

NOTICE OF SPECIAL 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 4:30PM., on January 15, 2025. 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 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 Generalist

AVISO DE JUNTA ESPECIAL

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 Especial a las 4:30PM, el día 15 de Enero, 2025. 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, Generalista de Recursos Humanos

AGENDA
Special Meeting
City of San Luis Employee Benefit Trust
Council Chambers – City Hall
1090 E Union Street
San Luis, AZ 85349
Wednesday, January 15, 2025
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 October 16, 2024

3. **EXECUTIVE SESSION**

3. 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 negotiation or settlement of the subrogation case. **(Kay Marion Macuil, City Attorney)**

4. **MOTION TO GO BACK INTO SPECIAL SESSION**

5. **ADJOURNMENT**

Special Employee Benefit Trust Board Meeting

2. A.

Meeting Date: 01/15/2025

Summary

MINUTES OF:

-Special meeting held on October 16, 2024

Attachments

MINUTES 10.16.2024

MINUTES
Special Meeting
City of San Luis Employee Benefit Trust
Council Chambers - City Hall
1090 E. Union Street
San Luis, AZ 85349
October 16, 2024
12:00 p.m.

1. CALL TO ORDER/ROLL CALL

Chairman Javier Vargas called the meeting to order at approximately 12:05 p.m.

PRESENT: Javier Vargas, Chairman
Emma Torres, Vice Chairwoman-arrived at approximately 12:07 p.m.
Maria Sabori, Secretary
Gustavo MacGrew, Board Member
Maria Gonzalez, Board Member

OTHERS PRESENT: Adela Cortez, Director of Human Resources
Kay Marion Macuil, City Attorney
Sonia Cornelio, City Clerk
Glenn Gimbut, Assistant City Attorney
Mary Barajas, Human Resources
Jenny Torres, Acting City Manager
Roula Encinas, Acting Director of Finance
Jose Antonio Maldonado, Video Production & Operation Specialist
Oscar Diaz, Vice President of CBIZ-Business Development

2. CONSENT AGENDA

2. A. MINUTES OF

-Special meeting held on May 29, 2024

MOTION: Secretary Maria Sabori/Board Member Maria Gonzalez to approve the Consent Agenda. The motion passed unanimously.

The vote was as follows:

| | |
|-------------------------------|-----|
| Javier Vargas, Chairman | Aye |
| Maria Sabori, Secretary | Aye |
| Gustavo MacGrew, Board Member | Aye |
| Maria Gonzalez, Board Member | Aye |

3. DISCUSSION AND POSSIBLE ACTION ITEM:

3. A. Discussion and possible direction on any and all matters regarding the Declaration of the Trust document for the City of San Luis Employee Benefit Trust. (Adela Cortez, Director of Human Resources)

Ms. Adela Cortez, Director of Human Resources, informed that the City of San Luis Employee Benefit Trust was established on September 1, 2011, and has been amended twice. She added that during a special meeting in February 2024, it was mentioned that the Trust was in need of additional revisions to the document, and one of those revisions was to incorporate a reserve and funding policy in the document, as it is a standard practice to maintain a certain amount of reserves and funding. The other revision would be a procedure for medical and dental exceptions to safeguard the Trust. She asked the Trust members for approval so that staff could work on the Restatement and Amendment of the Declaration of Trust document.

Vice Chairwoman Emma Torres stated that she supports that staff works on an amendment to the Declaration of the Trust, as it is good practice. She asked if the reserves would be utilized in case of a catastrophic need.

Mr. Glenn Gimbut, Assistant City Attorney, replied that maintaining a reserve fund is critical, as one does not know when a catastrophic claim will come. The Trust wants to have those funds available when something happens and not go before the city council and request more funds from them.

Vice Chairwoman Torres asked if a cap would be placed on employees' claims.

Ms. Cortez replied that the cap will not be based on claims; it will be to establish a reserve based on common practices. She explained that it is common practice that the reserve is sufficient to cover a specific number of months to cover those claims in case of an emergency.

Mr. Oscar Diaz, President of CBIZ-Business Development, explained that under the self-funded plan, several different components protect the plan, such as the Trust. He mentioned that staff prepares a funding project, which is the budget for the year; on top of the stop-loss insurance is overlay; there is individual stop-loss insurance for large claims and aggregate stop-loss insurance, which means that if all claims exceed that specific amount, then the Trust has no obligation beyond that. The reason for establishing the reserves is because somewhere in between that budget and the maximum liability, those claims still have to be funded. He added that generally, the reserves should be 4-6 months of claims above the budget. The reason for that is if it is below, then the Trust will be underfunded. He mentioned that staff wants to make sure that there are always funds on hand for emergencies.

MOTION: Secretary Maria Sabori/Board Member Maria Gonzalez approve staff moving forward moving forward with amending and restating the Declaration of Trust document for the City of San Luis Employee Benefit Trust. Motion passed unanimously.

The vote was as follows:

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|-------------------------------|-----|
| Javier Vargas, Chairman | Aye |
| Emma Torres, Vice Chairwoman | Aye |
| Maria Sabori, Secretary | Aye |
| Gustavo MacGrew, Board Member | Aye |
| Maria Gonzalez, Board Member | Aye |

3. B. Discussion only on any and all matters regarding the Medical and Dental Plan Performance. (Oscar Diaz, Vice President of CBIZ-Business Development)

Mr. Oscar Diaz, Vice President of CBIZ-Business Development, made a PowerPoint Presentation regarding the 2023/2024 Medical & Dental Insurance Plan Year Review & 2024/2025 YTD Plan Performance. This presentation included the following slides: 2023/2024 Plan Performance Summary Review & Recap; 2024/2025 YTD Plan Performance Summary & Recap; CBIZ's Post Renewal Premium Adequacy Report & Recommendation; CBIZ's IBNR Calculation for Plan Quarter 1; Ongoing and Future Benefits Initiatives; and 2023/2024 TPA Challenges & Performance Issues. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

4. EXECUTIVE SESSIONS

MOTION: Chairman Javier Vargas/Secretary Maria Sabori to go into Executive Session. Motion passed unanimously.

The vote was as follows:

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|-------------------------------|-----|
| Javier Vargas, Chairman | Aye |
| Emma Torres, Vice Chairwoman | Aye |
| Maria Sabori, Secretary | Aye |
| Gustavo MacGrew, Board Member | Aye |
| Maria Gonzalez, Board Member | Aye |

4. A. Discussion and possible action to hold an executive session pursuant to A.R.S. §38-431.03(A)(2), (3) and (4) on any and all matters regarding certain claims under the Employee Benefits Plans and discussion or contribution for legal advice with the City Attorney. (Kay Marion Macuil, City Attorney)

4. B. 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 negotiation or settlement of the subrogation case. (Glenn Gimbut, Assistant City Attorney)

5. MOTION TO GO INTO SPECIAL SESSION

MOTION: Chairman Javier Vargas/Secretary Maria Sabori to go back into Special Session. Motion passed unanimously.

The vote was as follows:

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|-------------------------------|-----|
| Javier Vargas, Chairman | Aye |
| Maria Sabori, Secretary | Aye |
| Gustavo MacGrew, Board Member | Aye |
| Maria Gonzalez, Board Member | Aye |

6. ADJOURNMENT

MOTION: Chairman Javier Vargas/Secretary M. Sabori to adjourn the meeting at approximately 1:47 p.m. The motion passed unanimously.

The vote was as follows:

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|-------------------------------|-----|
| Javier Vargas, Chairman | Aye |
| Maria Sabori, Secretary | Aye |
| Gustavo MacGrew, Board Member | Aye |
| Maria Gonzalez, Board Member | Aye |

APPROVED:

Javier Vargas, Chairman

ATTEST:

Sonia Cornelio, City Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the Special meeting for the Employee Benefit Trust Board of the City of San Luis, Arizona, held on October 16, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk



AGENDA ITEM REVIEW FORM

Special Employee Benefit Trust Board Meeting

3. A.

Meeting Date: 01/15/2025

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 negotiation or settlement of the subrogation case. **(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.

RECOMMENDATION / SUGGESTED MOTION:

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

Fiscal Impact

Fiscal Impact:

N/A
