



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 OCTOBER 23, 2024**

1. Tom Boone, Chairman, called the meeting to order at 11:38 a.m.

2. **Board Members Present:**

- Tom Boone, Chairman/CEO
- Mike Barragan, Vice-Chairman
- Bill Maas, Treasurer
- Jim Migliorino, Secretary
- Jill Barragan, Member
- Jim DiCello, Member
- Ken Hicks, Member (arrived at 11:41 a.m.)
- Michelle Myers, Member

**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 of Health and Wellness Services

3. Board Member Recognition – Tom Boone.

Tom Boone recognized Board Member Jill Barragan for her accomplishments and congratulated her on being awarded the prestigious ASBO International 2024 Eagle Award, which was presented at the ASBO International conference in September 2024 in Nashville, TN. Other Board Members congratulated Ms. Barragan on receiving this prestigious award, noting only four individuals from Arizona have received it, the last being 10 years ago. They also commended her for her leadership in creating the AASBO Women’s Executive Leadership Development program last year.

4. Approval of the VSMG Board meeting minutes held on May 15, 2024.

MOTION: <u>Mike Barragan</u>	SECOND: <u>Jim DiCello</u>	VOTE: <u>8-0-0-0</u>
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>yes</u>	

5. Approval of the VSMG Executive Session meeting minutes held on May 15, 2024.

MOTION: <u>Ken Hicks</u>	SECOND: <u>Bill Maas</u>	VOTE: <u>7-0-1-0</u>
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>	

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 May 2024, June 2024 (year-end final), July 2024, August 2024, and September 2024 – Laura Felten.

VSIG – Laura Felten reviewed the VSIG financial statements. She discussed the June 2024 year-end financials in detail, reviewing how the fiscal year ended financially. She noted the liability has been updated on all financial statements, and she will review the Aon report for detailed information. Interest earnings were discussed, and she noted returns are high. Sage Investments anticipates/predicts interest earnings coming in strong for a couple of years. However, market value will continue to go up and down. She stated that FY 2023-24 ended well; it was a strong year for all four groups. She added that individual members were provided a year-end summary of their claims. Ms. Felten closed by reviewing the September 2024 financial statements in detail.

VSWCG – Laura Felten reviewed the VSWCG financial statements, noting this group is doing very well right now. She reviewed the Aon report to provide further details, reminding the Board that the final numbers will be reflected in this report. She provided a short update on reinsurance. Tom Boone added that the workers' compensation numbers are impeccable and gave accolades to the Workers' Compensation Director, Bill Mesa, for the hard work he and his team have done over the past year. Tom Elliott echoed his comments. Mike Barragan

also stated that more claims from Glendale Elementary School District have been closed since Bill Mesa took over the VSWCG and noted that he appreciated Bill's due diligence. Ms. Felten closed out the workers' compensation financial statements by reviewing the September 2024 statements in detail.

VSEBG—Laura Felten reviewed the VSEBG financial statements. She discussed the June 2024 year-end financials in detail, reviewing how the fiscal year ended financially. Cash and investments made up the majority of ending net asset total. She concluded by reviewing the September 2024 statements in detail.

VSMG – Laura Felten reviewed the VSMG financial statements in detail. There was an increase in compensated absences from the prior year, and she explained the reasoning. She pointed out some technology upgrades that took place and talked about the line items that impacted the budget. She wrapped up with the September 2024 financial statements. Tom Boone stated technology upgrades have been completed. Jim DiCello noted that receiving additional contributions was positive. He also briefly updated the Board about the circumstances of the Arizona Department of Insurance administration, and a short discussion took place.

MOTION: Jim DiCello

SECOND: Jill Barragan

VOTE: 7-0-1-0

Tom Boone – yes

Mike Barragan – yes

Jill Barragan – yes

Jim DiCello – yes

Ken Hicks – yes

Bill Maas – yes

Jim Migliorino – yes

Michelle Myers – abstain

7. Presentation on the progress of Key Performance Indicators (KPIs) for the calendar year 2024 – Tom Boone.

Leigh Steele and Tom Boone reviewed the KPI document and discussed the calendar year 2024 goals compared to the actual data as of September 2024. Laura Felten reviewed the KPI data for the return on investments, and Tom Elliott and Kendall Taylor reviewed the KPI data for VSEBG and Wellstyles. Jim DiCello asked if employee numbers are shrinking in the districts, and Tom Boone stated that, based on data, those numbers are decreasing. Tom Elliott confirmed most members had a reduction in employees. Mike Barragan added to the conversation, and discussion took place.

8. Executive Director Member Services update – Tom Elliott.

Tom Elliott reviewed the June 30, 2024, year-end VSEBG member medical and dental summary reports and the September 2024 member medical and dental summary reports. He noted last year's loss ratio was good and pointed out some specifics for individual members. Kendall also added that she will provide the Board with a detailed report regarding claims data in December. Discussion took place.

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

Tom Boone reviewed the December VSMG Board meeting date and the dates for upcoming conferences through the end of the year. He also recognized Valley Schools Facilities Manager Barbara Vetter for her time and effort and for the work put forth to oversee the complete renovation and upgrade of all conference rooms.

10. Board Member comments.

Jim DiCello, Ken Hicks, Jim Migliorino, and Bill Maas stated they appreciated the effort put forth and the upgrades done in the room. Michelle Myers thanked the Board and congratulated Jill Barragan. Mike Barragan expressed his appreciation for the Valley Schools staff, specifically noting Leigh Steele and Jerry Cipriano for the skills they both brought to the organization. He also showed gratitude to the Valley Schools Leadership Team for the time and effort they put behind working with and supporting worthwhile organizations.

Michelle Myers left the meeting at 2:01 p.m.

11. Motion to convene Executive Session pursuant to:

A.R.S. § 38-431.03(A)(3) and (A)(4) for the purpose of discussion and consultation with legal counsel for legal advice regarding payments to third-party vendors and changes to internal business practices.

MOTION: Jim DiCello

SECOND: Ken Hicks

VOTE: 7-0-0-1

Tom Boone – yes

Mike Barragan – yes

Jill Barragan – yes

Jim DiCello – yes

Ken Hicks – yes

Bill Maas – yes

Jim Migliorino – yes

Michelle Myers – absent

The Board took a short break, and the Executive Session convened at 2:11 p.m.

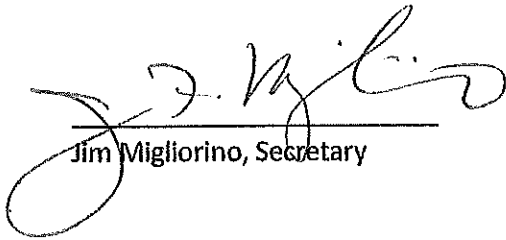
12. Returned to Regular Session at 3:08 p.m.

13. Possible action from Executive Session.

No action was taken after the Executive Session.

14. The meeting adjourned at 3:09 p.m.

Respectfully submitted,



Jim Migliorino, Secretary

JM/lad