

ARIZONA METROPOLITAN TRUST
Draft - Minutes of Thursday, December 12, 2024
Special Trust Meeting

The following Trustees were present, and a quorum was met:

Matthew Williams, Chairperson	City of Litchfield Park
Jeanne Blackman, Vice Chairperson	Town of Youngtown
Andrew Ching	Town of Paradise Valley
Rob Schmitz	Sun City Fire District

The following Alternate Trustees were present:

Dawn Kurek	City of El Mirage
Tarah Mayerhofer	Town of Wickenburg
Gina Monger	Town of Paradise Valley
Anna McCray	City of Apache Junction
David Trimble	Town of Fountain Hills

The following Consultants/Vendors/Guests were present:

Ryan Benitez	Cheiron
Patrick Dittman	Gallagher Benefit Services
Sheri Gordon	Gallagher Benefit Services
Michael Hensley	Jones Skelton & Hochuli
Grady Miller	Town of Cave Creek
Carla Reese	Town of Cave Creek
Jaime Schulenberg	Gallagher Benefit Services

1. Call to Order

The meeting was called to order at 11:02 a.m.

2. Roll Call

Ms. Gordon performed roll call and confirmed a quorum was in attendance to act on applicable matters before the Board.

3. Discussion and Possible Action re

Ms. Schulenberg reported that the Trust received an application for membership from the Town of Cave Creek for an effective date of 07/01/2025.

Ms. Schulenberg reported that the actuary has conducted their financial analysis; the Town doesn't fit into the existing rate structure (+/- 5%), however, alternative rates were created and included in the meeting materials for the Trustees consideration. The Actuary provided two different methodologies for developing the funding factor which Mr. Ryan Benitez, Cheiron, will review in his report for the Trustees.

Mr. Benitez reviewed the actuarial analysis for the Trustees in detail and noted that Cheiron's recommendation based off claims data and information provided for consideration, was that the Trust could offer funding ranges between 11.1% and 20% higher than AzMT current funding factors. One specific item that was discussed was employer funding of the HSA, which AzMT limits to 50% of the deductible versus Cave Creek's 100% coverage.

Ms. Schulenburg reported that both methods are actuarially appropriate and after discussing this with Cheiron, Gallagher's recommendation is to offer an alternative Medical/Rx funding factor that

are 14.5% higher than AzMT (the same rates as those developed for Guadalupe). It was noted that the expected rates that were developed by the actuary will cover the expected risk through 06/30/25 and during the 2025-26 renewal, Cave Creek would be subject to the same increase as all other AzMT entities.

Mr. Grady Miller, Cave Creek's Town Manager, expressed his appreciation to the Trustees for consideration of their application for membership and noted that Cave Creek is willing to incorporate AzMT's 50% funding allocation for the HSA and find alternate options for funding the remaining 50% for their employees, if they are offered membership.

Ms. Schulenberg has confirmed with all AzMT vendors, except for the reinsurance carrier, that there are no issues with adding a new member. The reinsurance carrier was not contacted as we do not know who that will be for the 2025-26 plan year.

Trustee Trimble made a motion to extend an offer of membership to Town of Cave Creek at the alternative rates developed by the actuary effective 07/01/2025, seconded by Alternate Trustee McCray and unanimously carried.

4. Next Meeting Date

The next meeting is scheduled for February 10-12, 2025 at Rancho de los Caballeros.

5. Call to the Public

None

6. Adjourn

Trustee Ching made a motion to adjourn at 11:29 a.m., seconded by Trustee Trimble, and unanimously carried.

Respectfully Submitted,
Sheri Gordon
Recording Secretary