Meeting

3. A.

Meeting Date: 06/14/2023

Department Head: Adela Cortez, Director Human Resources, Human Resources Department

Submitted By: Maria Barajas Gutierrez, Human Resources Coordinator, Human Resources Department

ITEM:

Discussion and possible action on any and all matters regarding Document Plan amendment. **(Susan Posada, Broker, and Consultant)**

SUMMARY:

As part of the Third-Party Administrator transition, HealthComp, Human Resources, and the Broker/Consultant have been meeting on a weekly basis to discuss the implementation process. These meetings are fundamental to complete system setups, writing Plan Documents, and the Summary of Benefits and Coverage (SBCs). During the meeting held on May 31, 2023, HealthComp suggested some revisions to our current plan. The intent of these changes is to provide detailed information regarding covered services, limitations, and exclusions.

The recommendations provided by HealthComp are:

- **Preventive Dental Services**

- Sealants: Currently, our US Plan does not specify an age limit for the application of sealants. I, along with HealthComp are recommending offering this benefit to “dependents up to the age of 16”.

- **Durable Medical Equipment/Prosthetics/ Orthotics**

- Wigs are covered in both plans; however, our plan does not set an amount limit. The recommendation is to limit it to \$500 per calendar year and for chemotherapy only. Alopecia will be covered for treatment only.

- **Preventive Care Services**

- Sterilization: In our current plan, sterilization is limited to employees and covered spouses only. Female sterilization is a preventive benefit that must be covered; hence, the recommendation is to extend this benefit to dependents.

- **Dental Carryover:**

- One of the benefits offered by the City of San Luis (COSL) is the option to roll over unused benefit dollars into the following year, which is available for members who do not exceed 75% of the yearly maximum benefit in one calendar year. HealthComp has indicated that they are not able to administer Dental Carryover. As a solution to this matter, the recommendation is to increase Calendar Year Maximum Benefit amounts for Dental services as follows:

- US Plan from \$2,000 to \$2,250.
- Mexico Plan from \$1,000 to \$1,125.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE PROPOSED CHANGES TO EMPLOYEES BENEFIT PLAN AS PRESENTED.





AGENDA ITEM REVIEW FORM

Employee Benefit Trust Board Meeting

4. A.

Meeting Date: 06/14/2023

Department Head: Adela Cortez, Director Human Resources, Human Resources Department

Submitted By: Maria Barajas Gutierrez, Human Resources Coordinator, Human Resources Department

ITEM:

Discussion and possible action on any and all matters regarding action to hold an executive session pursuant to A.R.S. §§ 38-431.03(A) subsections (3) and (4) for discussion or consultation for legal advice with the City Attorney in order to consider the Trustees' position and instruct the City Attorney regarding the Trustee's position regarding opening the broker/consultant contract to request for qualifications and contract negotiations. **(Kay Marion Macuil, City Attorney).**

SUMMARY:

The Trustees can be properly advised by holding an executive session for the purposes described in the agenda item.

As competition for the best candidates nationwide heats up, having competitive employee benefits is crucial for our agency. Employee Benefits impact not only our recruitment and retention efforts but also our reputation. Now, more than ever, we need to deliver benefits plans that are comprehensive, affordable, and creative.

The City of San Luis (COSL) Employee Benefit Trust has contracted the services of Susan Posada Agency Inc., for the last ten years, as a Broker/Consultant to provide strategic benefit planning, design, funding, administration, and communication with respect to its employee benefit programs. The last Amendment to Broker/Consultant Agreement dated May 22, 2013, which was approved on June 29, 2021, outlines in Paragraph 3.b that COSL Employee Benefit Trust may provide notice to the Broker of its intent to put out the Agreement for a Request for Qualifications and Proposal.

The Trust Executive Advisors are asking for approval to exercise this clause of the Contract Amendment to initiate Request for Qualifications and Proposals of Brokerage/Consulting Services and provide Susan Posada, Inc. a 30-day Notice of Intent by June 30, 2023.

After ten (10) years, it is important to explore the market for options in terms of Consulting Services to ensure the Trust is providing the benefit plans that meet our employees' needs and at the best rates. Thus, exercising our fiduciary duty and following best practices.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO HOLD AN EXECUTIVE SESSION PURSUANT TO A.R.S. §§ 38-431.03(A) SUBSECTIONS (3) AND (4).

Attachments

07.01.2021 AGREEMENT



AMENDMENT TO BROKER/CONSULTANT AGREEMENT DATED MAY 22, 2013

The San Luis Employee Benefit Trust, hereinafter referred to as "Client" and Susan Posada Agency, Inc., hereinafter referred to as "Broker/Consultant," and in consideration of the mutual covenants contained herein, agree as follows:

1. The Client is the successor to the Broker/Consultant agreement between the City of San Luis and Susan Posada Agency dated May 22, 2013 (hereinafter referred to as the "Agreement"). The Client extended the Agreement to July 1, 2021, in the amendment dated June 12, 2019. Under the terms of said 2019 amendment, the Agreement renews automatically for two-year periods, unless at the end of any period of extension, a party gives the other party at least 60 days' notice in writing of the intention to terminate. For the Client's March 10, 2021, meeting, the Broker proposed a 3-year renewal. The item was continued to the May 5, 2021, meeting and was discussed in executive session. An open session vote was not possible because the executive session ran up to the City Council Work Session time.
2. All provisions of the Agreement, as previously amended, unless amended by the terms of this amendment shall remain unchanged and in full force and effect.
3. Paragraph number three (3) of the amendment dated June 12, 2019, is hereby amended as follows:
 - a. The parties hereto agree to extend the Agreement to July 1, 2024.
 - b. On or before June 30, 2023, the Client may give written notice to Broker of its intent to put out the Agreement for a request for qualifications and proposals or take such other action in its fiduciary responsibility. The selected broker firm will commence creating a benefits plan for the July 1, 2024, through June 30, 2025, fiscal year on October 1, 2023. If the selected broker firm is not the current Broker, then as a transition, the current Broker shall continue all aspects of this Agreement, including working with the selected broker in creating a benefits plan to the extent that proprietary property is protected and not infringed. The Client will compensate the current Broker through June 30, 2024, according to sections 4 and 5 below.
4. For the period of July 1, 2021, through June 30, 2024, the Broker/Consultant commission shall not exceed 5% of the fully insured equivalent as determined by the Third-Party Administrator ("TPA") each year. This amount is calculated by the TPA and provided as a Per Employee Per Month ("PEPM") format. The commission for the duration of the term of the Agreement will not exceed \$35 PEPM unless changed by written amendment executed by the parties hereto.

5. Any other ancillary fees as paid by the carrier are standard fees paid by the carrier, such as for coverage for vision, disability, and life coverage. Such payment shall be paid directly by such carrier and not by the Client.

6. This amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts, and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

7. Time is of the essence of the Agreement as amended.

8. It is not intended by this amendment to the Agreement to, and nothing contained in the Agreement as amended shall create any partnership, joint venture or other similar arrangements between Client and Broker/Consultant. No term or provision of this Agreement as amended is intended to, or shall, be for the benefit of any person, firm, organization or corporation, not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

9. This amendment to the Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

10. No change or additions are to be made to the Agreement as amended except by a written amendment executed by the parties hereto.

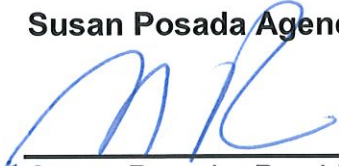
11. This amendment to the Agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona. In particular, the Agreement as amended is subject to the provisions of A.R.S. § 38-511.

12. Any legal action relating to the Agreement as amended shall be brought in either the Yuma County Superior Court or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

13. Every provision of this Agreement as amended is, and will be construed to be, a separate and independent covenant. If any provision of the Agreement as amended or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of the Agreement as amended or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this Agreement as amended will be valid and will be enforced to the extent permitted by the law, and the parties will negotiate in good faith for such amendments of this Agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

The parties have executed this amendment to the Agreement.

Susan Posada Agency Inc.



Susan Posada, President & Owner

Date: 7/12/2021

San Luis Employee Benefit Trust



Gerardo Sanchez, Chair

Date: 6/24/21

APPROVED AS TO FORM:



Kay Marion Macuil
City Attorney-Attorney for
San Luis Employee Benefit Trust