



Management Board

- Tom Boone, Chairman/CEO
- Mike Barragan, Vice-Chairman
- Bill Maas, Treasurer
- Jim Migliorino, Secretary
- Jill Barragan, Member
- Jim DiCello, Member.
- Ken Hicks, Member
- Michelle Myers, Member

**VALLEY SCHOOLS MANAGEMENT GROUP**  
**MINUTES OF THE MEETING OF APRIL 24, 2024**

1. Tom Boone, Chairman, called the meeting to order at 11:33 a.m.

2. **Board Members Present:**

- Tom Boone, Chairman/CEO
- Mike Barragan, Vice-Chairman (attended via Zoom at 12:15 p.m.)
- Bill Maas, Treasurer
- Jim Migliorino, Secretary
- Jill Barragan, Member
- Jim DiCello, Member
- Ken Hicks, Member
- Michelle Myers, Member (attended via Zoom)

**Staff Present:**

- Lisa Dessenberger, Executive Assistant
- Tom Elliott, Executive Director Member Services
- Laura Felten, Chief Financial Officer
- Raquel Flores, Administrative Assistant
- Jodi Jerich, General Counsel
- Leigh Steele, Director Marketing and Communications
- Kendall Taylor, Executive Director Health and Wellness Services

**Guest Present:**

- Meaghan Dell'Artino, Lobbyist – Public Policy Partners
- Gretchen Jacobs, Lobbyist – Arizona Governmental Affairs
- Thomas Ryerson, Partner – Perkins Coie (arrived at 1:00 p.m.)

3. Approval of the VSMG Board meeting minutes held on February 21, 2024.

MOTION: Jim DiCello

SECOND: Ken Hicks

VOTE: 7-0-0-1

Tom Boone – yes

Mike Barragan – absent

Jill Barragan – yes

Jim DiCello – yes

Ken Hicks – yes

Bill Maas – yes

Jim Migliorino – yes

Michelle Myers – yes

4. Approval of the VSMG Executive Session meeting minutes held on February 21, 2024.

MOTION: Jim DiCello                      SECOND: Jill Barragan                      VOTE: 6-0-1-1

Tom Boone – <u>yes</u>	Mike Barragan – <u>absent</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Ken Hicks – <u>yes</u>	Bill Maas – <u>yes</u>
Jim Migliorino – <u>yes</u>	Michelle Myers – <u>abstain</u>	

5. Legislative update – Meaghan Dell’Artino and Gretchen Jacobs.

Meaghan Dell’Artino and Gretchen Jacobs updated the Board on pertinent issues taking place at the State Capital. They provided information about the state's fiscal matters and bills that affect education. Discussion took place. State-funded medical plan designs were also discussed. A hiring freeze along with a 4% cut has been announced by the State. Ken Hicks asked some questions regarding a specific bill, and Gretchen Jacobs provided information. Ken Hicks also addressed a Supreme Court ruling, and further discussion took place. Jill Barragan asked the lobbyists about some recent developments on elections and Legislative seats, and Meaghan Dell’Artino addressed the question.

6. Approval of the Valley Schools Insurance Group ("VSIG"), Valley Schools Workers' Group ("VSWCG"), Valley Schools Employee Benefits Group ("VSEBG"), and Valley Schools Management Group ("VSMG") financial statements for the months of January 2024, February 2024, and March 2024 – Laura Felten

VSIG – Laura Felten reviewed the VSIG financial statements in detail. Aon will be completing the next calculation for June 30 liabilities soon. She noted additions to the Net Positions. Tom Boone added information regarding additional contributions.

VSWCG – Laura Felten reviewed the VSWCG financial statements in detail. She discussed some expenses that had moved into this group, including details on the upgraded RMIS system. Jim Migliorino asked about the difference in interest income between Workers' Compensation and Insurance Group. Laura addressed the question, adding she would do some further research and report back to the Board at the May meeting. Mike Barragan added he would look forward to this report.

VSEBG – Laura Felten reviewed the VSEBG financial statements in detail.

VSMG – Laura Felten reviewed the VSMG financial statements in detail. She addressed the Information Technology line, noting that the budget line item has been moved to the Insurance Group and Workers’ Compensation Group. Ken Hicks asked a question about budget controls vs planning and benchmarking; Bill Maas added some thoughts regarding the subject, and a discussion took place. Jim DiCello noted the net position of VSMG is trending upward.

MOTION: Jim DiCello                      SECOND: Bill Maas                      VOTE: 7-0-1-0

Tom Boone – <u>yes</u>	Mike Barragan – <u>yes</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Ken Hicks – <u>yes</u>	Bill Maas – <u>yes</u>
Jim Migliorino – <u>yes</u>	Michelle Myers – <u>abstain</u>	

7. Discussion relating to preliminary budgets for FY 2024-2025 – Laura Felten.

Discussion took place pertaining to the VSIG preliminary budget for FY 2024-25. Ms. Felten addressed a couple of areas where increases are being recommended and noted a few areas where budget expenditures would be moved to other departments. Jim Migliorino addressed some insurance premium increases. Jill Barragan added that based on what Aon estimated, the numbers would be lower than the estimation, asking if the excess premium insurance was an expenditure, and Laura answered yes. Further discussion took place. Contribution adjustments were also discussed.

***Due to time constraints of outside legal counsel, the Executive Session, agenda item #12, was moved up.***

Michelle Myers left the meeting at 1:16 p.m. with the understanding she would return when the Executive Session ended.

8. Motion to convene Executive Session pursuant to:

A.R.S. § 38-431.03(A)(3) for the purpose of discussion and consultation with legal counsel for legal advice regarding long-term planning and proposed changes to business models, organization structure, and Bylaws;

A.R.S. § 38-431.03(A)(3) and (A)(4) for the purpose of discussion and consultation with legal counsel regarding WESD RFP No. 22.033 and;

A.R.S. § 38-431.03(A)(3) and (A)(4) for the purpose of discussion and consultation with legal counsel regarding prescription rebates.

MOTION: Jim DiCello                      SECOND: Jill Barragan                      VOTE: 7-0-0-1

Tom Boone – <u>yes</u>	Mike Barragan – <u>yes</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Ken Hicks – <u>yes</u>	Bill Maas – <u>yes</u>
Jim Migliorino – <u>yes</u>	Michelle Myers – <u>absent</u>	

The Board took a short break, and the Executive Session convened at 1:22 p.m.  
The Executive Session ended at 2:47 p.m.  
The Board took a short break.

Mike Barragan left the meeting at 2:55 p.m.  
Michelle Myers rejoined the meeting via Zoom at 2:55 p.m.

9. Returned to regular session at 2:56 p.m.

10. Possible action from Executive Session.

No action was taken after the Executive Session.

11. The meeting resumed with Agenda item #7 – “Discussion relating to preliminary budgets for FY 2024-2025 – Laura Felten.”

Laura Felten resumed reviewing the preliminary budgets for the VSWCG, VSEBG, and VSMG, noting the VSEBG is performing well. Jim Migliorino asked if fixed expenses would change in medical, and Tom Boone indicated they would not.

12. Review/approve the VSMG Board meeting dates for Fiscal Year 2024-25 – Tom Boone.

MOTION: Jim DiCello                      SECOND: Ken Hicks                      VOTE: 7-0-0-1

Tom Boone – <u>yes</u>	Mike Barragan – <u>absent</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Ken Hicks – <u>yes</u>	Bill Maas – <u>yes</u>
Jim Migliorino – <u>yes</u>	Michelle Myers – <u>yes</u>	

13. Review/approve the VSMG calendar for Fiscal Year 2024-25 – Tom Boone.

MOTION: Jim DiCello

SECOND: Ken Hicks

VOTE: 7-0-0-1

Tom Boone – yes

Mike Barragan – absent

Jill Barragan – yes

Jim DiCello – yes

Ken Hicks – yes

Bill Maas – yes

Jim Migliorino – yes

Michelle Myers – yes

14. Chairman/CEO summary report and update – Tom Boone.

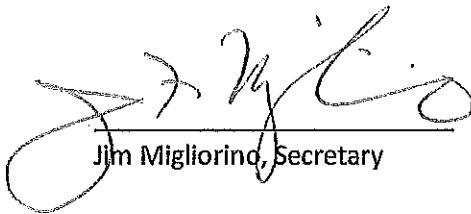
Tom Boone provided the Board with a list of calendar events and informed them of the next VSMG meeting, noting the VSIG, VSWCG, and VSEBG annual meetings would also take place.

15. Board Member comments.

Jim DiCello wished the Valley Schools Administrative Assistants a happy Administrative Professional Day; Jill Barragan wished Laura Felten a happy 3 years work anniversary, Michelle Myers acknowledged Lisa Dessenberger, and Ken Hicks acknowledged Kendall Taylor for the work done on the Tolleson Union High School District 5k. Jim Migliorino addressed the UHC data breach and asked if anyone had an update. A short discussion followed that disclosed Valley Schools was not affected.

16. The meeting adjourned at 3:18 p.m.

Respectfully submitted,



Jim Migliorino, Secretary

JM/lad