



VALLEY SCHOOLS WORKERS'
COMPENSATION GROUP

VALLEY SCHOOLS
INSURANCE GROUP

VALLEY SCHOOLS
EMPLOYEE BENEFITS GROUP

Management Board:

Tom Boone, Chairman/CEO

Laura Felten, Vice-Chairman

Bill Maas, Secretary-Treasurer

Mike Barragan, Member

Ted Carpenter, Member

Jim DiCello, Member

Jim Migliorino, Member

Michelle Myers, Member

VALLEY SCHOOLS MANAGEMENT GROUP

MINUTES OF THE MEETING OF OCTOBER 28, 2020

1. The meeting was called to order by Tom Boone, Chairman, at 11:35 a.m.

2. **Board Members Present:**

Tom Boone, Chairman/CEO

Laura Felten, Vice-Chairman

Bill Maas, Secretary-Treasurer

Mike Barragan, Member

Jim DiCello, Member

Jim Migliorino, Member (arrived at 11:40 a.m.)

Michelle Myers, Member (attended via Zoom)

Board Members Absent:

Ted Carpenter, Member

Staff Present:

Dan Davison, Chief Financial Officer

Lisa Dessenberger, Executive Assistant

Tom Elliott, Executive Director Member Services

Jodi Jerich, General Counsel

Guests Present:

Barrett Marson, Marson Media

3. Motion to convene Executive Session, pursuant to A.R.S. §38-431.03 (A)(1) - Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body; for the purpose of general secession planning.

MOTION: Jim DiCello

SECOND: Bill Maas

VOTE: 6-0-0-2

Tom Boone – yes

Laura Felten – yes

Bill Maas – yes

Mike Barragan – yes

Ted Carpenter – absent

Jim DiCello – yes

Jim Migliorino - absent

Michelle Myers - yes

8. Approval of the Valley Schools Insurance Group ("VSIG"), Valley Schools Workers' Compensation Group ("VSWCG"), Valley Schools Employee Benefits Group ("VSEBG"), and Valley Schools Management Group ("VSMG") financial statements for the months of May 2020, June 2020 (year-end final), July 2020, August 2020 and September 2020 – Dan Davison.

VSIG – Dan Davison reviewed the Valley Schools Insurance Group financial statements. He noted that the operating expenses for general claims, property claims, and unallocated loss are recorded in the June 30, 2020 statements. Bill Maas asked about the format in which the financial statements are presented. A discussion took place about refining and clarifying the financial statements.

VSWCG – Dan Davison reviewed the VSWCG financial statements in detail. He pointed out the IBNR change is presented on the statements as well as unallocated loss. Workers' Compensation paid claims are better than they have been in the past due to effects of Covid. All Members have prepaid September contributions.

VSEBG – Dan Davison reviewed the VSEBG financial statements in detail, noting the largest asset is at Morgan Stanley and the largest liability is the annual calculation for IBNR. Paid claims and stop loss numbers include a large claim payment. Jim Migliorino asked why the stop loss reimbursement was high and Tom Boone answered it was a result of one high claim settlement.

VSMG – Dan Davison reviewed the VSMG financial statements in detail, pointing out compensated absences have reduced significantly over the last two years. Jim Migliorino asked for further details and a short discussion took place. Dan Davison noted DVUSD will be billed for school services by December 2020. A discussion took place regarding salaries and benefits.

MOTION: Jim DiCello

SECOND: Laura Felten

VOTE: 6-0-0-2

Tom Boone – yes
Laura Felten – yes
Bill Maas – yes

Mike Barragan – absent
Ted Carpenter – absent
Jim DiCello – yes

Jim Migliorino - yes
Michelle Myers - yes

9. Discuss/Review Valley Schools Management Group Audit Report for year-end June 30, 2020– Jim DiCello/Dan Davison.

Jim DiCello reviewed the VSMG Audit Report. He noted there had been no change in the liability and a discussion took place. VSIG VSWCG and VSEBG audits will be completed soon and reviewed at the December meeting.

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

Tom Elliott reviewed the medical plan experience reports for June 2020 and September 2020, noting overall, it was a good year. He reviewed the contribution increases by Member, adding September numbers were slightly high. A discussion took place pertaining to individual members. Mr. Elliott said Health Plan Reviews are currently taking place, Member renewals will begin in January 2021 and Providers are actively being negotiated with for the FY 2021-22 plan year. He stated the VSEBG Study Session has been moved to December 3-4, 2020 and will be recorded for those who are unable to attend in person.

11. Discuss/Review Sage Annual Report – Dan Davison.

Dan Davison reviewed the Sage Annual Report in detail, talking about the yields and portfolio performance as of June 30, 2020. He spoke about the strategy characteristics and noted interest earnings were very strong last year.

12. Presentation on progress of Key Performance Indicators (KPI's) for calendar year 2020- Tom Boone.

Tom Boone reviewed the KPI document comparing the goals set for calendar year 2020 vs actual results as of 9-30-2020. Tom Elliott added the increases from 2019 to 2020 were very positive.

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

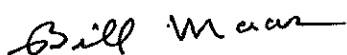
Tom Boone informed the Board the next meeting is scheduled for December 16, 2020 and reiterated the information Tom Elliott shared about the VSEBG Study Session.

14. Board Member comments.

A short discussion regarding 2021 conferences took place. Michelle Myers acknowledged and thanked the group.

15. The meeting adjourned at 2:12 p.m.

Respectfully submitted,



Bill Maas, Secretary