



VALLEY SCHOOLS WORKERS'
COMPENSATION GROUP

VALLEY SCHOOLS
INSURANCE GROUP

VALLEY SCHOOLS
EMPLOYEE BENEFITS GROUP

Management Board:

Tom Boone, Chairman/CEO

Jim DiCello, Vice-Chairman

Bill Maas, Secretary-Treasurer

Jill Barragan, Member

Mike Barragan, Member

Ken Hicks, Member

Jim Migliorino, Member

Michelle Myers, Member

VALLEY SCHOOLS MANAGEMENT GROUP

MINUTES OF THE MEETING OF OCTOBER 27, 2021

1. The meeting was called to order by Tom Boone, Chairman, at 11:42 a.m.

The meeting was turned over to Jim DiCello, Vice-Chairman.

2. **Board Members Present:**
Tom Boone, Chairman/CEO
Jill Barragan, Member
Mike Barragan, Member
Jim DiCello, Member
Ken Hicks, Member
Jim Migliorino, Member
Michelle Myers, Member

Board Members Absent:
Bill Maas, Secretary-Treasurer

Staff Present:
Lisa Dessenberger, Executive Assistant
Tom Elliott, Executive Director Member Services (attended via Zoom)
Laura Felten, Chief Financial Officer
Raquel Flores, Administrative Assistant
Sheri Gilbert, Marketing Director
Jodi Jerich, General Counsel
Kendal Taylor, Executive Director Health and Wellness Services

Guests Present:
Meghaen Dell' Artino, Lobbyist – Public Policy Partners
Gretchen Jacobs, Lobbyist – Arizona Governmental Affairs

3. Approval of the minutes of the VSMG Board meeting held on June 9, 2021.

MOTION: Jim Migliorino SECOND: Mike Barragan VOTE: 7-0-0-1

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

4. Approval of the minutes of the VSMG Executive Session held on June 9, 2021.

MOTION: Jill Barragan SECOND: Ken Hicks VOTE: 7-0-0-1

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

5. Approval of the VSIG, VSWCG, VSEBG, and VSMG financial statements for the months of May 2021, June 2021 (year-end final), July 2021, August 2021 and September 2021 – Laura Felten.

VSIG – Laura Felten reviewed the Valley Schools Insurance Group financial statements in detail, stating the final calculations from claims payable for AON is reflected on the June 30, 2021 financial statements. IBNR reports have been received. There was a slight decrease in net position, however, it is still under the approved budget. There is a decrease in claims coming through and that is reflected on the September 30, 2021 statements. Tom Boone noted the 2021 valuation for the building has been received and the value has increased significantly since the purchase in 2013.

VSWCG – Laura Felten reviewed the Valley Schools Workers' Compensation Group financial statements in detail, noting it was a good year for Workers' Compensation. She added that a major liability is claims payable, however, the claims have decreased. Ending net position was very good for year end June 30, 2021. Majority of assets are in investments.

VSEBG – Laura Felten reviewed the Valley Schools Employee Benefits Group financial statements in detail, adding that VSEBG had a good year. Net Position was good with the majority of assets invested. Interest earnings are greater than change in market value. There was a positive change in net position reflected on the September 30, 2021 financial statements. Mike Barragan asked about the increase between the June 30th and September 30th financials and Laura Felten answered some new members were recently added that were not recognized on the June 30th

financial statements. Ken Hicks asked about the Wellness numbers and Laura Felten answered. She noted the Wellness budget would be discussed in greater detail on other financial statements in the future.

VSMG – Laura Felten reviewed the Valley Schools Management Group financial statements in detail. She reminded the Board that compensated absences and employee salaries are in the Management Group budget. Tom Boone commented on the insurance premium line, stating the premiums were all paid at the beginning of the year.

MOTION: Michelle Myers SECOND: Mike Barragan VOTE: 7-0-0-1

Tom Boone – yes
Bill Maas – absent
Jill Barragan – yes

Mike Barragan – yes
Jim DiCello – yes
Ken Hicks – yes

Jim Migliorino - yes
Michelle Myers - yes

With no objection from the Board, agenda Item #10 was moved before item #6 to accommodate the schedules of the Lobbyists.

10. Valley Schools Lobbyist summary update – Meghaen Dell' Artino/Gretchen Jacobs. Tom Boone introduced Meghaen Dell'Artino and Gretchen Jacobs to the Board. Both lobbyists represent Valley Schools.

Meghaen Dell'Artino stated she has been engaged in vaccination and quarantine protocols, Industrial Commission, School Board issues and County and Center for Disease Control guidelines pertaining to schools. Tom Boone pointed out she specializes in Title 15. Ken Hicks asked a question about a Civil Liability bill and a discussion took place. Jodi Jerich spoke about "Test to Stay" protocols.

Gretchen Jacobs is engaged in and focuses on insurance at the State level. She explained she specializes in health care, workers' compensation and liability and she follows and monitors legislation about those subjects. Tom Boone added she also specializes in Title 20.

6. Discuss/Review Sage Annual Report – Laura Felten.

Laura Felten reviewed the Sage Annual report with the Board. She discussed the benchmarks and what each meant for the Organization. Ms. Felten then reviewed the makeup of the portfolio and the security ratings.

With no objection from the Board, Item #9 was moved up to accommodate one of the Board Members who needed to leave early.

9. Presentation on progress of Key Performance Indicators (KPI's) for calendar year 2021 – Tom Boone.

Tom Boone reviewed the KPI goals that were set in January 2021 and compared the actual year end numbers that came in as of September 30, 2021. He reviewed each category and discussion took place.

7. Executive Director Member Services summary update – Tom Elliott.

Tom Elliott reviewed the medical experience reports. He stated in prior years, they were running at about 90%. He discussed the 5 year average medical increases and talked about the rolling 5 year average increase based upon the June 30, 2021 experience report. Discussion took place.

Mr. Elliott said the VSEBG Provider Showcase took place and was well received and had high attendance. It was a combined virtual and in-person conference, however, the majority attended in person. He added the VSEBG Prescott Study Session conference the first week of November and although this will be in-person, the conference will be recorded for those who can't attend. He noted there has been an excellent response and is on track to be the highest attended study session VSEBG has hosted.

Jill Barragan left the meeting at 1:15 p.m.

8. Executive Director Health and Wellness Services summary update – Kendall Taylor.

Kendall Taylor provided an update to the Board on what is taking place in Wellness. She discussed several of the offerings provided to our members, and spoke about well-known speakers for upcoming events, adding that participation continues to increase. She and the Wellness team are gearing up for the VSEBG Study Session to provide a more detailed update on what is taking place within the Wellness Department. She reviewed transitional case management and talked about those services. She talked about several programs being worked on to roll out in early 2022.

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

Tom Boone reviewed upcoming conferences, the next VSMG Board meeting date, the VSEBG Study Session, Valley Schools holiday party and future PRIMA and RMIS conference dates.

12. Board Member comments.

Michelle Myers expressed appreciation for the staff. Jim DiCello wished the group an early happy Thanksgiving, Ken Hicks made some comments about claims and policy services, and Mike Barragan stated he appreciated having the lobbyists here providing an update at today's meeting. He also expressed appreciation for the effort that Tom Elliott and Laura Felten have taken to meet one on one with members and stated he has received a lot of positive feedback regarding their interactions and engagement with Valley Schools Wellness employees.

13. The meeting adjourned at 1:52 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tom Boone".

Tom Boone, Chairman