

NORTHWEST ARIZONA EMPLOYEE BENEFIT TRUST
DRAFT - Minutes of Board of Trustees Trust Meeting
Friday, February 6, 2026, 9:00 A.M.

Trustees Present:

Toby Cotter, Bullhead City
Jess Knudson, Lake Havasu City
Erin Horvath, Lake Havasu Unified School District #1 (LHUSD)
Tim Walsh, City of Kingman

Others Present:

Laura Bacon, Gallagher	Phylcia Martel, City of Kingman
Ryan Benitez, Cheiron	Rachele Martin, BCBSAZ
Kari Bravata, LHUSD	Stephanie Moore, Gallagher
Sarah Camarena, Bullhead City	Ryan Olson, Cheiron
Mike Groeger, BCBSAZ	Kelly Schoonmaker, AmeriBen
John Hatz, Gallagher	Brittney Sertic-Bayliss, Lake Havasu City
Mike Hensley, Jones, Skelton & Hochuli	Canden Stanley, Bullhead City
Jennifer Huppenthal, AHG	Krista Toschlog, City of Kingman
Krista Keller, AmeriBen	Daniela Zubic, Gallagher
Bobbie Kimelton, Lake Havasu City	

1. Call to Order

The meeting was called to order by Chairperson Cotter at 9:03 A.M.

2. Roll Call

Trustees present include Chairperson Cotter representing Bullhead City, Jess Knudson representing Lake Havasu City, Tim Walsh representing City of Kingman, and Erin Horvath representing Lake Havasu Unified School District #1.

3. Discussion and Possible Action Regarding Approval of the November 12, 2025 Regular Meeting Minutes

Trustee Knudson made a motion to approve the November 12, 2025 Trust Meeting Minutes as presented without changes, Trustee Walsh seconded the motion, and the motion passed unanimously.

4. Discussion and Possible Action Regarding Approval of the Financials through December 2025

Laura Bacon from Gallagher presented the December 2025 financial report, highlighting the year-to-date cash position and large claimants.

Trustee Walsh made a motion to approve the October, November, and December 2024 Financials as presented, Trustee Knudson seconded the motion, and the motion passed unanimously.

5. Discussion and Possible Action Regarding June 30, 2025 Financial Audit Report

Stephanie Moore from Gallagher presented the financial audit as prepared by Alan Noudali, CPA as of June 30, 2025.

Trustee Knudson made a motion to accept the audit, Trustee Walsh seconded the motion, and the motion passed unanimously.

6. Reinsurance Renewal Authorization

Trustee Walsh made a motion to authorize the Chairperson to bind the reinsurance renewal that is in the best interests of the Trust, Trustee Horvath seconded the motion, and the motion passed unanimously.

7. Discussion and Possible Action Regarding Pharmacy Benefit Administrator Request for Proposal. May go into executive session pursuant to ARS Sec. 38-431.03 (A) (3 and 4).

Stephanie Moore from Gallagher introduced the item.

Trustee Walsh made a motion to move into executive session at 9:10am, Trustee Knudson seconded the motion, and the motion passed unanimously.

Trustees and Alternate Trustees resumed open session at 9:23 am.

8. Discussion and Possible Action Regarding the 2026-27 Benefits and Rates

Stephanie Moore of Gallagher provided an overview of the benefit changes and updated rates previously presented during the Work Session. Trustees held a discussion regarding Fedlogic and the potential for a buy-up plan that would include Mayo Clinic as an in-network provider. Trustee Cotter noted his interest in coverage for GLP-1 medications for weight loss. The Trustees also discussed the possibility of using surplus funds to offset the anticipated additional expenses for the upcoming year. Changes for the 2026-27 plan year include: Medical Rx - Recommended 14.8% claims funding increase, add Digbi as a point solution, and add Leap Health as a point solution to all plans. Dental – 0.0% claims funding increase and add expanded maternal benefits. Vision – Recommended 10.3% claims funding increase. Life – Allow guaranteed issue up to \$100,000 for employees only unless previously denied. Short-term Disability – increase BHC funding 9.1% and increase benefit to 75% of weekly salary.

Trustee Walsh made a motion to approve the 2026-27 Benefit Changes and Funding Rates

as discussed and presented including utilizing \$1.25 million in cash reserves. Trustee Cotter seconded the motion, and the motion passed unanimously.

9. Discussion and Possible Action Regarding Approval of the 2026-27 Administrative Vendor Contract Amendments

Stephanie Moore from Gallagher presented the following vendors who will have contract amendments effective July 1, 2026.

- 1.) AmeriBen
- 2.) BCBSAZ
- 3.) Jones, Skelton, and Hochuli
- 4.) American Health Group
- 5.) Gallagher Benefit Services
- 6.) Cheiron
- 7.) Standard

Trustee Knudson made a motion to authorize the Chairperson to execute the 2026-27 vendor contract amendments as reviewed by the Trust attorney, Trustee Horvath seconded the motion, and the motion passed unanimously.

10. Discussion and Possible Action Regarding New Program Contracts

Stephanie Moore from Gallagher presented New program contracts with Digbi Health and Leap Health.

Trustee Walsh made a motion to contract with Digbi Health and Leap Health and authorize the Chairperson to execute the contract on behalf of the Trust following approval as to form by the Trust Attorney. Trustee Knudson seconded the motion, and the motion passed unanimously.

11. Administrative Update

Stephanie Moore from Gallagher stated that Trustees will review the Trust Document and By-Laws at the next Trust meeting.

12. Individual Entity Reports

Lake Havasu Unified School District (LHUSD) – Kari Bravata reported that she was pleased to attend the annual renewal meeting. Erin Horvath also expressed appreciation for being present and noted that LHUSD is grateful to be part of the Trust.

Lake Havasu City – Bobbie Kimelton shared that the City recently completed its annual Health Risk Assessments and is preparing for its upcoming Health and Wellness Fair. She noted they are also collaborating with IT to develop an educational banner for the website.

Jess Knudson thanked everyone for their work and creativity throughout the meetings.

City of Kingman – Phylcia Martel reported that the City has concluded its annual Health Risk Assessments. She highlighted that the new voluntary benefits offered through Symetra have been well-received. She added that plan distributions continue to trend

positively and that they look forward to seeing continued growth within the Trust. Krista Toschlog noted that planning is underway for their annual Benefit Fair and expressed appreciation to GBS for their support.

Bullhead City – Camden Stanley shared that the City is working on an exciting new program in partnership with Nayya and is planning its upcoming Benefit Fair, which will be the first during her tenure. Toby Cotter added that Bullhead City has recently acquired a golf course and is in the process of hiring a veterinarian for the animal shelter.

13. Future Agenda Items

Trustees noted that they would like to revisit FedLogic, GLP-1 for weight loss and adding a buy-up plan that includes Mayo Clinic as in-network at a future meeting.

14. Next Meeting Date

The next meeting date is set for May 5, 2026, at Lake Havasu City.

15. Adjournment

Chairperson Cotter adjourned the meeting at 10:18am

Respectfully Submitted,

Laura Bacon, Recording Secretary