VSMG
BETTER ADVICE. BETTER BENEFITS

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
Dale Ponder, Member

VALLEY SCHOOLS MANAGEMENT GROUP

MINUTES OF THE MEETING OF MAY 28, 2025

1. Tom Boone, Chairman, called the meeting to order at 11:41 a.m.

2. **Board Members Present:**
   Tom Boone, Chairman/CEO
   Mike Barragan, Vice-Chairman
   Jim Migliorino, Secretary
   Jill Barragan, Member (arrived at 12:45 p.m.)
   Jim DiCello, Member
   Ken Hicks, Member
   Dale Ponder, Member

   Board Members Absent:
   Bill Maas, Treasurer

   Staff Present:
   Elvis Becerra, Director Account Management Services
   Jerry Cipriano, Executive Director Business Development
   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, Marketing Director
   Kendall Taylor, Executive Director Health and Wellness Services

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

   Mr. Boone recognized Jim Migliorino and Ken Hicks for their service to the VSMG Board over the years. Jim Migliorino and Ken Hicks both thanked Valley Schools and shared some of their future plans. Other members of the Board expressed their sentiment to both Jim and Ken.

3. Approval of the VSMG Board meeting minutes held on April 23, 2025.

MOTION: Jim DiCello	SECOND: Mike Barragan	VOTE: 6-0-0-2
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – absent
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes	Dale Ponder – yes	

4. Approval of the VSMG Executive Session meeting minutes held on April 23, 2025.

MOTION: Ken Hicks	SECOND: Jim DiCello	VOTE: 6-0-0-2
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – absent
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes	Dale Ponder – yes	

5. Legislative update - Mike Barragan/Gretchen Jacobs/Meghaen Dell'Artino.

   Mike Barragan asked Gretchen Jacobs and Meghaen Dell'Artino to provide an update on some specific legislative items. Ms. Jacobs updated the Board on some key legislative appointments at the Legislature. Mike Barragan recognized Gretchen for the AZ Capitol Times' write-up on her and shared the article. Meghaen Dell'Artino shared information on the State budget and where both the Senate and the House stand on the details. Mike Barragan added some information about EFRG and expressed his thanks for our lobbyists who serve on that committee. Several Board Members had questions, and discussion took place.

6. 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 month of April 2025 - Laura Felten.

   VSIG – Laura Felten reviewed the VSIG financial statements in detail. She stated claims are up from last year, yet are continuing to be stable. She noted there is one large claim that should show on the financials in July. She reviewed the investment portfolio and stated they are strong for all groups. Market value is stable. Interest earnings are very strong, as are the investment returns. Ken Hicks asked a question about reinsurance and Laura Felten responded.

   VSWCG—Laura Felten reviewed the VSWCG financial statements in detail. There are no large claims pending. Mike Barragan mentioned that he presented the financial statements to GESD, adding that they were pleased with the data.

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

VSMG—Laura Felten reviewed the VSMG financial statements in detail. The VSMG maintained a strong net position at the end of the fiscal year. She noted that the growth within the VSEBG is reflected in the VSMG financial statements.

MOTION: Jim DiCello	SECOND: Ken Hicks	VOTE: 6-0-0-2
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – absent
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes	Dale Ponder – yes	

7. Review/approve proposed FY 2025-2026 budgets – Laura Felten.

VSIG – Laura Felten reviewed the VSIG proposed budget in detail and noted the changes made since the last board meeting. She pointed out changes to the property line item and reviewed the excess insurance premium savings. Tom Boone asked for some clarification, and Laura Felten answered. Jim Migliorino clarified and reiterated the property deductibles and SIR totals to ensure the Board understood. Ken Hicks had some questions and discussion took place. Tom Boone thanked Jim Migliorino for his work.

VSWCG—Laura Felten reviewed the VSWCG proposed budget in detail and noted that no changes have been made to it since the April board meeting.

VSEBG—Laura Felten reviewed the VSEBG proposed budget in detail, stating that much work was put into the changes taking place with new and existing members. She also reviewed the budget adjustments. Tom Boone commented on some of our new members. A short discussion took place.

VSMG – Laura Felten reviewed the VSMG proposed budget in detail. She stated that no changes had been made to this proposed budget since the April board meeting; however, she revisited some of the details discussed at the last meeting regarding growth in the VSEBG. Dale Ponder asked for some clarification on the medical claims, to which Ms. Felten and Tom Boone replied.

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 – absent
Jim Migliorino –yes	Dale Ponder – yes	

8. Review of 2025 Annual Reports and Disclosure Statements to be filed with the Arizona Corporation Commission – Jodi Jerich/Tom Boone.

Jodi Jerich reviewed the 2025 Annual Reports and Disclosure Statements with the Board. She noted these reports will be filed with the Corporation Commission in June 2025.

9. Executive Director Member Services update – Tom Elliott.

Tom Elliott reviewed the third quarter's medical and dental experience reports with the Board. He discussed some specifics regarding individual members. A short discussion took place.

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

Tom Boone reviewed the calendar events through the end of summer and reminded the Board of the next VSMG Board meeting date. Jill Barragan noted that the ASBO International conference is scheduled during the VSMG Board meeting on October 22, 2025, and suggested changing the meeting date to October 29, 2025. The date will be revised accordingly. Mr. Boone once again recognized Jim Migliorino and Ken Hicks, thanking them for their service to the VSMG Board. Tom Boone also expressed gratitude and acknowledged Tom Elliott for his years of service to Valley Schools, adding that VSEBG has grown significantly during his tenure as Executive Director of Member Services.

11. Board Member comments.

Mike Barragan recognized Tom Elliott for his years of service to VSEBG, appreciating his efforts to elevate the organization and acknowledging his coaching and mentoring over the years. Mr. Barragan expressed gratitude for Mr. Elliott's contributions on multiple levels. He also recognized Ken Hicks, congratulating him on his upcoming role with Valley Schools as the Executive Director Member Services, and noted his ongoing support and mentorship, stating he is looking forward to his ongoing leadership. He also acknowledged Dale Ponder, saying he adds tremendous value to the VSMG Board. He concluded by thanking Tom Boone for his leadership of VSMG.

Jill Barragan thanked Jim Migliorino for his years of service and leadership on the VSMG Board, stating that AASBO is fortunate to have him as their new leader. She expressed gratitude for Ken Hicks and the years of service he has provided to the VSMG Board, looking forward to his new role at Valley Schools and noting her confidence that he will continue to serve the organization in a significant capacity. She acknowledged Tom Elliott and his contributions to VSEBG over the years, highlighting his considerable impact on the community and our members. She welcomed Dale Ponder to the board, emphasizing that the knowledge he brings to the VSMG Board is highly valued. She remarked that Kendall Taylor has been a tremendous asset to Valley Schools, adding that she is an exceptional leader.

Dale Ponder thanked the board for the opportunity to be part of the team. He stated that the organization is exceptional and looks forward to learning a lot while serving on the VSMG Board.

He appreciated Tom Elliott, Elvis Becerra, Kendall Taylor, and April Jelovic for their service to YABC, and mentioned that the onboarding at YABC has been fantastic, expressing confidence in the Valley Schools team. He noted that the experience with VSEBG has been terrific.

Ken Hicks thanked the board members and Tom Elliott for his service to Valley Schools and his personal mentorship. He expressed gratitude to the other board members for their support and guidance over the years, stating that serving on the VSMG Board has been a very positive experience. He looks forward to coming to work for VSEBG.

Jim DiCello thanked Tom Elliott for his years of service and added that he looks forward to working with Jim Migliorino and Ken Hicks in their new roles.

Jim Migliorino appreciated the board members' sentiments and echoed many of their statements about Tom Elliott and the Valley Schools team. He expressed gratitude for the opportunity to serve on the Board and acknowledged the work accomplished over the years, noting that much has been achieved. He emphasized that with strong leadership, he is confident progress will continue in the years ahead.

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 appointment of Directors and election of Officers, and;

A.R.S. § 38-431.03 (A)(3) and (A)4) for the purpose of discussion and consultation with legal counsel regarding settlement discussions to resolve potential litigation regarding payments to third-party vendors.

MOTION: Jim DiCello	SECOND: Mike Barragan	VOTE: 7-0-0-1
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – yes
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes	Dale Ponder – yes	

A short recess took place, and Executive Session convened at 1:51 p.m.

13. Returned to regular session at 2:34 p.m.

14. Possible action from Executive Session.

The following motion was made:
"Pursuant to Article IV of the VSMG Bylaws, I move that Jim DiCello be elected to serve as Secretary of the Valley Schools Management Group Board of Directors effective July 1, 2025."

MOTION: Mike Barragan	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 – absent
Jim Migliorino –yes	Dale Ponder – yes	

The following motion was made:
"Pursuant to Article III of the VSMG Bylaws, I move that Marcie Rodriguez be appointed as a Term Director of the Valley Schools Management Group Board of Directors to serve a two-year term effective July 1, 2025".

MOTION: Mike Barragan	SECOND: Jill Barragan	VOTE: 6-0-0-1
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – yes
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes		

The following motion was made:
"Pursuant to Article III of the VSMG Bylaws, I move that Heather Mock be appointed as a Term Director of the Valley Schools Management Group Board of Directors to serve a two-year term effective July 1, 2025".

MOTION: Mike Barragan	SECOND: Ken Hicks	VOTE: 6-0-0-1
Tom Boone – yes	Mike Barragan – yes	Jill Barragan – yes
Jim DiCello – yes	Ken Hicks -yes	Bill Maas – absent
Jim Migliorino –yes		

15. The meeting adjourned at 2:38 p.m.

Respectfully submitted,

Jim Migliorino, Secretary

JM/lad