

Minutes
Meeting, Board of Trustees
Kansas Worker Risk Cooperative for Counties
June 19, 2008 at 1:00 p.m. via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The June 2008 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:02 p.m. via teleconference in Topeka by Board President F. E. "Shep" Schoepf on Thursday, June 19, 2008. Trustees participating included, F. E. "Shep" Schoepf, Reno County Commissioner, President; Michelle Garrett, Morris County Clerk, Vice President; Jim Wise, Miami County Commissioner, Secretary; Linda M. Buttron, Jefferson County Clerk, Controller; Bonnie Swartz, Gray County Clerk; Ralph D. Unger, Decatur County Commissioner; Doyle "Hooley" Alcorn, Jewell County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Philip J. Rippee, Loss Prevention Specialist; Mr. Richard Alexander, Accountant and Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director.

Others present included Ms. Annette Duncan and Mr. Paul Davis of Insurance Management Associates (IMA).

President Schoepf addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish requested two changes to the Agenda, first by changing the date of the Investment Committee Meeting to August 21, 2008 and second by adding Agenda Item 10a, "FY2009 Mileage and Meal Reimbursement." Ms. Swartz moved to approve the agenda with these additions. Ms. Garrett seconded the motion, which CARRIED unanimously.

President Schoepf addressed Agenda Item No. 3, "Consideration of Minutes of Meeting of May 22, 2008." Mr. Unger moved to approve the minutes as presented. Ms. Buttron seconded the motion, which CARRIED unanimously.

President Schoepf proceeded to Agenda Item No. 4, "Administrator's Report." Mr. Parrish addressed Agenda Item No. 4a, "Checks Requiring Board Approval and Ratification of Wire Transfers." Mr. Parrish itemized checks and wire transfers of funds. Mr. Alcorn moved to approve the checks and ratify the wire transfers as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Next, Mr. Parrish addressed Agenda Item No. 4b, "KAC Vendor Booth and KWORCC/KCAMP Annual Meetings." Mr. Parrish reviewed materials provided, indicating that the vendor booth is limited to Sunday this year and that the KWORCC and KCAMP annual meetings are slated for 5:00 p.m. on Monday. Mr. Unger moved that KWORCC obtain a gold sponsorship of the KAC annual meeting, including a quarter-page advertisement in the meeting program, and request that the KWORCC and KCAMP annual meetings be included on the final conference agenda. Ms. Swartz seconded the motion, which CARRIED unanimously.

President Schoepf then proceeded to Agenda Item No. 5, "Financial Report." Mr. Alexander reported on financial statements he prepared for May 2008. Ms. Swartz moved to accept the reports as presented. Ms. Buttron seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Mr. Unger moved to approve check Nos. 12561 through 12608 and the direct debits, all as presented. Ms. Garrett seconded the motion, which CARRIED unanimously.

Mr. Parrish then reviewed a spreadsheet showing the value of KWORCC's equity investments as of June 9, 2008.

President Schoepf addressed Agenda Item No. 9, "Committee Reports." There were no committee reports. Mr. Parrish stated that the next committee meeting would be the Investment Committee on August 21st at 12:00 p.m. The meeting originally was scheduled for July 17, but the Security Benefit advisors cannot be present for the July meeting. After a discussion by Trustees of investment strategy, Mr. Unger moved that KWORCC invest \$21,000 for each of the months of July and August 2008 and allocate this investment equally by investing \$7,000 each in the Security Global Fund, the Security Mid-Cap Value Fund and the Alpha Opportunity Fund, provided that such investment will be subject to the availability of cash without incurring penalties for early sale of existing securities. Mr. Wise seconded the motion which CARRIED unanimously.

President Schoepf addressed Agenda Item No. 6, "Claims Report." Ms. Duncan reported on several claims and answered questions.

Ms. Duncan reviewed the Logicom report for the period of January 1, 2008 through May 31, 2008. She stated that the total amount billed is \$2,120,777. The report showed actual paid amount to be \$1,263,464 for net savings after fees of \$857,314 or more than 40% of the amount billed for this five-month period.

Next, Mr. Davis explained an analytical review generated by IMA showing KWORCC's claim history for policy years 2007 and 2008. The documents consist of graphs which compared the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. The intent of the presentation was to provide Board members a visual comparison of these and their relationship to the actuarial projected losses. Mr. Davis emphasized these charts should not be considered as a guarantee of either good or poor ultimate-loss performance.

President Schoepf called upon Mr. Rippee to address Agenda Item No. 7, "Loss Prevention and County Visits." Mr. Rippee reviewed calendars for May, June and July for the loss-prevention staff as well as the breakdown of county visits since the first of the year.

President Schoepf addressed Agenda Item No. 8, "Legal Report." Mr. Parrish reported there were no legal matters to review.

President Schoepf proceeded to Agenda Item No. 10, "Other items." Mr. Parrish addressed Agenda Item No. 10a, "FY2009 Mileage and Meal Reimbursement." He reviewed the changes in state reimbursement policy for FY2009 which starts July 1, 2008.

There being no further business, Mr. Unger moved to adjourn at 1:40 p.m. Ms. Garrett seconded the motion, which CARRIED unanimously.

The Board of Trustees approved the foregoing minutes of the Board of Trustees of Kansas Workers Risk Cooperative for Counties on the 17th day of July 2008.

Mr. Jim Wise, Secretary
KWORCC Board of Trustees