

# **Exhibit A**

**2<sup>nd</sup> AMENDMENT  
OF  
AGREEMENT AND DECLARATION OF TRUST  
FOR THE  
CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

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The following sections shall be amended and restated to read 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:

**Appointment** – does and shall mean the formal action of the City of San Luis City Council appointing a Trustee to the Employee Benefit Trust.

**City** – does and shall mean the City of San Luis, Arizona, a municipal corporation organized and existing under the laws of the State of Arizona.

**City Contributions** – the phrase does and shall mean the contributions made by the City of San Luis to the Fund for the Employee Benefit Trust.

**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.

**Dependent** – does and 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 benefits under any other health program to which the City makes contributions.

**Employee** – does and shall mean all persons who have met the eligibility requirements as defined in the written instrument for the Employee Benefit Trust, 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.

**Employee Benefit Trust** – does and shall mean the program of benefits to be established by the Trustees pursuant to this Agreement and Declaration of Trust.

**Employee Contributions** – the phrase does and shall mean the contributions made by the Employees of the City of San Luis to said Fund.

**Fund** – does and 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.

**Initial Terms** – does and shall mean the terms of the initial five Trustees of the Board, which were set as one-year (1-year), two-year (2-year), and three-year (3-year) terms to result in staggered Trustee Appointments every two (2) to three (3) years.

**Plan Document** – does and shall mean the written instrument containing the provisions for self-funded health and welfare benefits of the Employee Benefit Trust.

**Subsequent Term** – does and shall mean a term of Appointment other than an Initial Term.

**Trust** – the name of the Trust created by this Declaration of Trust is and shall be the City of San Luis Employee Benefit Trust.

**Trust Agreement** – does and shall mean and refer to this Agreement and Declaration of Trust and any modification, amendment, addition, or restatement to it.

**Trustees** – does and shall mean the Trustees and their successors provided for in this Trust Agreement.

### **Section 3.04 TRUSTEES' TERM**

**A. Initial Terms.** The Initial Terms of the first five (5) Trustees shall be as follows:

- a. One (1) Trustee to serve an initial term of one (1) year,**
- b. Two (2) Trustees to serve an initial term of two (2) years, and**
- c. 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. The Initial Terms shall result in the Trustees having staggered appointments every two (2) to three (3) years.

**B. Duration of Subsequent Term.** Each Trustee shall serve for three (3) years.

**C. Appointment.** A Trustee may be appointed for no more than two (2) consecutive full terms.

### **Section 3.05 EXECUTIVE ADVISORS**

The Board of Trustees shall include as Executive Advisors, the City's Finance Director, or their designee; the City's Human Resources Director, or their designee; the City Manager, or their designee; and the City Attorney, or their designee. Such Executive Advisors shall attend all meetings of the Board of 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 of the City Council; termination of employment for a Trustee who is an employee of the City of San Luis; the ending of an elected official's seat on City Council for a Trustee whose Appointment occurred while serving as the Mayor or a member of the San Luis City Council.

In the event of a Trustee Termination due to any of the aforementioned reasons, the City Council shall designate a successor to such Trustee from recommendations from the Mayor, who, upon acceptance of his/her Appointment in writing, shall succeed to the legal interest of his/her predecessor. Upon the effective date of termination, 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 being terminated.)

**Section 4.05 SUCCESSORS' TERM**

The appointed successor Trustee shall complete the remaining current term of his/her predecessor if appointed in the middle of a term. The appointed successor Trustee will be eligible to serve two (2) full terms after completing this current term.

[Intentionally left blank. Signature page follows.]

**ACCEPTANCE**

The undersigned Trustees hereby accept and agree to be bound by the foregoing 2<sup>nd</sup> Amendment to the Agreement and Declaration of Trust:

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\_\_\_\_\_, Trustee and Trust Chair \_\_\_\_\_ Date

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\_\_\_\_\_, Trustee and Trust Vice Chair \_\_\_\_\_ Date

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\_\_\_\_\_, Trustee and Trust Secretary \_\_\_\_\_ Date

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\_\_\_\_\_, Trustee \_\_\_\_\_ Date

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\_\_\_\_\_, Trustee \_\_\_\_\_ Date

**ACCEPTANCE**

The undersigned City hereby accept and agree to be bound by the foregoing 2<sup>nd</sup> Amendment to the Agreement and Declaration of Trust:

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Nieves G. Riedel, Mayor \_\_\_\_\_ Date

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Gloria Torres, Vice Mayor \_\_\_\_\_ Date