

First Amendment - Mountain Public Employee Benefit Trust

Recommendation:

Staff recommends approval of the first amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust (Trust Agreement).

Summary:

Northland Pioneer College is a member of the Mountain Public Employee Benefit Trust (MPEBT) and has designated the Vice President of Administrative Services to serve as the Trustee. The Trust Agreement was approved by the Trust attorney and the Trustees in 2017. The purpose was to clarify various provisions relative to all phases of the operation of the MPEBT. The integrity of the agreement was validated during the withdrawal of two members, Show Low and Blue Ridge school districts. In the process of that validation, language related to the basis and amount of member contributions to the MPEBT was considered vague. The Trustees asked its consultant and attorney to draft an amendment that was more specific relative to the basis of contributions by the participating members.

In order to develop specificity to the language, Section 6.01 was amended to reflect the basis for the participating member's contribution. The change is **highlighted** below.

Current: 6.01 ENTITY CONTRIBUTIONS. In order to effectuate the purpose hereof, each Participating Entity shall contribute to the Fund an amount determined by the Board of Trustees, for each Employee and his/her covered dependents, to be necessary to pay for the benefits provided hereunder. Such contributions shall be based upon the applicable rate and applied to each Employee of the Participating Entity. If both persons, as spouses, are Employees of a Participating Entity, the Participating Entity shall pay the Employee coverage rate for both as Employees. The Participating Entity's Contribution shall be due and payable as determined by the Trustees.

Amended: 6.01 ENTITY CONTRIBUTIONS. In order to effectuate the purpose hereof, each Participating Entity shall contribute to the Fund an amount determined by the Board of Trustees, for each Employee and his/her covered dependents, to be necessary to pay for the benefits provided hereunder. Such contributions shall be based upon the applicable rate and applied **using the lowest available employee only contribution rate** to each Employee of the Participating Entity. If both persons, as spouses, are Employees of a Participating Entity, the Participating Entity shall pay the Employee coverage rate for both as Employees. The Participating Entity's Contribution shall be due and payable as determined by the Trustees.



**FIRST AMENDMENT TO THE
INTERGOVERNMENTAL AGREEMENT AND
DECLARATION OF TRUST
MOUNTAIN PUBLIC EMPLOYEE BENEFIT TRUST**

This First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust (“First Amendment”) is dated as of _____, 2019 and is effective as of _____ (“Effective Date”) and is between the Governing Boards of the Participating Entities (the “Participating Entities”) and certain appointed persons, hereinafter referred to as the “Trustees.”

The Participating Entities established the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust in 1976, was they amended and completely restated on July 1, 2017 (the “Trust Agreement”). The Participating Entities reserved the right and power to amend the Trust Agreement in whole or in part under Section 11.01 and they continue to reserve such right and power. Any such amendment is effective upon a majority vote of the Trustees and approval of all the Participating Entity’s Governing Boards.

The Governing Boards and the Trustees hereby amend the Trust Agreement as provided in this First Amendment.

1. Section 6.01 is amended to read as follows:

6.01 ENTITY CONTRIBUTIONS. In order to effectuate the purpose hereof, each Participating Entity shall contribute to the Fund an amount determined by the Board of Trustees, for each Employee and his/her covered dependents, to be necessary to pay for the benefits provided hereunder. Such contributions shall be based upon the applicable rate and applied using the lowest available employee only contribution rate to each Employee of the Participating Entity. If both persons, as spouses, are Employees of a Participating Entity, the Participating Entity shall pay the Employee coverage rate for both as Employees. The Participating Entity’s Contribution shall be due and payable as determined by the Trustees.

2. In a duly called and noticed meeting of the Trustees, at which a quorum was present, at least a majority of the Trustees voted to approve this First Amendment. By their signatures below, the Participating Entities confirm that their Governing Boards have approved the First Amendment. Accordingly, as modified and amended by this First Amendment, the Trust Agreement is hereby ratified and confirmed.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGES TO FOLLOW]

HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT #6

SIGNATURE OF REPRESENTATIVE TRUSTEE, PARTICIPATING ENTITY AND OF
LEGAL COUNSEL

By: _____
Ron Tenney, Trustee, representative of
Heber-Overgaard Unified School District #6
Signed this _____ day of _____, 2019.

By: _____
Governing Board President or authorized designee
for Heber-Overgaard Unified School District #6

Print Name
Signed this _____ day of _____, 2019

The undersigned attorney for the identified above has determined pursuant to A.R.S. §11-952.01 that this First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust is in proper form and is within the powers and authority granted under the laws of Arizona to such Participating Entity.

By: _____

Print Name
Signed this _____ day of _____, 2019

NORTHLAND PIONEER COLLEGE

SIGNATURE OF REPRESENTATIVE TRUSTEE, PARTICIPATING ENTITY AND OF
LEGAL COUNSEL

By: _____
Madera Ellison, Trustee, representative of
Northland Pioneer College
Signed this _____ day of _____, 2019.

By: _____
Governing Board President or authorized designee
for Northland Pioneer College

Print Name
Signed this _____ day of _____, 2019

The undersigned attorney for the identified above has determined pursuant to A.R.S. §11-952.01 that this First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust is in proper form and is within the powers and authority granted under the laws of Arizona to such Participating Entity.

By: _____

Print Name
Signed this _____ day of _____, 2019

NORTHERN ARIZONA VOCATIONAL INSTITUTE OF TECHNOLOGY

SIGNATURE OF REPRESENTATIVE TRUSTEE, PARTICIPATING ENTITY AND OF
LEGAL COUNSEL

By: _____
Matt Weber, Trustee, representative of
Northern Arizona Vocational Institute of Technology
Signed this _____ day of _____, 2019.

By: _____
Governing Board President or authorized designee
for Northern Arizona Vocational Institute of Technology

Print Name
Signed this _____ day of _____, 2019

The undersigned attorney for the identified above has determined pursuant to A.R.S. §11-952.01 that this First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust is in proper form and is within the powers and authority granted under the laws of Arizona to such Participating Entity.

By: _____

Print Name
Signed this _____ day of _____, 2019

ROUND VALLEY UNIFIED SCHOOL DISTRICT #10

SIGNATURE OF REPRESENTATIVE TRUSTEE, PARTICIPATING ENTITY AND OF
LEGAL COUNSEL

By: _____
Travis Udall, Trustee, representative of
Round Valley Unified School District #10
Signed this _____ day of _____, 2019.

By: _____
Governing Board President or authorized designee
for Round Valley Unified School District #10

Print Name
Signed this _____ day of _____, 2019

The undersigned attorney for the identified above has determined pursuant to A.R.S. §11-952.01 that this First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust is in proper form and is within the powers and authority granted under the laws of Arizona to such Participating Entity.

By: _____

Print Name
Signed this _____ day of _____, 2019

SNOWFLAKE UNIFIED SCHOOL DISTRICT #5

SIGNATURE OF REPRESENTATIVE TRUSTEE, PARTICIPATING ENTITY AND OF
LEGAL COUNSEL

By: _____
Hollis Merrell, Trustee, representative of
Snowflake Unified School District #5
Signed this _____ day of _____, 2019.

By: _____
Governing Board President or authorized designee
for Snowflake Unified School District #5

Print Name
Signed this _____ day of _____, 2019

The undersigned attorney for the identified above has determined pursuant to A.R.S. §11-952.01 that this First Amendment to the Intergovernmental Agreement and Declaration of Trust Mountain Public Employee Benefit Trust is in proper form and is within the powers and authority granted under the laws of Arizona to such Participating Entity.

By: _____

Print Name
Signed this _____ day of _____, 2019