



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*

*Jim DiCello, Member*

*Jim Migliorino, Member*

*Michelle Myers, Member*

**VALLEY SCHOOLS MANAGEMENT GROUP**

**MINUTES OF THE MEETING OF FEBRUARY 24, 2021**

1. The meeting was called to order by Tom Boone, Chairman, at 11:36 a.m.

2. **Board Members Present:**

Tom Boone, Chairman/CEO

Laura Felten, Vice-Chairman

Bill Maas, Secretary-Treasurer (joined meeting at 1:24 p.m. telephonically)

Mike Barragan, Member

Jim DiCello, Member

Jim Migliorino, Member

Michelle Myers, Member (joined meeting at 1:20 p.m. via Zoom)

**Staff Present:**

Dan Davison, Chief Financial Officer

Lisa Dessenberger, Executive Assistant

Tom Elliott, Executive Director Member Services

Sheri Gilbert, Marketing Director (attended via Zoom)

Jodi Jerich, General Counsel (attended via Zoom)

Kendall Taylor, Wellness Director (attended via Zoom)

**Guests Present:**

Jill Barragan, Executive Director of Business Services, Avondale ESD (attended via Zoom)

3. Approval of the minutes of the VSMG Board meeting held on December 16, 2020.

MOTION: Jim DiCello

SECOND: Laura Felten

VOTE: 5-0-0-2

Tom Boone – yes

Mike Barragan – yes

Michelle Myers - absent

Laura Felten – yes

Jim DiCello - yes

Bill Maas – absent

Jim Migliorino– yes

4. Approval of the minutes of the VSMG Executive Session held on December 16, 2020.

MOTION: Jim DiCello                      SECOND: Laura Felten                      VOTE: 5-0-0-2

Tom Boone – yes                              Mike Barragan – yes                              Michelle Myers - absent  
Laura Felten – yes                              Jim DiCello - yes  
Bill Maas – absent                              Jim Migliorino– yes

5. Approval of the VSIG, VSWCG, VSEBG, and VSMG financial statements for the months of December 2020 and January 2021 – Dan Davison.

VSIG – Dan Davison reviewed the Valley Schools Insurance Group financial statements in detail. He pointed out the consulting services fees were overbudget due to Cash, Sullivan, and Cross (“CSC”) special services provided. Tom Boone added consultant fees are prepaid. He also stated change in market values are negative and depending on rates, book values go up and down. Valley Schools goal is to hold to maturity.

VSWCG – Dan Davison reviewed the Valley Schools Workers’ Compensation Group financial statements in detail. He added most of the subrogation/restitution is from one member.

VSEBG – Dan Davison reviewed the Valley Schools Employee Benefits Group financial statements in detail, noting the largest asset is Morgan Stanley and largest liability is prepaid contributions.

VSMG – Dan Davison reviewed the Valley Schools Management Group financial statements in detail, noting the office expenses are high because there was a retroactive rental payment.

MOTION: Jim DiCello                      SECOND: Laura Felten                      VOTE: 5-0-0-2

Tom Boone – yes                              Mike Barragan – yes                              Michelle Myers - absent  
Laura Felten – yes                              Jim DiCello - yes  
Bill Maas – absent                              Jim Migliorino– yes

6. Review Valley Schools Insurance Group/Valley Schools Workers’ Compensation Group Annual Report, June 30, 2020– Tom Elliott.

A hard copy of the Valley Schools Insurance Group/Valley Schools Workers’ Compensation Group Annual Report, year-end June 30,2020 was provided to the Board.

Tom Elliott reviewed the report and discussed claims increases/decreases, excess premiums/coverages, loss ratio and total assets. Short discussion took place.

7. Executive Director Member Services update – Tom Elliott.

Tom Elliott reviewed the medical and dental plan summary report for all members. He pointed out Valley Schools members are currently running better than last year, and the dental pool is also doing well. Discussion took place about specific members. He indicated we have a new vision carrier in addition to UHC vision. Renewals are almost complete and those not yet finalized are currently in the members hands. Open enrollment planning has happened, and most members are opting for virtual open enrollment meetings instead of in person. We are in the 5<sup>th</sup> year of zero increase in dental rates.

8. Marketing/Sales update – Sheri Gilbert.

Sheri Gilbert provided a marketing and sales update to the Board. She highlighted several key items. Conversation took place about competitors and contracting was discussed, noting Blue Cross/Blue Shield is no longer servicing Kairos members. The Marketing/Sales department has added some team members who will specifically focus on new business. A discussion took place pertaining to several vendors. Jim DiCello asked questions about competitors and Sheri Gilbert replied. Mike Barragan asked questions regarding new business prospects and discussion took place.

9. Wellness Services update – Kendall Taylor.

Kendall Taylor provided an update on what is going on in the Valley Schools Wellness Department. She discussed several programs currently being looked at and vetted for our members. We have moved forward with an expansion of mental health services through UHC, both inpatient and outpatient. This will be offered to our members beginning July 1, 2021. Opioid management is also included. Jim Migliorino asked about a specific stress management platform Deer Valley Unified School District is using thru UHC and a short discussion took place.

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

Tom Boone reviewed the details of the next meeting VSMG Board meeting, spoke about the Sage Financial Services Conference scheduled for March 24, 2021 and discussed overall administrative costs.

11. Board Member comments.

Laura Felten expressed her thanks to the Board Members for their support while she served on the VSMG Board. Tom Boone, Jim DiCello and Mike Barragan thanked Ms. Felten for her service and acknowledged all she has done for Valley Schools as a Board Member. Jim Migliorino echoed those sentiments and added that it was National Public-School week.

The Board recessed at 1:10 p.m. for a short break and reconvened at 1:22 p.m.

Bill Maas joined meeting telephonically at 1:24 p.m.

12. Motion to convene Executive Session, pursuant to:

A.R.S. § 38-431.03(A)(1) – Discussion and 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 filling a board vacancy, and;

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

MOTION: Jim DiCello

SECOND: Laura Felten

VOTE: 7-0-0-0

Tom Boone – yes

Mike Barragan – yes

Michelle Myers - yes

Laura Felten – yes

Jim DiCello - yes

Bill Maas – yes

Jim Migliorino– yes

13. Convened to regular session from Executive Session #1 at 1:31 p.m.

14. Possible action from Executive Session.

The following motion was made:

"Pursuant to Article III Section 4 of the VSMG Bylaws, I move that Ken Hicks, join the VSMG Board of Directors as a Term Director, effective immediately."

MOTION: Jim DiCello

SECOND: Laura Felten

VOTE: 6-0-1-0

Tom Boone – yes

Mike Barragan – abstained

Michelle Myers - yes

Laura Felten – yes

Jim DiCello - yes

Bill Maas – yes

Jim Migliorino– yes

Reconvened to Executive Session #2 at 1:33 p.m.

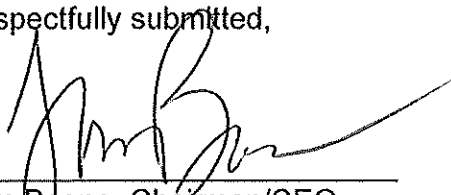
Adjourned from Executive Session #2 at 2:44 p.m.

15. Possible action from Executive Session.

There was no action taken.

16. The meeting adjourned at 2:45 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tom Boone', written over a horizontal line.

Tom Boone, Chairman/CEO