



Management Board

Tom Boone, Chairman/CEO
Mike Barragan, Vice-Chairman
Jim DiCello, Secretary
Bill Maas, Treasurer
Jill Barragan, Member
Heather Mock, Member
Dale Ponder, Member
Marcie Rodriguez, Member

VALLEY SCHOOLS MANAGEMENT GROUP

MINUTES OF THE MEETING OF DECEMBER 17, 2025

1. Tom Boone, Chairman, called the meeting to order at 11:39 a.m.
2. **Board Members Present:**
Tom Boone, Chairman/CEO
Mike Barragan, Vice-Chairman
Jim DiCello, Secretary
Bill Maas, Treasurer
Jill Barragan, Member
Heather Mock, Member
Dale Ponder, Member

Board Members Absent:
Marcie Rodriguez, Member

Staff Present:
Lisa Dessenberger, Executive Assistant
Ken Hicks, 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
Elvis Becerra, Director Account Management Services
Riley Gerveler, Senior Wellness Success Manager

Guests Present:
Gretchen Jacobs, Lobbyist, Arizona Governmental Affairs
Tahya Visintainer, Human Resources, Peoria Unified School District

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3. Approval of the VSMG Board meeting minutes held on October 29, 2025.

MOTION: <u>Mike Barragan</u>	SECOND: <u>Jim DiCello</u>	VOTE: <u>7-0-0-1</u>
Tom Boone – <u>yes</u>	Mike Barragan – <u>yes</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Bill Maas - <u>yes</u>	Heather Mock – <u>yes</u>
Dale Ponder – <u>yes</u>	Marcie Rodriguez– <u>absent</u>	

4. Approval of the VSMG Executive Session meeting minutes held on October 29, 2025.

MOTION: <u>Jill Barragan</u>	SECOND: <u>Mike Barragan</u>	VOTE: <u>7-0-0-1</u>
Tom Boone – <u>yes</u>	Mike Barragan – <u>yes</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Bill Maas - <u>yes</u>	Heather Mock – <u>yes</u>
Dale Ponder – <u>yes</u>	Marcie Rodriguez– <u>absent</u>	

5. Legislative update – Mike Barragan/Gretchen Jacobs.

Mike Barragan introduced Gretchen Jacobs. She stated that the next legislative session starts on January 12, 2026, and provided information on what to expect. She shared that the Senate President has made some statements about what he will tolerate in bills and party-to-party fighting. She provided details on the positions some legislators plan to run for in the upcoming election cycle. She also shared information on specific bills supported by various legislators, as well as details on the funding allocated to schools. Mike Barragan asked Ms. Jacobs to share details about Prop 123 and ESAs. She noted that the budget is the biggest issue for next year and offered specific details. She discussed the Big Beautiful Bill and SEO programs. Jim DiCello talked about some tax details and noted how they aligned with Gretchen's earlier comments. She also discussed the upcoming Governor's race, with Jodi Jerich asking questions about the candidates.

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 month of October, 2025 – Laura Felten.

VSIG—Laura Felten updated the Board on her communication with Sage Investment, specifically discussing their perspective on the volatility related to public policy. She then reviewed the VSIG October 2025 financial statements in detail.

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VSWCG – Laura Felten reviewed the VSWCG October 2025 financial statements in detail. Claims are running approximately the same as they did at this time last year. Tom Boone stated that these financial statements reflected the addition of a new member.

VSEBG—Laura Felten reviewed the VSEBG October 2025 financial statements in detail. She briefly discussed the paid claims budget, noting claims are running similar to last year at this time.

VSMG—Laura Felten reviewed the VSMG October 2025 financial statement in detail. She discussed some of the budget line items, noting that all budgets are performing as expected.

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

Tom Boone – <u>yes</u>	Mike Barragan – <u>yes</u>	Jill Barragan – <u>yes</u>
Jim DiCello – <u>yes</u>	Bill Maas - <u>yes</u>	Heather Mock – <u>yes</u>
Dale Ponder – <u>yes</u>	Marcie Rodriguez – <u>absent</u>	

7. Discuss/review Valley Schools Insurance Group, Valley Schools Workers' Compensation Group, Valley Schools Employee Benefits Group, and Valley Schools Management Group Audit Reports for year-end June 30, 2025 – Jim DiCello/Laura Felten.

Jim DiCello reviewed the audit reports. He noted that these audits contain unmodified opinions, which are the best that can be given.

Jim DiCello began by reviewing the MD and A of the VSIG report, noting that claims and losses in 2025 decreased, and the trend suggests that 2026 may remain the same. He noted that VSMG had a significant increase in the ending net position. REDW did a great job on the audits, and he commended Laura Felten and the finance department staff for their hard work. Mike Barragan asked where these audits are distributed, and Jim replied that the VSIG, VSWCG, and VSEBG reports are sent to the Arizona Industrial Commission and the Arizona Department of Insurance. Tom Boone stated only the VSIG, VSWCG and VSEBG audited are submitted.

Mike Barragan mentioned that all school districts perform audits annually, with performance audits happening every few years. He added that the VSMG audit report is not sent to the Department of Insurance because they only oversee the VSIG, VSWCG, and VSEBG. Laura Felten concluded by praising REDW for their thorough work and recognizing Raquel Flores for her support to REDW. Tom Boone and Mike Barragan also expressed gratitude for all of Jim DiCello's efforts.

8. Discuss/review Sage Annual Report – Laura Felten.

Laura Felten informed the Board that Sage Investment Group would host a seminar in Phoenix for the District's financial staff. Jill Barragan asked whether this event was exclusive to Valley Schools members or would also be open to prospective members, leading to a brief discussion. The event is currently scheduled for March 24, 2026. Laura then reviewed the Sage Annual Report, discussing its formatting and explaining some benchmarking and investment details. CDs and Treasury yields were also covered.

9. WellStyles Annual Performance Report – Kendall Taylor.

Kendall Taylor presented the WellStyles Annual Performance report for FY 2024-25. She discussed specific health solution programs that have been implemented and provided details on the cost savings of the health services programming. She noted that these savings increased significantly due to the addition and implementation of new programs. Jim DiCello asked questions about Hinge Health and shared his experience with the program. A brief discussion followed. Tom Boone commented that WellStyles is a valuable benefit offered by Valley Schools to its members. He thanked Kendall Taylor and the WellStyles team for their hard work. Dale Ponder commended Kendall and her team. Mike Barragan concurred.

10. Key Performance Indicators (KPIs) for the calendar year 2026 – Tom Boone.

Mr. Boone stated that the KPI document has been updated with a new format. He explained the changes and then reviewed the KPI data in detail. He also noted that WellStyles information has been added to the KPIs. Dale Ponder stated that he appreciates the consideration of members' circumstances and the focus on the medical message being conveyed, which benefits both the member and the plan. Bill Maas inquired about implementing different strategies for retaining versus attracting new members, which led to a discussion with several suggestions. Heather Mock asked how often KPIs are reviewed to ensure Valley Schools is on target, and if the target isn't met, how often the Board is informed and sought for help and advice. Tom Boone responded.

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

Tom Boone reviewed the date of the next VSMG Board meeting and several upcoming conferences and events on the calendar. He wished the Board a happy holiday season and also shared a heartfelt thank-you card from Brian Mee's wife. The card was passed around for the Board to read.

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12. Board Member comments.

Mike Barragan shared additional information he received from Colleen Mee. He encouraged the Board to read the AASBO Edge for a tribute to Brian Mee. He mentioned that he has received feedback from Members regarding the support they have received. He also praised the support VSMG provides to the school district community as a whole. He thanked the Board for their hard work and expressed appreciation for everything each Board Member has done to represent Valley Schools. Jim DiCello wished the Board happy holidays and thanked the staff for their support. Heather Mock discussed the VSEBG Summit and expressed gratitude to everyone involved in organizing the event. She appreciated all the staff at Valley Schools for their support and assistance. Jill Barragan expressed appreciation to Valley Schools employees and their individual teams. She also shared information that Colleen Mee had personally shared with her about the support Valley Schools provided and the gratitude the Mee family has for that support. Bill Maas thanked all staff for their support and wished everyone a happy holiday season. Dale Ponder stated that he has enjoyed serving on the Board; he said the Summit was fantastic and is excited to see Valley Schools' continued growth. He highlighted some of the VSEBG staff and thanked them for their ongoing support of him and his team.

13. The meeting adjourned at 1:21 p.m.

Respectfully submitted,


Jim DiCello, Secretary

ID/lad